

PAR Technology Unveils 2025 Annual Industry Report, Highlighting Consumer Trends from Data Analysis of 30,000 Restaurants Nationwide

Consumers continue to prefer and are willing to pay more for convenience

NEW HARTFORD, N.Y. (May 1, 2025) – <u>PAR Technology Corporation</u> (NYSE:PAR), a global leader in enterprise foodservice technology solutions, released its <u>2025 Quick Service</u> <u>Restaurant (QSR) Operational Index Report</u>, highlighting key insights in the restaurant industry from third-party delivery to state-specific employee data. The report analyzed data from more than 30,000 QSR restaurants that generated a total of 4.5 billion transactions and \$67 billion in sales in 2024.

In 2024, restaurants across the country saw an average five percent increase in transactions and an average eight percent increase in profits with only four percent caused by price hikes. Companies saw a sales boost in 2024 as loyalty transactions increased by over 30 percent. Additionally, consumers continue to favor delivery transactions, which are up by 383 percent since 2020.

In recent years, consumer behaviors have drastically changed to now preferring delivery services and an increased willingness to pay a premium for a seamless experience. The report also includes additional key industry insights, including:

Delivery sales and transactions increased industry-wide despite economic uncertainty:

- Kiosk as a channel is up 27% YoY and 49% since 2020, and mobile is up 21% YoY and 368% since 2020.
- Delivery continues to set the industry benchmark with 73% more transactions than counter checks and kiosks, and 63% more transactions than mobile and drive-thru.
- Restaurants see the highest volume of transactions during dinner (defined as 4 p.m.-9 p.m.) with 267% more transactions than breakfast, 55% more than lunch, and 29% more than late-night.

Increased labor cost and staff shortages impacted restaurants nationwide:

- In 2024, restaurants experienced a 6% increase in labor costs, which is nearly double the <u>average</u> increase of U.S. labor costs at 3%.
- Many states experienced significant increases in labor costs, the top five being Georgia (28%), Hawaii (11%), and Wisconsin, Alabama, and Alaska (7%).

• While turnover rates declined from 139% to 122%–78% of restaurant owners were impacted by staff shortages.

"Businesses must master guest needs and execution swiftly and seamlessly," said Savneet Singh, CEO of PAR Technology. "Innovative digital engagement programs, a fine-tuned tech stack, and gamified experiences are the secret sauce for success. Next-generation loyalty isn't just about points—it's about driving behavior and delivering results. At PAR, our solutions ignite guest experiences and simplify operations, empowering operators to make sharp decisions and excel in real-time."

Recommendations to further growth, innovation, and profits in 2025:

- Invest in first-party delivery services to increase loyalty, retain customers, and drive sales.
- Adopt <u>technology solutions</u> like kiosks and mobile ordering to streamline operations and improve customer experience.
- Implement <u>optimized scheduling</u>, invest in employee retention programs, and explore automation to reduce dependency on labor.

Read the full 2025 QSR Operational Index Report here.

About the QSR Operational Index Report:

The 2025 Quick Service Restaurant (QSR) Operational Index Report, published by PAR®, provides insights and trends based on aggregated data from over 30,000 restaurants in 2024. This information is intended for general informational purposes only. PAR does not make representations or warranties of any kind and does not guarantee the accuracy or completeness of any information, text, graphics, links, or other items contained within this report. PAR does not guarantee that you will achieve any specific results and any reliance on the information is strictly at your own risk. In no event will PAR or its affiliates be liable for any loss or damage whatsoever arising out of, or in connection with, the use of or reliance upon this report, including, without limitation, any indirect or consequential loss or damage. The 2025 QSR Operational Index Report shall not be construed as a representation or indication of the operational performance of PAR or its reported financial results.

About PAR Technology

For over four decades, PAR Technology Corporation (NYSE:PAR) has been at the forefront of technology innovation in food service, helping businesses create exceptional guest experiences and connections. Our comprehensive suite of software and hardware solutions, including point-of-sale, digital ordering, loyalty, back-office management, and payments, serves a diverse range of restaurant and retail customers across more than 110 countries. With our "Better Together" ethos, PAR continues to deliver unified solutions that drive customer engagement, efficiency, and growth, all to make it easier for our customers to manage their operations. To learn more, visit <u>partech.com</u> or connect with us on <u>LinkedIn</u>, X (formerly Twitter), Facebook, and <u>Instagram</u>.

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