



## The State of the Restaurant Industry: Fall 2021

**The Colorado restaurant industry is in peril due to the economic repercussions of the COVID-19 pandemic.**

### NATIONALLY

A National Restaurant Association survey of 1,000 adults, Aug. 13-15, revealed:

- 6 in 10 adults have **changed their restaurant use** due to the rise in the delta variant
- 1 in 5 adults have chosen to **sit outdoors** if they did dine at a restaurant
- 37% said they **ordered delivery or takeout** instead of dining in a restaurant
- **9% cancelled restaurant plans and 19% stopped dining in restaurants altogether**
- The hospitality industry shed 24,700 jobs nationwide in August, with eating and drinking places remaining **900,000 jobs below pre-pandemic staffing levels.**

### LOCALLY

A Colorado Restaurant Association survey of 195 operators, July 8 – August 9, revealed:

- **More than 25% of restaurants are considering permanent closure** in the face of significant debt, increased overhead, and a severe shortage of labor.
- More than 67% of restaurants say they have accrued **new, pandemic-related debt** (average debt: \$180,000) which will take three to five years to repay.
- 100% of restaurants say that the **cost of business has increased** since the onset of the pandemic, with labor and food ranking as the highest cost increases.
- Almost 95% of restaurants are **increasing menu prices** to offset increased costs.
  - 55% are cutting hours of operation.
  - 51% are limiting menu items.
- More than 91% of Colorado restaurants report **struggling to hire enough staff.**
  - More than 67% of restaurants report struggling to retain current staff members.
- Additionally, almost 60% of Colorado restaurants' applications for **Restaurant Revitalization Fund grants were NOT fulfilled**, leaving 3,099 restaurants without aid for a deficit of more than \$697 million.