

CHARLESTON
WINE + FOOD

THE STATE OF
THE CHARLESTON
RESTAURANT INDUSTRY
AMIDST THE COVID-19 PANDEMIC

MAY 2021

TABLE OF CONTENTS

Background + Methods

About the Data Sample

Closures + PPP Loans

Outdoor Dining + Operational Shifts

By the Numbers: Staffing

By the Numbers: Revenue + Expenses

Future Outlook



BACKGROUND + METHODS

The purpose of this research project was to better understand how Charleston's restaurant industry endured the vast challenges posed by the COVID-19 pandemic, and to assess the current state of the industry. The research was conducted by the College of Charleston's Office of Tourism Analysis on behalf of Charleston Wine + Food, with additional support from the City of Charleston.

An online survey was sent by Charleston Wine + Food to 210 Charleston-area restaurants, along with follow-up messages to encourage participation. Data collection began in early February 2021, and concluded in early March. A total of 45 completed + valid responses were received, resulting in a response rate of 21.4%.



ABOUT THE DATA SAMPLE



84% LOCATED DOWNTOWN

Top neighborhoods:

Harleston Village
East Central / N. Morrison Drive
French Quarter
King Street Historic District
Cannonborough / Elliotborough
East Side

7% James Island / 4% North Charleston / 4% West Ashley

45 COMPLETED RESPONSES

35% Fast casual / 35% Fine dining / 13% Casual / 4% Takeout

77% Operate out of a single location

64% Multiple owners / 20% Single owner / 15% Restaurant group

48% Employed <20 people pre-pandemic / 31% Employed >40



CLOSURES + PPP LOANS



8.8 AVERAGE WEEKS FULLY CLOSED

Indoor dining closed: 12.7 weeks / Kitchen closed: 6.5 weeks

71% Fully closed

33% Kitchen closed

73% Indoor dining closed

6.7% Never closed at all

93% STATED THE PPP LOAN PROVIDED SIGNIFICANT ASSISTANCE

89% Applied and received funding
7% Did not apply
4% Applied and did not receive

83% Had applied / planned to apply for round 2 of funding
**Top reason for not applying: would not meet requirements*



OUTDOOR DINING + OPERATIONAL SHIFTS



\$4,594 AVERAGE COST TO EXPAND
OR INTRODUCE OUTDOOR DINING

68% Believe outdoor dining improved revenues

43% State lack of space as the reason for not implementing

64% Would utilize city streets if made available
Would improve: Revenue: 55% / Staffing: 46%

72% Believe takeout cocktails would improve revenues

80% Changed typical operating hours during the pandemic

41% Changed business hours due to local or state regulations

Types of changes: Required curfew, reduce days open, open earlier / close earlier, overall reduction of hours



BY THE NUMBERS: STAFFING

PANDEMIC LAY OFFS

71% Front of house

69% Back of house

61% Operations

CURRENTLY STAFFED

70% Front of house

74% Back of house

79% Operations

73% REPORT DIFFICULTY IN BACK OF HOUSE HIRING

22% Very difficult / 20% Difficult / 31% Somewhat difficult

52% REPORT DIFFICULTY IN FRONT OF HOUSE HIRING

4% Very difficult / 15% Difficult / 33% Somewhat difficult



BACK OF HOUSE

69%
Understaffed

23%
Percentage of vacant positions

FRONT OF HOUSE

44%
Understaffed

28%
Percentage of vacant positions

BY THE NUMBERS: REVENUE + EXPENSES

RENT

69%

Rent building

53%

Pay >\$5,001 in monthly rent

RENT REDUCTIONS

19%

Received rent reduction

83%

Stated it was “very important” to staying in business

90% SAW NEW EXPENSES RELATED TO INCREASED SANITATION NEEDS

Supplies: 91% / Labor: 33% / Third-party sanitation: 41%

91% SAY EXPENSE INCREASES WERE SIGNIFICANT

REVENUE BREAKDOWN

Indoor dining: 60% pre-pandemic / 39% at survey

Outdoor dining: 21% pre-pandemic / 26% at survey

Takeout: 16% pre-pandemic / 24% at survey

Meal kits: 0% pre-pandemic / 3% at survey

Delivery by restaurant: 0.6% pre-pandemic / 1.3% at survey

Delivery by third-party apps: 2% pre-pandemic / 7% at survey

ALCOHOL SALES

40%

Pre-pandemic

35%

At survey



FUTURE OUTLOOK



-42.1% 2019-2020 REVENUE CHANGE

Restaurants are still expected to be down in 2021 compared to 2019 (estimated -12%).

They expect they can sustain themselves at the sales volume when surveyed for an average of 18.7 months.

45% EXPRESS WORRY IN THE RESTAURANT'S FUTURE

90% of respondents were confident in their restaurant's future prior to the pandemic

33% of respondents are confident in their restaurant's future today



A photograph of a restaurant table setting. The table is made of light-colored wood and is set with several wine glasses, water glasses, plates, and menus. The background is slightly blurred, showing more tables and chairs in the restaurant.

FOR ADDITIONAL INFORMATION

please reach out to Daniel Guttentag, Director of the College of Charleston's
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