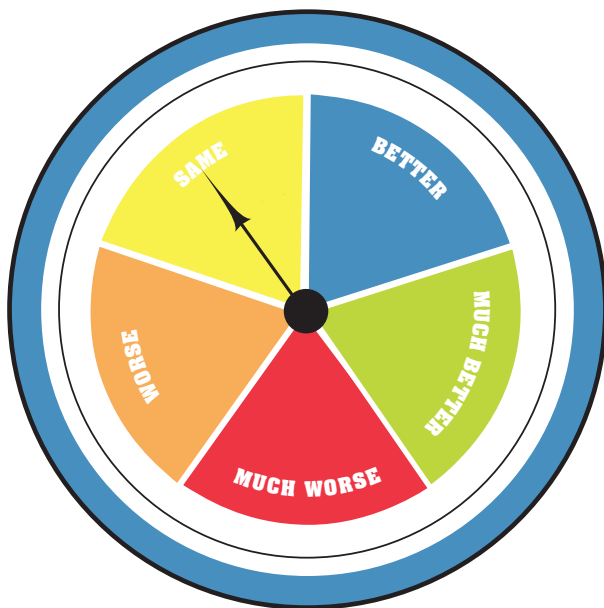
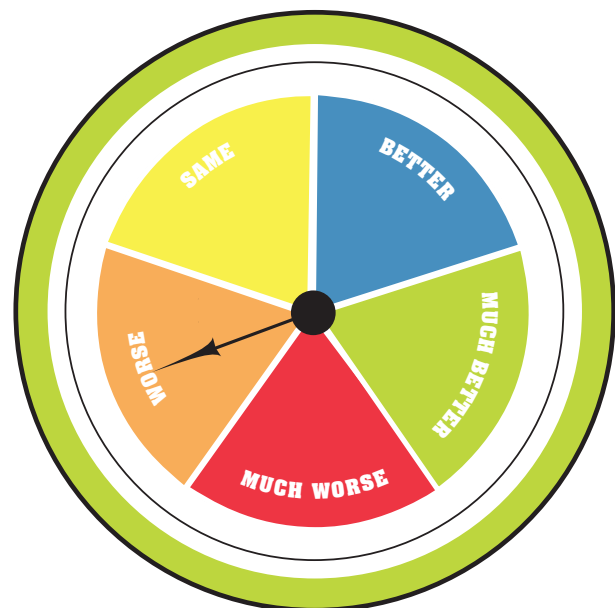


November and December 2009 compared  
with November and December 2008



January 2010 compared  
with January 2009



## Key findings

Roughly 40% of restaurants reported gains in takings and number of covers served during November and December 2009 compared to the same period in the previous year, and customer spend was up for about 30% of restaurant owners. With around 40% of our survey equally reporting losses in takings, covers and customer spend, the overall

reading for November and December 2009 compared with the same period last year is the same.

**“We were worried about sales because of the recession, but the business did ok.”**

Business Link in London is a free, impartial business advisory service available to anyone starting or running a small or medium sized business (SME).

For more information, please contact:  
Katie Breeze  
E: [katie.breeze@bllondon.co.uk](mailto:katie.breeze@bllondon.co.uk)  
W: [www.businesslink.gov.uk/london](http://www.businesslink.gov.uk/london)

## KEY FINDINGS (CONTINUED)

On average 30% of our survey recorded increases in takings, number of covers and customer spend during January 2010 compared to the same month last year. Heavy losses were also reported (49% — takings, 47% — number of covers and 43% — customer spend) making the overall picture marginally worse compared with January 2009.

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**“Nobody can afford a Christmas ‘Do’ in the current economic climate.”**

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The Christmas party / lunch trade for restaurants was mixed in 2009 with 33% of our survey saying trade was better than the previous year, 29% saying that business had remained the same and 38% reporting that trade had declined compared to the previous Christmas. Corporate Christmas bookings were severely cut in 2009 and the snow restricted spending. However, some restaurants noticed an increase in individual Christmas lunches served: they told us good PR and quality are factors that helped to attract a strong Christmas trade.

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**“The snow lost us a lot of business.”**

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According to our survey, the main factor affecting a drop in business in January 2010 compared to the previous year, was the snowfall which simply stopped people going out to eat in restaurants. Restaurants, who had anticipated more favourable conditions in what is traditionally the worst month of the year, were disappointed. 25% of our survey received January bookings for Christmas parties / lunch celebrations whilst 54% offered promotions during January.

Promotions included free deserts with meals, happy hours, £10 for a 3 course meal, over 60's menus and 50% off the à la Carte menu when pre-booked online. Many restaurants also offered special offers with partners such as *The Evening Standard*, *Top Table*, *The Times* and *The Financial Times*.

Restaurants should continue to adopt innovative means to attract business into their establishments. Revamping their premises has also proved good for business for many restaurants in our survey, as has introducing loyalty cards.

### **Forecast and optimism for 2010**

With the UK officially out of the recession and reporting a 0.1% growth of Gross Domestic Product (GDP) in the fourth quarter of 2009, the economy is returning to recovery and our survey captures a positive mood for the majority of restaurateurs. 57% expect an increase in their takings in 2010 compared with last year, 30% predict takings will remain the same and 13% forecast a decrease. Most encouragingly, 70% expect to keep the same number of staff, while 19% told us they plan to recruit more staff.

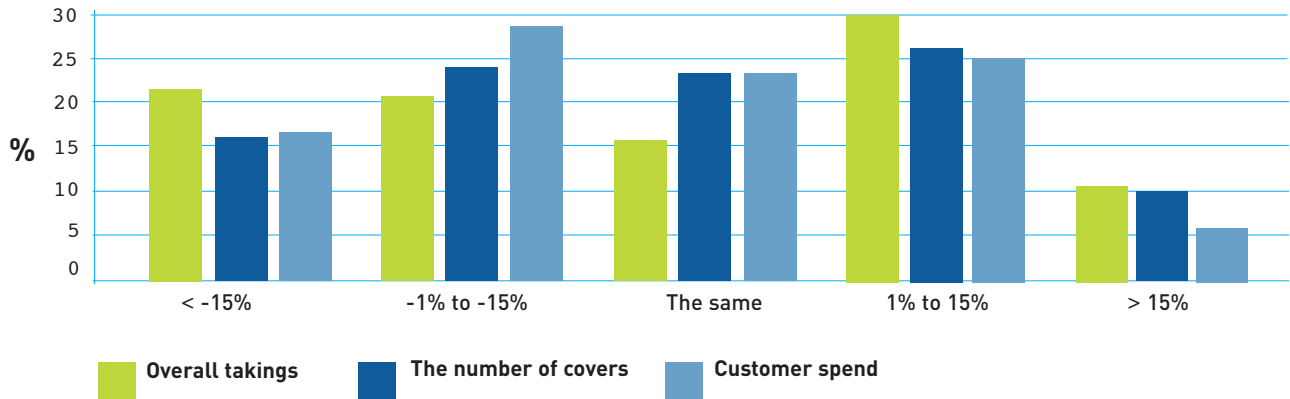
#### **Online presence**

Encouragingly, 72% of the restaurants we surveyed have a website for their business. The three most common reasons cited are to attract more customers, to increase sales and to enable customers to contact the restaurant and book online. Having an online presence is one of the most effective channels for marketing and advertising. We would advise all restaurants to invest in a website as booking online is increasingly popular amongst consumers.

## NOVEMBER AND DECEMBER 2009 COMPARED WITH NOVEMBER AND DECEMBER 2008

41% of restaurants reported an increase in takings with 16% saying takings remained the same and 43% reporting a loss on November and December 2008. Similarly, 37% recorded an increase in the number of covers served with 23% saying covers remained the same and

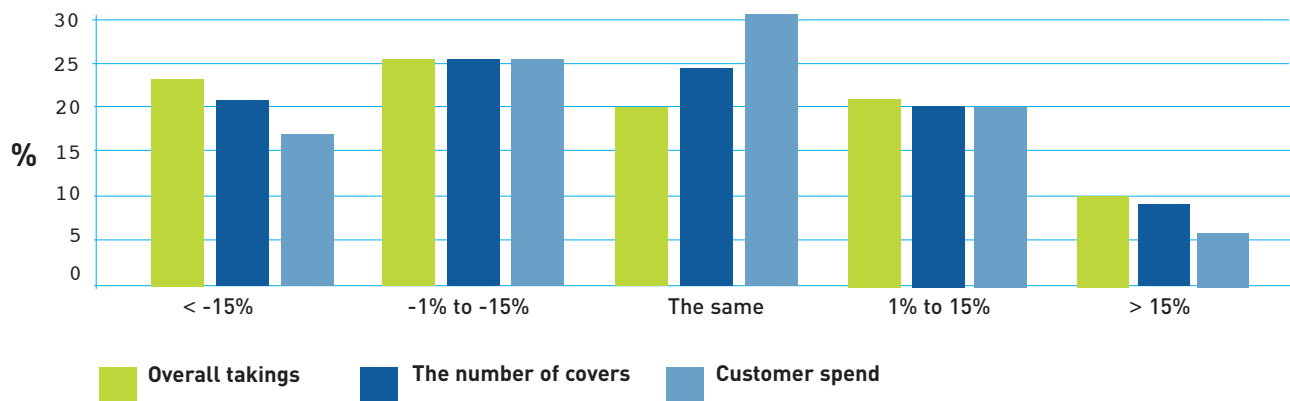
40% reporting a decrease. 31% of those asked said that customer spend had increased during November and December 2009, with 23% reporting no change and 46% saying that spend had decreased.



## JANUARY 2010 COMPARED WITH JANUARY 2009

31% of restaurants in our survey said that takings had increased compared to January 2009, with 20% saying takings remained the same and 49% reporting that their takings had decreased. 29% of restaurants reported a rise in the number of covers with 24% saying their

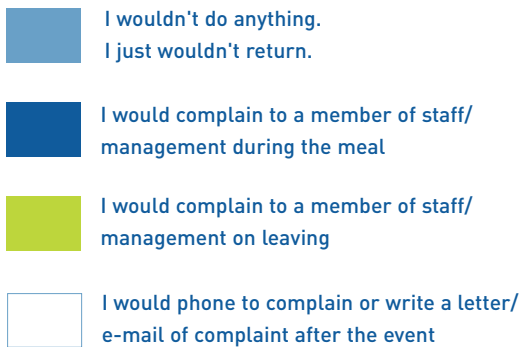
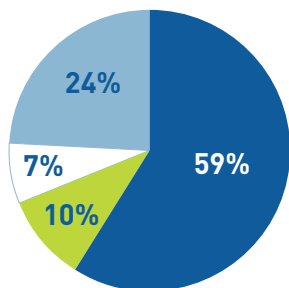
number of covers hadn't changed and 47% reporting a decrease. Customer spend increased for 26% of our respondents with 31% reporting no change and 43% saying that spend had decreased.



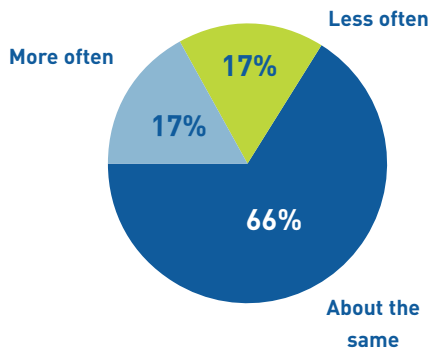
## BURNING QUESTIONS

Our partners at Service Science Ltd ([www.servsci.co.uk](http://www.servsci.co.uk)) have put a series of questions to their panel of regular diners on the London eating out scene.

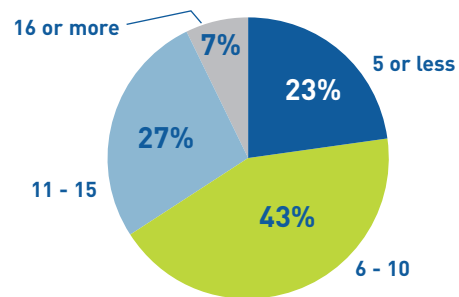
**Q1. You're in a restaurant socially or on business, and you're in the company of someone you want to impress. The service is poor. Which one of the following are you most likely to do?**



**Q2. In 2010, will you be eating out more or less often than in 2009?**



**Q3. You're in a restaurant with an extensive wine list. As a minimum, what would be the number of choices of 'wine by the glass' you would want to see? (Include red, white, rosé and sparkling in your total, but exclude dessert wines and fortified wines)**



**Q4. When visiting a restaurant during 2010, on average will you be spending more or less money on your meal than in 2009?**

