

The Future of Casual Dining: What to Expect

November 7, 2017 / By Court Williams



Targeting future audiences is a longstanding marketing strategy, and that's exactly what the **casual dining restaurant industry** is doing in a current effort to survive. Cracker Barrel's **Holler and Dash**, is a new chain with a fast-casual concept built around fresh-baked biscuits. With bare-brick walls and concrete floors, H&D is targeting a younger demographic than its parent chain.

This is part of an industry-wide shift by outdated restaurant chains to **reinvent themselves**, by creating "offshoot" brands under a new name and image that are aimed at Millennials and younger diners.

Downward Drift

A **casual dining industry analysis** shows that during 2016 the sector experienced more rapidly declining sales and traffic than others. Although the slipping sales have been attributed to everything from the weather to politics, the fact is the industry has seen a **downward trend in growth** since the beginning of 2015.

The impact has been most significant for chain restaurants, which have been hard-pressed to close venues and lay off staff as the trend continued. Meanwhile, quick service restaurants, fine dining and upscale casual venues have all been in positive territory over the same period.

Incorporating New Trends

For restaurant venues setting out to conceptualize a new image, new casual dining industry trends worth incorporating are:

- **Free wifi:** 80% of Millennials have used free wifi in a restaurant in the past year, making this the highest-ranking consumer trend according to the National Restaurant Association.
- **Local food:** 56% of consumers prefer food locally sourced from farmers and producers in their own community.
- **Saving the planet:** 60% of consumers make restaurant choices based on the serving of environmentally-friendly food.

Combine these options with the streamlined service of the fast-casual environment, and the entire industry undergoes a metamorphosis.

Statistics Worth Noting

With total restaurant sales projected to reach almost \$800 billion by the end of the year, feeding people now accounts for 4 percent of the U.S. GDP. **Casual dining industry statistics** showed franchise restaurants are the most common of all restaurant types, comprising one third of all venues in the U.S.

A report from Restaurant.org shows consumers are increasingly looking for healthier meals, with 70 percent likely to visit venues that offer locally-sourced foods. Diners also want dynamic options beyond the basic burger-and-fries, with 25 percent stating they wanted to try unconventional cuisine.

Summary

The casual dining industry is losing market share as the popularity of Fast Casual, Quick Service and Fine Dining restaurant continue to grow revenue and consumer interest.

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Keeping Market Share

In spite of the declining levels of the **casual dining market share**, restaurant brands in this space would do well to focus on three critical areas in their efforts to remain relevant. These are:

- Innovative menu planning, which meets demand for healthier options based on locally-sourced produce.
- Improved service, delivered by competent, trained staff. Since part of the casual dining value proposition continues to include full service, companies will need to continue investing in service that is exceptional, for patrons to accept higher price points.
- The use of technology to streamline and automate processes, especially client-facing ones. Statistics show more than **70 percent of diners presented with tablets** for ordering purposes used them, and were impressed by the chance to do so.

There's no question the **casual dining restaurant industry** is currently going through some changes, but with careful planning and innovation a new version may rise and take advantage of the huge numbers of younger diners looking to enjoy eating out.

About Court Williams



Court Williams is Chief Executive Officer of HVS Executive Search with offices in New York, Denver, Orlando, Miami, Atlanta, San Diego, Los Angeles, Vancouver, London, Dubai and Hong Kong. Court is based in New York and has over 28 years of retained Hospitality Executive Search experience within the Hotel, Restaurant, and Travel/Leisure industries. He began his career in the restaurant industry after graduating from Cornell's Hotel School gaining operational experience prior to launching a career track in Human Resources with an international restaurant company. Having gained experience in executive recruitment from the brand side, the desire to work with a broader range of hospitality clients led Court to a career in retained executive search beginning in 1990. Court has expertise in leading senior hospitality executive searches across all functional areas including Board Director, CEO, Operations, Human Resources, Marketing, Finance, Development, Culinary and Supply Chain. His client base includes private equity firms, hotel management companies, restaurant companies, travel technology brands and leisure venues. Court also leads the global growth strategy for HVS Executive Search. He has been a sought-after speaker and panellist for hospitality industry events as he has enjoyed great success working closely with clients going through an organizational and cultural change, which is a leading topic in the hospitality industry today. Court remains an active Cornell alumnus and is a student coach with Cornell University's Hospitality Leadership Development Institute, as well as The Samuel Curtis Johnson School of Management's MBA Marketing program. Court earned his Bachelor of Science degree in Hotel Administration from Cornell University. For more information, please contact Court at