

2024 Restaurateur Benchmark Guide

Equipping Restaurant Business Owners with
the Tools and Knowledge to Thrive

Leverage
BUYING GROUP

Industry Benchmarks

Updated Best Practices

Key Mistakes To Avoid

Deals And Opportunities

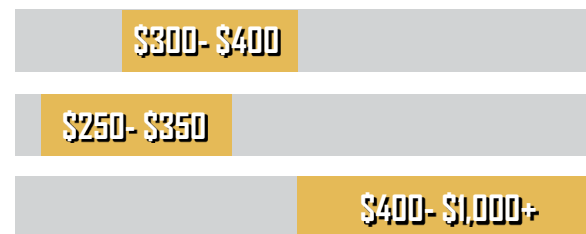
Additional Resources



Profitability Benchmarks

Leverage
BUYING GROUP

REVENUE PER SQ. FOOT



QUICK SERVICE

CASUAL DINING

FINE DINING



FOOD COST

- QUICK SERVICE

25-35%

- CASUAL DINING

30-40%

- FINE DINING

28-35%



LABOR COST

- QUICK SERVICE

25% average

- CASUAL DINING

25-35%

- FINE DINING

30-35%

REVENUE PER SEAT HOUR

SEAT HOURS = # OF SEATS X OPEN HOURS

RevPASH = REVENUE / SEAT HOURS

REVPASH

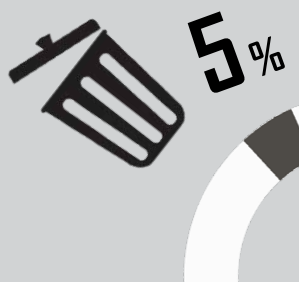
Fine Dining Restaurants: Aim for higher RevPASH during peak hours to maximize revenue.

Quick-Service Restaurants: Focus on maximizing throughput to boost sales per seat hour.

Casual Dining: A balance between customer experience and table turnover is key.

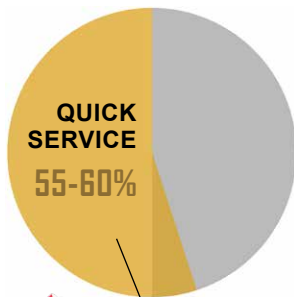
WASTE REDUCTION

- Track food waste as a percentage of total food cost. Aim for under 5% to maintain profitability and sustainability.

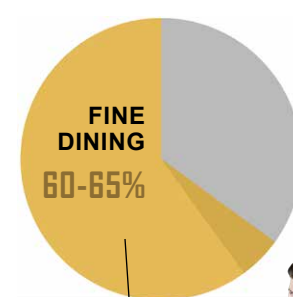
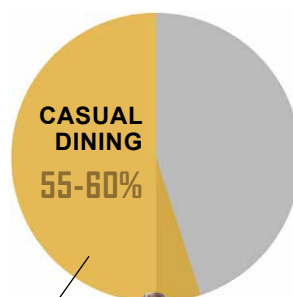


PRIME COST

COGS +
LABOR



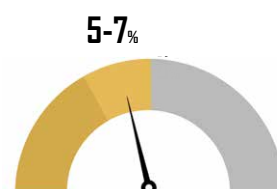
Lower food & labor cost



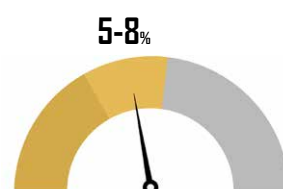
Higher labor cost

PROFIT MARGIN

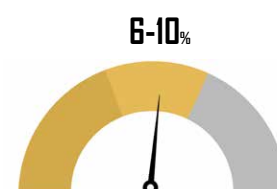
(TOTAL REVENUE—EXPENSES) / TOTAL REVENUE



QUICK SERVICE



CASUAL DINING



FINE DINING



Profitability Benchmark Citations

General | [National Restaurant Association](#) | [GetBento](#) | [Solink](#) |

[OverEasyOffice](#) | [Mark Poppi - Chekkd](#) | [EatApp](#) | [WayBackBurgers](#) |

Revenue Per Square Foot | [TouchBistro](#) | [ZocaloSac](#) | [BNGpayments](#)

Prime Cost | [Restaurant365](#) | [TheForkCPAs](#) | [ZocaloSac](#)

Profit Margin | [LineUp.AI](#) | [UpMenu](#) |

Food Cost | [Jalebi](#) | [TouchBistro](#)

Labor Cost | [ToastTab](#)

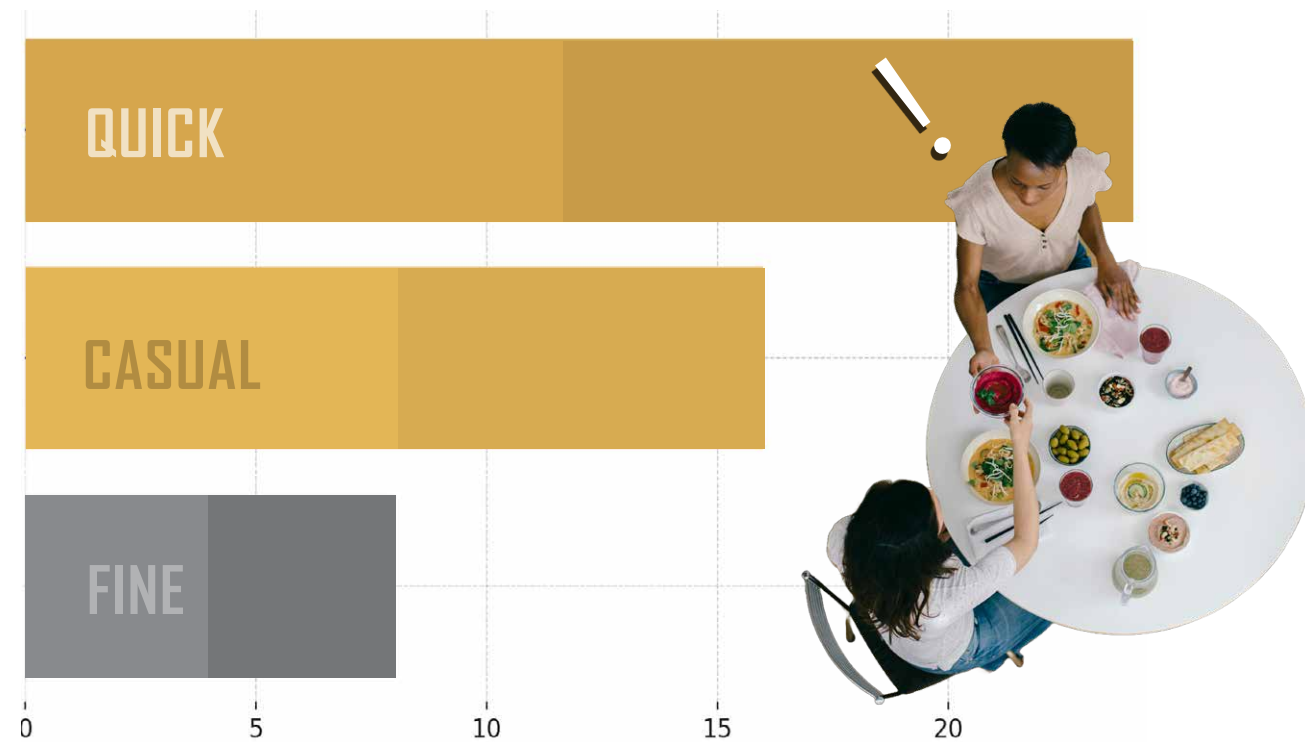
RevPASH | [TouchBistro](#)



Want To Learn More About Leverage?



TABLE TURNOVER RATE

OPERATIONAL
EFFICIENCY
BENCHMARKS

QUICK SERVICE

12-24Turns Per Table
in a 12-hour period

CASUAL DINING

8-16Turns Per Table
in a 12-hour period

FINE DINING

4-8Turns Per Table
in a 12-hour period

TAKE-OUT & DELIVERY



KITCHEN EFFICIENCY



QUICK SERVICE RESTAURANTS

8-12 Times

per month

CASUAL DINING RESTAURANTS

6-10 Times

per month

FINE DINING RESTAURANTS

4-8 Times

per month

INVENTORY
TURNOVER
RATE

Operational Efficiency Benchmark Citations

General | [BookKeepingChef](#) | [State Of Restaurants Report](#) | [Table-In](#) |

Table Turnover Rate | [5-Out](#)

Kitchen Efficiency And Delivery | [CBDMonline](#) | [McKinsey](#) |

Inventory Turnover Rate | [Sculpture Hospitality](#)





CUSTOMER RETENTION RATE

71%

of **QUICK SERVICE**
sales come from repeat
customers.

64%

of **CASUAL DINING**
sales come from repeat
customers.

51%

of **FINE DINING**
sales come from repeat
customers.

RESPONSE TIME

12-24

HOURS
FOR EMAIL

3-5

MINUTES
FOR LIVE CHAT

ONLINE REVIEW RATING

4.0+

ALL RESTAURANT
TYPES | AVG. GOAL

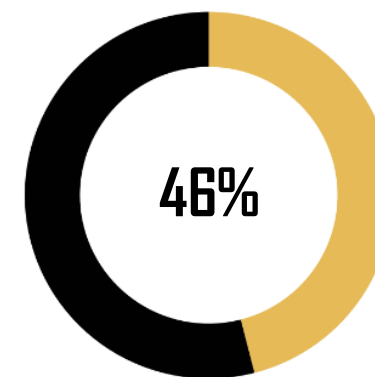
4.5+

FINE DINING
HIGH EXPECTATION

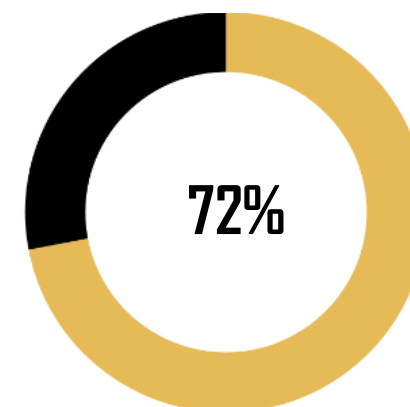


Customer Satisfaction Benchmarks

CUSTOMERS EXPECTING A REPLY IN <4 HOURS



CUSTOMERS TAKING ACTION | AFTER POOR EXPERIENCE



RESOLUTION SPEED

1 TIME

Resolve issues on the first
interaction; long wait times
and unresolved issues are key
frustration points.

Customer Satisfaction Benchmark Citations

General | [SurfBoard](#) | [GatherUp](#) | [Restaurant365](#) | [GrubHub](#) | [HelpScout](#) |

Customer Retention Rate | [Howazit](#) | [ChowBus](#) |

Online Review Ratings | [SuperOrder](#) | [Retolabs](#) | [ReviewTrackers](#) | [ZocaloSac](#)

Response Time | [TeamSurfBoard](#) | [Plexy](#) |

Customer Experience | [HiverHQ](#)

Leverage
BUYING GROUP

2024 Restaurateur Benchmark Guide

Equipping Restaurant Business Owners with
the Tools and Knowledge to Thrive



BEST PRACTICES



Integrating Technology to Enhance Operations

Implement Contactless Solutions: Adopt modernized ordering and payment systems to enhance customer convenience and safety, reducing wait times and improving the dining experience.

Leverage Data Analytics: Utilize advanced data analytics to optimize inventory management and menu offerings, ensuring that popular items are always in stock and minimizing waste.

Adopt Kitchen Display Systems: Integrate kitchen display systems to streamline order processing, improve accuracy, and enhance communication between front-of-house and kitchen staff.

Prioritizing Sustainability Initiatives

Source Locally and Seasonally: Prioritize sourcing ingredients from local and seasonal suppliers to reduce carbon footprint, support local economies, and offer fresher, more flavorful dishes.

Implement Waste Reduction Programs: Develop comprehensive food waste reduction strategies, such as composting and donation programs, to minimize environmental impact and cut costs.

Use Eco-Friendly Packaging: Choose sustainable packaging options for takeout and delivery orders to appeal to environmentally conscious consumers and reduce plastic waste.

Effective Marketing Strategies for Customer Engagement

Harness Social Media Power: Engage customers and build brand awareness through strategic social media campaigns, showcasing menu items, promotions, and behind-the-scenes content.

Develop Loyalty Programs: Create and promote loyalty programs that reward repeat customers, encouraging them to return and increasing customer lifetime value.

Optimize for Local SEO: Enhance your website's local SEO to improve visibility in search engine results, making it easier for potential customers to find your restaurant online.

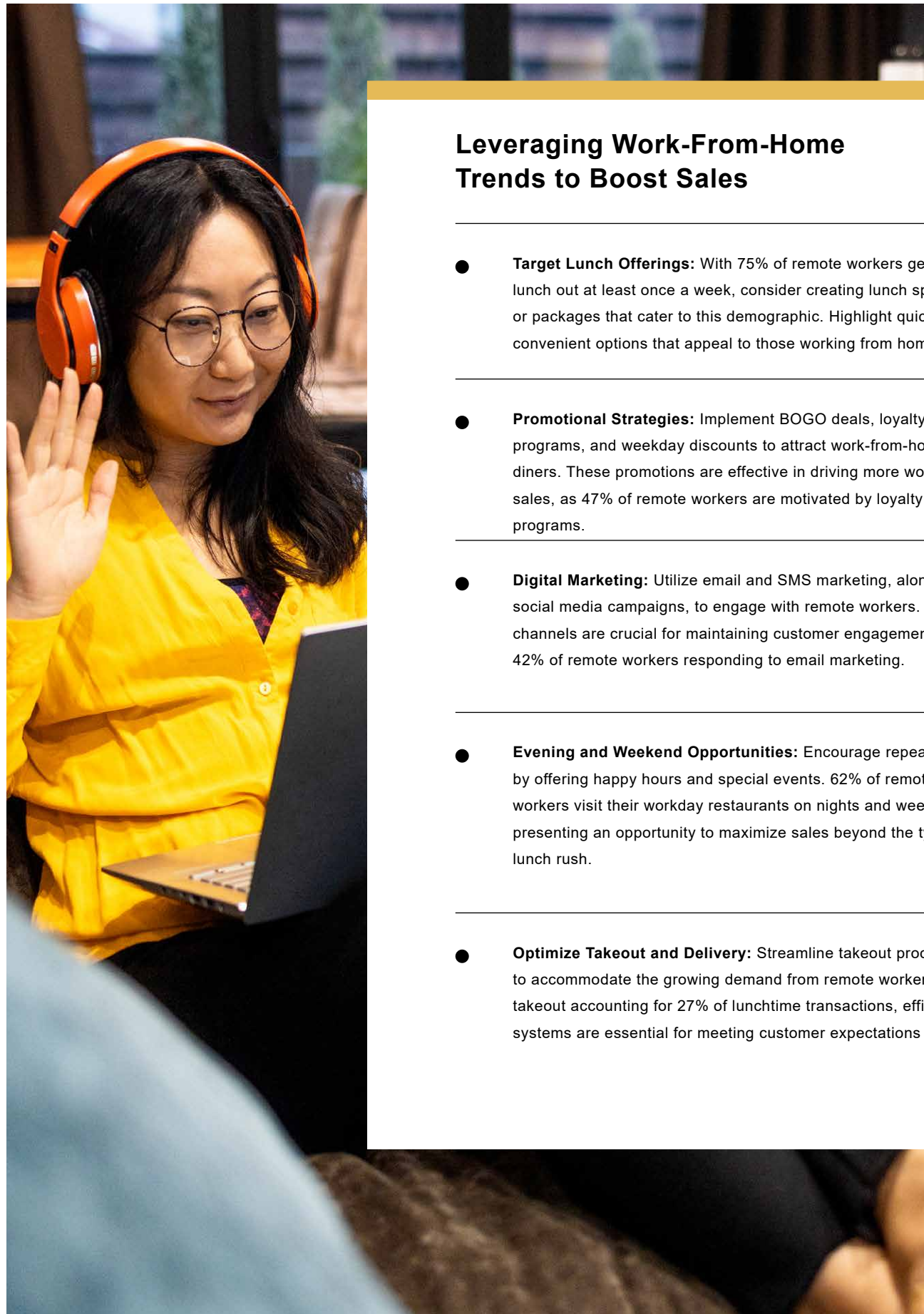
Focusing on Efficient Take-Out and Delivery Services

Streamline Menu Options: Simplify your menu to focus on dishes that are quick to prepare and travel well, ensuring quality and speed in delivery services.

Partner with Reliable Delivery Services: Collaborate with reputable delivery partners to expand your reach and ensure timely, efficient service to customers.

Ensure Quality Packaging: Invest in high-quality packaging that maintains food temperature and presentation, ensuring that customers receive their orders in optimal condition.





Leveraging Work-From-Home Trends to Boost Sales

- **Target Lunch Offerings:** With 75% of remote workers getting lunch out at least once a week, consider creating lunch specials or packages that cater to this demographic. Highlight quick and convenient options that appeal to those working from home.
- **Promotional Strategies:** Implement BOGO deals, loyalty programs, and weekday discounts to attract work-from-home diners. These promotions are effective in driving more workday sales, as 47% of remote workers are motivated by loyalty programs.
- **Digital Marketing:** Utilize email and SMS marketing, along with social media campaigns, to engage with remote workers. These channels are crucial for maintaining customer engagement, with 42% of remote workers responding to email marketing.
- **Evening and Weekend Opportunities:** Encourage repeat visits by offering happy hours and special events. 62% of remote workers visit their workday restaurants on nights and weekends, presenting an opportunity to maximize sales beyond the typical lunch rush.
- **Optimize Takeout and Delivery:** Streamline takeout processes to accommodate the growing demand from remote workers. With takeout accounting for 27% of lunchtime transactions, efficient systems are essential for meeting customer expectations.

Key Mistakes Restaurants Must Avoid To Thrive In 2024

Addressing Financial Mismanagement

- **Neglecting KPI Analysis:** It's crucial to regularly track and analyze key performance indicators (KPIs) to gain insights into financial health and operational efficiency. A study by Easyorder highlights that failing to monitor KPIs can lead to missed opportunities for cost savings and revenue optimization, potentially impacting profitability by up to 20%.
- **Inadequate Inventory Control:** Implementing robust inventory management systems is essential to prevent overstocking or stockouts, which can lead to waste and lost sales. According to Lavu, poor inventory management is a leading cause of cash flow issues, with up to 10% of potential revenue lost due to spoilage and theft.
- **Overlooking Cash Flow Management:** Maintaining a detailed cash flow forecast is vital for anticipating financial needs and ensuring sufficient liquidity. TouchBistro reports that 82% of business failures are due to poor cash flow management, making it a critical area for restaurant success.

Overcoming Operational Inefficiencies

- **Understaffing During Peak Hours:** Strategic staff scheduling is necessary to meet demand during peak times, enhancing service speed and customer satisfaction. The National Restaurant Association notes that understaffing can lead to a 15% decrease in customer satisfaction due to longer wait times and reduced service quality.
- **Ignoring Employee Training and Development:** Investing in continuous training programs improves staff skills and morale, leading to better service quality and employee retention. Restaurants that prioritize training see a 20% increase in employee retention and a corresponding improvement in customer satisfaction.
- **Neglecting Equipment Maintenance:** Regular maintenance schedules for kitchen and service equipment prevent breakdowns, ensuring smooth operations and minimizing repair costs. Equipment failures can lead to service disruptions, with potential revenue losses of up to 5%.



ENHANCING EXPERIENCES



- **Inconsistent Food Quality and Service:** Standardizing recipes and service protocols ensures consistent quality, enhancing customer trust and repeat business. A Harvard Business School study found that a one-star increase in Yelp ratings can lead to a 5-9% increase in revenue.
- **Ignoring Customer Feedback:** Actively monitoring and responding to customer feedback and online reviews is crucial for improving service and addressing issues promptly. According to ReviewTrackers, 51% of customers will not return after a negative experience, emphasizing the importance of proactive feedback management.
- **Failing to Adapt to Trends:** Staying informed about changing consumer preferences and dietary trends is essential for updating menu offerings and meeting evolving customer expectations. Restaurants that adapt to trends see a 10-15% increase in customer retention.

Improving Take-Out and Delivery Operations

- **Delayed Delivery Times:** Optimizing delivery logistics is crucial to ensure timely service, reducing customer dissatisfaction and potential loss of business. A Benbria report indicates that 78% of customers have abandoned transactions due to negative experiences, such as delays.
- **Poor Packaging:** Investing in high-quality packaging that preserves food integrity and presentation ensures a positive customer experience upon delivery. Poor packaging can lead to a 30% increase in customer complaints related to food quality.
- **Inadequate Communication:** Implementing clear communication channels to keep customers informed about order status enhances transparency and trust. Effective communication can reduce customer churn by up to 25%.



Current Deals And Tools

Available Via Leverage Buying Group



BUYING POWER PROGRAM

Save Up To 20% against prior food costs by becoming a Leverage.



MANUFACTURER DIRECT PRICING

Leverage members have access to off-invoice savings on thousands of items for their business, including 350+ extendable contracts and more than 450,000 items with deviated pricing.



CUSTOMIZED SUPPORT AND CONSULTATION

Upon joining Leverage, you receive the support of our member services team that will become your go-to resource for making complex purchasing decisions and optimizing your membership.



QUARTERLY REBATES

As a Leverage member we will help you receive rebates on 165,000+ items. Cash the check or make a purchase conversion to save you even more on your bottom line!



EXTRA SUPPORT

Enjoy discounted ServSafe classes, free Labor Law posters, industry webinars, and monthly newsletters. Use Leverage as your go-to resource.



SPEND ANALYTICS

Get access to Leverage Buying Group's market basket cost analysis to help you understand exactly how much you could be saving.

Leverage

BUYING GROUP

SWITCH & SAVE



SHARE YOUR INVOICE: You share the last two weeks of invoices from any vendor outside of US Foods. You can provide these directly to us or through your US Foods sales rep.

MARKET BASKET WONDERS: We'll conduct a spend analysis using our proprietary Spend Analysis process.

SEE POTENTIAL SAVINGS: We create a new "Switch & Save" list on your dotcom with all the items offering savings.





Atlanta Food & Wine Festival | Dates: September 13-15, 2024 | Location: Atlanta, Georgia
Focus: This festival offers a culinary exploration of Southern cuisine, providing opportunities to network with chefs and industry professionals while enjoying a variety of food and wine experiences.

New York City Wine & Food Festival | Dates: October 12-15, 2024 | Location: New York, NY
Focus: This festival features a wide range of events, including tastings, seminars, and cooking demonstrations by renowned chefs, making it a great opportunity for networking and learning about the latest culinary trends.

Plant Based World Expo | Dates: September 11-12, 2024 | Location: New York, NY
Focus: This expo is dedicated to plant-based products and innovations, offering insights into the growing trend of plant-based dining and providing networking opportunities with suppliers and industry leaders.

IFDA Executive Leadership Summit | Dates: September 22-23, 2024 | Location: Kansas City, MO
Focus: This summit provides a forum for foodservice distribution leaders to gain insight into critical challenges and opportunities impacting the industry, with peer-to-peer dialogue fostering personal and professional growth.

IFDA Solutions Conference | Dates: September 22-25, 2024 | Location: Kansas City, MO
Focus: The conference gathers food distribution professionals with renowned speakers, innovators, and disruptors to chart the future of food distribution, offering a unique experience for organizations of all sizes to achieve their goals and grow.

The Center for Food Integrity Transparency Summit 2024 | Dates: October 22-24, 2024 | Location: Chicago, IL
Focus: This summit brings together industry leaders to create actionable strategies for operationalizing transparency across the food and agriculture value chain.

PACK EXPO | Dates: November 3-6, 2024 | Location: Chicago, IL
Focus: This expo offers the latest solutions for retailers and consumer packaged goods, along with educational seminars and learning centers featuring the latest case studies and reports.

Florida Restaurant & Lodging Show | Dates: November 6-7, 2024 | Location: Orlando, FL
Focus: This trade show offers educational seminars, culinary demonstrations, and networking opportunities with vendors and industry experts, focusing on the latest trends and innovations in the restaurant and lodging industries.

BEST PRACTICES SECTION

[7Shifts](#) | [Neal Sherman of TAGeX Brands](#) | [EasyOrderApp](#) | [Lavu](#) | [TouchBistro](#) | [GourmetMarketing](#) | [benbria](#) | [ChowBus](#) |

EVENTS SECTION

[Deseret News](#) | [Food Industry Executive](#) | [Exponents](#)

