



LOUISIANA
RESTAURANT
ASSOCIATION

COVID-19 Restaurant Impact Survey Louisiana - December 2020

Restaurant Business Conditions

Consumer spending in Louisiana restaurants remained well below normal levels in October.

80% of Louisiana restaurant operators say their total dollar sales volume in October was lower than it was in October 2019. Overall, sales were down 32% on average.

Most restaurant operators do not expect business conditions to improve in the coming months. Fifty-four percent of Louisiana operators expect their sales to decrease from current levels during the next 3 months. Only 9% of operators expect their sales will increase from current levels during the next 3 months.

Even though sales were significantly lower for most restaurants, it doesn't mean their costs also fell proportionally.

49% of Louisiana operators say their restaurant's total labor costs (as a percent of sales) are higher than they were prior to the COVID-19 outbreak. Only 26% of operators say their labor costs are lower, as a percent of sales.

With costs rising and sales falling, the result is added damage to the bottom line.

85% of Louisiana operators say their restaurant's profit margin is lower than it was prior to the COVID-19 outbreak.

With business conditions deteriorating, more federal government assistance is critical for the survival of many restaurants. **Thirty percent of Louisiana operators say it is unlikely their restaurant will still be in business six months from now**, if there are no additional relief packages from the federal government.

Absent additional government assistance, one option is to close the restaurant until business conditions improve. **Thirty percent of Louisiana operators say they are considering temporarily closing their restaurant until the COVID-19 pandemic passes.**



Restaurant Jobs



Although many restaurants added back employees after the initial lockdowns, overall staffing levels remain well below normal.

82% of Louisiana operators say their current staffing level is lower than what it would normally be in the absence of COVID-19. Forty-seven percent of restaurants are currently more than 20% below normal staffing levels.



With business conditions deteriorating, many restaurant operators are anticipating additional layoffs in the coming months. **Twenty-two percent of Louisiana operators expect their staffing levels to decline during the next 3 months. Only 8% of operators expect their staffing levels will rise during the next 3 months.**