



Press Release - March 9, 2017

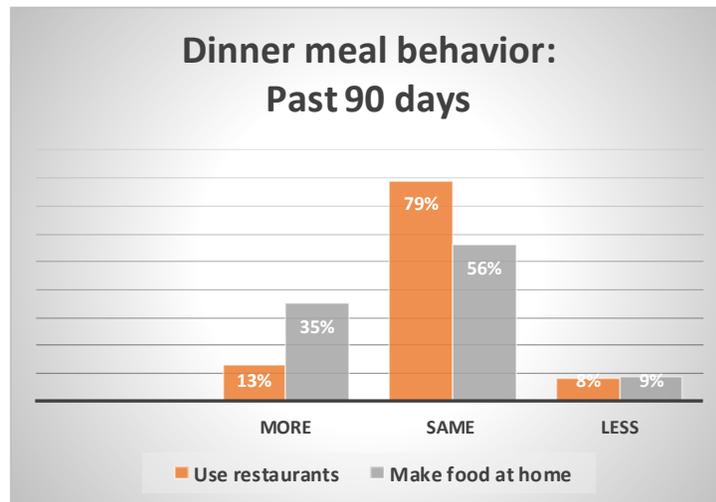
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NO POST-ELECTION BOUNCE FOR RESTAURANTS

Pentalllect Finds Restaurant Performance Remains Sluggish

Restaurant goers surveyed by Pentalllect, a food industry strategy and business improvement firm, in collaboration with its insights partner Critical Mix, are increasingly making food at home versus using restaurants since the election. Specifically, 35% report making food at home more often versus 13% using restaurants more often during the past 90 days. While 47% believe the Trump Administration will be positive for the economy and 38% believe it will be positive for their personal finances, this has not yet led to any noticeable improvement in restaurant performance.



Source: Pentalllect Inc. consumer research; conducted in collaboration with Critical Mix; February 2017

Bob Goldin, a Partner at Pentalllect, says “46% of our respondents claim to have very little or virtually no discretionary income. This is a huge drag on the restaurant industry, which is highly dependent on discretionary income. In this type of environment, consumers tend eat at home to save money.” Goldin also notes that consumers have a growing number of attractive

alternatives to restaurants, including meal kits, home delivered groceries, supermarket prepared foods, farmers markets and specialty stores. “In many cases, these new and emerging channels are neutralizing some of the major advantages of restaurants.”

Despite the current inertia, Pentalllect forecasts that restaurants will outperform traditional retail in 2017 as consumer uncertainty over the election’s socio-economic impact subsides and restaurants focus on building consumer traffic. Rob Veidenheimer, Pentalllect’s President, predicts “restaurants, especially independents, will benefit by their innovation, flexibility, quality and broad appeal on multiple dimensions.” The firm expects restaurants to grow 3.0 – 4.0 % and traditional retail 1.0 – 2.0% this year.

About Pentalllect Inc.

Pentalllect is a strategic consulting and business improvement firm that provides an extraordinary breadth of food industry knowledge, drawing on vast food business management experience and broad networks of relationships throughout the supply chain for manufacturers, operators and distributors. The team leverages its expertise to conduct in-depth assessments of clients’ business strategies, structures, sales and marketing efforts, supply chains and spending/profitability to provide guidance and actionable insights that will have a direct P&L impact. For more information, visit <http://www.pentalllect.com> or call at 888-651-3104.

About Critical Mix

[Critical Mix](#) provides easy access to highly-targeted global survey respondents, survey programming and data visualization services. Driven by a passion for simplifying data collection, the team at Critical Mix is personally invested in giving clients the ultimate customer service experience. Every project, no matter the size or type, is supported by a team of always-available, experienced market research practitioners who anticipate your needs and provide thoughtful customer care. Options include a complete spectrum of high-quality data collection tools ranging from sample sources, survey programming and fielding, to report automation and data dashboards. Critical Mix is headquartered in Westport CT and operates globally. Call us at 1-800-651-8240 or email simplify@criticalmix.com.