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Press Release

U.S. Appetite for Fast Food Grows

QSR frequency increases for female, 35-to-44-year-old male and high-income users

SAN CLEMENTE, CALIF. — Despite criticism of fast-food by consumer advocacy groups and news stories warning about an obesity epidemic, quick-service restaurant usage is up significantly, according to a national study of 2,400 quick-service restaurant users interviewed in 2005. In fact, frequency among all QSR users in 2005 was up to 17.2 purchases per month and frequency among heavy users was up to 28.7 purchases per month. The study found that 93 percent of respondents are QSR users, and nearly half of those are heavy users, indicating that a sizable portion of the U.S. population eats fast-food nearly every day. This data is garnered from Sandelman & Associates' *Quick-Service Restaurants National Annual Report – 2005*.

QSR demographics are shifting

Fast-food chains have been trying to meet consumers' changing needs by offering relatively healthful and premium options. As a result, usage among specific demographic groups increased dramatically, changing the profile of a typical fast-food user. Notably, females visited fast-food restaurants more frequently in 2005, logging 16.2 monthly occasions, the highest level in the past five years. Nonetheless, females still trail males,

who account for 18.1 occasions per month. Interestingly, frequency was equal for 16-to-24-year-old males and females (20.1 occasions per month).

It appears higher income users are returning to QSRs. Frequency among users with annual household incomes under \$50,000 increased slightly last year, but the biggest increases were among those with incomes over \$50,000 and especially for those with annual household incomes of over \$75,000.

Fully 17 percent of QSR occasions were owing to 35-to-44-year-old males in 2005, up from 14 percent in 2001. In fact, contribution among males ages 35 to 44 has steadily increased over the past five years, while contribution by younger users has decreased.

Consumers spending more, too

Another boon for the industry: Average spending at QSR restaurants has increased steadily over the past five years with average spending per person up to \$5.13. Spending levels may be affected by price increases, promotion of premium items and relatively pricey healthful options.

The *Quick-Service Restaurants National Annual Report – 2005* presents detailed information for 2005 along with annual trends covering the previous four years. The report provides details on patronage patterns for several QSR segments, including heaviness of category usage, meal daypart usage, service mode usage and key demographics. Last purchase occasion profiles include information about items eaten, daypart and service mode of the occasion, party size, amount spent, use of promotions and sources of promotion awareness. Additionally, the report presents a review of the importance of 12 key attributes used in the selection of a QSR. Specific chain information is included for 24 major chains. To order a copy, log onto www.sandelman.com/reports.

About The Study

Quick-Track[®] is part of the Foodservice Consumer Monitor[®], an ongoing syndicated research study. Quick-Track is a quantitative research study that tracks key consumer behavioral and attitudinal measures for all major fast-food and pizza chains in individual markets.

Data for this report was collected from 2,400 respondents via telephone interviews conducted on a continuous basis throughout 2005. Respondents were selected via a computer-generated random sample of listed and unlisted telephone numbers. Respondents were males and females, between the ages of 16 and 64, who purchased food from fast-food and pizza restaurants at least once in a typical month, including English-speaking Hispanics. The data was weighted slightly to reflect the proper distribution of the population by sex and age.

Sandelman & Associates is a San Clemente, Calif.-based independent research company that provides the restaurant industry with reliable and easy-to-use consumer feedback.

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