

Restaurants Should Use On-Demand Pay to Attract and Retain Staff in a Competitive Labor Market



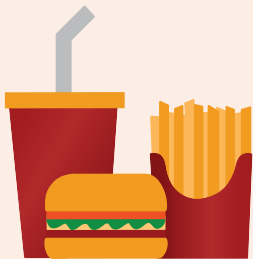
Full-service and quick-service restaurants face similar challenges such as increasing competition for labor, rising food costs and rapidly changing consumer expectations.

Restaurateurs choosing to invest in their employees' financial health and overall wellness will find success even against those headwinds.

Let's take a look at some of the current challenges for restaurant owners and operators and how they can come out on top.

Competition for Labor Continues

Restaurants are stressed to fill open roles...



In 2022, restaurants had to reduce operating hours by an average of

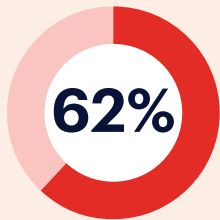
6.4 hours per week

The cuts increased to 7.5 hours per week for independent operators.¹

According to the National Restaurant Association, the industry is still 450,000 jobs (or 3.6%) below their pre-pandemic staffing levels.²

Understaffing is Negatively Impacting Customer Satisfaction

As restaurants continue to deal with labor competition, being short-staffed puts a limit on service quality and impacts customer satisfaction.



of operators reported being understaffed during much of 2022, with only one unemployed person for every two jobs.³

A Shift to Gig Schedules Will Provide Relief

The increase in gig economy jobs may continue to evolve the restaurant industry and allow workers to pick up shifts on an ad-hoc basis for whatever best fits their schedule. In addition to picking up shifts on demand, restaurant workers are beginning to expect a similar experience with their pay schedules.⁴



Food delivery apps have continued to increase in popularity since 2020 with an estimated

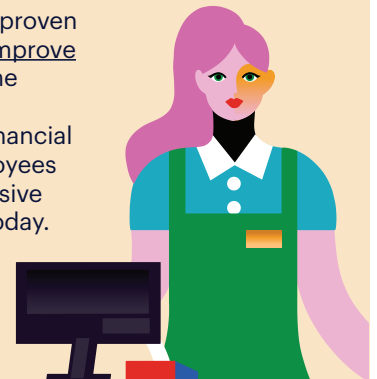
53.9 million

food delivery app users across the U.S. in 2023 compared to 36.4 million in 2019.⁵

Invest in Employee Wellness to Address Challenges

Restaurant operators can set themselves apart by offering the benefits today's employees are asking for.

An on-demand pay benefit through DailyPay has been proven to reduce turnover costs, improve retention and strengthen the employer-employee bond. Empowered with greater financial visibility and control, employees are able to avoid the expensive alternatives they're using today.



Learn how DailyPay can help.

Book a Demo

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¹ <https://www.restaurantdiver.com/news/5-trends-that-will-shape-the-restaurant-industry-in-2023/63970/>
² <https://restaurant.org/research-and-media/research/economists-notebook/analysis-commentary/restaurants-added-jobs-in-24-consecutive-months/>
³ <https://restaurant.org/nra/media/research/reports/2023/2023-soi-executive-summary.pdf>
⁴ <https://modernrestaurantmanagement.com/2023-outlook-trends-and-challenges-restaurants-will-see/>
⁵ <https://www.statista.com/statistics/1189404/food-delivery-app-users-us/>