

## Fast Casual Restaurants: Incl Impact of COVID-19 - US - November 2020

Report Price: £3254.83 | \$4395.00 | €3662.99

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“Fast casual restaurants are moderately damaged by the COVID-19 crisis and large shift to working from home, although they are able to more easily pivot to off-premise business needs than their full-service counterparts. Fast casuals are well-suited to recover and grow during the recession as consumers seek out more high-quality but affordable foodservice options.”

– **Jill Failla, Senior Foodservice Analyst**

This report looks at the following areas:

- The impact of COVID-19 on consumer behavior and the fast casual restaurant industry.
- The recessionary impact on fast casual restaurants.
- How fast casual restaurants can combat a loss of customers due to increased work from home.
- How fast casuals are competing in areas that span beyond the current pandemic, including sustainability initiatives and special diet-friendly menu innovation.

Fast casual restaurants saw their high-growth track record come to a screeching halt in 2020. The pandemic and large influx of Americans working from home severely hurt their core lunch business and dine-in business overall. However, fast casuals are nimbly launching innovative off-premise services to adapt and will see a much quicker recovery than their full-service restaurant counterparts as a result. This recovery will be further boosted by consumers increasingly trading to fast casuals from higher-priced or lower-quality concepts during the recession.

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