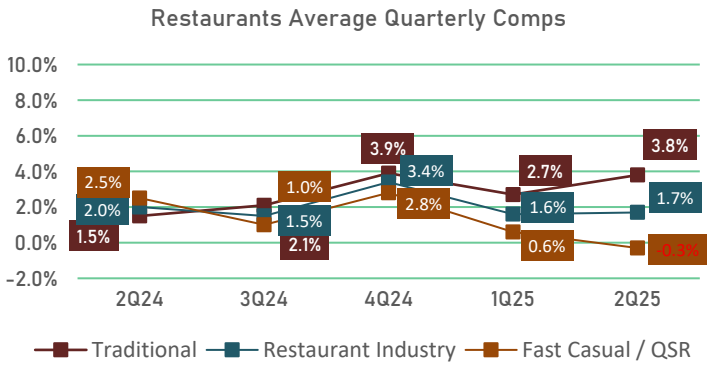
Restaurants

Key Takeaways

- QSR and Fast Casual chains underperformed versus traditional, full-service restaurants as many lower-income consumers remain on the sidelines and others are enticed by a variety of value offers/promotions.
- In a heavily promotional environment, restaurants increasingly rely on targeted promotions, loyalty programs and LTOs to reacquire lapsed consumers and then drive repeat visits.

	Comps	Sales (millions)	YoY Sales % Change	Off-Premise % of Sales	Quarter-End Date
Traditional				1Q25	
BJ's Restaurants	2.9%	$365.6	4.5%	N/A	7/1/2025
Bloomin' Brands	-0.1%	$1,002.4	0.3%	24%	6/29/2025
Brinker International	19.8%	$1,497.8	24.0%	N/A	6/25/2025
Cheesecake Factory Inc.	1.2%	$955.8	5.7%	21%	7/1/2025
Cracker Barrel	5.4%	$868.0	-2.9%	18%	8/1/2025
Darden Restaurants	4.7%	$3,044.7	10.4%	25%*	8/24/2025
Denny's Corporation	-1.3%	$117.7	1.5%	21%	6/25/2025
Dine Brands Global	4.9%	$230.8	11.9%	22%	6/30/2025
First Watch	3.5%	$307.9	19.1%	N/A	6/29/2025
Red Robin Gourmet Burgers	-3.2%	$283.7	-5.5%	N/A	7/13/2025
Shake Shack	1.8%	$356.5	12.6%	N/A	6/25/2025
Texas Roadhouse	5.8%	$1,512.1	12.7%	N/A	7/1/2025
Average - Traditional	3.8%		7.9%		
Fast Casual / QSR					
Cava	2.1%	$280.6	20.2%	36%	7/13/2025
Chipotle Mexican Grill	-4.0%	$3,063.4	3.0%	36%	6/30/2025
El Pollo Loco	-0.3%	$125.8	3.0%	N/A	6/25/2025
Jack In The Box	-7.1%	$333.0	-9.8%	95%*	7/6/2025
McDonald's	2.5%	$6,843.0	5.4%	90%*	6/30/2025
Noodles & Co.	1.5%	$126.4	-0.7%	55%	7/1/2025
Potbelly	3.2%	$123.7	3.4%	41%	6/29/2025
Restaurant Brands Int'l	2.4%	$2,410.0	15.9%	28%	6/30/2025
Starbucks	-2.0%	$9,456.0	3.8%	74%*	6/29/2025
Wendy's	-3.6%	$560.9	-1.7%	75%*	6/29/2025
YUM! Brands	2.0%	$1,933.0	9.6%	85%*	6/30/2025
Average - Fast Casual / QSR	-0.3%		4.7%	*estimated	
Total Average	1.7%		6.3%		

The restaurant sector saw a widening divide in performance by category during 2Q25, with an average of 3.8% comparable sales growth at traditional full-service restaurants in our coverage while the QSR and Fast Casual average slid to a 0.3% decline. Price increases remain the main driver behind comp gains, as weaker traffic trends also remain a headwind across all categories, with QSR chains in particular struggling to win back lower-income consumers. Many companies have stepped up their promotional activity and advertising, with mixed results. McDonald's (2.5%) and Burger King (2.4%) comps returned to positive territory, while Starbucks (-2%), Wendy's (-3.6%), Jack in the Box (7.1%), and Chipotle (-4%) all weakened sequentially from 1Q and Cava (2.1%) slowed to low-single digits. The common goal of restaurants in these categories is improving their brand positioning by emphasizing value, both against each other and increased competition from traditional chains offering their own cheaper value options. Increased availability and marketing of these value offers, and new menu innovations helped drive stronger results at Dine Brands/Applebee's (4.9%), Darden (4.7%), Brinker/Chili's (20%) and Cracker Barrel (5.4%), with the latter's 2.9% sales decline due to an extra week in the prior-year period. Struggling Red Robin also saw its sales decline 5.5%, but that was due to a 3.2% comp decrease and store closures. U.S. Census Bureau data indicated that sales at food services and drinking places ended the quarter with 6.9% growth in June and has remained in the 6% range in the following months.





For questions or analytical support, please call:
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2025 Seasonally Adjusted Retail Sales (Monthly % Change Year-Over-Year) Source: U.S. Census				Upcoming Comparative Periods		
	Jun'25	Jul'25	Aug'25	Sep'24	Oct'24	Nov'24
Total Retail Sales	4.4%	4.1%	5.0%	2.0%	3.1%	3.9%
Retail Sales Ex Auto	4.0%	3.9%	4.9%	2.5%	3.0%	3.1%
Retail Sales Ex Auto and Gas	4.7%	4.6%	5.4%	4.1%	4.2%	3.9%
By Category:						
Furniture & home furnishings	4.5%	5.4%	5.2%	2.5%	2.4%	2.5%
Electronics & appliance	0.1%	0.9%	3.7%	-4.9%	-2.1%	1.9%
Building materials, garden equip. & supplies	-0.2%	-2.5%	-2.3%	1.4%	2.8%	2.5%
Food & beverage stores	2.7%	2.4%	3.2%	2.6%	2.7%	2.2%
Grocery stores	2.9%	2.6%	3.4%	2.5%	2.7%	2.1%
Health & personal care	9.7%	5.7%	5.1%	7.1%	2.5%	2.5%
Gasoline stations	-3.3%	-2.4%	-0.7%	-10.7%	-7.7%	-4.2%
Clothing & clothing accessories	5.1%	6.4%	8.3%	2.3%	3.7%	2.9%
Sporting goods, hobby, musical instrument & book stores	0.5%	4.2%	4.7%	-2.2%	-2.5%	-3.3%
Footwear	2.5%	-0.1%	TBD	-7.6%	-6.5%	-3.3%
General merchandise	2.4%	1.5%	1.9%	2.6%	2.9%	2.7%
Department stores	-3.6%	-1.1%	-1.0%	-3.4%	-3.3%	-2.6%
Nonstore retailers	5.6%	7.8%	10.1%	7.2%	7.9%	8.4%
Food services & drinking places	6.9%	6.2%	6.5%	4.3%	4.9%	3.9%

*Sporting goods figures are not seasonally adjusted

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