

COVID-19 Restaurant Impact Survey – Missouri September 2021

Restaurant Business Conditions

- Although restaurant sales improved from the early months of the pandemic, business conditions remain far from normal for many Missouri restaurants. Overall, 59% of Missouri operators say their total sales volume in August 2021 was higher than it was in August 2020. Only 20% of operators reported a same-store sales decline between August 2020 and August 2021.
- However, when compared with August 2019 pre-pandemic levels, a majority of operators say their sales were lower in August 2021. 57% of Missouri operators say their sales volume in August 2021 was lower than it was in August 2019. Only 32% reported higher sales compared to August 2019.
- Business conditions deteriorated in recent months, according to restaurant operators. 59% of Missouri operators say business conditions for their restaurant are worse now than they were 3 months ago. Only 10% say business conditions improved during the last 3 months.
- The delta variant negatively impacted the restaurant industry in recent weeks. 64% of operators say their restaurant experienced a decline in customer demand for indoor on-premises dining in recent weeks, as a result of the increase in coronavirus cases due to the delta variant.
- Most Missouri restaurant operators do not expect a return to normal business conditions anytime soon. 16% of operators think it will be 7-12 months before business conditions return to normal for their restaurant, while 44% think it will be more than a year. An additional 18% of operators say business conditions will never return to normal for their restaurant.

Restaurant Jobs

- Although the industry added back many of the jobs lost during the pandemic, a majority of restaurants remain understaffed. 68% of Missouri operators say their restaurant currently does not have enough employees to support its existing customer demand.
- Among restaurants that are currently understaffed, 74% of operators say their restaurant is more than 10% below necessary staffing levels. 24% say they are currently more than 20% below necessary staffing levels.

Costs Are Up – Profitability is Down

- 85% of operators say their total food costs (as a percent of sales) are higher than they were prior to the COVID-19 outbreak. Only 7% say their food costs make up a smaller proportion of sales.
- 84% of operators say their total labor costs (as a percent of sales) are higher than they were prior to the COVID-19 outbreak. Only 11% of operators say their labor costs declined as a percent of sales.
- 57% of operators say their total occupancy costs are higher than they were prior to the COVID-19 outbreak. Only 2% say their total occupancy costs are lower.

- 73% of Missouri operators say their profit margin is lower than it was prior to the COVID-19 outbreak. Only 9% of operators say their profit margin is higher.
- Many Missouri operators also reported a deterioration of profitability during the last few months. 58% of operators say their restaurant is less profitable now than it was 3 months ago. Only 9% of operators say their restaurant is more profitable now than it was 3 months ago.

Source: National Restaurant Association, national survey of 4,000 restaurant operators conducted September 7-15, 2021