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Fast-food users going out less to fast-food and casual dining

Restaurant goers report reduced visitation and spending

SAN CLEMENTE, CALIF. — Like most industries, the fast-food and casual dining restaurant segments have struggled in the past couple of years. While casual dining bears the brunt, quick-service has not escaped market contraction. Just five to 10 years ago, over 90 percent of consumers enjoyed fast-food monthly. Now about 80 percent are regular fast-food users.

Casual dining has struggled even more than fast food and it's widely thought that diners have "traded down." It's true some casual dining occasions have been replaced by fast casual and fast food visits. Sandelman & Associates' new report ***Where are Fast-Food Users Dining When Not at Fast-Food?*** is clear: consumers are dining out less and they're making do with home-cooked meals and supermarket-prepared foods. In fact, 89 percent of those who are visiting fast-food less are cooking at home more often.

Only 13 percent of fast-food users say they visited fast-food chains more often in fall 2009 than in fall 2008. Fully 34 percent said they were visiting less in fall 2009. What's hurting the industry more than anything else? A remarkable 49 percent of 18-to-34-year-old males—the industry's target customer demographic—are visiting less often.

Many consumers report they are reducing their usage *and* spending. Not only are young men visiting fast food less, but also 41 percent say they're spending less when they dine.

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In general, men are cutting back more than women and young people are shedding visits more than middle-aged users.

With respect to both frequency and spending, quick-service restaurants' relatively low price points have helped them fare better than full-service restaurants in consumers' attempts to balance budgets. Interestingly, a greater percentage of users report spending less at fast food in 2009 than those who report spending less at casual dining, though casual dining visits are more likely to have been cut out all together.

The report *Where are Fast-Food Users Dining When Not at Fast-Food?* presents detailed information for October - December 2009, plus comparisons with 2008. The report provides details on patronage patterns for quick-service restaurants, casual and family dining restaurants, plus key demographics. To order a report, log onto www.sandelman.com/dininghabits.

About The Study

In the October-December 2009 Quick-Track[®] National study, respondents were asked a series of special questions related to how their dining habits might have changed over the past year at casual dining and fast-food restaurants. Quick-Track is an ongoing, syndicated, quantitative research study that tracks consumer behaviors and attitudes toward all major fast-food and pizza chains in about 75 U.S. markets as well as nationally. In the Quick-Track National study, data is collected continuously via telephone interviews from a nationally representative sample of 600 respondents per quarter.

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