

knit

2022 Report

Gen Z Restaurant & Dining Report

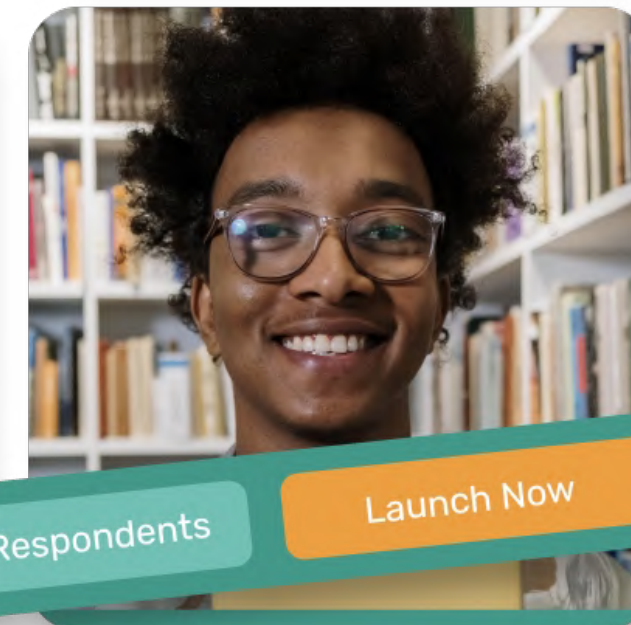
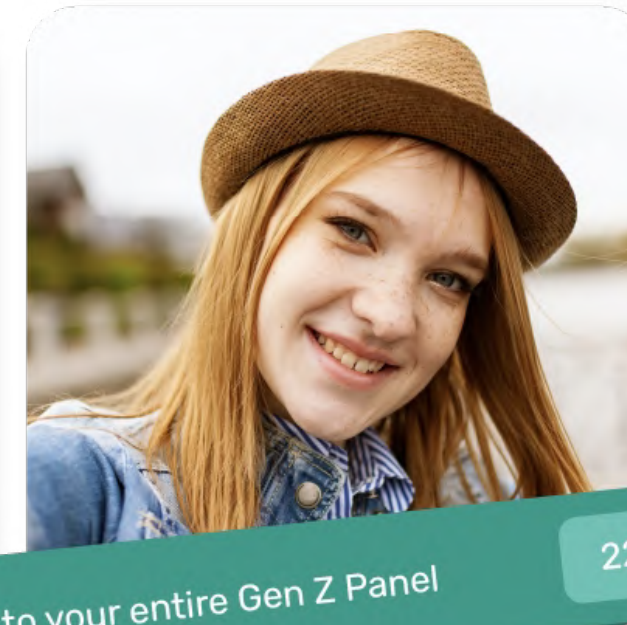
**What the data actually says about
Gen Z's dining trends and preferences**



About *knit*

Knit helps brands understand this next generation of consumers through **on-demand feedback from Gen Z & Millennials**. Get instant answers to your biggest Gen Z strategy questions and feedback on all your product or marketing ideas - by tapping into Knit's youth consumer panel (the largest in the nation). Access both the "what" and "why" behind all your decisions through extensive quant & qual solutions, and ensure you talk to your exact audience through our robust segmentation capabilities (geo, interests, and more).

Trusted Youth Research provider of:



Send to your entire Gen Z Panel

225 Respondents

Launch Now



About Gen Z

Generally speaking, anyone born after 1997 is a member of the most ethnically diverse, first **digitally-native** generation in the world. American Zs are social and environmental idealists, glued to their screens, and have a collective **estimated buying power of \$150 Billion** (and counting). That spending power will only grow as more members of Gen Z hit the workforce, and brands will meet the needs of this wholly unique - and largely untapped - market of consumers when they better understand their needs, ideals, and values.

Generations Defined:

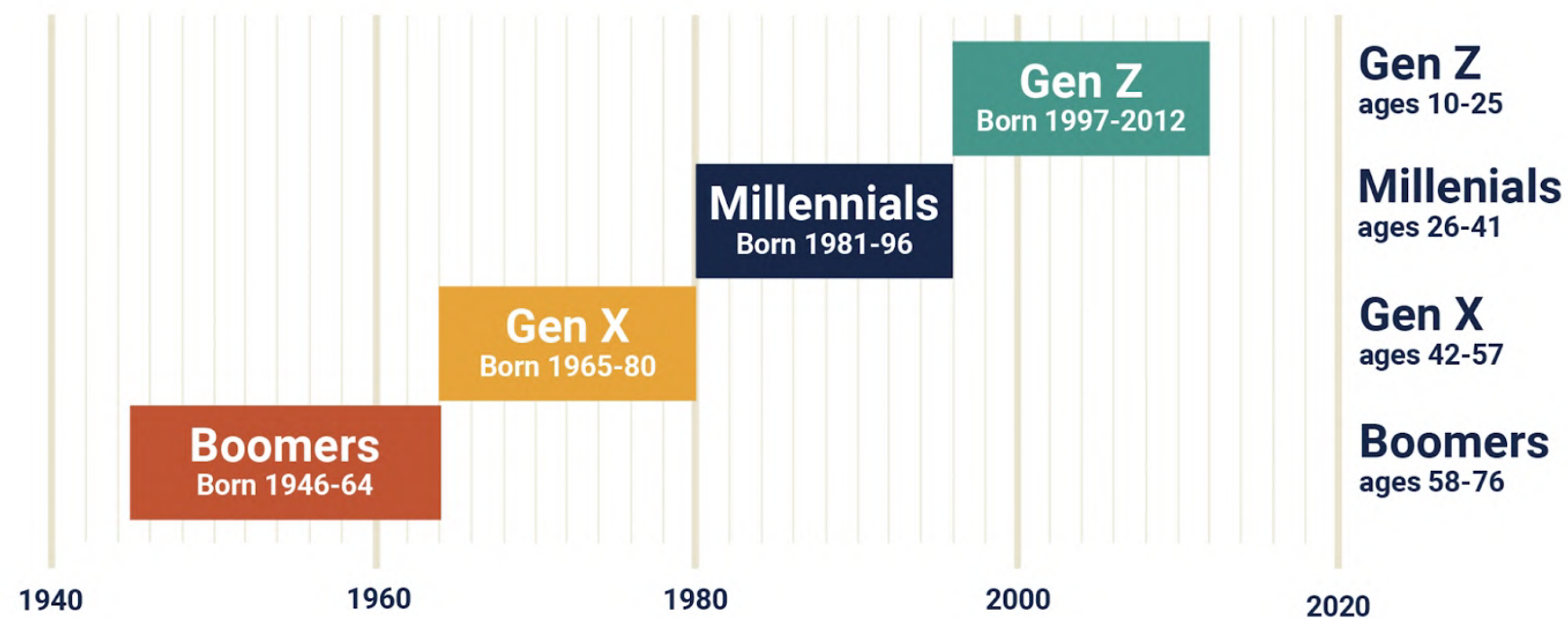




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The Rise of the Restaurant



The food and beverage category has long been "eating" into the share of the average consumer's wallet well before the turn of the century. Across the US, the restaurant industry made up a quarter of all dollars spent on food in 1955. Over the last six and a half decades, that figure has more than doubled to 51% in 2019.

With **9 out of 10 restaurant operators citing higher food costs** and 8 out of 10 citing higher labor costs in 2022, there is no question that affording these experiences has become more difficult. With COVID-19 impeding in-person dining and creating heightened safety concerns, there are additional barriers to overcome in order to dine out, which has presented a new challenge.

How will these fundamental shifts impact the spending habits of this new generation?

Our **2022 Gen Z Restaurant & Dining Report** is here to help answer that question. The pandemic has changed how restaurants operate - leaving behind old ways of purchasing, experiencing, and paying for foodservice. At the same time, Gen Z still craves certain aspects of the restaurant industry that have long been present - fast food indulgences, indoor dining, and table service, to name a few. Our aim is to help restaurants and brands understand how these youth consumers are changing the dining landscape and help them position their brands and businesses for success. We hope you find these insights as interesting and helpful as we do.

Restaurant Industry's Share of \$ Spent on Food











Sources: The National Restaurant Association - *State of the Restaurant Industry Report 2019*



Defining Key Terms

Throughout this report, we may refer to certain restaurant categories which are defined below.



Category	Definition	Example
Cafes	Smaller restaurant settings often focused on beverages with limited food options	 DUNKIN'
Quick Service Restaurants	Limited menu and prep time, often available through a drive-thru (a.k.a. Fast Food)	 
Fast Casual	Made-to-order offerings with more prep time required than QSR and optional seating but no full table service	  CAVA
Casual Dining	Sit-down restaurants with table service, more required prep time	 
Contemporary Casual / Fine Dining	Higher-end restaurants with higher-priced offerings requiring more prep time in an elevated atmosphere with table service	 FOGO DE CHÃO

Section 1

Gen Z Restaurant Consumer Trends



Decisions, decisions, decisions...

Obvious statement: There are more options available to consumers than ever before. Duh. But when consumers begin to think of *what* and *where* to eat, the choices have become endless. And as with other industries, dining expectations and preferences cannot be applied to the aggregate population – they vary across generations and consumer segments. When it comes to Gen Z, the availability of new options, ease of ordering, and emphasis on healthy habits have shaped a unique generational profile.

In this section, we explore some of those defining characteristics of your everyday Gen Z "diner." In part, we explore what exactly is included in a Gen Z shopper's decision-making process for determining where to eat, how their dietary habits play a role, and (most importantly) what their favorite cuisine is!

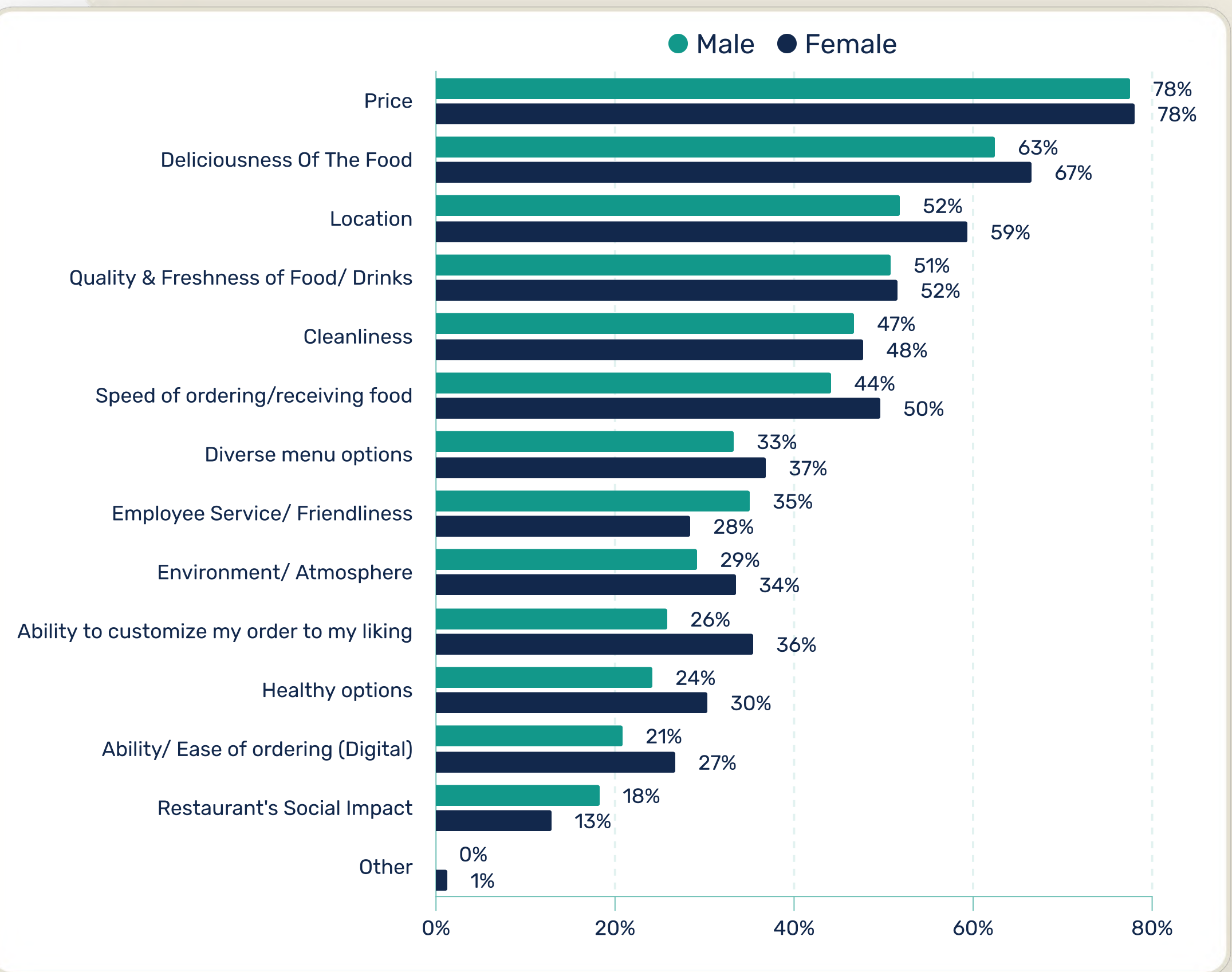


Inside the Mind of a Zoomer

So what influences Gen Z's dining decisions? Well, one thing that has held true across generations is seeking out delicious, tasty food. However, Gen Z consumers place an emphasis on other important criteria, as well, when they are making dining decisions.

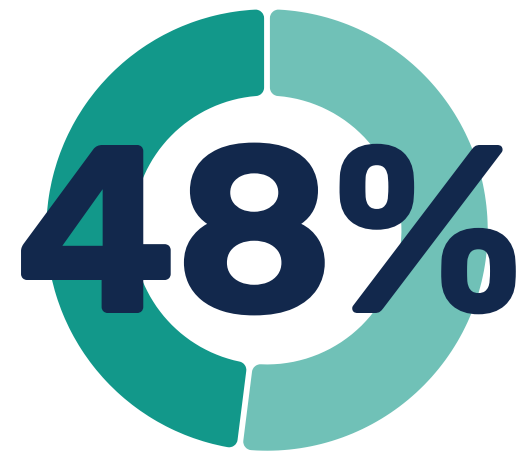
Among the **most influential decision criteria** for Gen Z are: (1) price, (2) deliciousness of the food, (3) convenience of location, (4) quality and freshness of food, and (5) cleanliness of the establishment. Of the surveyed Gen Z consumers, almost 80% recognized that price was an impactful criterion.

Gen Z's Most Influential Factors on Dining Purchase Decision

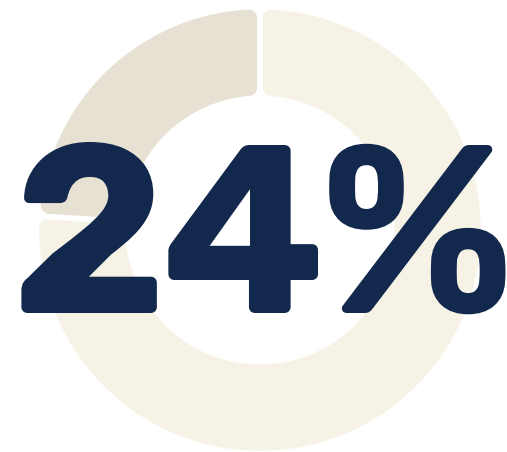


Ordering goes digital

This is a generation obsessed with instant gratification. For the group of consumers who have become accustomed to getting almost anything at their fingertips with the click of a button, nearly **48%** of respondents cited the **speed of ordering** and receiving their food as highly important and another **24%** marked **ease of ordering** via digital channels as an important consideration.



of Gen Z cite **speed of ordering** as highly important



of Gen Z say **ease of ordering** via digital channels is an important consideration



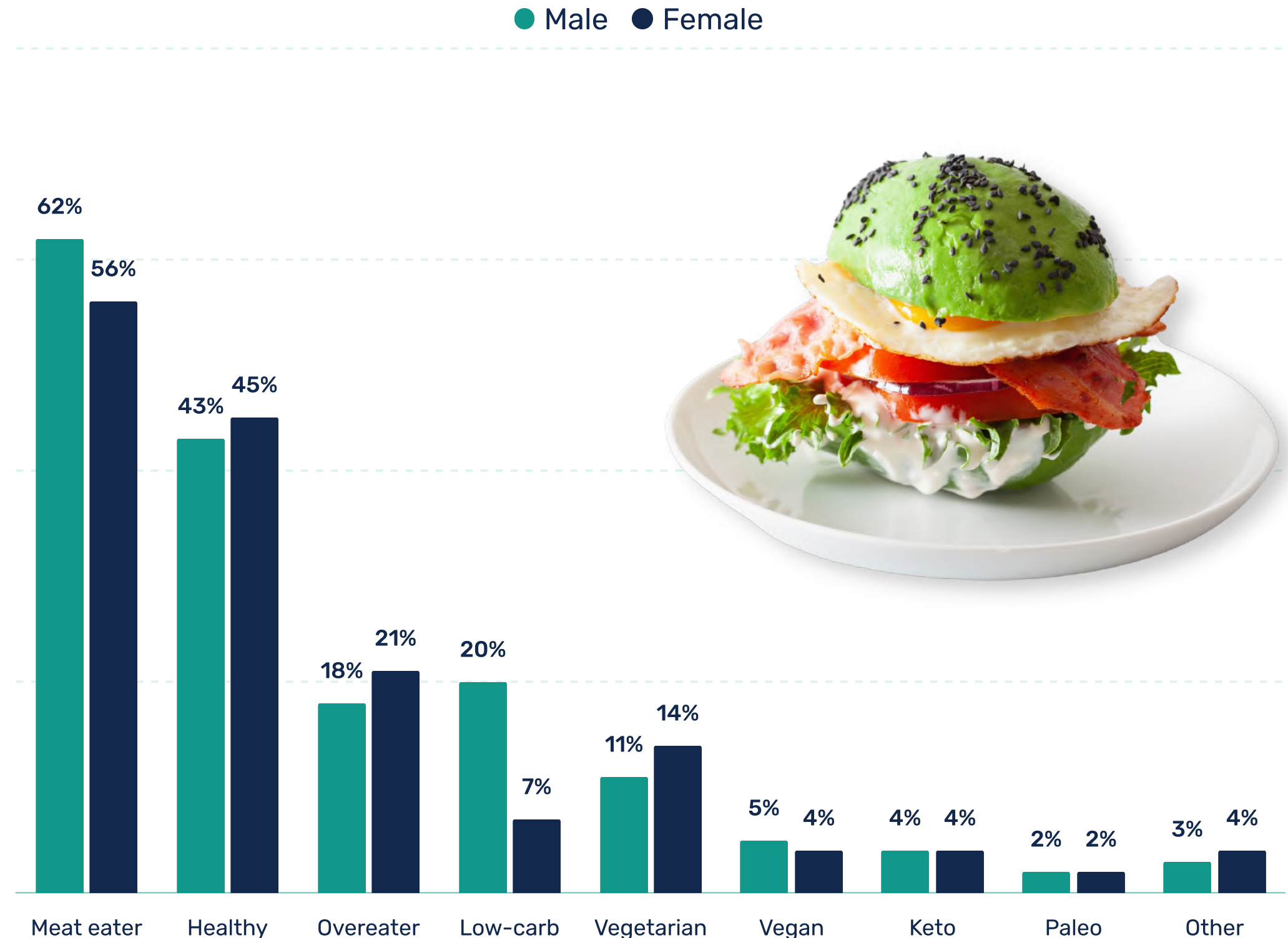
The new clean plate club

Now that we have established the decision criteria for Gen Z consumers, it is important to understand the typical profile of a Gen Z consumer and their dining habits on a deeper level.

A recent shift between generations has occurred, with **Gen Z consumers moving towards healthier food habits** and having an increased awareness of alternative dietary habits (i.e., low-carb, vegetarian, vegan, keto, etc.).

Within the surveyed population of Gen Z consumers, **44% identified as healthy or “clean” eaters**, while only 20% acknowledged that they were overeaters. In addition, a sizable portion self-identified with one of the following restrictive dietary habits: low-carb (13.2%), vegetarian (13.2%), vegan (5.0%), keto (4.3%).

How Gen Z Identifies Their Own Dietary Habits

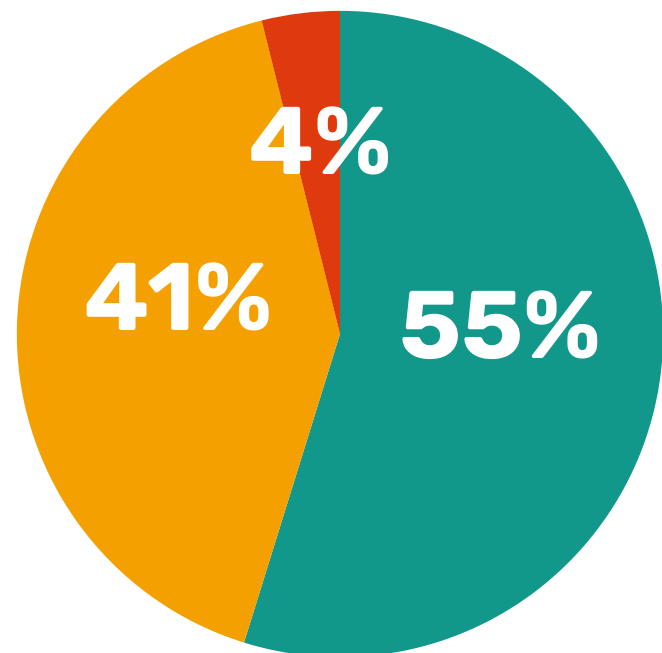


Out of Gen Z's comfort (food) zone

While some choose to limit the source of their foods, that does not mean that Gen Z consumers are picky eaters. In fact, the majority of Gen Z consumers are extremely willing to try out new foods, and a whopping **96%** are at least open to the idea of expanding their palates.

This generation has an exploratory approach to cuisine. More than half of Gen Z eaters are inclined to try various "ethnic dishes," or new genres of food that are not necessarily native to their home.

Gen Z's Willingness to Try New Foods



- **Never**
I know my favorite foods
- **Moderately**
I occasionally try new foods
- **Extremely**
I'm willing to try out new foods



You got the check?

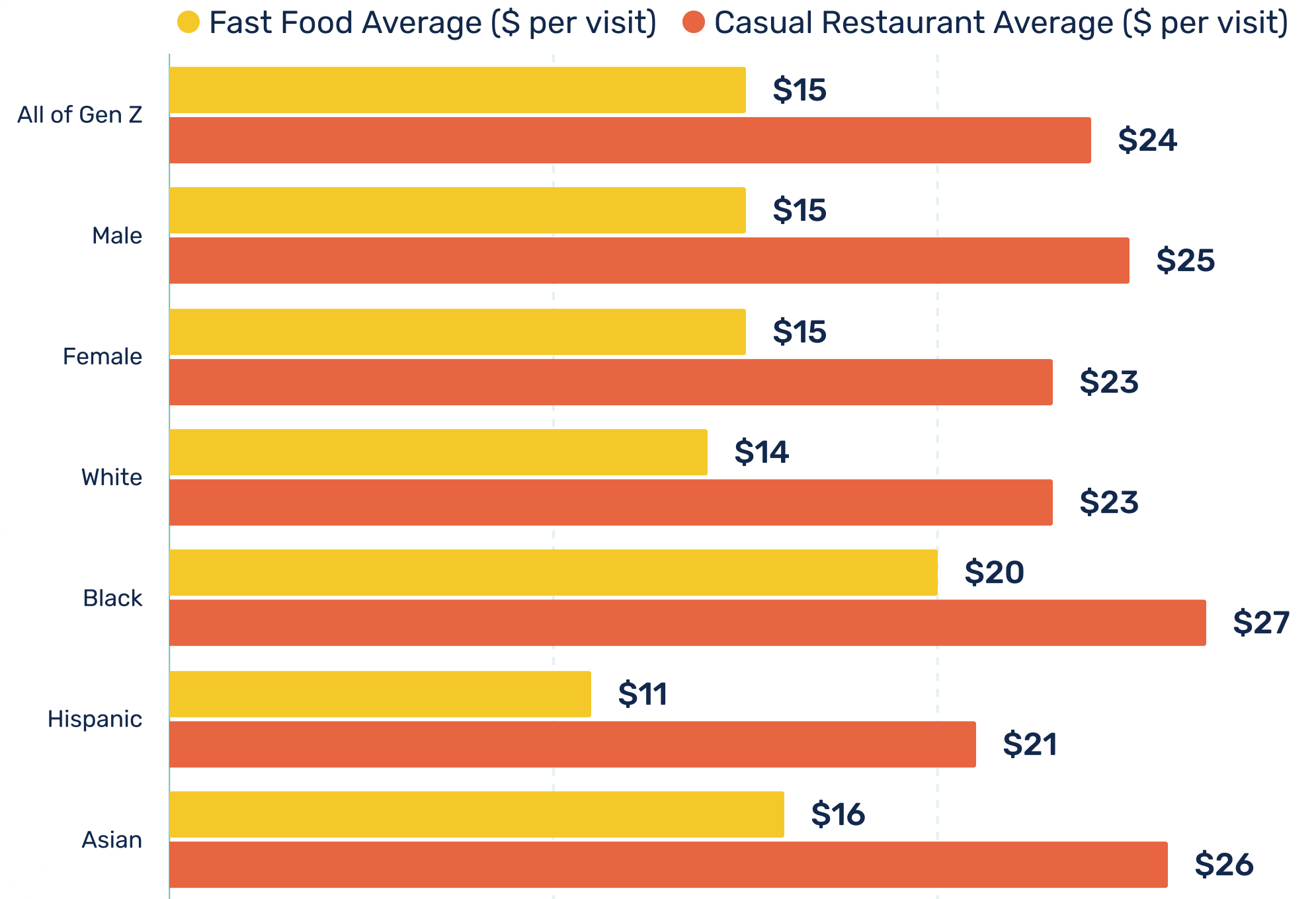
When asked about their key criteria for choosing where to dine, the top response from Gen Z was price. But, while a top consideration, price does not stop Gen Z from dining out!

In fact, most will pay well over \$10 per visit at Fast Food restaurants. Especially notable, is the Black / African American population clocking in at an average \$20 per visit.

Across all Gen Z demographics surveyed, nearly all reported spending an **additional \$10 per visit** when choosing a **Casual Dining** restaurant over Fast Food.



Zoomer Average Spend Per Restaurant Visit

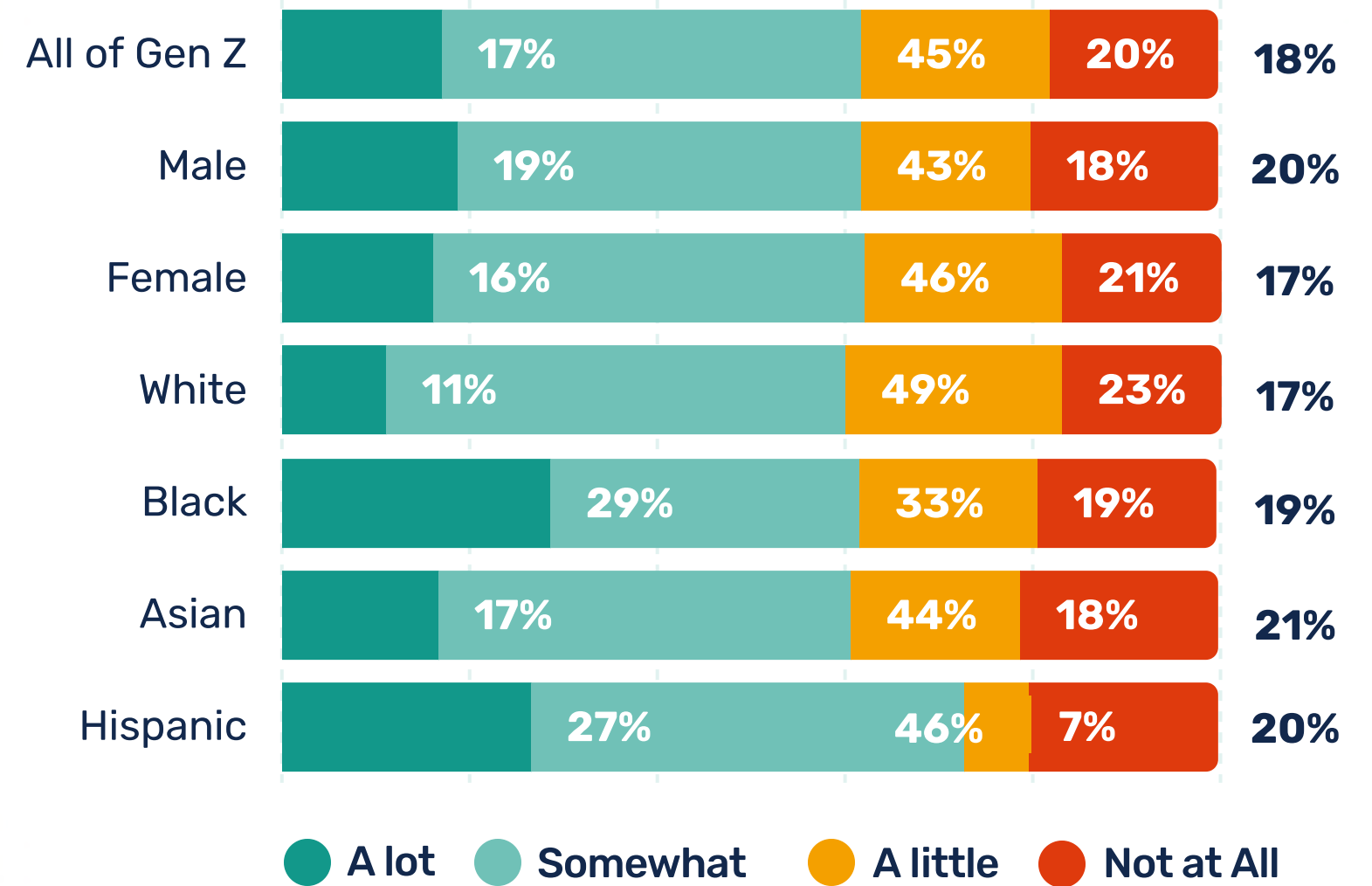


With a Large Platform... Comes Great Responsibility

In addition to the list of common dining decision criteria, a new theme has emerged within Gen Z: They seek stronger voices and social stances from restaurant companies. Approximately 15% noted that the social impact and stance of a company is something they factor into their decision when deciding where to eat out (see pg 9).

Among the demographics studied, the Black / African American population placed the most responsibility on restaurants, with 29% of Black / African American respondents stating that the social stance of a restaurant has a significant influence on their willingness to dine there.

The Influence of Restaurant's CSR Initiatives on Gen Z



What Are Ya Havin'?

We've talked about decision criteria, dietary habits, propensity to spend, and more, but when it comes to Gen Z characteristics... *what is it that they actually prefer to eat?*

Here's just a taste of their preferences.

Cuisine Preferences

Gen Z's Top 3 Types of Cuisine



Mexican
21.7%

American
17.8%

Italian
15.1%

Condiment Preferences

Gen Z's Top 6 Condiments



Ketchup
21.1%

Ranch
15.8%

BBQ
10.5%

Hot Sauce
9.9%

Honey Mustard
7.2%

Mayo
5.9%

Dessert Preferences

Gen Z's Top 5 Dessert Flavors



Milk Chocolate
22.4%

Dark Chocolate
11.8%

Vanilla
11.2%

White Chocolate
7.9%

Caramel
4.6%



Section 2

Gen Z Purchasing Trends by Category



Off for a quick bite to eat



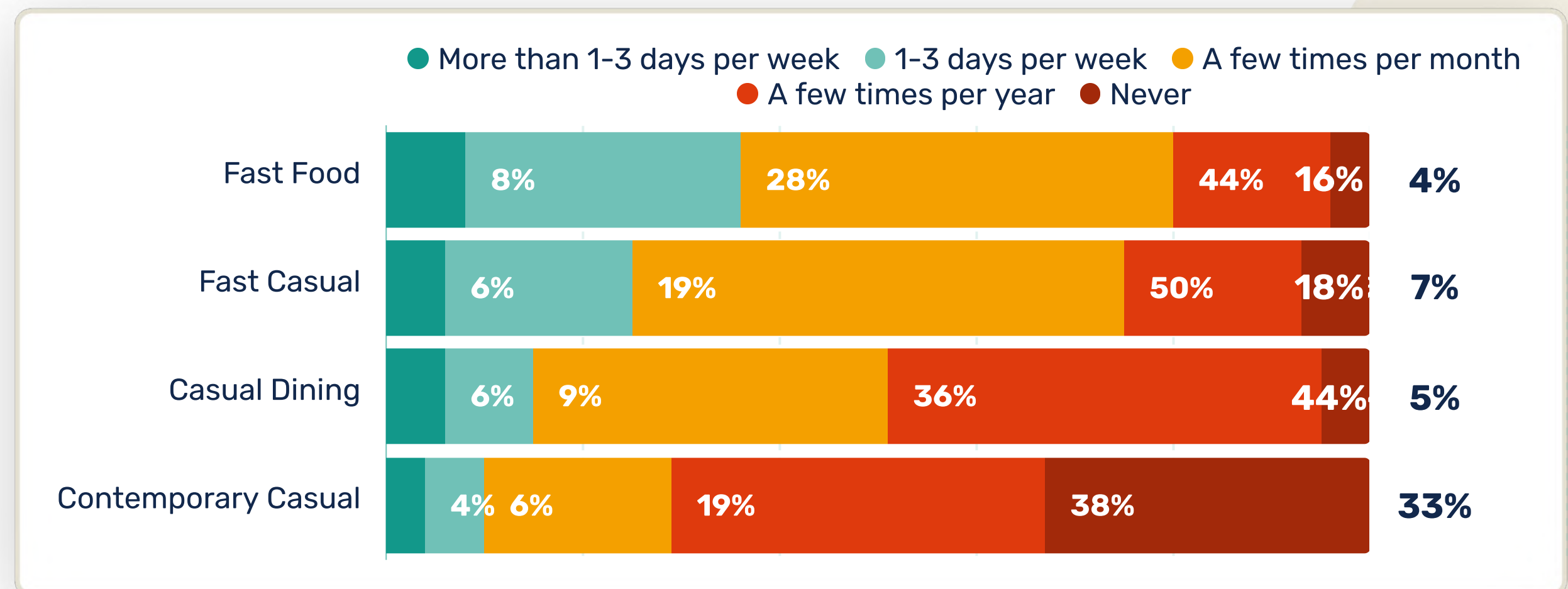
So far we've explored Gen Z's willingness to spend, desire for different cuisine types, and decision-making criteria for where they choose to dine out, but where exactly are Zoomers going? How often are they going? And, finally, why are they going?

Roughly **3 out of 4** Gen Z consumers go to **Cafes, Quick Service** restaurants, and **Fast Casual** restaurants **at least a few times per month**. Despite the common understanding that Gen Z consumers are more financially-minded than their Millennial peers, it is clear that meals away from home are an important part of Gen Z's purchasing habits. As you might guess, morning rituals and breakfast routines may play an important role in driving regular visits to Cafes. While Cafes, QSR, and Fast Casual restaurants are driving higher frequency, Casual Dining and Contemporary Casual restaurants receive fewer annual visits from Gen Z customers.

Gen Z's Restaurant Visit Frequency by Category

When asked to indicate how frequently they visit Casual Dining and Contemporary Casual restaurants, 49% and 71% responded that they visit a few times per year or less, respectively.

Fewer visits may appear troublesome, but does that mean Gen Z is avoiding Casual Dining and Contemporary Casual altogether? Are Cafes, QSR, and Fast Casual concepts capturing more than their fair share of the Gen Z market?



What's the Occasion? Gen Z's Dining Out Habits

Meeting the changing needs and demands of Gen Z is hard. Whether it's rushing through a workday, celebrating a special milestone like a graduation, or waking up after a long night out, Gen Z consumers are expecting to find a restaurant experience for every type of occasion.

Here are some of Knit's findings on the top occasions driving Gen Z customers to each restaurant category:

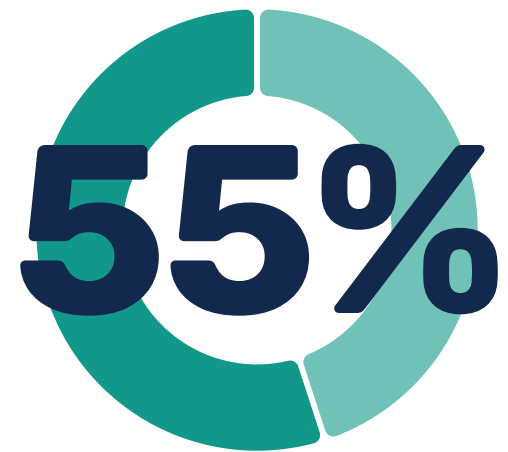


Rank	Cafes	QSR	Fast Casual	Casual Dining	Contemporary Casual
1	Daily 📅 40.2%	In a Rush ⚡ 70.1%	In a Rush ⚡ 36.7%	Special Occasion 🎉 60.1%	Special Occasion 🎉 41.3%
2	In a Rush ⚡ 34.2%	Under the Influence ☁️ 28.1%	Special Occasion 🎉 33.5%	Date Night 💋 40.6%	Date Night 💋 23.8%
3	Special Occasion 🎉 17.8%	Hungover 🍺 26%	Daily 📅 18.1%	Daily 📅 9.6%	Under the Influence ☁️ 7.8%
4	Hungover 🍺 11.4%	Special Occasion 🎉 11.7%	Date Night 💋 17.8%	In a Rush ⚡ 7.1%	Hungover 🍺 7.1%
5	Date Night 💋 10.3%	Daily 📅 11.4%	Hungover 🍺 10.7%	Hungover 🍺 6.4%	In a Rush ⚡ 5.3%
6	Under the Influence ☁️ 8.5%	Date Night 💋 7.5%	Under the Influence ☁️ 10%	Under the Influence ☁️ 6%	Daily 📅 2.5%

Health Considerations

Across all populations, more than half of Gen Z consumers are looking for healthier menu options. These healthy tendencies are extending to both fast food and sit-down locations as well, where over half of the generation will consider healthy menu items at both. And when the occasion does call for a more formal sit-down, over 20% of Gen Z will *always* look for healthier options on the menu.

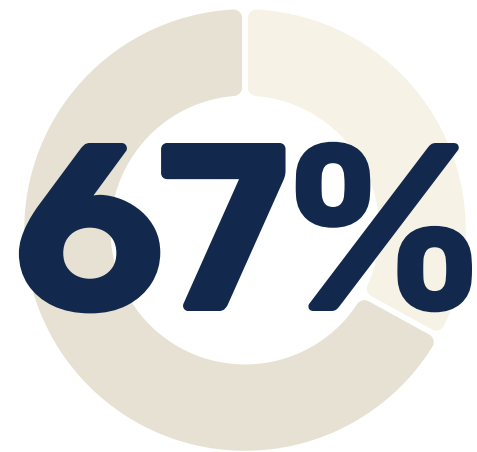
At Fast Food Restaurants



consider **healthier** menu items when ordering

Male Zoomers are **2x** more likely to **never consider** healthy menu options

At Sit-Down Restaurants



consider **healthier** menu items when ordering



20% always look for **healthier** options at sit down restaurants



Section 3

Gen Z & Fast Food Deep Dive



The Balancing Act

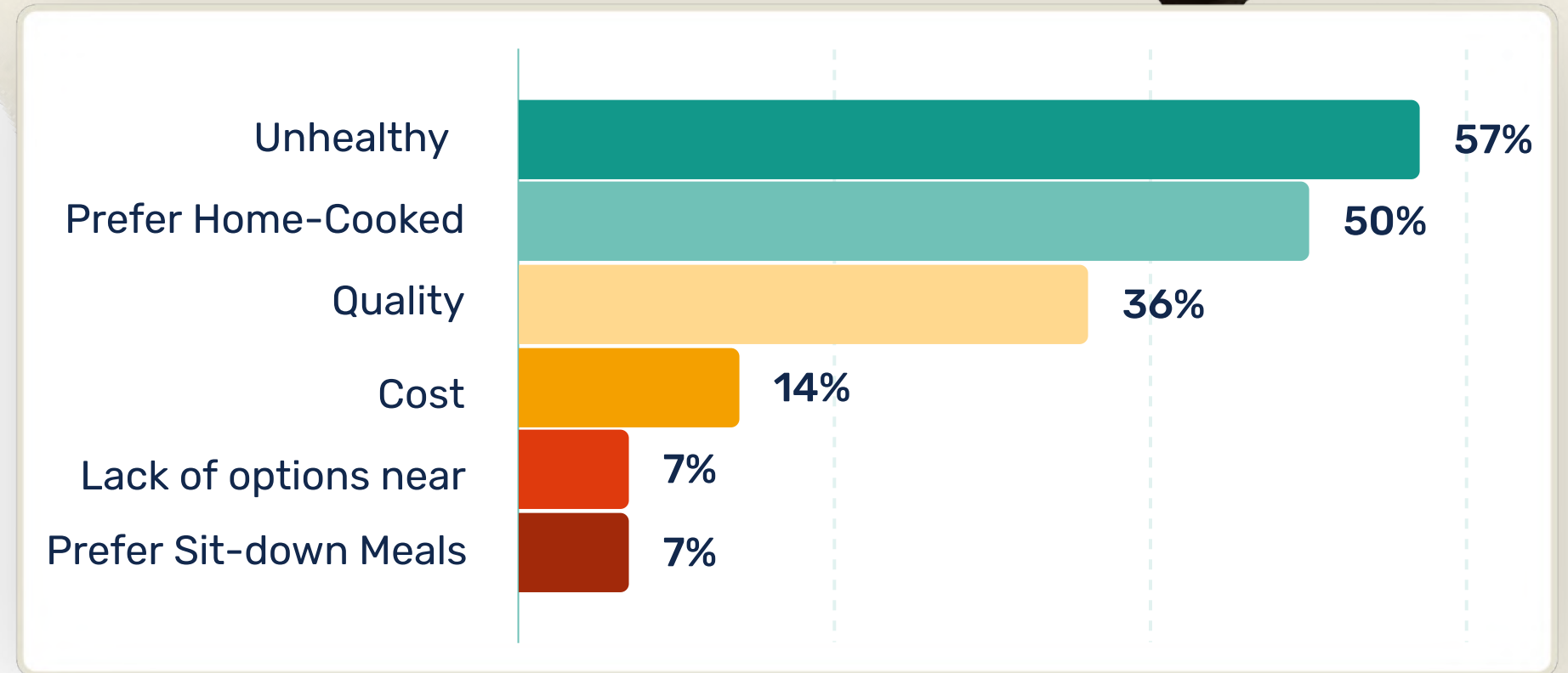
Competing priorities mean Gen Z often has to balance price, taste, health, and convenience when considering where to purchase food. Despite health considerations being top of mind for Gen Z, it is clear that it's not stopping this younger generation from eating at Fast Food restaurants - with 95% of respondents indicating they do just that. In addition, this statistic was consistent across all ethnicities with Black / African Americans, Asian, Hispanic, and White consumers indicating similar rates of consumption.

The affordability, convenience, and craveability of Fast Food are among the reasons Gen Z is loyal to the restaurant category, but what might be preventing that last 5% from visiting QSR concepts? **57% of Gen Z respondents cited health considerations**, making it the top deterrence to Fast Food consumption, followed by 50% mentioning a preference for cooking at home.

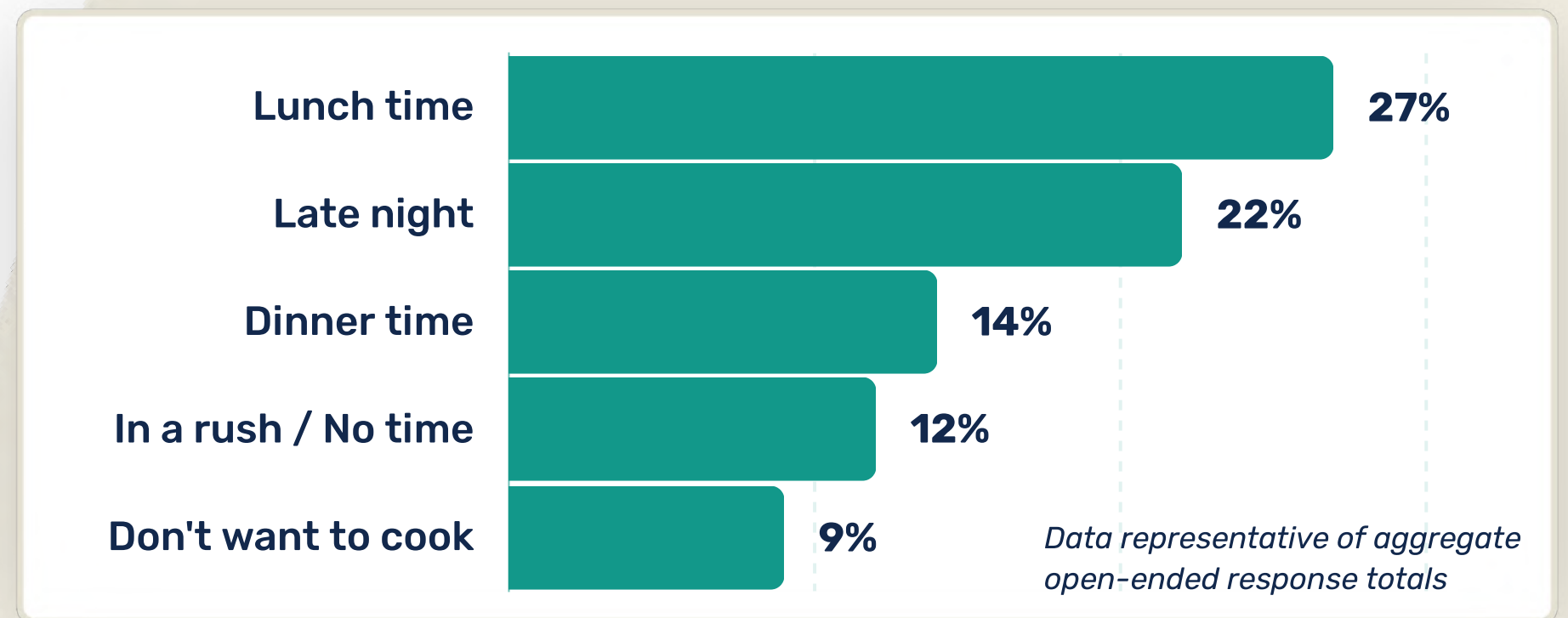
So with such a large portion of the generation opting into fast food dining, we had to know *when* they visit, right? Well, when keeping things entirely open-ended, we found that Gen Z most-often heads to the drive thru for lunch time, closely followed by late night occasions.



Why Do 5% Say No to Fast Food?



When does Gen Z primarily eat Fast Food?

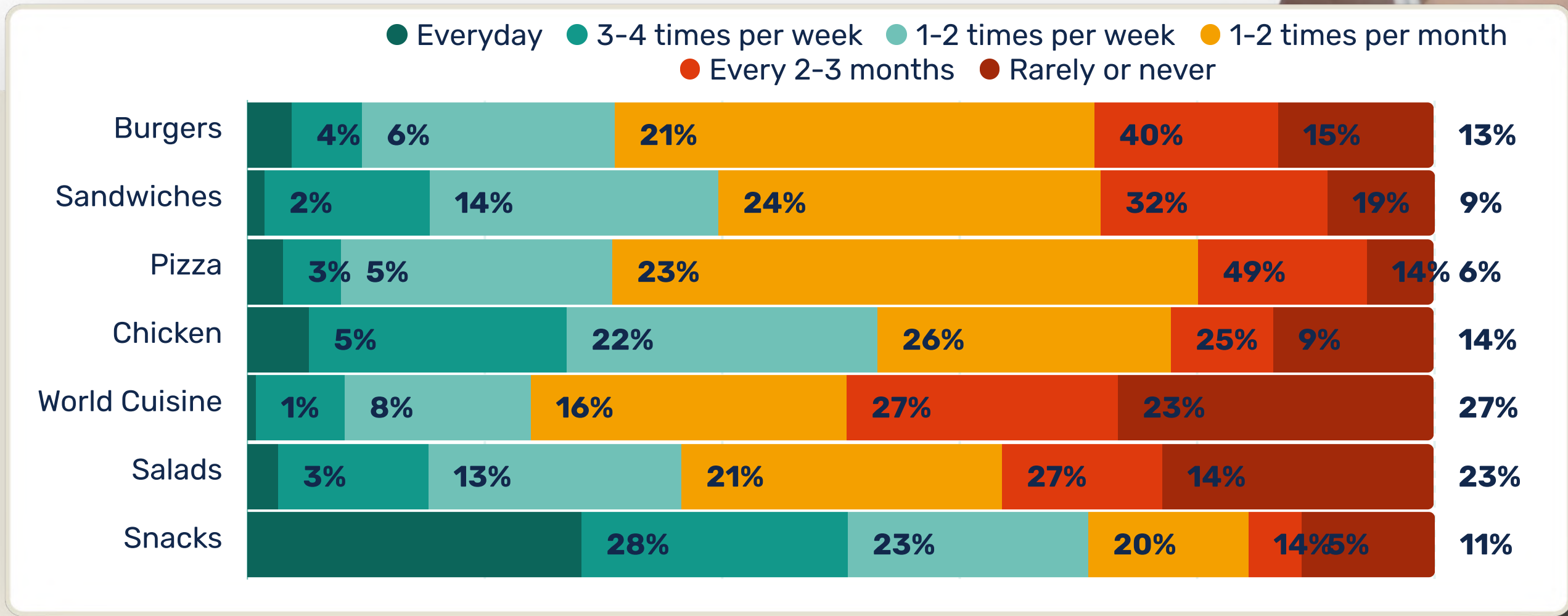


Yet another question to help understand Gen Z's relationship with Fast Food is "What exactly are they ordering?" The answer: Chicken and Snacks. 71% of respondents are eating Snacks from Fast Food restaurants at least 1-2 times per week and 53% of respondents are eating Chicken at the same rate.

As for what Gen Z is not ordering? Salads and World Cuisine were rated as the least common Fast Food categories for Gen Z customers, with the highest proportion of "rarely or never" consumed responses.



What are Gen Z's Fast Food go-to's?



Room for dessert?

When it comes to dessert, Gen Z shows varying levels of interest. As we've mentioned before, indulgence plays a critical role when it comes to Gen Z making visits to Fast Food establishments (*cough* *cough* late nights and hangovers), but our most recent research suggests that it may not be sweets driving Zoomer spend.

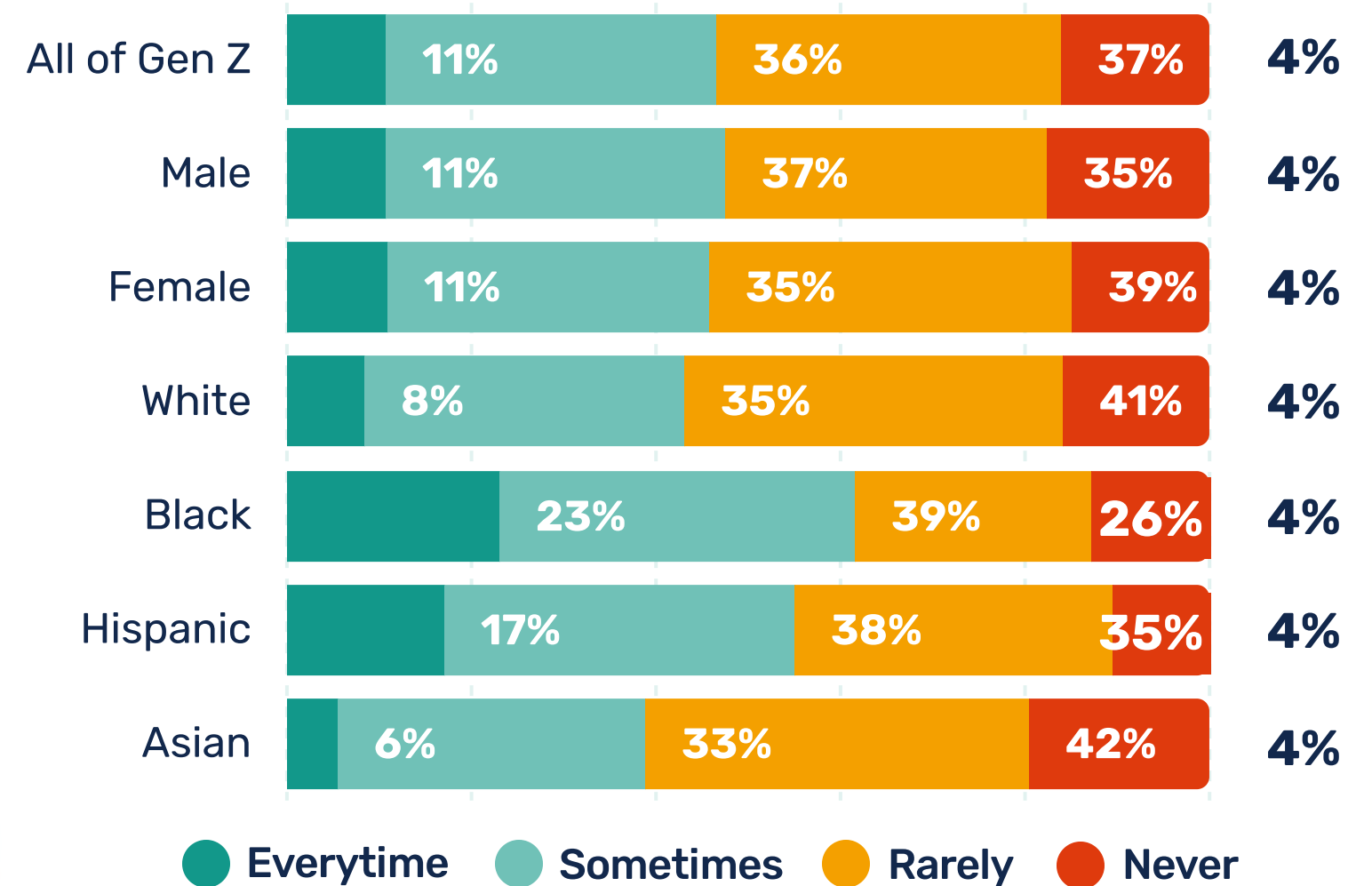
Nearly **1 out of every 2** respondents indicated **they rarely or never order dessert**, suggesting desserts may not be an appealing food item for a significant portion of Gen Z customers.

But that's not the full story... interest in dessert shows significant variation by customer ethnicity. Black or African American and Hispanic Gen Z consumers are 32% and 18% more likely, respectively, than the total respondent base to order dessert every time or sometimes when visiting Fast Food restaurants.

On the other hand, Asian consumers show little interest in dessert, with only 39% of respondents indicating they are consistently ordering dessert (16% less likely to order dessert every time or sometimes than the overall population).



How often does Gen Z order dessert at QSRs?



Limited Time Offerings

Limited Time Offerings or “LTOs” have long been a staple of the restaurant industry and Fast Food concepts in particular. Remember the Popeyes Chicken Sandwich? McDonald’s Rick & Morty Szechuan Sauce? How about the Starbucks Pumpkin Spice Latte? LTOs have been a nice menu hack for drawing new customer trials and encouraging higher average spend, but how does Gen Z perceive these campaigns?

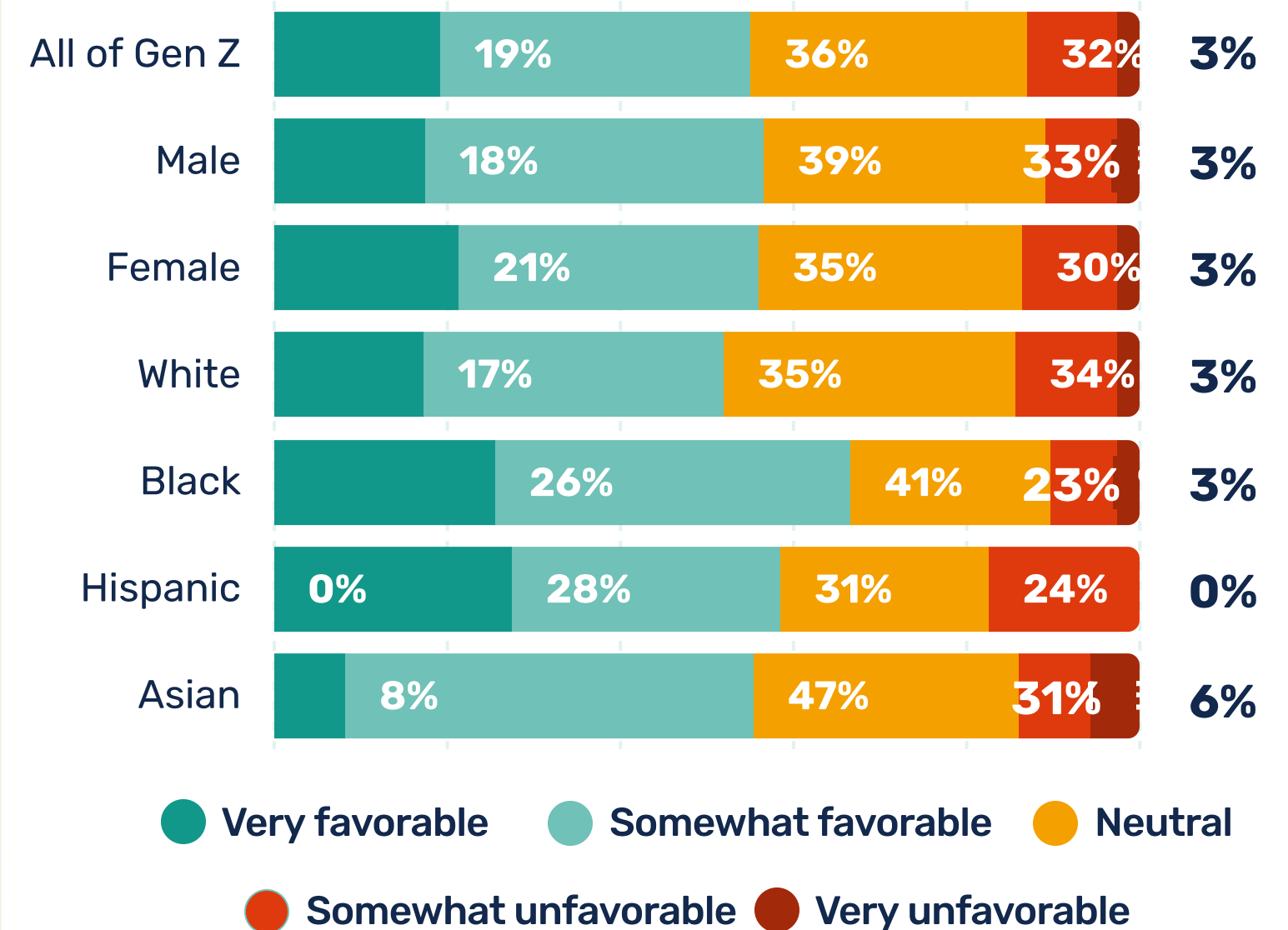
Our data shows that **55% of Gen Z consumers** find limited-time offerings to be somewhat or very favorable.

When parsing the data by ethnicity, we found varying perceptions of LTOs. Hispanic and Black / African American respondents both showed more interest in LTOs with **67% and 59% of respondents** indicating LTOs are somewhat or very favorable, respectively.

Our takeaway? Fast Food brands have little to lose by running LTO campaigns, and there may even be potential for success when LTOs resonate with Gen Z consumers. Want to understand how our insights could help you shape your next LTO? Let's chat about it all, [here](#).

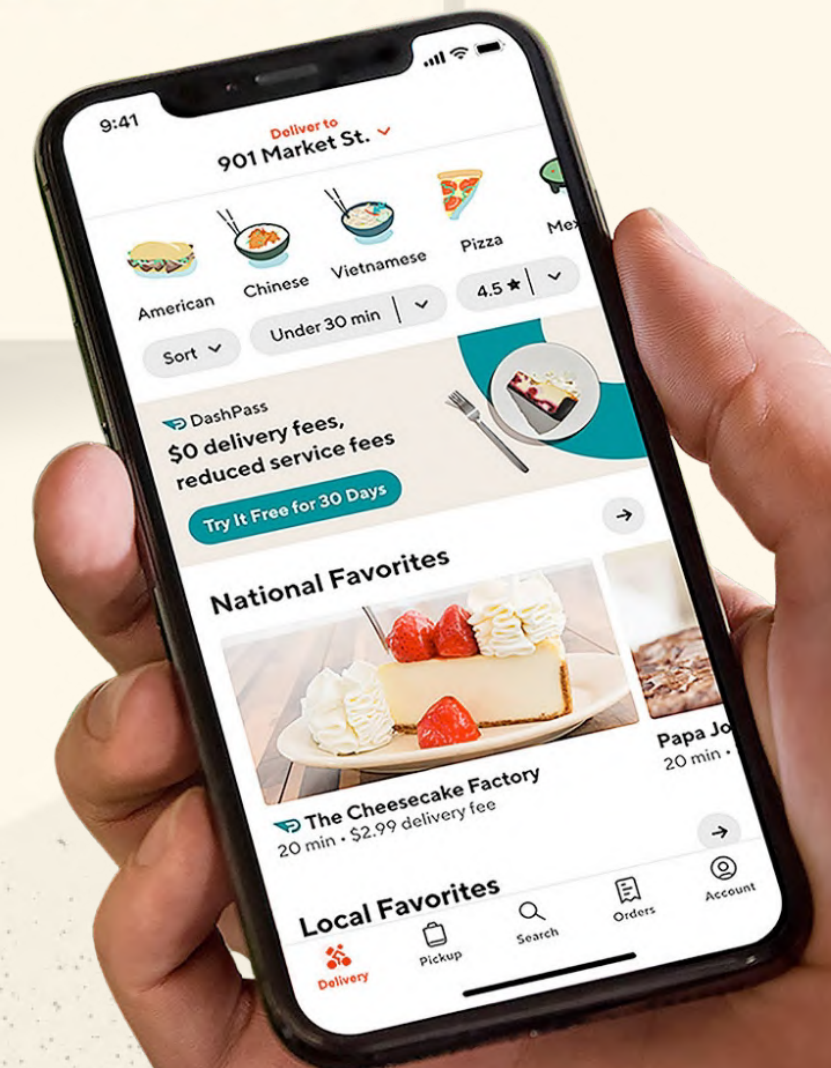


What are Gen Z's thoughts on LTOs?



Section 4

Gen Z Dining Experience & Tech Trends



Dining Out Decision Trees

As Gen Z gains spending power, they will continue influencing how, when, and where food companies are selling to the next generation of consumers. With more restaurants investing and developing digital ordering channels to engage customers, it is becoming clear that all consumers are wanting new ways of interacting with restaurants.

From QR codes at tables and automated ordering tablets to mobile apps and loyalty programs, restaurants of all shapes and sizes are making it possible to get products out to consumers in more ways than ever before.



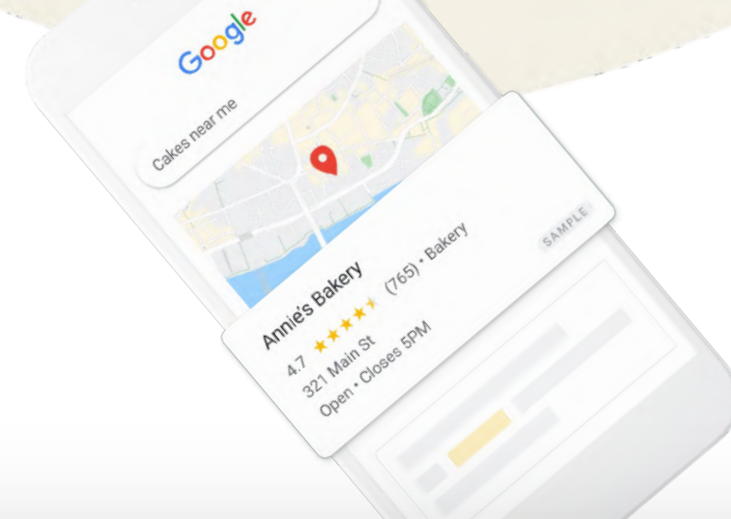
So... Where should we go tonight?

When it comes to dining out, there are numerous factors leading to an experience that makes Gen Z consumers want to visit again, but the extensive list of decisions that surround dining out always starts with the simple question (the one we most of us despise): **“So, where should we go to get food?”**

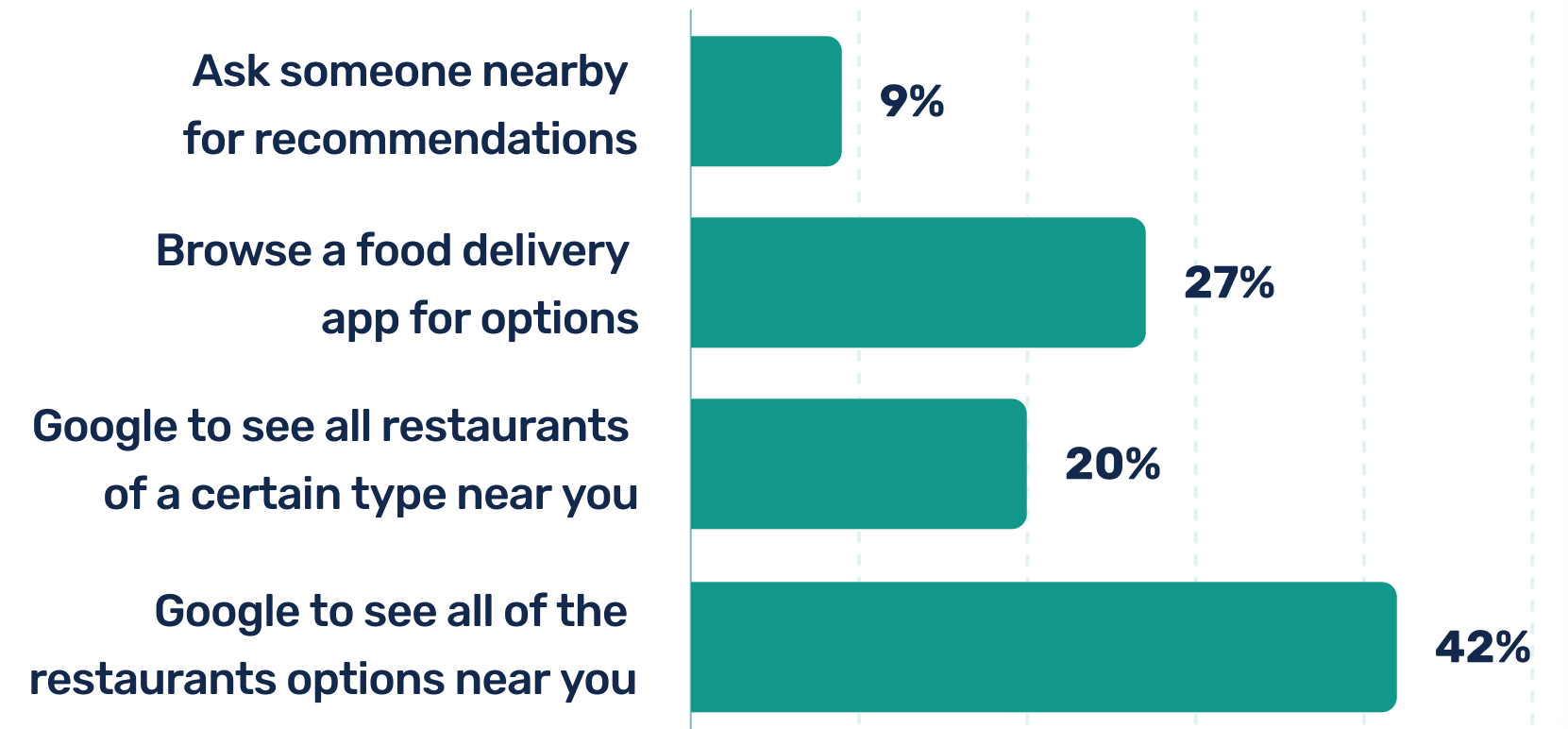
Although Google continues to dominate online search, food delivery apps such as DoorDash, PostMates, and UberEats are beginning to be the go-to tool for Gen Z’s looking to grab grub nearby.

When asked “When you decide to eat out but don’t know where, what’s the first thing you do?” **42% of Gen Z consumers search Google first** while 27% go directly to a delivery app to browse options.

With that in mind, only a small percentage (9%) will actually first look to one of their friends or peers to provide them with a recommendation.



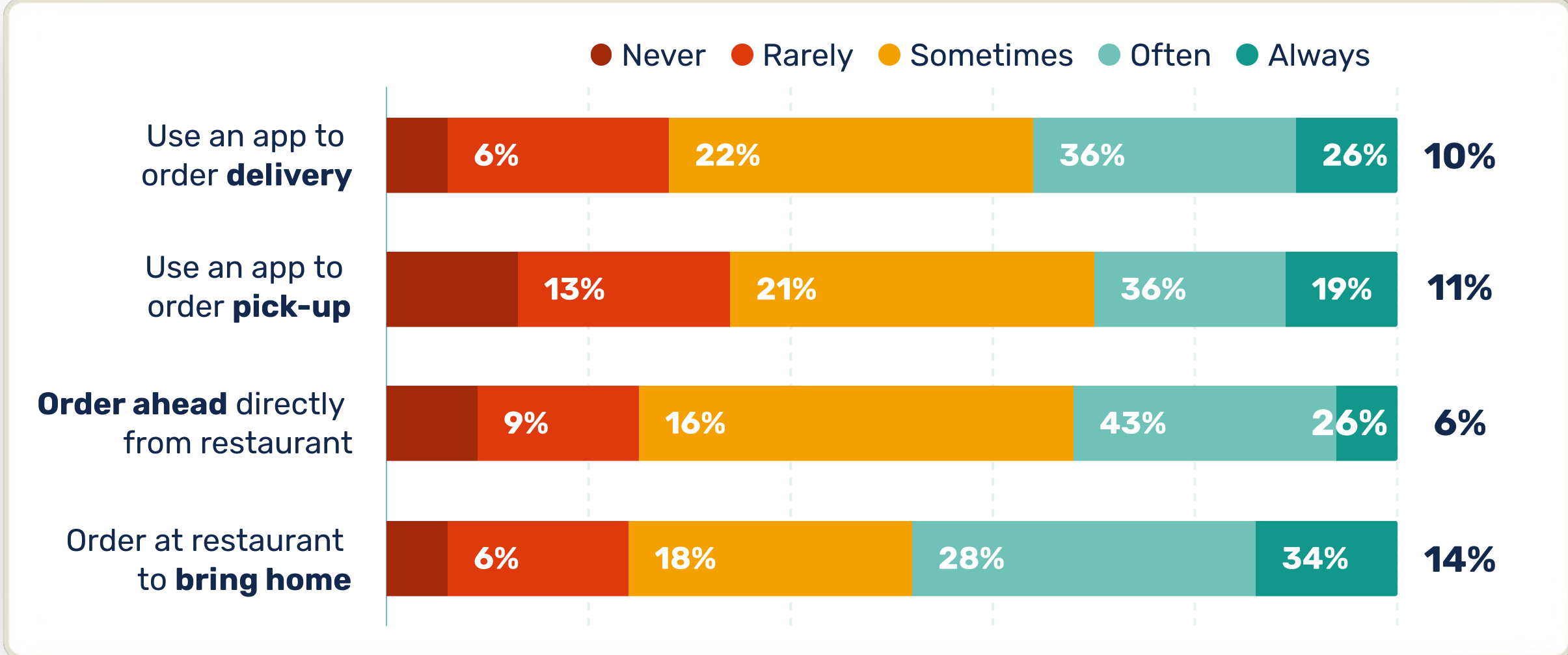
What's the first thing Gen Z does when deciding where to eat?



Mobile Apps

We've all heard that COVID-19 accelerated the adoption of digital channels by both companies and customers, but where do Gen Z consumers currently stand with respect to mobile apps in the restaurant space? With mobile apps becoming increasingly prevalent in driving delivery channel growth, Gen Z looks to increase their adoption as well, with 72% using apps like Doordash and Uber Eats for delivery and 66% using them for pickup at least "sometimes."

Gen Z's Tech Usage when ordering food



Section 5

Gen Z on Dining: From the **Voice** of Gen Z



Direct from the source: Knit's **Video** & Qual Data

A full glimpse of Gen Z's dining trends wouldn't be complete without the actual voice of the generation captured and reported. This section covers off on the actual thoughts, opinions and quotes, direct from the mouths of Zoomers themselves.

Not only does Knit lend a hand in gathering quantitative snapshots of your consumers through our quick-turn research solutions, but we specialize in integrating our **video-capture capabilities** into every survey we field for our partners. In this section, you'll see that capability come to life, as we've aggregated and analyzed our **asynchronous video data** (a lot like Snapchats, 30-90 sec video responses) to give you a direct peek into the mind of your Gen Z consumers.

Interested in learning more about these capabilities?
Reach out to our team, [here](#).





Gen Z's Favorite Restaurants: By Category

Favorite Restaurant: "Sit-Down"



Favorite Restaurant: Fast Food



Favorite for a "Pick-Me-Up"



What's the occasion?

Analyzing the occasions driving Gen Z consumers to restaurants helps brands understand their core consumers and effectively appeal to their target audiences. Could you imagine an ad for McDonald's Big Mac for breakfast or Starbucks coffee for dinner? Yikes!

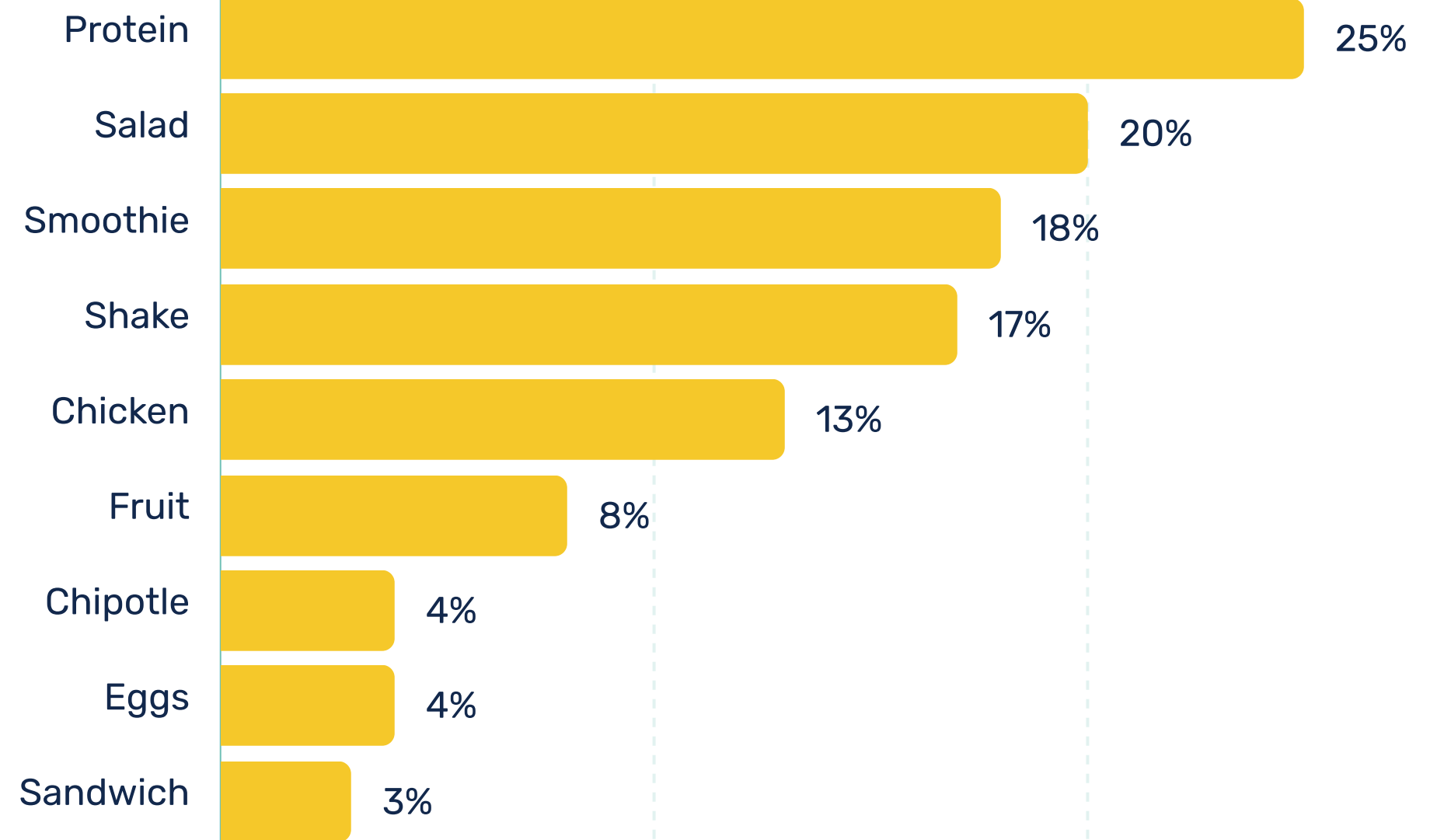
By shaping marketing strategies around relevant associations between certain food types and occasions, brands can engage Zoomers on terms that are familiar. What follows are some of Gen Z's associations with their most common occasions...



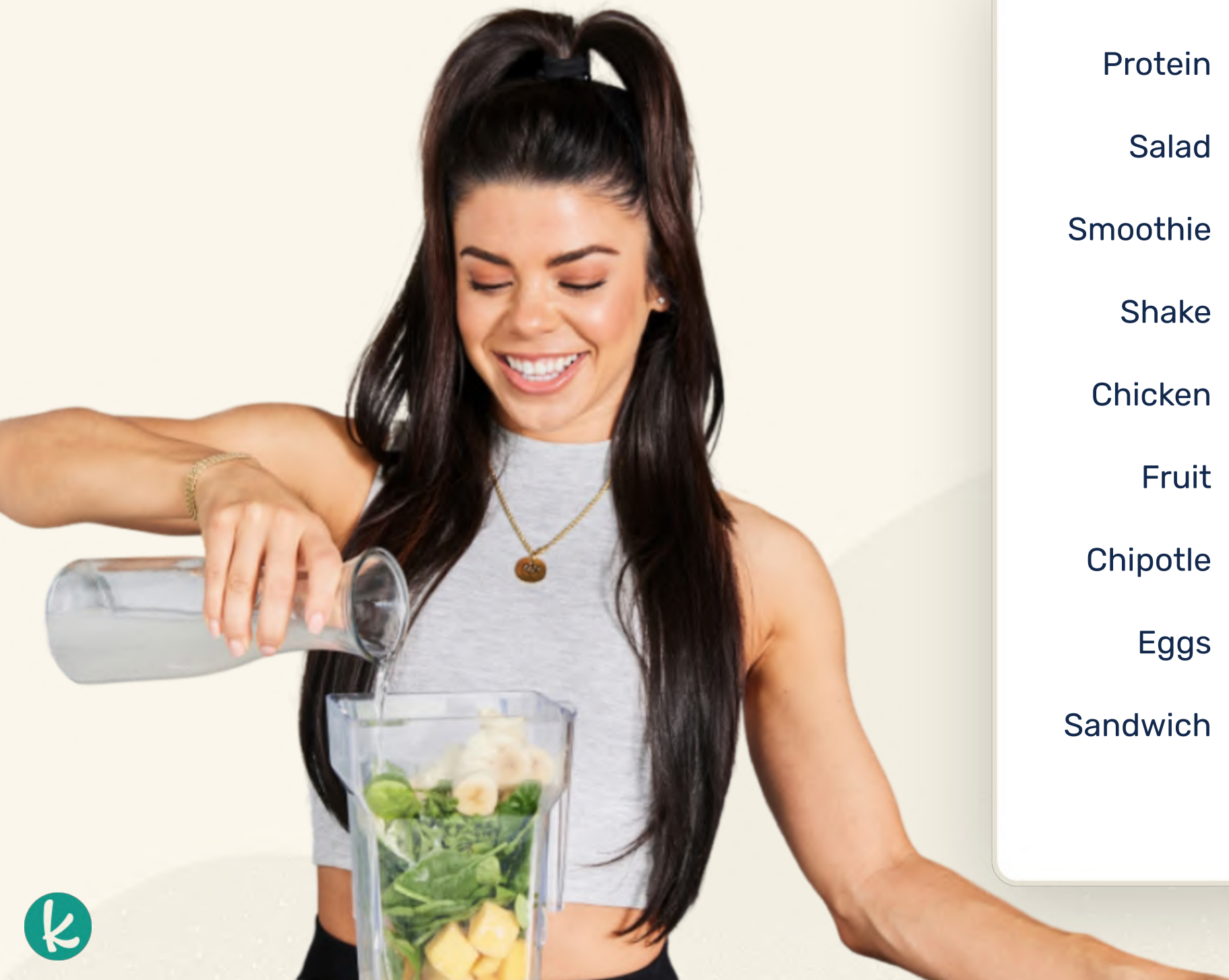


What's the Occasion?

What foods do Gen Z most associate with: **Post-Workout**



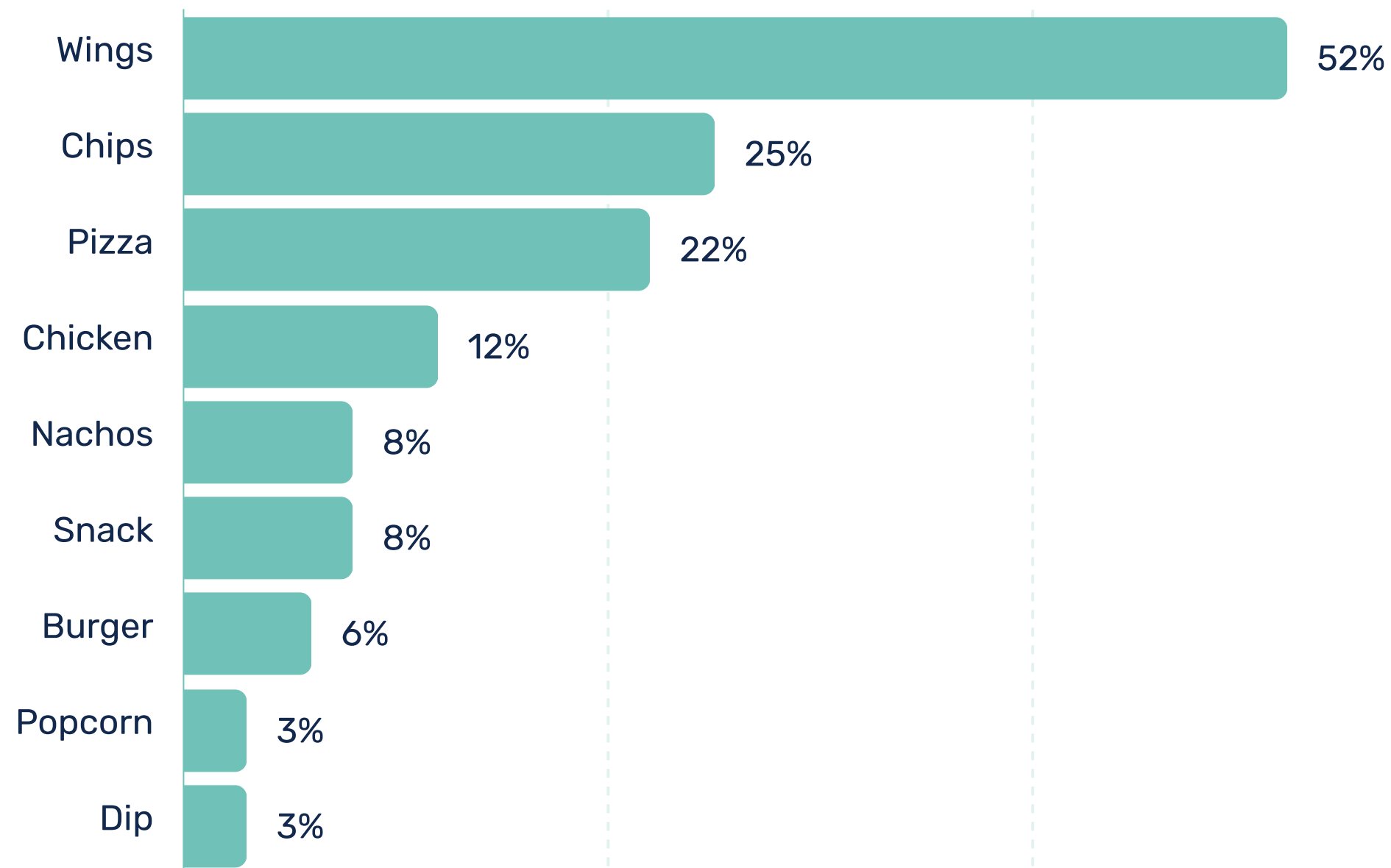
Data representative of aggregate open-ended video response totals





What's the Occasion?

What foods do Gen Z most associate with: **Watching Sports**



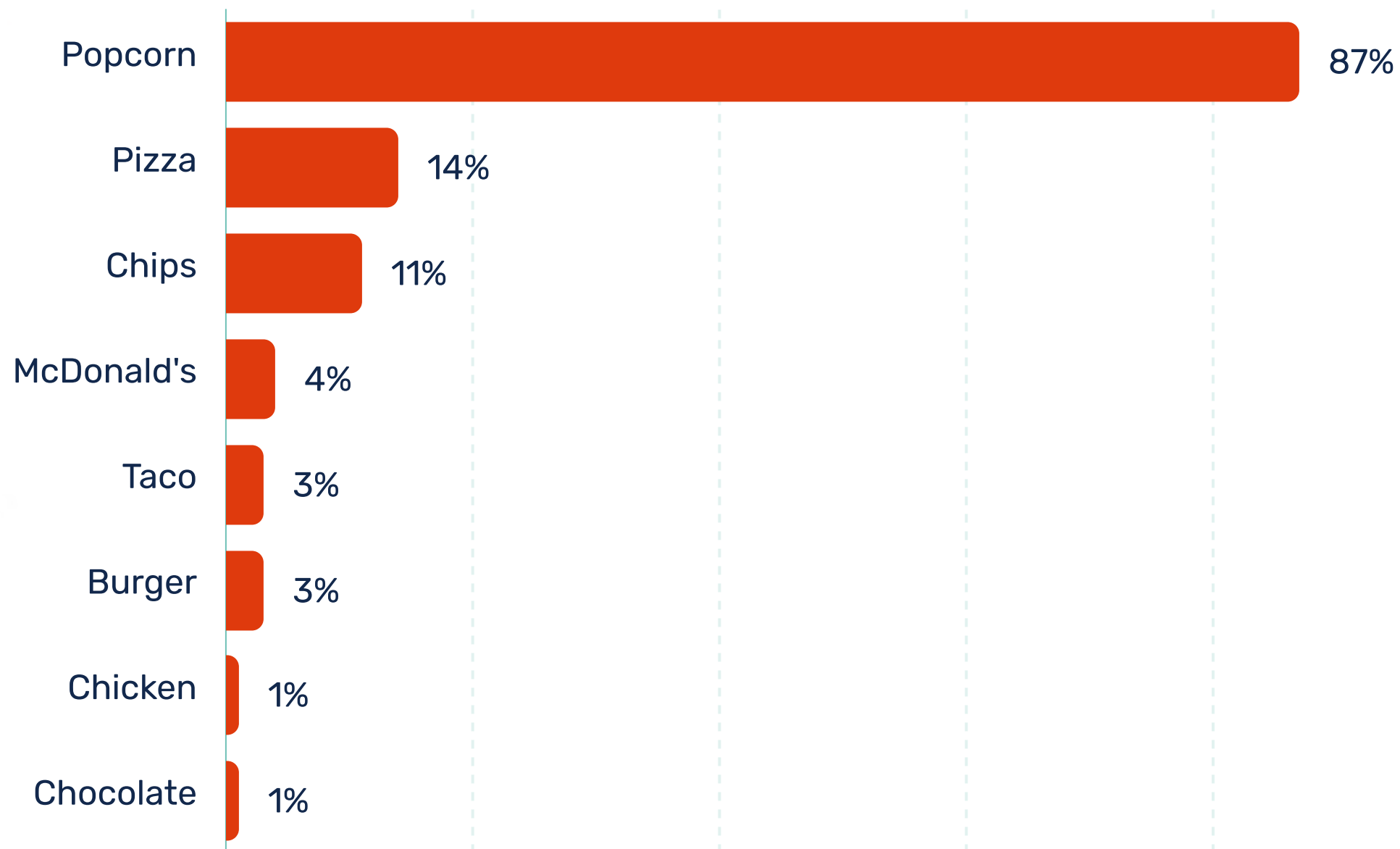
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What's the Occasion?

What foods do Gen Z most associate with: **Watching Movies / TV**



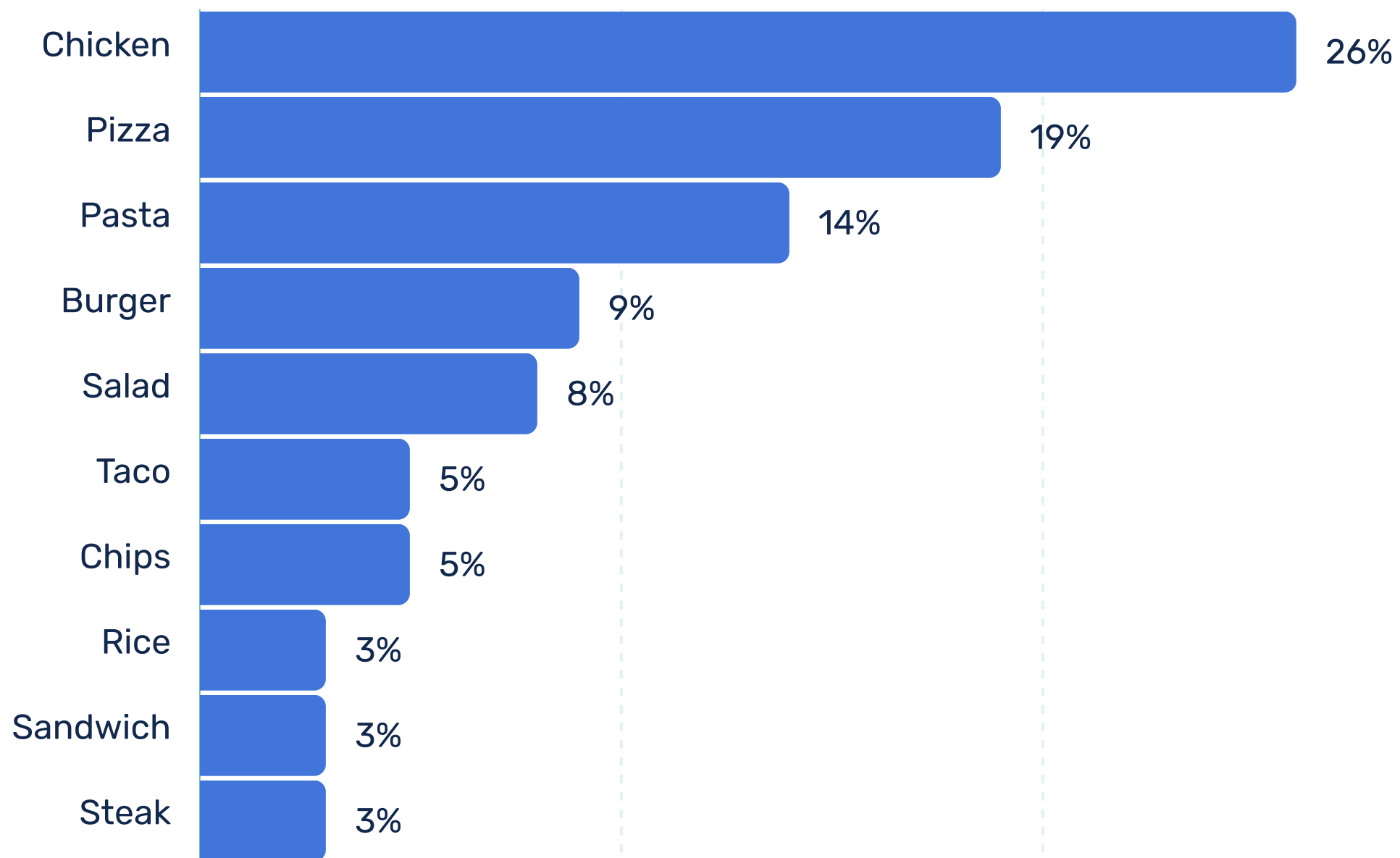
Data representative of aggregate open-ended video response totals





What's the Occasion?

What foods do Gen Z most associate with: **Weeknights**



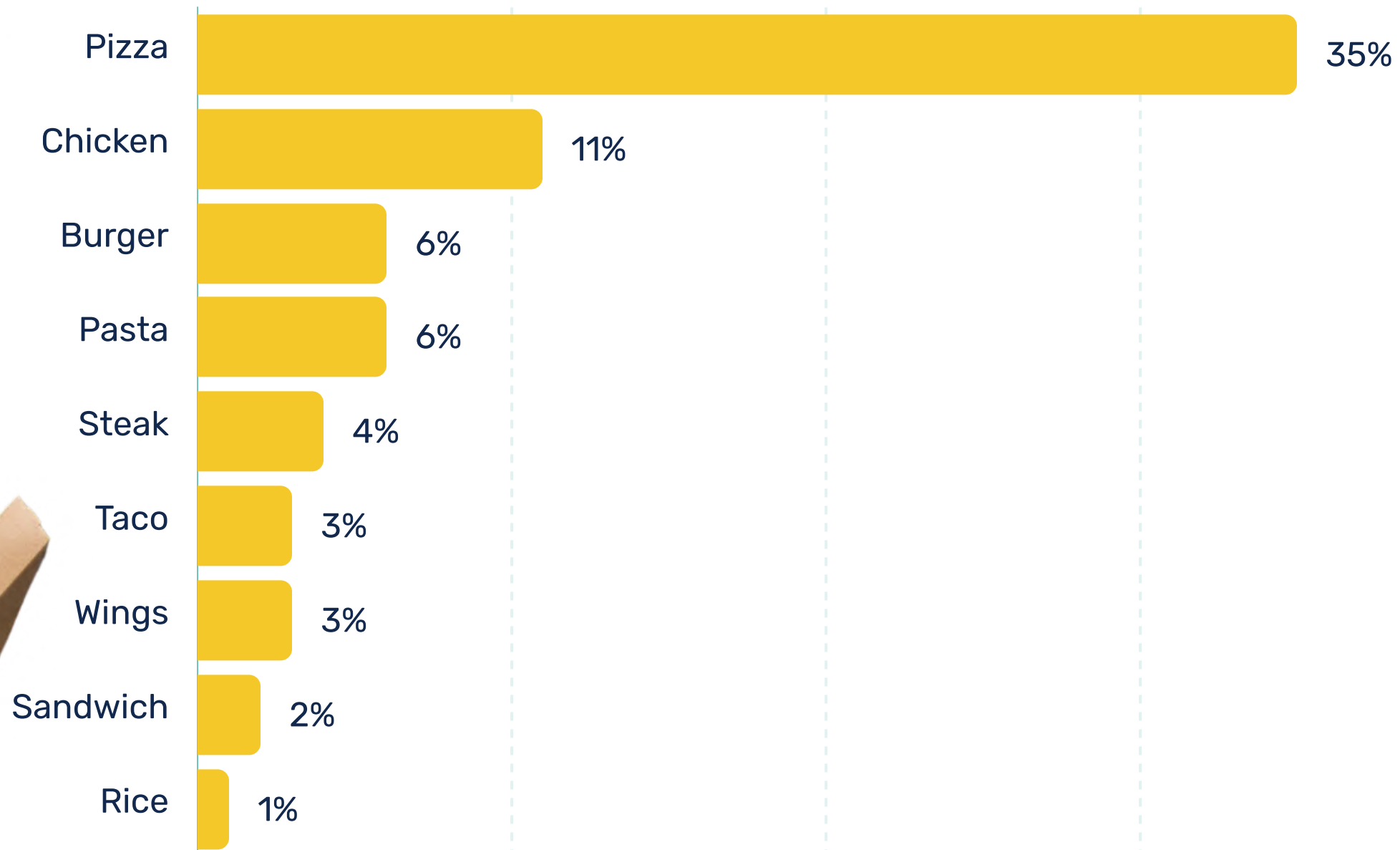
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What's the Occasion?

What foods do Gen Z most associate with: **Weekends**



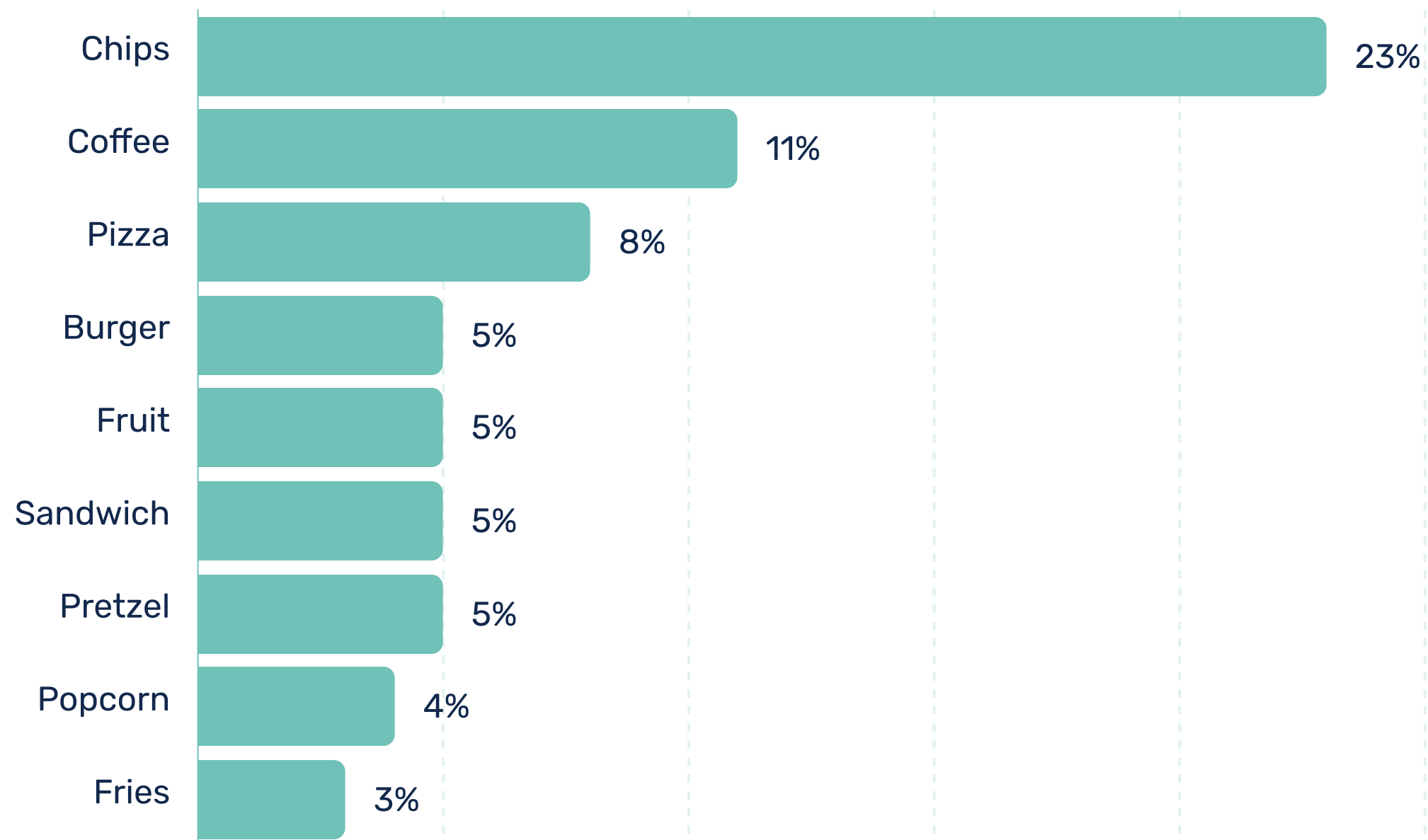
Data representative of aggregate open-ended video response totals





What's the Occasion?

What foods do Gen Z most associate with: **Study Sessions**



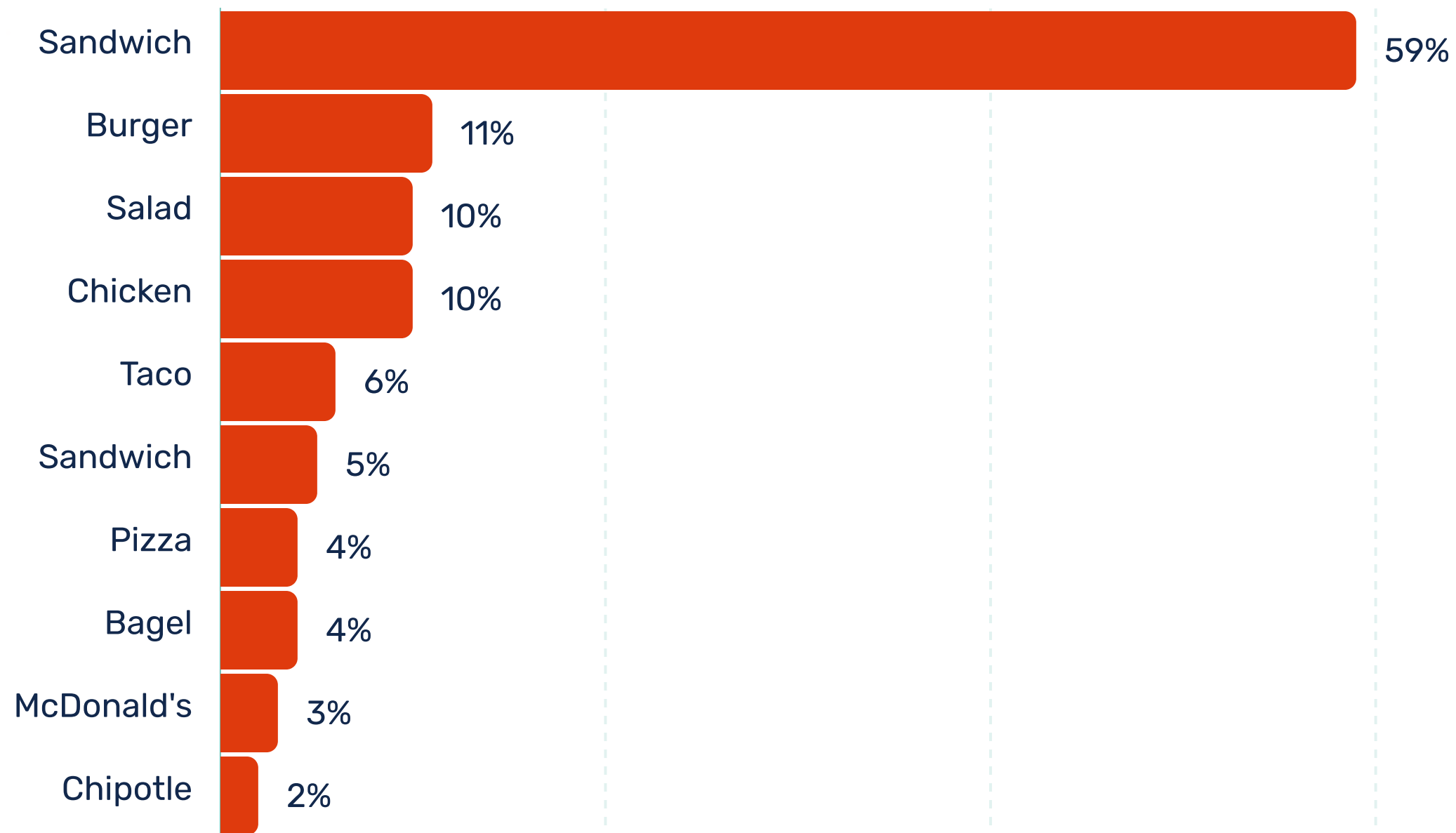
Data representative of aggregate open-ended video response totals





What's the Occasion?

What foods do Gen Z most associate with: Quick Lunches



Data representative of aggregate open-ended video response totals



How does Gen Z describe...

As the saying goes, the best way to understand something is to teach it. We asked our panel about how they would describe food types to little kids to understand what ideals are associated with healthy food, snacks, treats, and sustainable food. Here's what they said:



Healthy Food 🍏

"Help you **grow**"
"Makes you **strong**"
"**Good for you and your body**"
"Fruits and Veggies"
"Makes you **feel good**"

Treats 🍬

"Sweets / Candy"
"Treat for being good"
"Special **reward**"
"**Small** in size"
"Snack"

Snack Food 🍪

"Food between meals"
"**Little** meal"
"Chips & **junk food**"
"Food if you get hungry"
"**Unhealthy** food"

Sustainable Food 🌍

"Good for **environment**"
"Food that is **healthy**"
"Good for the planet"
"**Grown** food"
"Food that can be recreated"



Brands and Social Impact

The ever-growing focus on Environmental, Social, and Governance (“ESG”) issues in the corporate world has led more brands to openly pursue initiatives across all three areas of focus. From the [United Nations Sustainable Development Goals](#) to BlackRock CEO Larry Fink’s 2022 [annual letter](#), calls for corporate social responsibility are emerging from across the world, and Gen Z is here to support it.

What does Gen Z perceive as an effective approach to corporate social responsibility? Supporting causes, leaving a positive impact, and leading by example.

What's most important to Gen Z when it comes to brand's Corporate Social Impact?

“Donating to certain causes and charities”

“Having a **positive impact**”

“If a brand supports **environmental or human causes**, it improves my thoughts of them”

“Supporting **social causes**”

“Being a **good example**”





What impact did the **pandemic** have on Gen Z's dining habits?

"During the pandemic or after it started, I found myself **not eating out as much**. I eat more fast food. I dine out less often... With fast food, you can just go to the **drive-thru**, grab it to take home to-go so that I would have those food items for me to eat at home in the **safety of my own home.**"

"I realized I really wanted to start **learning how to cook** and putting more effort into **making my own food**"

"Most of the restrictions have lifted. I've gone back to normal, dining in at places, but still **sticking mostly to fast food.**"

"If I wanted to order out, I would normally order online and **bring it to my house.**"

"I think the pandemic actually helped us to **dine-in more frequently** because my family was trying to **support the local** businesses. We would order food and go pick it up."

"COVID has definitely impacted me on the amount of times I eat out per week. I eat out pretty frequently. It's just so easy to go through and pickup and then just like **place a pickup order** on the way home from class"

"The pandemic has influenced it a bit because I remember during the pandemic, we wouldn't really eat out. So now it's like **eating out is kind of like a chore**. Like we don't like going to go to the restaurant."



Most Often Mentioned:

1. Learning to cook more meals at home
2. Ordering more pickup & to-go
3. Frequenting Fast Food drive-thrus

Gen Z's **advice** to restaurants to gain more of their business

"I feel like I would really like if there were **healthy and diverse options**, especially because I am vegetarian. So I think that's one of the biggest things for me is to make sure that there is **variety in the vegetarian options.**"

"Make fast food restaurants, more enticing. I think having like **events & opportunities for people to interact and meet new people**, or even just like do things like karaoke machine or like some board games that are like free to play"

"Presenting **menu options in different sorts of categories**, such as based on **price**, based on **ingredients** or based on kind of like special deals or like **limited time offers**. I think that like really attracts the attention of customers like myself."

"**Different menu items** is always something that attracts more people. Like **partnering with celebrities**, like how McDonald's does with the celebrities that brings people in. Like a **collectible item**, combos, or deals that are **limited time.**"

"More **special items** on the menu and to offer some **promotions** during like holidays summer, and to really promote, whatever season it is, like those special items and having them at a **discounted price**. And also, **partner with influencers**. I think it would be good for social media, for sure."



Most Often Suggested:

1. More diverse menu options
2. Partnerships with celebrities
3. Deals and pricing discounts

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It's your move.

Dining out is going to continue to be a crucial part of the everyday Gen Z consumer's daily life. What we covered within this report is just the tip of the iceberg in trends and behaviors that this generation is bringing about. And with the rapidly shifting spending patterns, dining preferences and technology adoption coming about, it's clear that restaurants and brands must truly listen to the voices of their consumers to attract and retain this next generation of diners. Knit can equip your brand with the quant + qual data to continually evolve your business.

Get the Gen Z data to refine your menu selection, marketing strategies and everything in between.

[Contact Our Team](#)

