

RESTAURANT BENCHMARKS FOR 2021

Understanding and knowing current restaurant benchmarks is a great way to measure the success of your restaurant against industry standards. Remember that not every restaurant is the same, and some of these KPIs will not relate to some restaurant or bar concepts.

☐ OPERATIONS RESTAURANT BENCHMARKS

- Food cost percentage: Full service – Aim for Maximum 30.3 / QSR – 28.5

This metric measures the percentage of each sales dollar required to cover the cost of food, beverage, and paper supplies, net of any vendor rebates.

- Store labor percentage: Full service – Aim for Maximum 29.4 / QSR – 26.9

This metric measures the percentage of each sales dollar required to cover the cost of restaurant labor, including taxes and paid benefits.

- Prime cost percentage: Full service – 59.7 / QSR – 55.4

This metric combines the food cost and labor percentages, which are considered the two most significant restaurant costs.

☐ OTHER INDUSTRY STANDARDS

Alcoholic Beverage Costs

- Liquor: 18% - 20% of liquor sales
- Bar consumables: 4% - 5% of liquor sales
- Bottled beer: 24% - 28% of bottle beer sales
- Draft beer: 15% - 18% of draft beer sales
- Wine: 35% - 45% of wine sales (pending region)

Non-alcoholic Beverage Costs

- Soft drinks: 10% - 15% of soft drink sales
- Coffee: 15% - 20% of coffee sales
- Iced Tea: 5% - 10% of iced tea sales

Paper Costs (Take-Out Packaging)

- Full service: 1% - 2% of total sales
- Limited-service: 3% - 4% of total sales

Employee Benefits

- 5% - 6% of total sales
- 12% - 15% of gross payroll

Rent and Occupancy

- Occupancy: 10% of total sales (Ideally 6-7%)

Debt Repayments

- No more than 12% over 3-5 year period (Ideally 8-10%)

SALES PER SQUARE FOOT

Full-Service

- Under \$200/square foot USD = Little chance of generating profit
- \$200 - \$300/square foot USD = Barely break-even
- \$300 - \$400/square foot USD = 5% - 10% of sales net-profit
- \$400 - \$550/square foot USD = 10%-13% of sales net profit
- \$550 - \$700/square foot USD = 13%-15%+ of sales net-profit

RESTAURANT CUSTOMER BEHAVIOR BENCHMARKS

Limited-Service

- Under \$200/square foot USD = Little chance of avoiding a loss
 - \$200 - \$300/square foot USD = Barely breaking-even up to 5% of sales
 - \$300 - \$400/square foot USD = 5% - 10% of sales net-profit
 - \$400 - \$500/square foot USD = 10%-15% of sales
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- Full Service Average Customer Dwell Time: 72.7 minutes

This metric represents customers' average visit time in minutes.

- First-Time Visitor Return Rate: 28.8%

This is the number of first-time customers within the past 12 months who returned again at least once. The rate is given as the percentage of all customers within the last 12 months.

- Average Monthly Customer Repeat Rate: 1.83 repeat visits

The average frequency a customer visits a location in a month.

- Average Customer Churn (Attrition) Rate: 11.4%

The percentage of customers who failed to return to the location during the past 12 months.