

Sizzlin' News

NRA Says 2006 Sales Will Exceed Half-Trillion Dollars


Restaurant industry sales are expected to reach a record \$511 billion in 2006, according to the National Restaurant Association's *2006 Restaurant Industry Forecast*. The projected annual sales would mean a 5.1 percent increase over last year - and a total economic impact of over \$1.3 trillion. It's the first time the industry's sales will cross the half-trillion dollar mark. In addition to the economic impact, the *2006 Restaurant Industry Forecast* highlights the following trends:

- **Heightened focus on health and nutrition.** More than half of all operators, in both the quickservice and tableservice segments, reported greater customer demand for items such as entrée salads and bottled water now compared to two years ago. Also, majorities of operators reported that items like wraps, pitas and tortillas are more popular.
- **Restaurants as homes away from home.** With growing demand from plugged-in Americans accustomed to operating in a 24/7 society for amenities such as televisions and wireless Internet access, look for restaurants to bring more of these features to the table. Twenty-seven percent of adults surveyed by the National Restaurant Association said they'd likely use wireless Internet access if their favorite tableservice restaurant offered it. The percentage rose to 52 percent for adults aged 18 to 24. Table-top televisions spark interest as well.
- **Increased attention to energy efficiency.** Higher energy prices will force belt-tightening among some restaurant operators as well as consumers.



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- **Demand for convenience.** Consumers readily embrace convenient services operators offer: curbside service, drive-through, delivery and takeout. Watch for more fullservice restaurants in 2006 to go more aggressively after the takeout and delivery markets.

For more information about the NRA's *2006 Restaurant Industry Forecast*, visit www.restaurant.org/forecast. To order a copy of the *Forecast*, visit the website or call 1.800.482.9122. 

Source: Nation's Restaurant News



Technology Outlook 2006: Exploring 6 top trends

With the arrival of 2006, operators are wondering what technology trends will emerge or gather strength in the coming year. Following are six of the hottest developments, as predicted by consultants, restaurant operators and vendors:

- 1 The use of such self-service technology as kiosks to expedite order placement in quick-service restaurants will become increasingly commonplace.**

Mike Webster, vice president and general manager of self service for NCR Corp., stated that consumers' increased use of and comfort level with technology, from cell phones and personal digital assistants to the Internet and video games, will be a major catalyst for kiosk growth.

- 2 Quick-service restaurant chains will demonstrate a heightened interest in accepting contactless forms of payment, such as MasterCard® PayPass from MasterCard International and ExpressPay from American Express.** Payment systems based on swiping a key fob or finger through a reader at the point of sale also will gain ground in both the QSR and casual-dining sectors.


- 3 Centralized order-aggregating call centers will move increasingly toward mainstream status.** "It's a trend [the industry] is seeing more and more," based on the potential for labor savings and enhanced customer service, according to Lynne Jacoby, a consultant with PricewaterhouseCoopers in New York.

In addition to the rollout of more call centers this coming year, the industry will see some operators beginning to take the concept to an even higher level. One way that likely will happen is through the extension of call centers from drive-thru lanes to the inside of stores.

Another possible twist is the use of Voice over Internet Protocol, or VoIP, in call center applications. More operators also are expected to experiment with other forms of remote order placement and acceptance, such as cell phones, PDAs and websites. As is the case with kiosks, consumers' ever-increasing familiarity with technology as a whole should create a viable base of individuals willing to use nontraditional order-placement methods when patronizing restaurants.

- 4 Table service restaurants will embrace wireless devices at a rapid clip.** Devices will include hand-held computers used to record orders and transmit them to the kitchen, as well as wireless printers employed for the purpose of generating transaction documents that may be signed and accepted right at the table.

- 5 Online training will gain momentum.** Web-based training programs are becoming increasingly attractive to multiunit foodservice operators seeking cost-effective ways to train new employees and give refresher courses for seasoned workers, according to John LaPorte, vice president of IT for Carlsbad, Calif.-based Catalina Restaurant Group. Catalina owns approximately 180 Coco's and Carrows casual-dining establishments and has 45 franchised units operating under both monikers.

- 6 Consumers' increased focus on nutrition will result in the deployment of expanded Web-based nutrition information sharing applications.** The nutrition emphasis also will induce more operators to investigate the use of hand-held devices to provide guests with tableside access to nutritional databases, as well as spur them to deploy software to help back-of-the-house staff cater to individuals with special dietary requirements. 

Source: *Nation's Restaurant News*