


MODERN RESTAURANT MANAGEMENT

JANUARY 3, 2022

NEWS & TRENDS

MARKETING

OPERATIONS

DESIGN

EQUIPMENT & TECHNOLOGY

FINANCE & LAW

MEDIA ▾

Audio

Video



Check Your Tone This Holiday

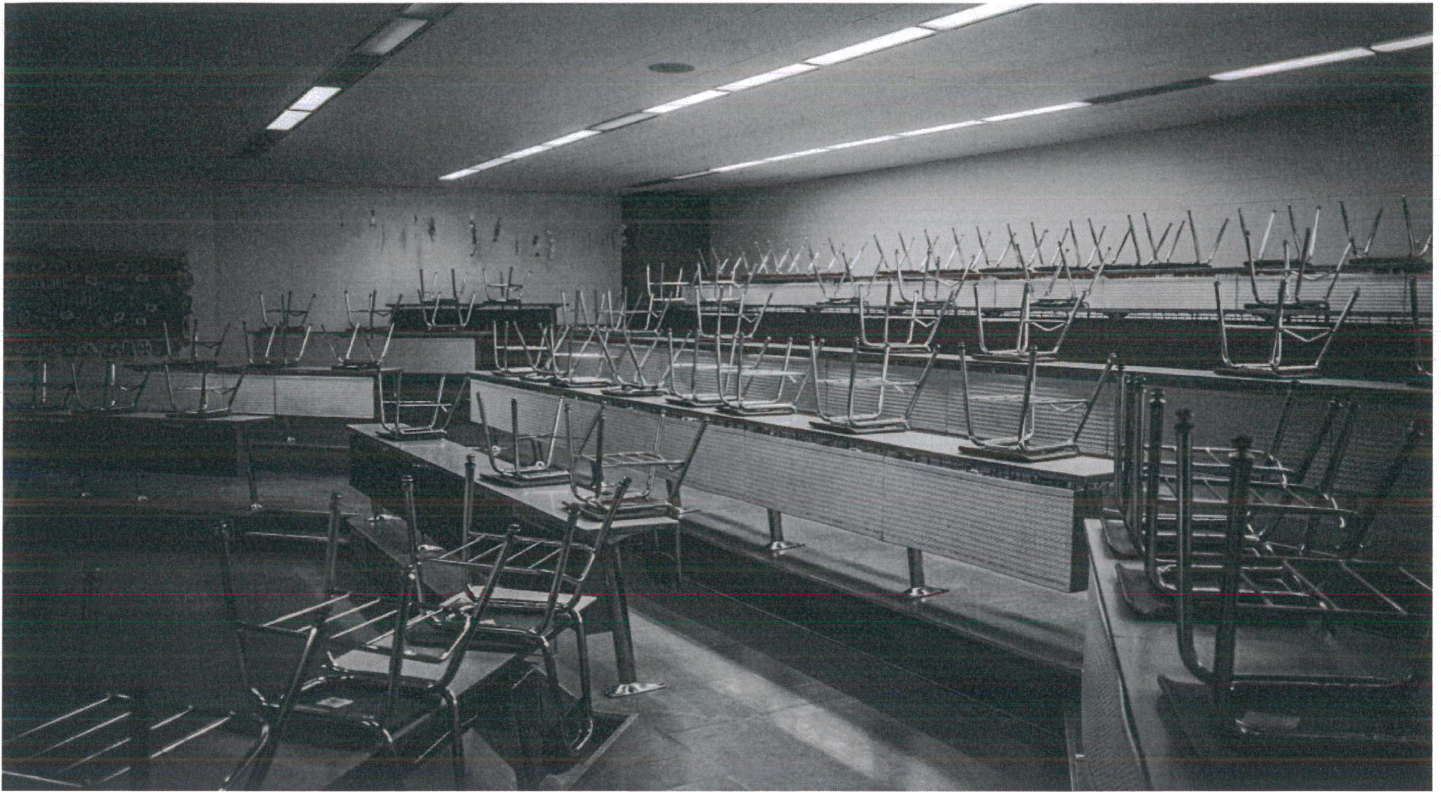
Send holiday cheer, not holiday fear. Check your tone for free with Grammarly.

Grammarly

Ins

advertisement





How COVID-19 Has Affected Restaurants (Infographic)

2 Min Read 12.18.2020

It's not exactly a secret that COVID-19 has affected a number of industries. It has had a profound effect on our lives in such a short time, that it's sometimes hard to imagine that things are going to go back to normal. Among industries that have suffered the most, leisure is surely at the top. Everyone from owners to busboys has felt the devastating effects the coronavirus has had on the economy.

Not Many People Are Dining in Restaurants

Only a quarter of people have dined in a restaurant since the pandemic started back in March. More than half of consumers aren't willing to go back to restaurants during the next year. Only 14 percent of people say they don't worry about dining out once the vaccine becomes available.

Even Fewer People Are Going On Vacation

Just a third of people have traveled and spent more than a night from home since March. More than half aren't willing to travel or spend a night in a hotel in the foreseeable future. Less than a fifth of people are willing to travel to a destination with a low number of cases.

Restaurant and Hotel Owners Are Not Prepared

Restaurant owners aren't too optimistic about the future. 9 out of 10 expect their establishments to stay partially or fully closed for the next few months. Two-thirds of owners believe that it will take anywhere from three to 12 months before they can start working normally.

And we've just scratched the surface. There are many more things, only a few are aware of, concerning the restaurant and leisure industry. If you want to know more about the effects of COVID-19 on restaurants, check the infographic below, courtesy of Kitchenall NYC.



HERE'S HOW

Covid-19 Has Affected The Restaurant & Hospitality Industry



It's no secret that COVID-19 has wreaked havoc on the restaurant and hospitality industry. But just how bad have things become?



Impact On Revenue & The Hospitality Workforce



The hotel industry has been one of the first and worst industries affected by COVID-19 shutdowns. Unfortunately, data shows that it will also be one of the last to recover. Here are some stats on COVID-19's impact on the hotel industry.

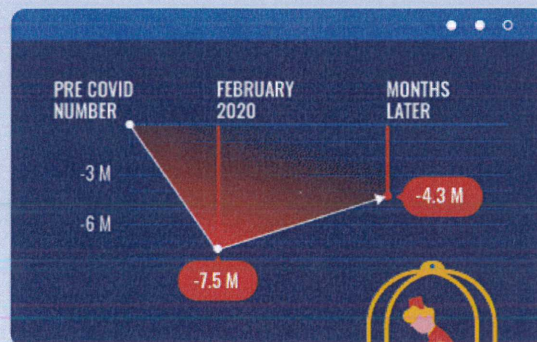


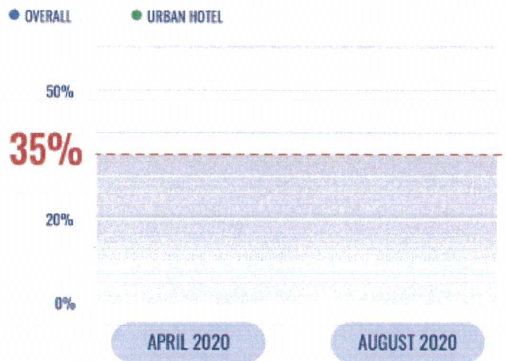
OVERALL JOB LOSS

According to the Bureau of Labor Statistics, **38%** of leisure & hospitality employees remain out of work compared to the national average of **10.2%**



Many of those still working have seen their hours and wages reduced.





OCCUPANCY RATES AT HISTORIC, UNSUSTAINABLE LOWS

The decrease in travel and subsequent drop in demand has led to many hotels operating below a sustainable occupancy threshold that allows them to break even and pay down debt.

LOST EARNINGS & REVENUE

The drop in occupancy and loss of jobs equates to catastrophic losses in employee earnings and hotel and restaurant revenue that will last well into 2021.



\$1.7 BILLION
lost hotel employee earnings per week



\$2.8 BILLION
lost hotel room revenue per week

\$46 BILLION+
lost room revenue lost since mid-Feb

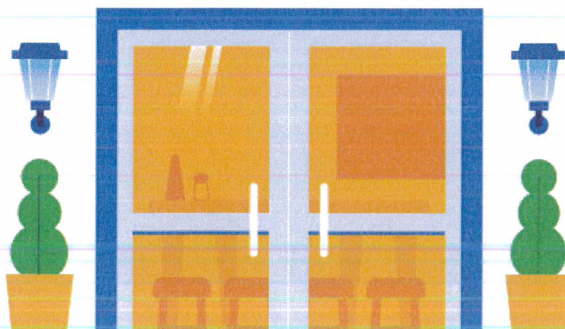
The total revenue losses project to over 50% for 2020.

\$120 MILLION+
lost by restaurant industry during first 3 months of COVID



HOTELS ON THE BRINK, THOUSANDS OF RESTAURANTS CLOSING

The impact of COVID-19 is not just limited to hotels. According to Yelp, restaurants of all types across the US are closing, some permanently.



11% (32,109)
of all restaurant in US have been forced to close

61% (19,590)
that shut down have marked those closures as permanent.



TYPES OF RESTAURANTS CLOSED SINCE MARCH 1 (PER 1000)

56.8 Breakfast and brunch

28.1 Food trucks

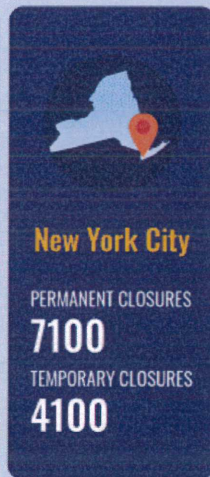
56.0 Burgers

25.8 Pizza restaurants

55.3 Sandwiches



HARDEST HIT CITIES



Are Americans Ready to Dine Out & Travel?

Data from the Journal of Hospitality Marketing & Management indicates that Americans may be hesitant to return to eating out.

ARE PEOPLE DINING OUT & STAYING IN HOTELS?

25% have already dined at a restaurant



25% say they will only feel comfortable going out to eat when testing and data has





50% are not willing to dine at a restaurant immediately



testing and data has significantly improved

14% will only feel comfortable dining at a restaurant when a vaccine becomes available

33% have traveled overnight for vacation or leisure since March



>50% are not willing to travel or stay in a hotel room anytime soon



18% will only travel to a destination with a low number of cases and the ability to test, trace, and isolate COVID-19 cases



17% say they will only stay in a hotel with a vaccine becomes available

RESTAURANT OWNERS HESITANT, TOO

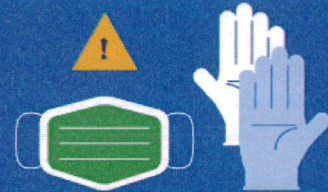
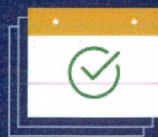
Eater surveyed more than 330 restaurant owners and found that many restaurants did not expect to be fully operational during the first few months of reopening.



90% of restaurant owners said they are currently closed or offering severely reduced services

80% restaurant customers intent to continue ordering delivery or pickup even after restaurants reopen

65% said they believe net will take 3 months to a year before they can return to normal operations

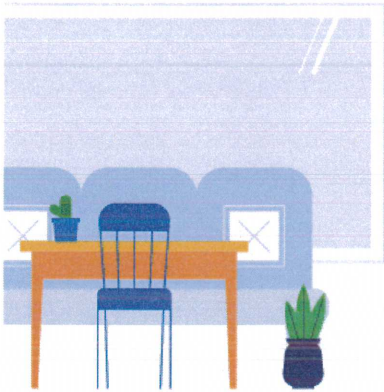


60% said they would not dine at a restaurant where staff didn't wear masks and gloves

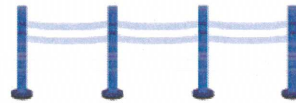
60% also cited a lack of personal protective equipment and being seated too close to other guests as concerns



Evolving Plans For Reopening



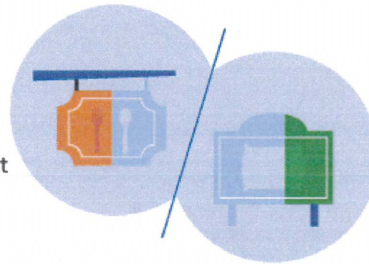
Survival of the restaurant and hospitality is directly tied to increasing demand. So, how do they get people to come back?



WHAT PRECAUTIONS ARE NECESSARY?

The data is clear that increased safety precautions are necessary to bring customers back in the door, and they're willing to pay more for them.

50%
of restaurant customers



40%
of hotel customers

... are willing to pay more for increased safety precautions

THE RISE OF HANDS-FREE TECHNOLOGY

The restaurant & hospitality industry is likely to become more heavily reliant on technology-based safety precautions.



64.7%
of restaurant customers



70.42%
of hotel customers

... believe that technology will be necessary to minimize human to human contact

✓ Service robots

An illustration of a blue service robot with a screen on its face.

An illustration of a contactless payment terminal and a green contactless payment card.

✓ Contactless payment such as Apple pay or contactless bank cards





SOURCES

- <https://hospitalityinsights.ehl.edu/covid-19-impact-hospitality-workforce>
- <https://www.ahla.com/sites/default/files/State%20of%20the%20Industry.pdf>
- <https://restaurant.org/articles/news/restaurant-sales-remain-well-below-normal>
- <https://www.yelpeconomicaverage.com>
- <https://www.eater.com/2020/5/21/21265161/restaurants-reopening-data-survey>
- Journal of Hospitality Marketing & Management, Volume 29, 2020 - Issue 5

PRESENTED BY



MODERN RESTAURANT MANAGEMENT



SIGN-UP TO MRM

Want more than five articles a month? Sign-up for a free account. If you're curious as to what we do with your information, please check out our [Privacy Policy & Options page](#).

FIRST NAME *

LAST NAME *

EMAIL *

CONFIRM EMAIL *

Permission to Store Your Information for Your MRM Account *



Modern Restaurant Management would like to store your above information when you create an account. We will not share this information with

Modern Restaurant Management would like to store your above information when you create an account. We will not share this information with third parties and you can delete your information from our system at any time.

CREATE AN ACCOUNT

NEWS & TRENDS

VIDEO

MARKETING

OPERATIONS

DESIGN

EQUIPMENT & TECHNOLOGY

FINANCE & LAW

SIGN IN

REGISTER ACCOUNT

ABOUT

EVENTS

CONTACT

ADVERTISE

© 2022 Modern Restaurant Management

[Terms of Service](#)

[Copyright & DMCA Notice](#)

[Privacy Policy](#)

