



provoke
insights

Restaurants
Consumer Trends

Summer 2023

Background & Objectives

Overview

Provoke Insights, a leader in research for branding, advertising, media, and content marketing initiatives, conducts a bi-annual consumer trends study to keep a pulse on the market across multiple industries.

The extensive study allows Provoke Insights to stay ahead of the trends and understand consumer mindset in the current moment.

Summer 2023 Wave

As economic uncertainty looms, American consumers are changing their buying habits. Restaurant and eateries need to understand how this is impacting purchase decisions and budgets for dining out.

Methodology

Provoke Insights conducted a 15-minute survey among 1,500 Americans between the ages of 21 and 65. The study was in-field in April 2023.

A random stratified sample methodology was used to ensure the sample represented the U.S. population (household income, age, gender, geography, ethnicity, and children in the household).¹

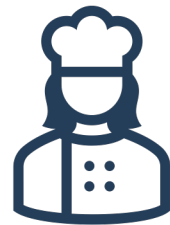
Results based on this sample have a maximum margin of sampling error of $\pm 2.5\%$ at a 95% confidence level.

A star “*” indicates statistical differences between subgroups at a 95% confidence level.

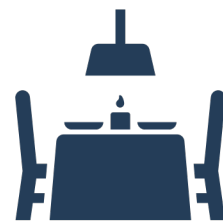
Overview



Inflation is taking a toll on the restaurant industry. Americans are noticing the price increases. As a result, people are dining out less frequently. *Full-service dining has seen the largest decrease in patronage.*



Americans are also implementing cost-saving techniques. *Selecting cheaper items on a menu remains the most popular way consumers reduce costs. Cutting out alcohol and drinks has increased in popularity as a cost-saving method.*



Promotional deals and loyalty programs are the primary ways restaurants can convince Americans to dine out more frequently.



The Dining Experience

Price Increases

The majority of consumers have felt the effects of inflation when dining out.

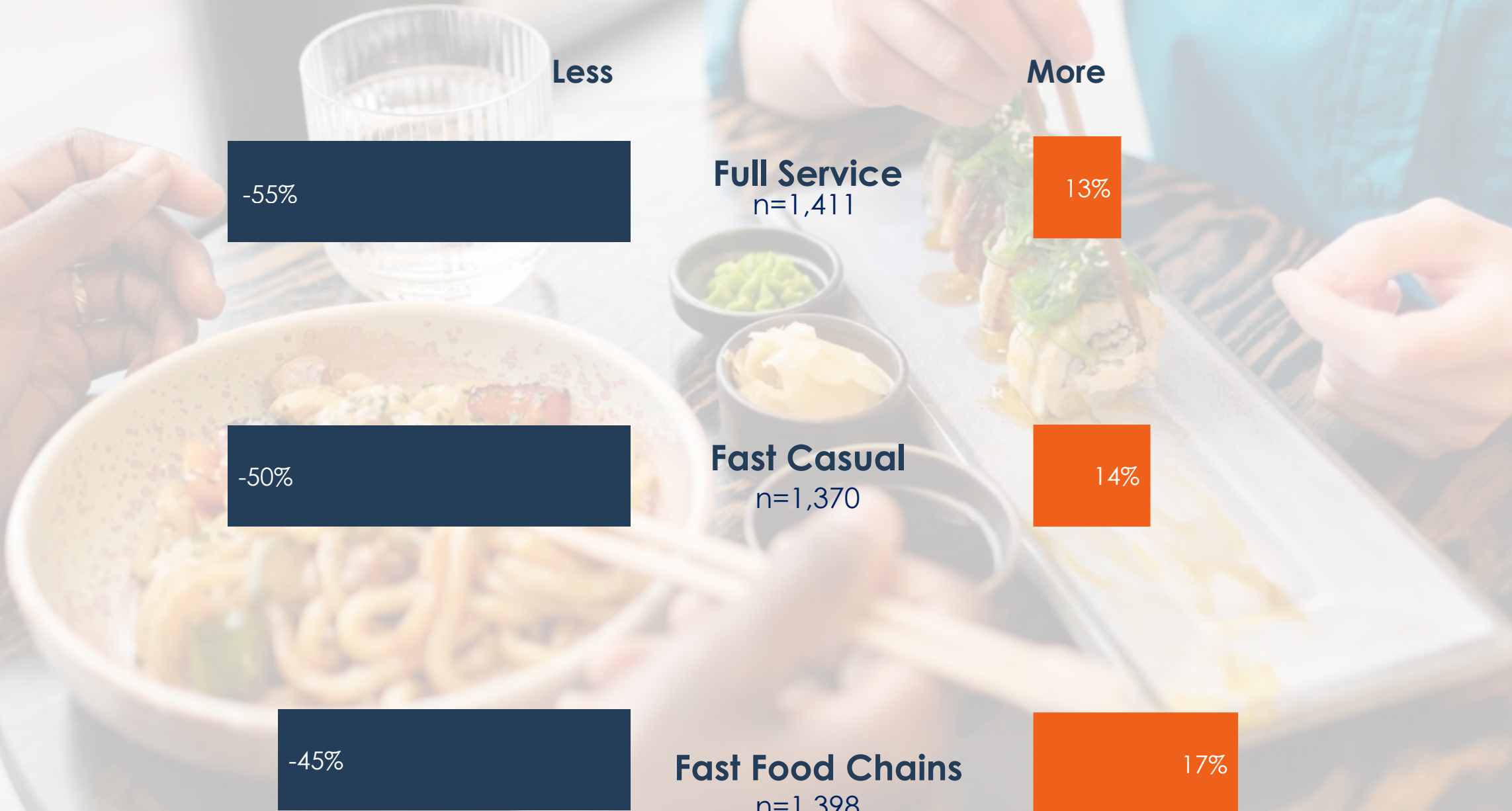
80% 

Americans have Noticed Price Increases at Restaurants



Frequency of Dining Out Compared to Six Months Ago

Americans are eating out less frequently. Full-service dining has seen the largest decrease in patronage.

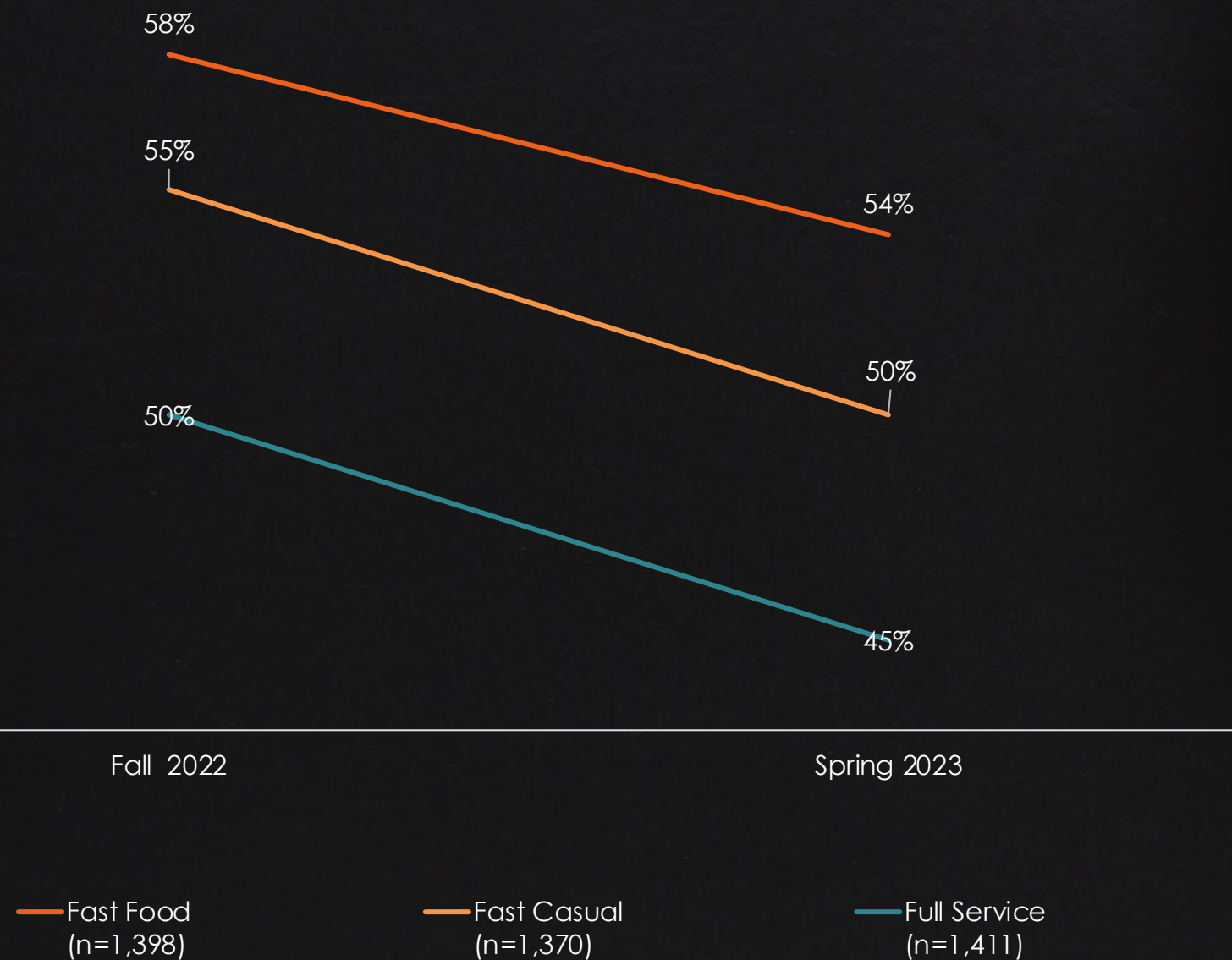


(Top 2/Bottom 2 on a 5-Point Scale)

Restaurant Frequency Decline

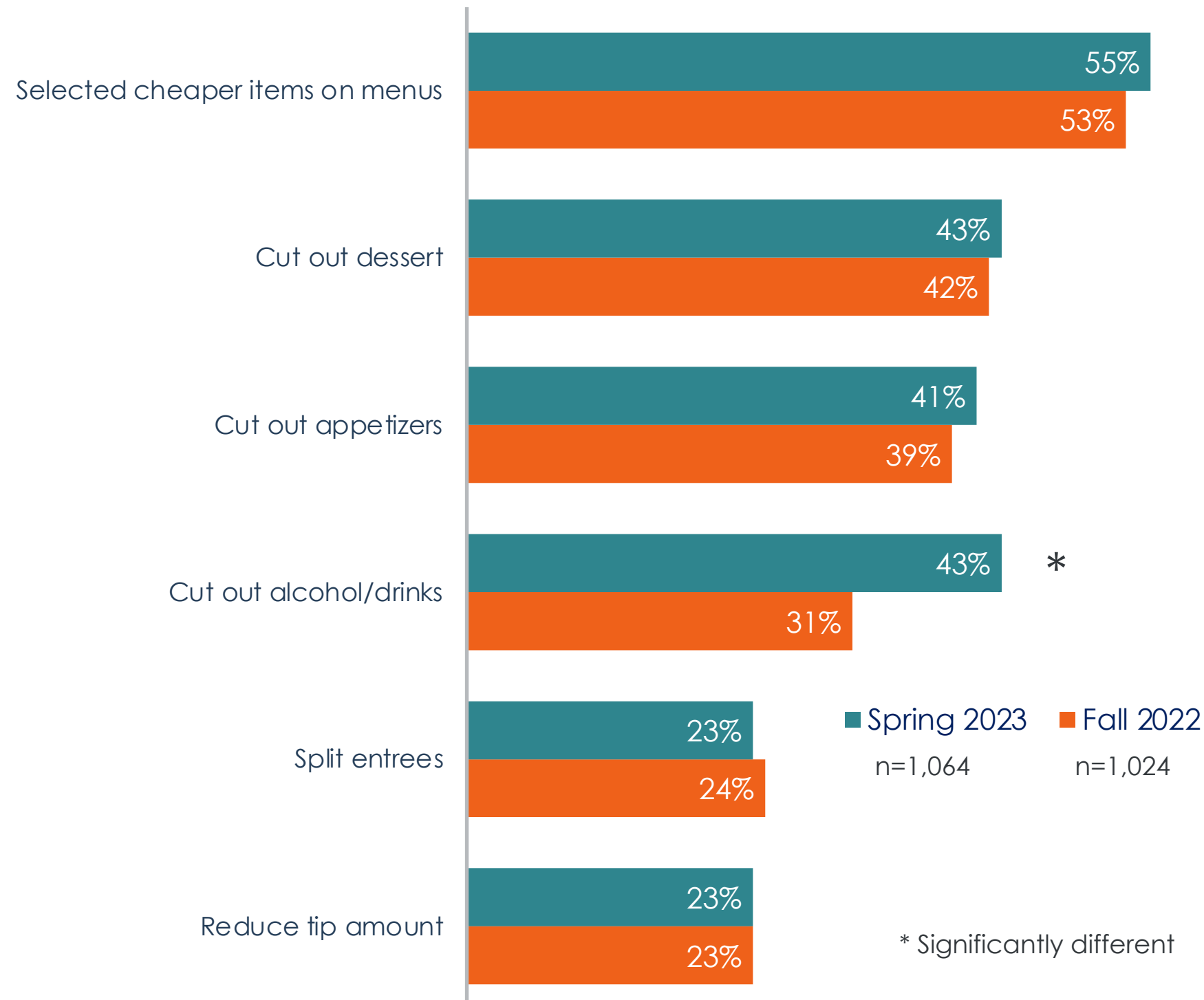
Regardless of restaurant type, patronage at restaurants is declining slightly.

Eat Out the Same or More Often
(Top 2 on a 5-Point Scale)



Restaurant Habit Changes

Selecting cheaper items on a menu remains the most popular way consumers reduce costs. Cutting out alcohol and drinks has increased in popularity as a cost-saving method.



Restaurant Programs

Promotional deals and loyalty programs are the primary ways to convince Americans to dine out more frequently.



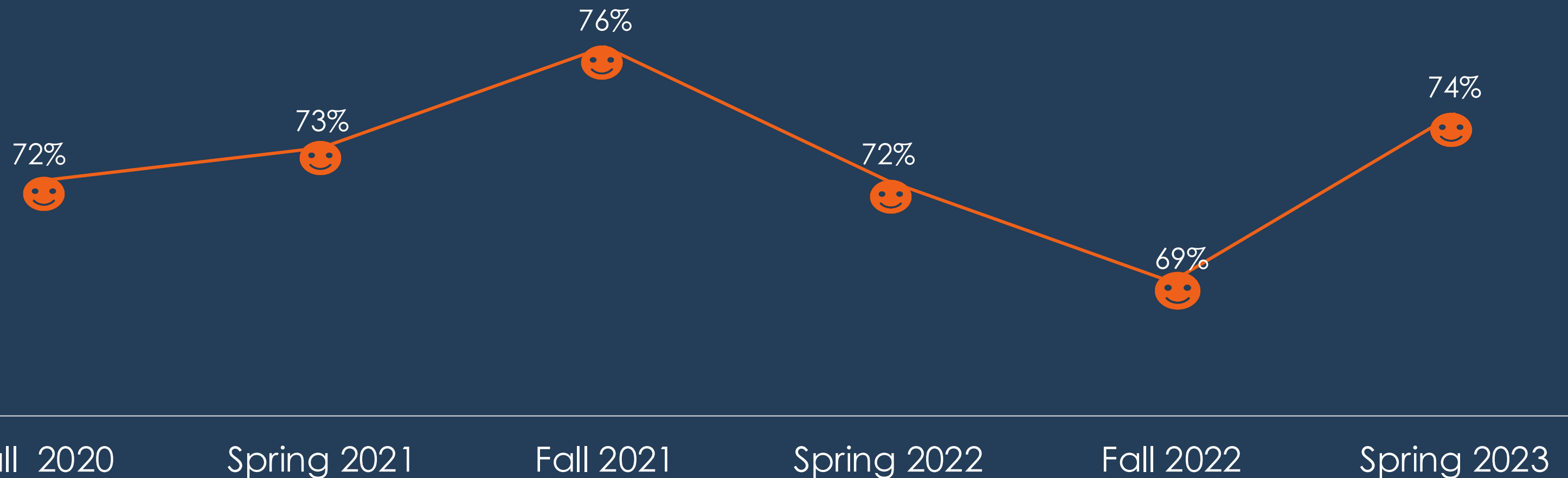
A man with dark hair and a beard, wearing a light blue dress shirt and a dark tie, is sitting at a desk. He is looking down at a document he is holding, with his right hand resting on his chin in a thoughtful pose. The desk is cluttered with papers and a pair of glasses. In the background, there are blue filing cabinets and a wooden desk. The lighting is soft and focused on the man.

External Trends Impacting Brands in Spring/Summer 2023

Consumer Optimism


Optimism levels are at the highest levels since Fall 2021.

Very/Moderately Optimistic




Finding the optimism in everyday

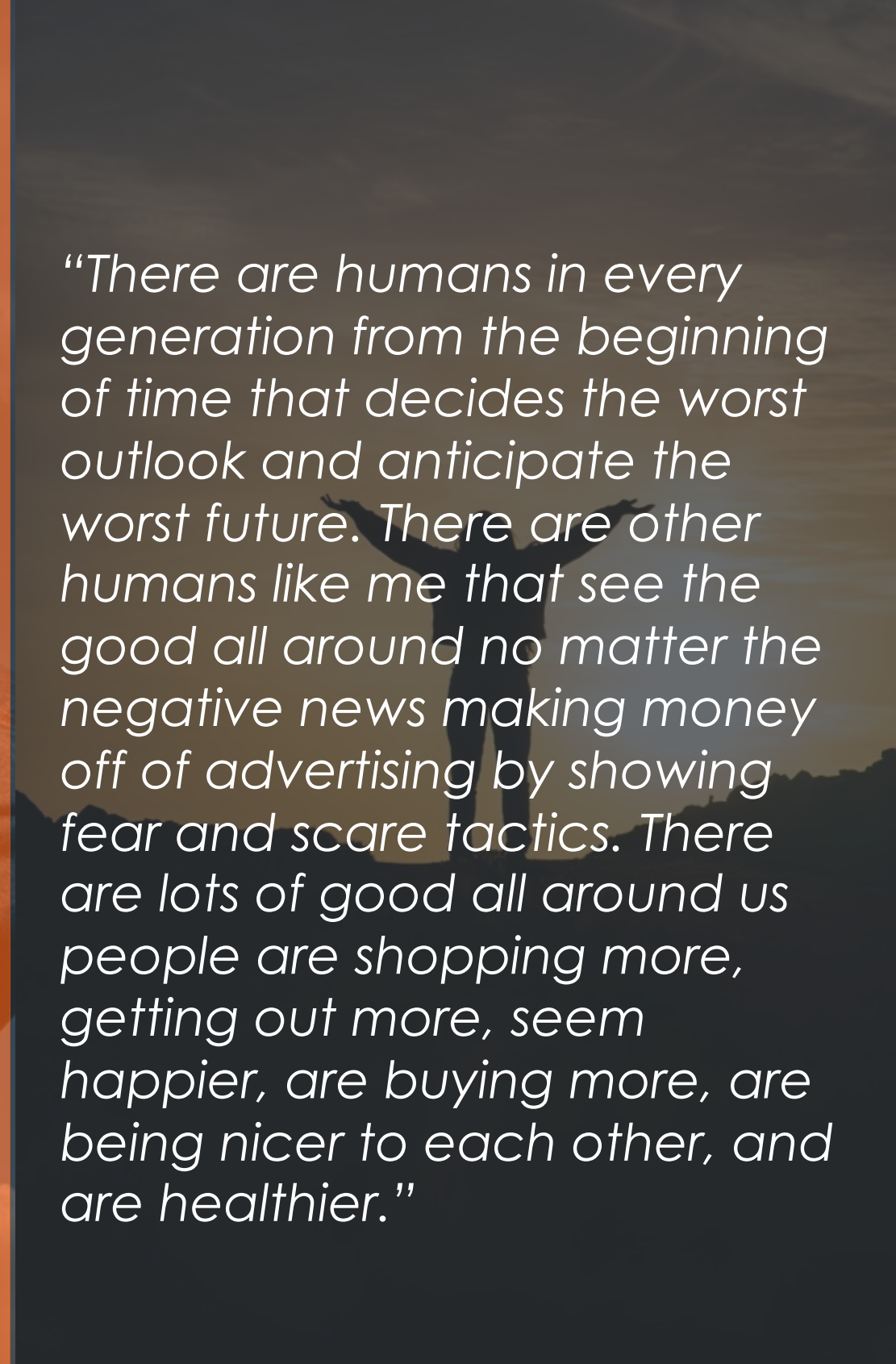
"I am optimistic about the future because of the younger generation. Today's youth are growing up in a more inclusive, diverse, and progressive world than ever before. They are passionate, informed, and eager to make a positive impact. Young people are driving change through activism, innovation, and social entrepreneurship. They advocate for a better future, demand action on important issues, and challenge the status quo."



"I am generally optimistic and believe that "tomorrow is another day", meaning every day is an opportunity to improve upon the past and make a brighter future."



"There are humans in every generation from the beginning of time that decides the worst outlook and anticipate the worst future. There are other humans like me that see the good all around no matter the negative news making money off of advertising by showing fear and scare tactics. There are lots of good all around us people are shopping more, getting out more, seem happier, are buying more, are being nicer to each other, and are healthier."



Government & inflation fuel lack of optimism

Divisive Government

“If our country were less politically and economically divisive, I would feel more optimistic. People have lost the ability to disagree in a civil manner. Our healthcare system is a nightmare. We do not take care of our society's most vulnerable.”

“People stop hating each other over politics & race, opinions. Get rid of political parties only interested in themselves.”

“Government that works for the majority of the people not just the interests that give them money.”

Inflation

“What would make me more optimistic about the future is an increase in personal finances and a decrease in the cost of everyday items and necessary products and services such as gas, clothing, utilities, and food”

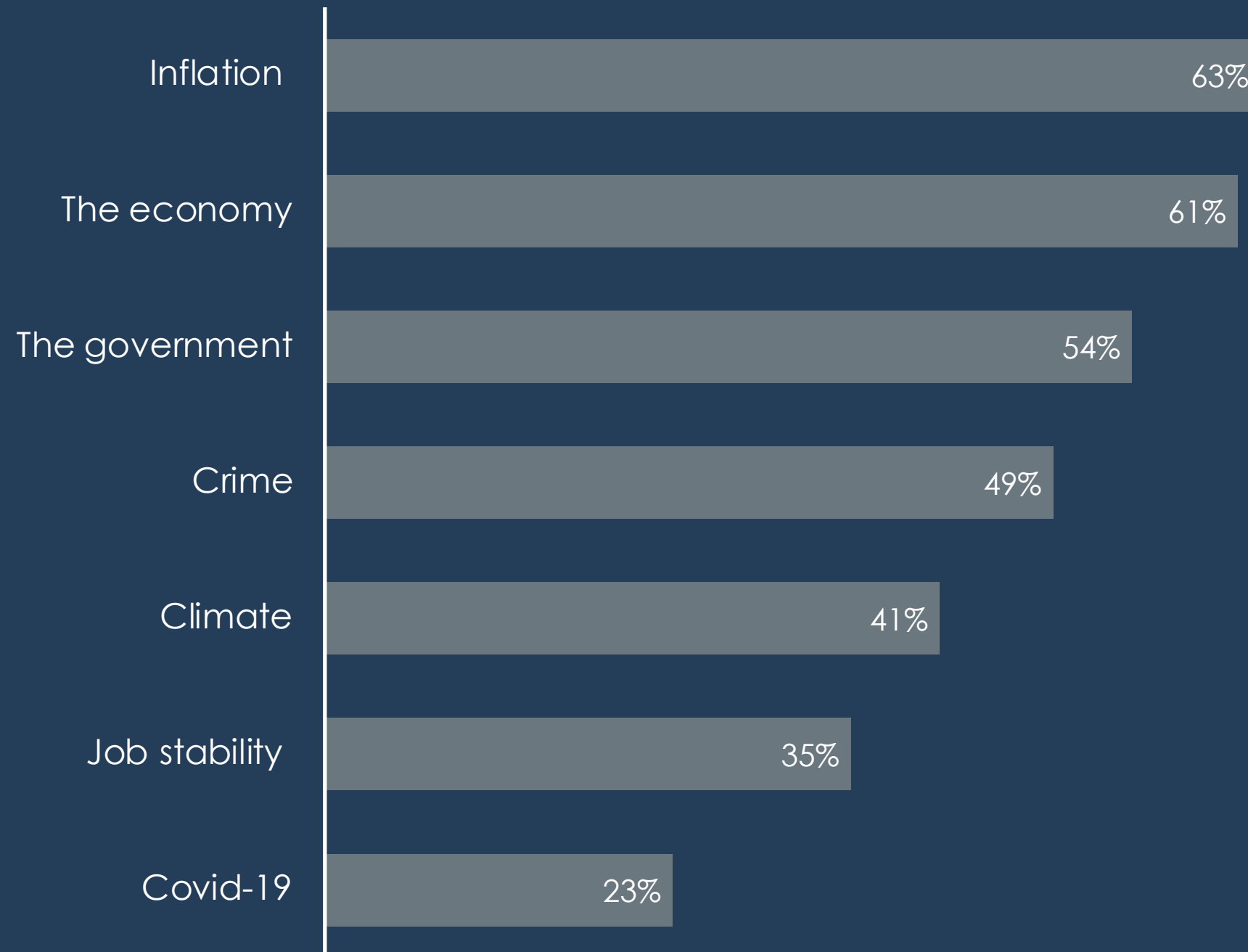
“If inflation were to go down.”

“Making sure I am financially stable and have money for my son.”

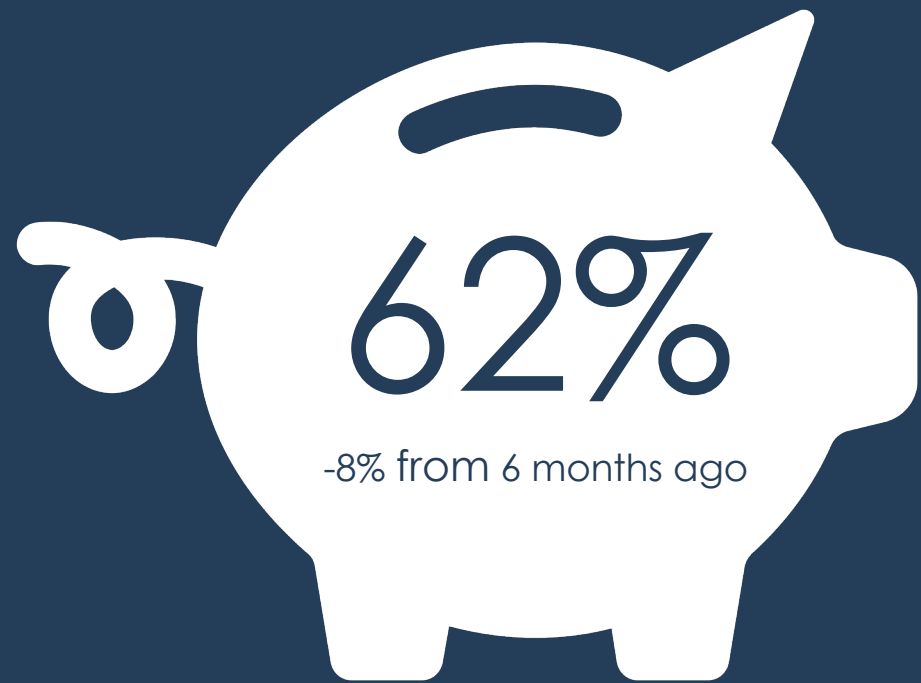
Top Concerns Impacting Consumers

Inflation and the economy are the leading issues impacting Americans.

Extremely/Very Concerned
(5-point scale)



Consumers are still in saving mode, particularly those who live in rural areas out West.



**More Budget
Conscious in the Last 6
Months**

Who is Significantly More Likely to Be in Saving Mode



69% Live in Rural area



66% Live in the West

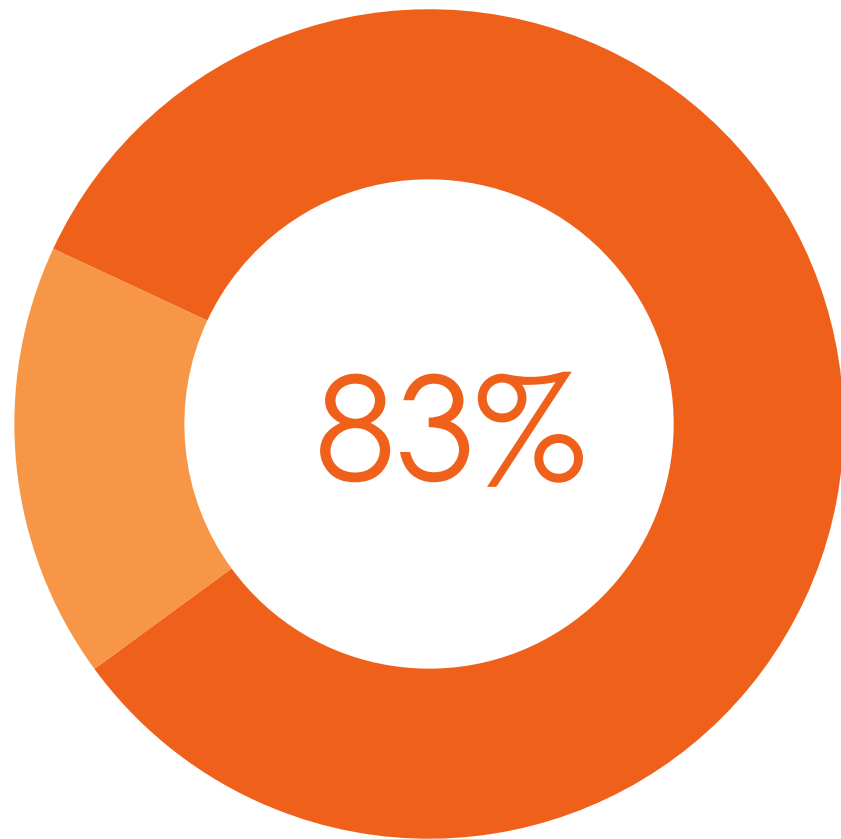
B

65% Baby boomers

Spending Behavior Changes

Consumers are couponing and shopping at discount stores more. ?

Changed Spending Behavior in the Last 3 Months



Base: All Qualified Respondents (N=1,500)



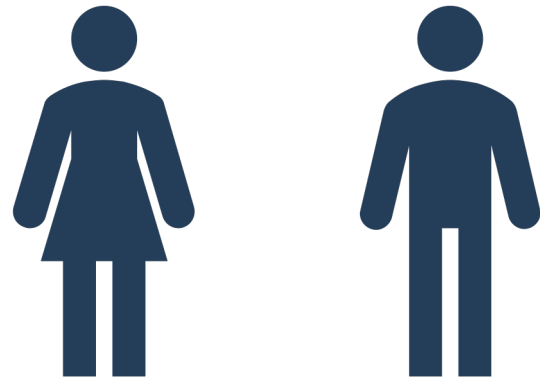
Ways Spending Behaviors Have Changed



Base: Spending behavior has changed (n=1,250)

Respondent Overview

Gender



51%
Female

49%
Male

*<1% other identity

Generation

42 years old
Median Age

Z 16% Gen Z

X 30% Gen X

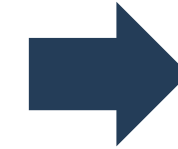
M 35% Millennials

B 18% Baby Boomers

Parental Status



40%
Have children

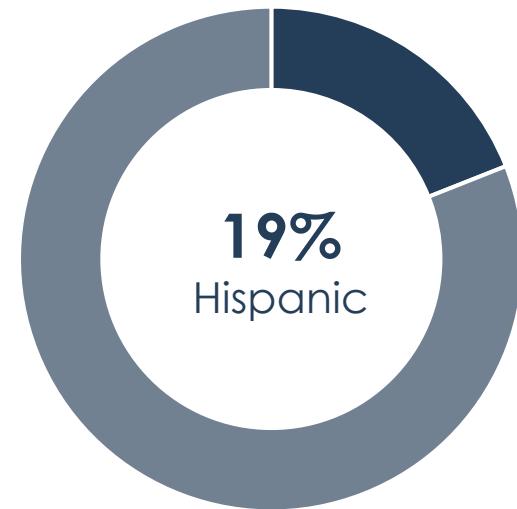


57%
Moms

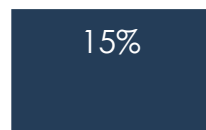


43%
Dads

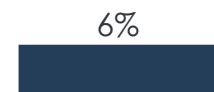
Ethnicity



White



Black



Asian



Mixed/Other/Prefer not to say

Household Income

