

State of Business Dining Report

Fall 2024

Presented by





What's Inside

The State of Business Dining Report is an exclusive look at business dining trends and behaviors. Food and beverage is one of the largest expense categories, and business dining represents an estimated \$245 billion market globally. Using Dinova's proprietary business dining data from corporate cardholders and Technomic's industry-leading foodservice data, the report offers exclusive insights and tips to help restaurants tap into this lucrative segment.

About Dinova

Dinova operates a business dining program that includes a network of 24,000+ restaurants in the U.S. and Canada and more than 570 corporations, government agencies, and small to medium-sized businesses.

About Technomic

Since 1966, Technomic has delivered unparalleled understanding and information to the foodservice industry. Technomic supports thousands of foodservice professionals worldwide through original industry research covering every facet of the industry.

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Know what to expect in 2024 and beyond with these bite-sized insights.



Restaurant price increases are far outpacing grocery price inflation.¹



Business dining spend increased 14% between Q2 2023 and Q2 2024.



Dallas has the largest % share of business dining.



Half of consumers are ordering from restaurants less often.



83% of travel managers feel optimistic about the state of business travel.²



¹<https://www.wsj.com/economy/consumers/its-been-30-years-since-food-ate-up-this-much-of-your-income-2e3dd3ed>

²<https://www.cvent.com/en/resource/event/2024-cvent-north-america-travel-managers-report>

Introduction

As most restaurateurs can confirm, the post-COVID restaurant renaissance driven by pent-up demand is over. Welcome to the hangover period, a year defined by weak consumer sales, store closures, value wars, and tightening profit margins.

While consumers have aired their grievances about skyrocketing restaurant bills in viral social media posts, the truth is that most restaurants aren't reaping the benefits of the much-bemoaned \$16 cheeseburgers and "shrinkflation." They're struggling to adapt to market conditions that find them stuck between a rock and a hard place.

Rising labor costs remain one of the main causes of price inflation, and restaurants feel this more than any other industry. Meanwhile, input costs remain stubbornly high. As consumers hit the price ceiling, restaurants are increasingly challenged with retaining customers and protecting profit margins.

"The record growth in business travel and dining spend is welcome news for restaurants when consumer sales and attitudes look bleak. As consumer traffic and spending continue to dampen, the business travel and dining boom offers a new avenue for growth."



Alison

Dinova CEO Alison Quinn

Now for the good news: everyday consumers are just one piece of the puzzle. Targeting businesses, where dining trends look far more positive, offers a promising strategy to boost sales and navigate today's challenging landscape.



State of the Dining Industry: A Tale of Two Segments

To fully understand the state of the restaurant industry today, one must consider that there are two completely different segments of diners. The latest data shows striking differences in the trends and behaviors of business diners compared to everyday consumers.



Consumers



41% of consumers expect their restaurant usage to decrease.



Technomic reports negative average YOY growth for FSRs and LSRs.



68% of consumers are opting for grocery store food due to rising costs.¹

Business Diner



Businesses are predicted to spend \$245 billion globally on food and beverage in 2024.



Purchases over \$250 comprise over a third of business dining transactions.



Large events and conferences have recovered to 90% of pre-pandemic levels.

Consumer Dining Spend Stalls

Nearly half (45%) of consumers remain pessimistic about the state of the economy, and as they look for ways to stretch the household budget, restaurant meals are often the first discretionary expense they cut. They are acutely aware of restaurant price increases and changes in portion sizes; according to Technomic's Q2 2024 Consumer Operator Outlook Report, 66% of consumers expect prices to continue rising. Half are ordering from restaurants less often, up 10% from Q4 2023. The number seeking more discounts and deals (48%) has also increased.

¹<https://talkbusiness.net/2024/05/survey-consumers-reduce-restaurant-visits-eat-more-meals-at-home/>

All Signs Point to a Business Dining Boom

This July, the Global Business Travel Association (GBTA) announced it expects to see record spending on business travel by the end of 2024—to the tune of \$1.48 trillion globally—surpassing earlier forecasts. Boosted by economic stability, pent-up demand for face-to-face networking, and recovery momentum, this spending is projected to exceed \$2 trillion by 2028. This travel rebound increases demand for business dining, since business travelers typically use their corporate credit cards to cover all of their meals on the road.



Business dining spend increased 14% between 2023 and 2024, outpacing food-away-from-home inflation by 10%.

Consumer dining spend only increased 4%*.

More Promising Business Dining Trends

- The global catering services market is expected to grow by \$103B—a compound annual growth rate of 5.46%—between 2022 and 2027.¹
- 48% of catering companies reported corporate catering as the largest growth driver in 2023.²
- Free food continues to be a key recruitment and retention tool, and companies shuttering in-house cafeterias increasingly turn to restaurants.³

*Both consumer dining spend and business dining spend are measured here in current dollars (not adjusted for inflation).

¹<https://www.prnewswire.com/news-releases/catering-services-market-size-is-estimated-to-grow-by-usd-103-28-billion-from-2022-to-2027--rising-demand-for-healthy-foods-on-menus-to-be-a-leading-trend---technavio-301751674.html>

²<https://nuphoriq.com/catering-stats/>

³<https://www.seattletimes.com/life/food-drink/the-corporate-cafeteria-is-broken-so-how-to-feed-workers/>



Corporate catering is thriving, too.

Business orders have eclipsed weddings as the top driver of all catering sales, with group orders (over \$250) comprising a third of all Dinova business dining transactions.

Learn about corporate catering trends and how to position your restaurant for success!

[Learn More](#) ➔

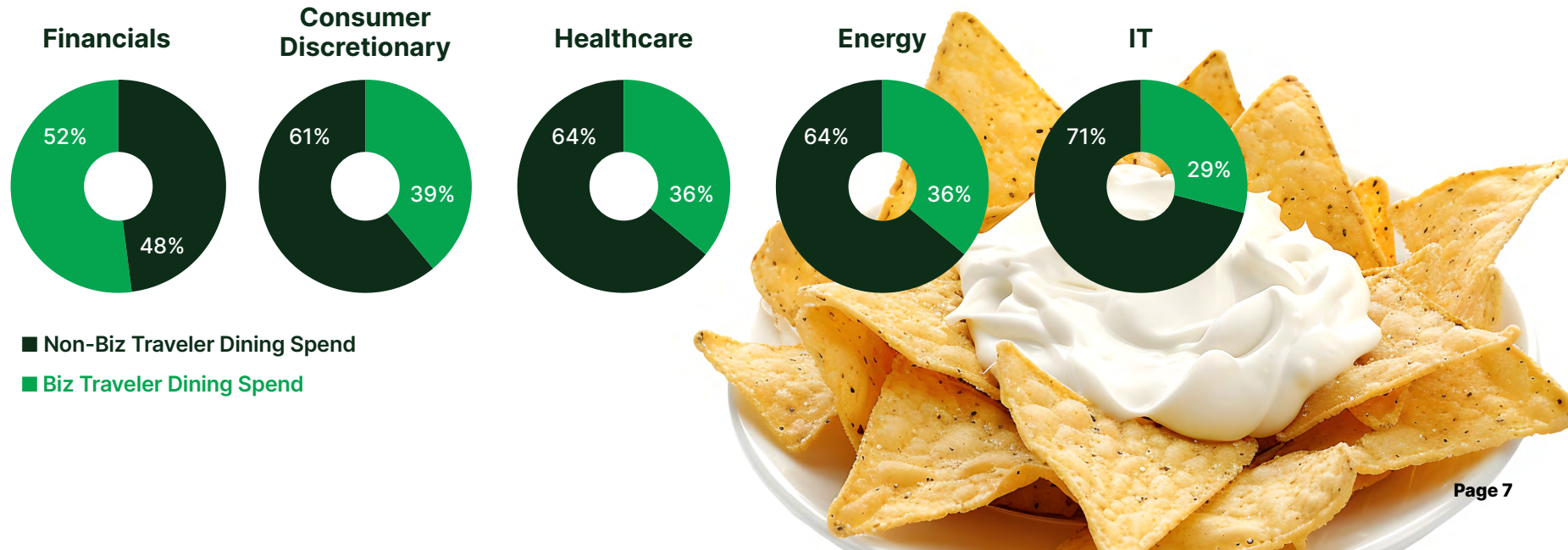
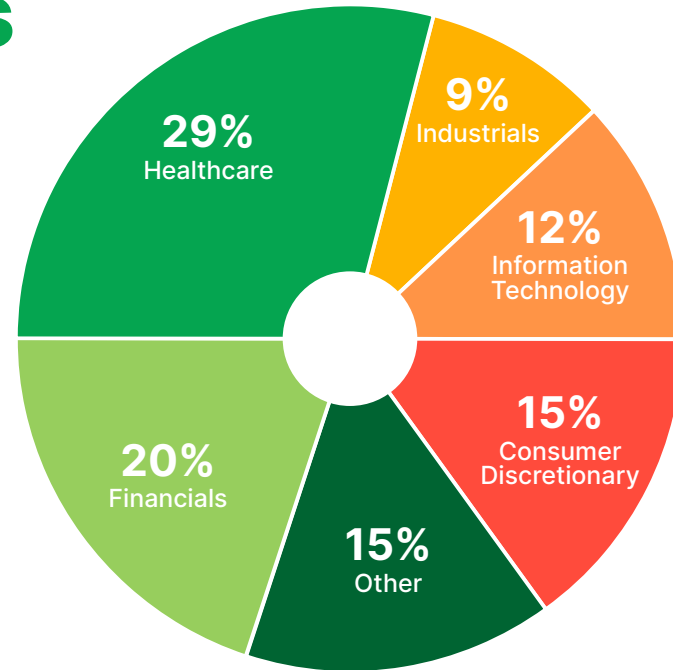
Understanding Travel Dining Needs

Where do business travelers work?

In the top five industries for business dining spend, most dining transactions are between \$250 and \$5,000, likely for catering or small to medium event orders. Some industries also have a significant portion of their budget spent on transactions over \$10,000, signaling conferences and large events.

For 4 of the top 5 business travel industries, purchases over \$10,000 make up 10% of their business dining spend:

- Financials
- Consumer Discretionary
- Information Technology
- Industrials



■ Non-Biz Traveler Dining Spend
■ Biz Traveler Dining Spend

What does business travel dining look like?

Business dining can take many forms for road warriors, from wining and dining clients and partners to building interoffice culture and grabbing fast food on the go. We interviewed business travelers in Dinova's Preferred Dining program to bring you exclusive insights and tips for the most common use cases.

Breaking Bread With Clients & Partners

While conferencing tools make it easy for workers to collaborate from anywhere, there's no substitute for face-to-face connections.

Relationship-building meals often include impromptu breakfasts, lunches, happy hours, and dinners where the highest-ranking team member picks up the check. These meals typically occur onsite at restaurants, and those that promote warm conversations and seamless experiences stand to earn loyal business customers.



Pro Tip: Communal meals promote bonding and conversation—who doesn't love talking about food? Shareable tapas, small plates, and family-style service are perfect for breaking the ice while showcasing your restaurant's greatest hits.

Decision Maker

Partnership Manager Pedro

Pedro is responsible for maintaining positive relationships with many vendors and partners. He travels frequently, typically hosting 1 or 2 meals monthly, and often picks up the check for business partners and co-workers traveling with him.

Motivation: Foster healthy, mutually beneficial working relationships using restaurant meals as a tool.



Green Flags 🇺🇸

- Online reservations available
- Flexibility to accommodate various group sizes
- Good online reviews
- Warm, comfortable ambiance

Red Flags 🇺🇸

- Long wait times
- Overly noisy atmosphere
- Unprofessional or inattentive service
- Menu lacking diversity or options for special diets

Motivating Disparate Teams

Large companies often have a regional or national manager who oversees teams across multiple office locations. Those managing key roles, like salespeople, constantly seek ways to reward performance and build team solidarity. They may also be responsible for coordinating and executing training sessions.

As managers travel to meet and train teams across multiple offices, they leverage many types of business meals—from fancy restaurant celebrations to catering for training sessions.

Pro Tip: Sales teams work hard and celebrate even harder. If you spot a jovial business dining party, ask if they're celebrating something. Offer food suggestions for the table, highlight special occasion-worthy items, and encourage them to linger.



Decision Maker

Sales Manager Cam

Cam oversees insurance sales teams across three offices, traveling between locations frequently to meet with teams, celebrate wins like hitting sales goals, and conduct training sessions.

Motivation: Maximize team performance by conducting catered training sessions and rewarding success with meals.



Green Flags 🇺🇸

Apps and tools for easy reservations and group ordering

Well-rounded, crowd-pleasing menu

Memorable, celebratory atmosphere

Private dining rooms or semi-private, adults-only spaces like bar areas

Red Flags 🇺🇸

Not group friendly

Exuberant pricing

Logistical challenges like difficult parking



Decision Maker

DEI Consultant Shannon

As a DEI Consultant at a company with multiple manufacturing sites, Shannon travels to meet colleagues in disparate locations at least once per quarter. She occasionally picks up dinner for the team, but most of her business meals are on the go.

Motivation: Power through her hectic travel and meeting schedule with fast, convenient meals that suit her taste and lifestyle.

Dining Solo On-the-Go

Business meals aren't always fancy sit-down dinners or large catered affairs. Regardless of role, business travelers have to feed themselves when traveling through airports, driving between offices, or settling into their hotel. Coffee shops, fast food restaurants, and quick service establishments can capture these diners, who spend more than typical customers because they're on the company's dime.

Green Flags 🇺🇸

Drive-through and online ordering for pick-up or delivery

Wifi and power outlets available

Grab & go and healthy options

Restaurant appears in Dinova's Restaurant Marketplace app for business diners

Red Flags 🇺🇸

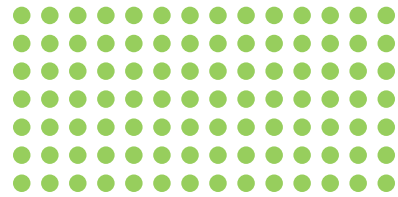
Long wait time for to-go orders or delivery

Unappetizing presentation

Excessive use of plastic or other non-sustainable packaging



Pro Tip: Highlight your restaurant's convenient features for busy travelers, like in-app ordering and delivery. Business diners may also be inclined to join your loyalty program and visit more frequently!



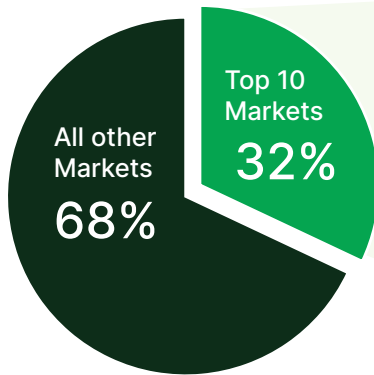
Benchmarks

What should you expect in your region or restaurant category? We've sliced the data to bring you the latest business dining trends from our enterprise partners.

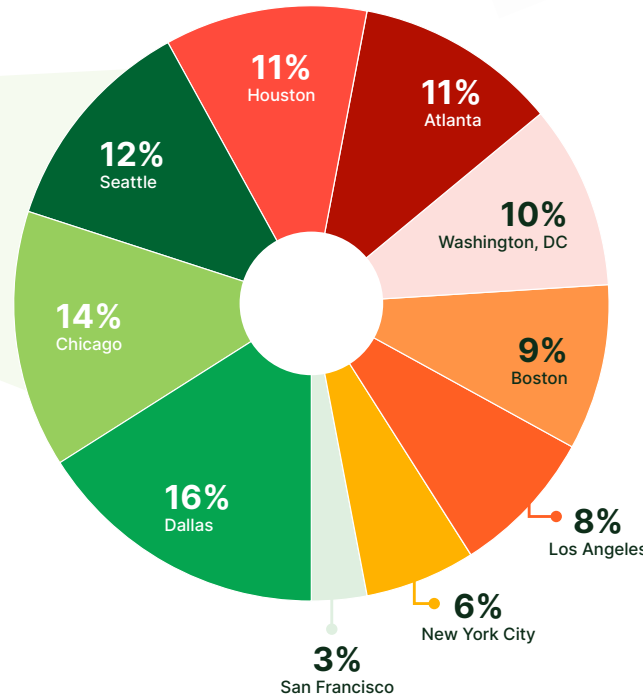
Read more about our methodology at dinova.com/dining-report.

Market Trends for Business Diners

% of Business Dining Sales



% of Share for Top 10 Markets

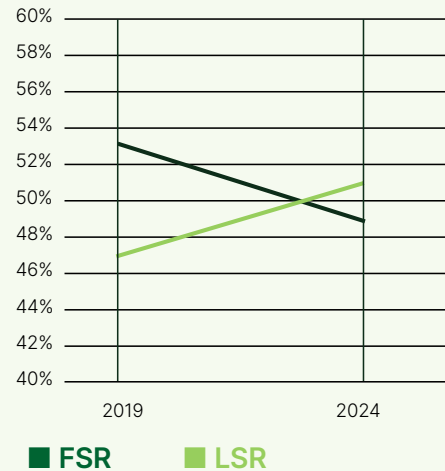


The top 5 markets for business dining are Dallas, Chicago, Seattle, Houston, and Atlanta.

Dallas	16%
Chicago	14%
Seattle	12%
Houston	11%
Atlanta	11%
Washington DC	10%
Boston	9%
Los Angeles	8%
New York City	6%
San Francisco	3%

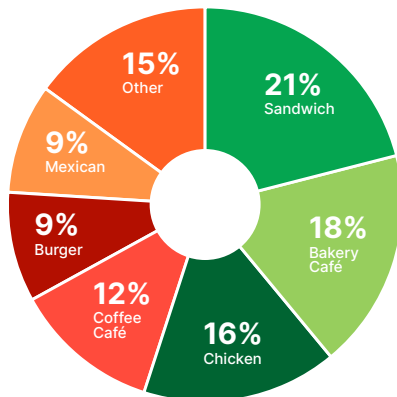
LSR vs. FSR Sales

While the majority of business dining spend today (51%) is at LSRs, LSRs that were better equipped for pickup, delivery, and catering saw a larger market share during the pandemic (54%). Today, the distribution is more even.



Food & Menu Trends

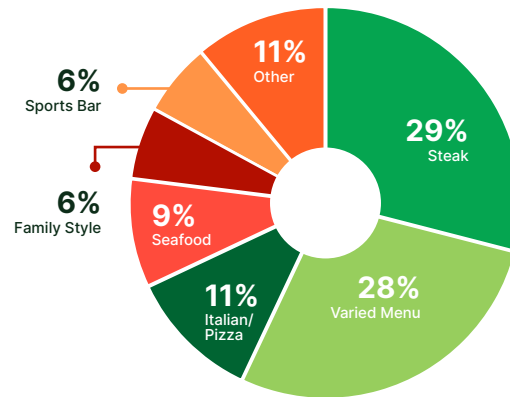
LSR Popular Cuisines among Business Diners



More than half of LSR business dining spend is at sandwich shops, bakeries, and chicken restaurants.

Food & Menu Trends

FSR Popular Cuisines among Business Diners



Steak and Varied Menu are the most popular restaurant categories for full-service business dining.





Takeaways for Restaurants

Consumers have hit the price ceiling.

Consumers, especially younger generations, are pushing back against restaurant price increases and increasingly opting for grocery food.

Business dining sales have grown.

Business dining sales grew 14% between Q2 2023 and Q2 2024, possibly reflecting increased travel spend.

Data points to key growth and seasonality trends.

Following the post-COVID resurgence of business travel and meetings, business travel dining spend has increased yearly.

The rise in business travel offers a silver lining.

2024 should see record business travel spending with sustained growth into 2025. Business dining is one of the largest expense categories and a \$245 billion opportunity for restaurants globally.

Business travel dining comes in many forms.

Business dining needs are diverse, from quick fast food stops to sophisticated client dinners, meeting catering, and culture building.



Unlock Corporate Dining Revenue with Dinova

Dinova helps restaurants access the valuable corporate dining market by getting your business "behind the firewall" of company expense controls. Corporate dining is one of the largest expense categories, and companies increasingly rely on technology to manage it. By joining Dinova's preferred business dining program, your restaurant becomes a recommended option for business travelers, meeting planners, and corporate employees.

Our platform seamlessly integrates with corporate travel tools, making it easy for companies to steer dining spend to your restaurant. With no operational changes needed, you'll attract high-spending business diners, who visit more midweek and spend up to 50% more per check.

Learn more at Dinova.com.

