

April 2025

Restaurant Performance Index Rose 0.9% in April

The National Restaurant Association's Restaurant Performance Index (RPI) posted a moderate increase in April, but continued to signal an uncertain outlook for business conditions in the months ahead. The RPI – a monthly composite index that tracks the health of the U.S. restaurant industry – stood at 99.7 in April, up 0.9% from a level of 98.9 in March.

Restaurant operators reported a modest net increase in same-store sales in April, but customer traffic readings remained dampened. Looking ahead, restaurant operators have a mixed outlook for sales in the coming months, while their expectation for the overall economy continues to lean pessimistic.

The RPI is constructed so that the health of the restaurant industry is measured in relation to a neutral level of 100. Index values above 100 indicate that key industry indicators are in a period of expansion, while index values below 100 represent a period of contraction. The Restaurant Performance Index consists of two components – the Current Situation Index and the Expectations Index.

Current Situation Index Rose 0.5% to a Level of 99.4 in April; Expectations Index Increased 1.2% to a Level of 100.0

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 99.4 in April – up 0.5% from a level of 98.9 in March. April represented the second consecutive increase in the current situation component, even as operators continued to report mixed sales and customer traffic readings.

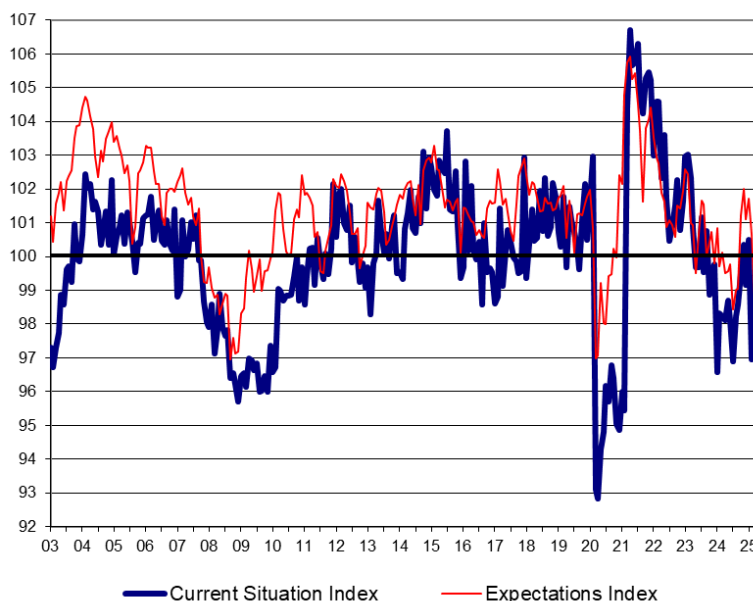
The Expectations Index, which measures restaurant operators' six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 100.0 – up 1.2% from the previous month. The rebound in the RPI's forward-looking component was driven by a somewhat more optimistic outlook for sales in the months ahead, though operators remain downbeat about the economy.

Restaurant Performance Index



Source: NRA; Values Greater than 100 = Expansion; Values Less than 100 = Contraction

Current Situation & Expectations Indices



Source: NRA; Values Greater than 100 = Expansion; Values Less than 100 = Contraction

Restaurant Operators Reported Mixed Same-Store Sales Results in April

Restaurant operators reported a net increase in same-store sales for the first time in three months. Forty-five percent of restaurant operators said their same-store sales rose between April 2024 and April 2025, up slightly from 43% of operators who reported higher sales in March. Forty-one percent of operators said their sales declined in April, compared to 45% in March.

In contrast to the modest same-store sales increase in April, restaurant operators continued to report dampened customer traffic readings. Thirty percent of operators said their customer traffic rose between April 2024 and April 2025, while 48% reported lower traffic. Although April's results were an improvement from softer readings in February and March, it still represented the third consecutive month of negative customer traffic.

Fifty percent of operators said they made a capital expenditure for equipment, expansion or remodeling during the last three months. That was essentially unchanged from the previous four months.

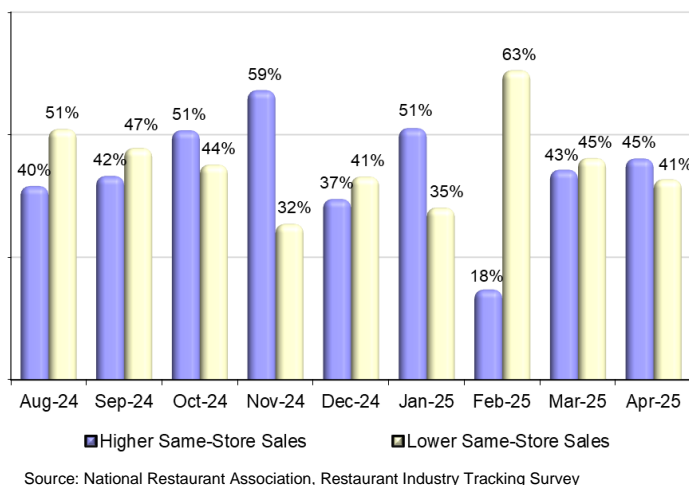
Restaurant Operators Have a Mixed Outlook for Sales and the Economy

Restaurant operators remain cautious in their outlook for sales in the coming months. Only 23% of operators expect their sales volume in six months to be higher than it was during the same period in the previous year. That was well below the November 2024 – February 2025 survey periods, when nearly half of operators were expecting sales growth. Twenty percent of operators think their sales will be lower in six months, while the remaining 57% of operators expect their sales to remain flat.

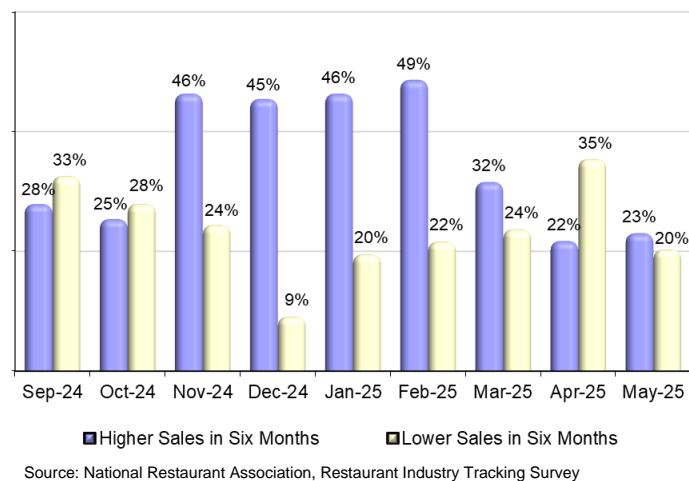
Restaurant operators are even less optimistic about the direction of the overall economy. Only 24% of restaurant operators said they expect economic conditions to improve in six months. That was down from nearly half of operators who reported similarly during the November and December survey periods. Thirty-six percent of restaurant operators think economic conditions will worsen during the next six months, while 40% think conditions will remain about the same as they are now.

Even with an uncertain outlook, many restaurant operators continue to plan for capital spending in the months ahead. Fifty-two percent of operators said they plan to make a capital expenditure for equipment, expansion or remodeling during the next six months. That was up slightly from 49% last month.

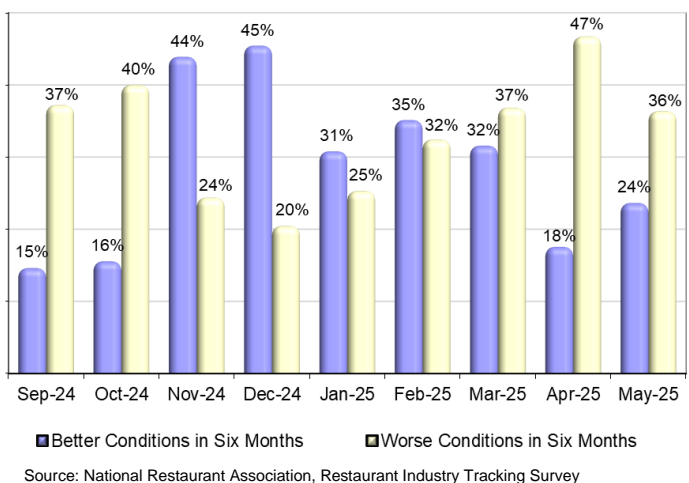
Restaurant Operators' Reporting of Same-Store Sales versus Same Month in Previous Year



Restaurant Operators' Outlook for Sales Volume in Six Months versus Same Period in Previous Year



Restaurant Operators' Outlook for General Economic Conditions in Six Months



National Restaurant Association Restaurant Performance Index and Its Components

	December 2024	January 2025	February 2025	March 2025	April 2025	Mar-25 to Apr-25
Restaurant Performance Index	100.1	101.1	98.8	98.9	99.7	0.9%
Current Situation Index	99.2	100.5	96.9	98.9	99.4	0.5%
<i>Current Situation Indicators:</i>						
Same-Store Sales	99.5	101.6	95.5	99.8	100.4	0.7%
Customer Traffic	98.2	100.8	94.7	97.2	98.2	1.0%
Labor	99.1	99.9	98.0	98.8	99.2	0.4%
Capital Expenditures	99.8	99.7	99.5	99.9	100.0	0.1%
Expectations Index	101.1	101.7	100.6	98.8	100.0	1.2%
<i>Expectations Indicators:</i>						
Same-Store Sales	102.7	102.7	100.8	98.6	100.3	1.7%
Staffing	100.2	102.4	101.6	99.7	100.9	1.2%
Capital Expenditures	101.0	101.4	100.7	99.9	100.3	0.4%
Business Conditions	100.5	100.3	99.5	97.1	98.7	1.7%

Note: For each of the Indices and Indicators, a value above 100 signals a period of expansion while a value below 100 signals a period of contraction.

Definitions

The National Restaurant Association's *Restaurant Performance Index* is a statistical barometer that measures the overall health of the U.S. Restaurant Industry. This monthly composite index is based on the responses to the National Restaurant Association's monthly Restaurant Industry Tracking Survey, which is fielded among restaurant operators nationwide on a variety of indicators including sales, traffic, labor and capital expenditures. The *Restaurant Performance Index* is composed of two equally-weighted components: the Current Situation Index and the Expectations Index. For each of the Indices and Indicators, a value above 100 signals a period of expansion while a value below 100 signals a period of contraction. The distance from 100 signifies the magnitude of the expansion or contraction.

The Current Situation Index is a composite index based on four 'recent-period' restaurant industry indicators:

Same-Store Sales: Compares same-store sales volume in the reference month versus the same month in the previous year

Customer Traffic: Compares customer traffic in the reference month versus the same month in the previous year

Labor: Compares the number of employees and the average employee hours in the reference month versus the same month in the previous year

Capital Expenditures: Measures capital expenditure activity during the three most recent months

The Expectations Index is a composite index based on four 'forward-looking' restaurant industry indicators:

Same-Store Sales: Restaurant operators' outlook for same-store sales in six months, compared to the same period in the previous year

Staffing: Restaurant operators' expectations for their number of employees in six months, compared to the same period in the previous year

Capital Expenditures: Restaurant operators' capital expenditure plans during the next six months

Business Conditions: Restaurant operators' outlook for general business conditions during the next six months

For a complete analysis of the National Restaurant Association's Restaurant Industry Tracking Survey including data broken out by industry segment, as well as a host of other economic indicators that impact the restaurant industry, log on to *Restaurant TrendMapper* at www.restaurant.org/trendmapper (subscription required).