

AMERICA'S GREAT RESTAURANT REBOUND



Like elsewhere, the United States' restaurant sector has had a tough time responding to the seemingly endless challenges posed by Covid-19. However, interesting trends are emerging, as **Rod Clough**, President of HVS Americas, explains.

The pandemic has hit America's food and beverage industry hard, with restaurants and cafes bearing the full brunt of social gathering restrictions. Many were forced to offer takeaway only during the lockdowns. When they reopened, they had to adhere to capacity restrictions. While some were able to endure the difficult period by securing funds through the Paycheck Protection Program, other establishments were not so lucky and closed permanently.

It is clear, however, that Americans are eager to return to their favorite restaurants and bars, and the sector is poised to make a formidable comeback this summer. The U.S. restaurant industry continues to evolve and innovate, and there are several important trends to keep an eye on.

Food halls

The modern food hall provides visitors with a huge variety of cuisines to choose from that are prepared in mini kitchens that line the edges of the space. These halls tend to have central bars and may even offer cocktail service. Chefs are able to come together and produce their works of art with a fraction of the investment required to open an independent venue.

College food halls have long since operated in much the same fashion, but when one ramps up the design, prices, food quality and innovation, adding a little bar service on top, this concept works well outside the university environment.

Speakeasies

Sipping a unique craft cocktail with friends in a swanky club-like bar has become a popular pastime. While these types of venues are nothing new to major markets, we are seeing more and more of these venues popping up in secondary and tertiary markets. One advantage from a property owner's standpoint is that these venues are well suited to basement spaces that may otherwise not generate revenue. Craft cocktails can often be charged at higher prices, which can boost profits. Some venues are designed with catchy themes or gimmicks, such as requiring a password to enter or being hidden behind a secret door. Don't be surprised if you see a speakeasy in a hotel basement near you.

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Rooftops

Rooftop venues are popping up across the U.S., as tops of parking garages and hotel buildings are converted to hip venues that attract couples and groups for post-work cocktails and chilled evenings. While the speakeasy may be furnished with cozy, sumptuous booths and high-top tables in a darker atmosphere, the rooftop venue is more likely furnished with casual furniture that is grouped in living-room type configurations. Comfort, bright and a garden-like atmosphere is more likely to be found in today's emerging rooftop trend.

Deposits

Have you ever had to pay a deposit for your restaurant reservation? This is a relatively new trend that involves a charge being applied per person, which guarantees the booking and is forfeited in the case of a no-show. This little gem will surely take some getting used to for customers, but for popular venues, it reduces the risk of an empty table and lost earnings. During the pandemic, when restaurants were limited in terms of seating capacity, this type of revenue guarantee was certainly helpful. It is thus likely that the trend will continue to spread far and wide in the post-pandemic era.

Highly designed restaurant

Over designing isn't necessarily a bad thing. The days of a plain, boring dining room are fading, thankfully. Increasingly, restaurant owners are hiring well-known designers to put their own spin on a restaurant, sharing their work widely across their social media platforms and creating significant buzz for the venue. Establishments are creating Instagram-worthy moments everywhere you turn and investing in a renowned chef to complement the design with an innovative menu.

I, for one, am excited to watch the industry continue to innovate, surprise and delight guests with new menus, designs, decor and concepts. Rest assured that this industry has plenty more up its sleeve.

