

# Restaurant

## Navigation Through the Generations



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### A Fresh Perspective

When it comes to the restaurant industry, defining your target demographic can help avoid a common restaurant pitfall—trying to appeal to everyone. While restaurants do well to find a way to appeal to everyone, it is wise to define the target guest and prioritize their needs over others. In addition, understanding the drivers of a brand's key demographic can help attract and retain guests.

A great restaurant experience first starts with understanding what drives consumer behavior. As consumer trends across generational demographics are ever-evolving, brands must be willing to adopt an agile approach—reshaping and refining their formats regularly.

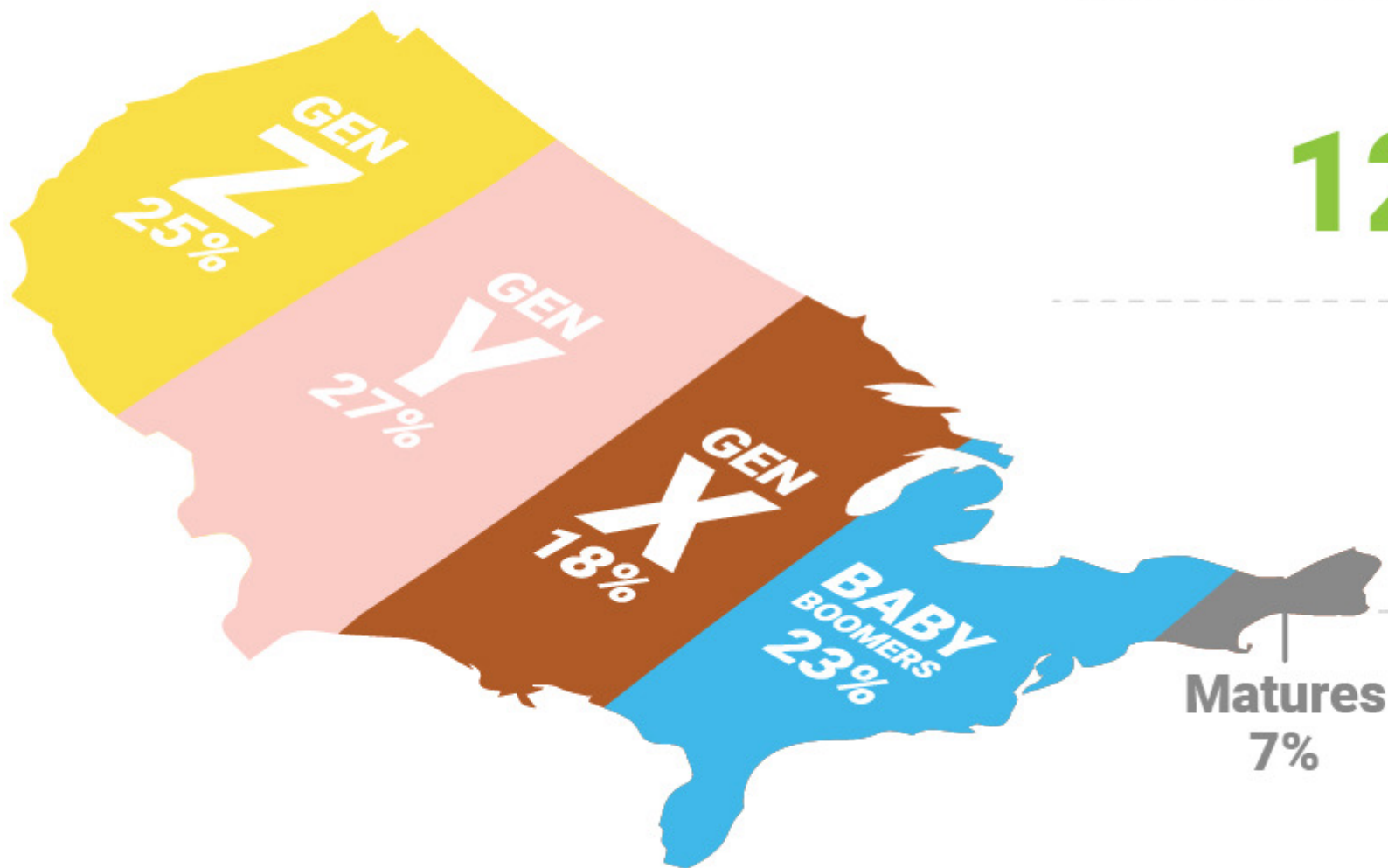
With the evolution of restaurants always moving at a breakneck pace, CESO understands the importance of designing environments that meet consumers where they are. By helping address the consumer market's opportunities and challenges, our team can help you stand out in a crowded playing field.





# General Stats

Across the United States



total people 


333,209,597

households 

128,450,000

median household income 

\$79,900

consumer spending 

\$6.4T

*\*2020/2021 data\**

# Restaurant Stats

Across the United States



total # of restaurants in the U.S.



1,000,000+

annual restaurant sales



\$659B

restaurant share of the food dollar



51%

single unit operations



70%

*\*2020/2021 data\**

# Introductions

## Getting to Know the Generations



# Z



tech natives



social justice  
warriors



immediacy



individuality



experiences  
over things

# Y



financial debt



self-focused



influenced by  
social media



convenience



experiences  
over things

# X



highest  
earning



work-life  
balance



loyal



"latchkey"  
generation



loves  
devices

# B



disposable  
income



motivated  
to work



self-assured



convenience



resourceful



## Where They're At In Life

# Z

6–24  
years old

A new generation has arrived. Gen Z will soon surpass Millennials as the most populous generation, with more than one-third counting themselves as a Gen Zer. They came of age in a world where content and information are increasingly accessible and shared. Many of this generation are taking their place on the stage and refuse to be categorized into neat little boxes as they shift toward extrinsic values.

# Y

25–39  
years old

Millennials are the largest generation in US History. They are in their prime working and spending years. Their collective affinity for technology is reshaping the way they engage with and shop brands. They are also one of the first groups to look at wellness as going hand-in-hand with a healthy, balanced lifestyle. This mindset influences Millennial connectedness with experiences.

# X

40–56  
years old

Gen Xers live hectic lives as they try to balance family and work commitments. Sandwiched between Baby Boomers and Millennials, many in this demographic are under significant financial and emotional pressure, juggling having children to care for while also assisting aging parents. Though they might be the smallest generation balancing more stress factors, their purchasing power packs a punch.

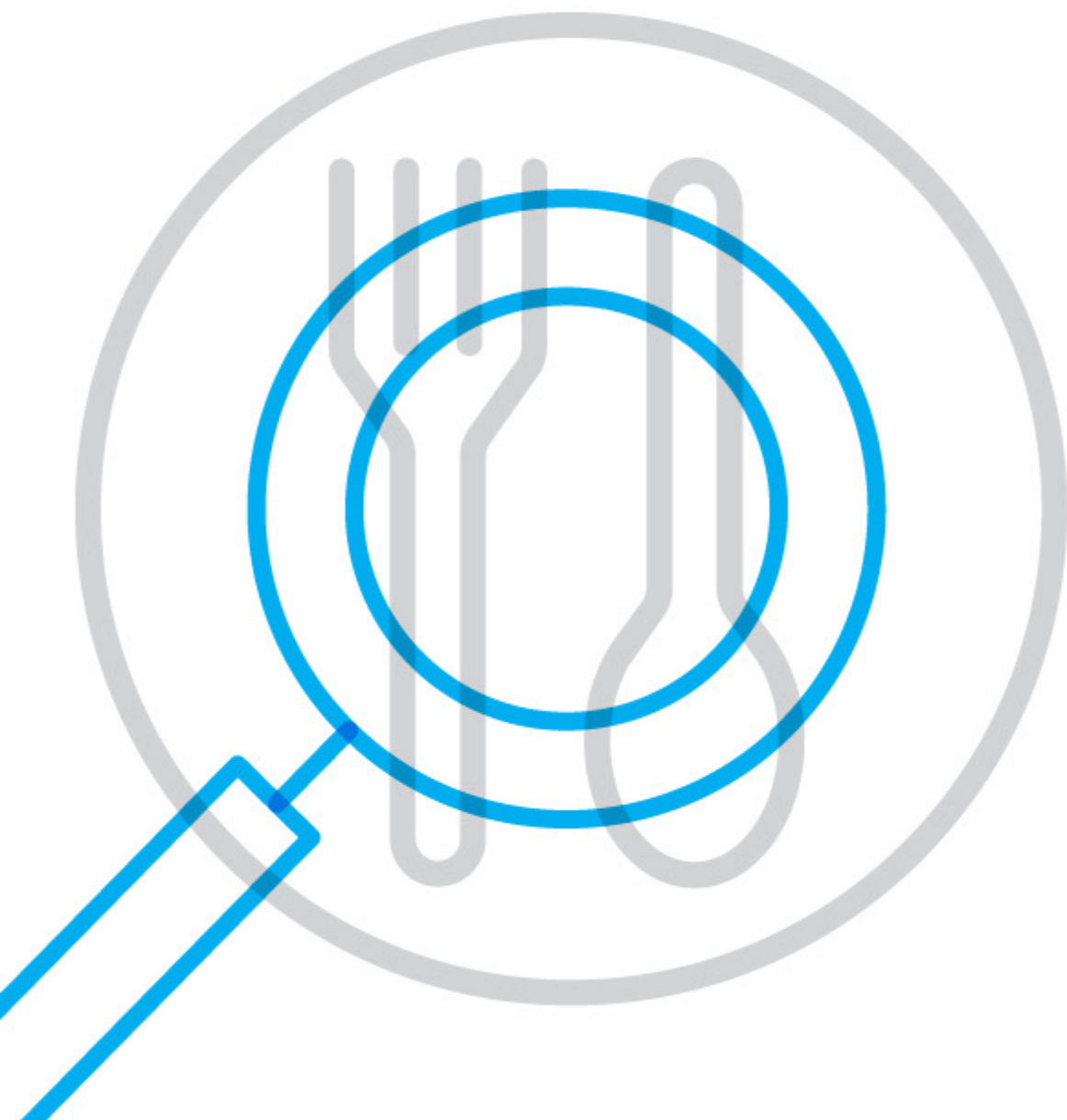
# B

57–75  
years old

Baby Boomers are a hard-working generation defined by their confidence in the future. From now until 2030, 10,000 Baby Boomers each day will hit retirement age. Millions will begin to retire officially, collect social security checks and go on Medicare. Other Boomers will keep working either out of financial necessity or some less tangible need like identity and self-worth. Collectively, they are known for their upbeat, confident attitude.



## How They Engage With Restaurants



# Z

**The Up  
and Comers**

Despite Gen Z's love for snacks and street food, they seek authentic foodie experiences. They are attracted to concepts that are innovative as well as transparent. Gen Z is known to communicate in images making an Instagrammable positioning as necessary as the meal.

# Y

**Millennial  
Mavens**

Millennials use dining out as an opportunity to gather with friends, eat locally, and show philanthropic support. Success with Millennials will depend on making an emotional connection and placing emphasis on value-based attributes. Of all the generations, they value a brand with a societal stance.

# X

**Savvy  
Shoppers**

Gen Xers seek a fun, upbeat, and relaxed dining experience that caters to their hectic lives. They are attracted to brands that offer high quality, convenience, and customization to their specific needs. Whether they are out with their children or looking for a grown-up experience, Gen Xers want to feel comfortable and welcomed in their environment.

# B

**Convenience  
Converts**

As one of the most loyal generations, Baby Boomers tend to stick with familiar places, where they can feel right "at-home." They love to feel a sense of comfort, familiarity, and cleanliness when dining out. Convenience is not a top priority to this generation, rather they seek an environment where they can make genuine connections with the restaurant and its staff.



# Annual Consumer Spending Habits

Z

Food is top of mind for this crowd, with most of their discretionary income going toward it. With an increased interest in food, this generation is ordering takeout from restaurants more than any other. Online ordering is a Zer’s best friend, and that will not change anytime soon.

Y

The bulk of Millenials are in their prime parenting years. They are juggling keeping the household budget in order, and finding the time to go out to eat is not an easy feat. So when they dine out, they are careful about where they select. Typically, they opt for family-friendly restaurants or allocate their dine-out spend for lunch.

X

Driven by busy lifestyles and seeking work-life balance, Gen Xers are less concerned about finances when eating out than any other generation. Instead, they look to restaurants to provide a relaxed, sociable backdrop. As the typical head of a family, they also influence and finance the eating habits of Generation Z.

B

There is little doubt that Baby Boomers are spending less in retirement. Moreover, as many are transitioning to a more fixed income, boomer spending power in this space declines as they become more cost-conscious. Baby Boomers tend to know what they want and how much they want to spend. Therefore, they will seek out experiences that satisfy their appetite and their wallet.

Z

Y

X

B

## Average Total Spending on Food

\$5,288

\$7,740

\$10,073

\$8,180

## % of Income Spent on Food

Average Income  
\$24,826

21.3%

Average Income  
\$69,920

12.5%

Average Income  
\$76,317

13.2%

Average Income  
\$61,045

13.4%

## Food Dining Out VS At Home



52%



47%



44%



41%



# Environmental Preferences

Z

For Gen Zers, it is all about elevating brand perception through ambiance. Upgrades could be as simple as choosing a new selfie-friendly light bulb or painting a chalkboard accent. Anything that makes your setting stand out from the crowd is more likely to capture their loyalty.



natural materials



eclectic seating



quirky designs



tech integration



open kitchens

Y

With so many distractions vying for millennials' attention, they value dining destinations that are minimalistic, authentic, and convenient. Tonal looks with curated layers of varying hues, textures, and materials combined with natural materials can create a space that feels effortlessly relaxed.



communal eating



social engagement



tech customization



noteworthy



eco-conscious

X

When Gen Xers go out to eat, they seek an environment filled with fun, socialization, and good energy. Larger tables, optimized space for quality service, and warm colors can create the uplifting and welcoming atmosphere that Gen Xers desire.



relaxed



family-friendly



easy technology



fun & upbeat atmosphere



social engagement

B

To provide Boomers with the familiarity they long for, brands must consider how to make them feel right "at-home." They desire a space that allows for easy conversation. Good lighting, a quiet dining area, and comfortable seating can encourage Boomers to sit back, relax, and make genuine connections.



comfort



quiet atmosphere



cleanliness



good lighting



social engagement



# Thank You

For more information,  
contact us at [teamceso@cesoinc.com](mailto:teamceso@cesoinc.com)  
or visit our website at [www.cesoinc.com](http://www.cesoinc.com)

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