
MODERN RESTAURANT MANAGEMENT

2025 Outlook: Experts Weigh In on Restaurant Trends and Challenges, Part Three

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Modern Restaurant Management (MRM) magazine asked restaurant industry experts for their views on what trends and challenges owners and operators can expect to see in 2025.

Data, Data, Data. It is atop the list for restaurants looking to modernize, differentiate, and elevate experiences. So much data is generated at every point within a restaurant, whether fast casual or fine dining. And the digitization of operations over the past few years means that the industry is getting better at capturing that data.

Foot traffic or heat mapping, menu item engagement, or consumer demographics by time of day. The question now becomes – how to make sense of that data and use it to elevate the dining experience. The quicker businesses can feed that information back into operations, the better, whether for personalized dining, staffing optimization, or advertising and marketing. This is where we are heading, and I expect to hear lots of chatter about how AI, automation, and analytics partners can support restaurants on this journey to realize quicker time to value.

– *Misty Chalk, vice president, Americas at BrightSign*

AI Continues to Revolutionize Restaurant Operations and Guest Services: The restaurant sector is poised for a seismic shift as AI integration takes center stage. While over half of restaurant operators (52 percent) already say they want to embrace AI within 12 months, I predict that number will soar even higher.

Restaurants are already experimenting with using AI to handle drive through orders to allow human employees to focus on customer interactions in the restaurant. We'll see the continued shift of leveraging AI to help with other commodity tasks to free up humans to have more time to give customers higher-quality hospitality.

– ezCater CTO Erin DeCesare

“The restaurant sector is poised for a seismic shift as AI integration takes center stage.”

Customized Catering for Flexible Occasions – The rise of personalized group dining experiences is reshaping catering trends, and L&L is already meeting the demand. Offering Bento Packs for individually portioned meals and a la carte buffet-style trays for customizable group settings, L&L's catering options bring Hawaiian-style comfort food to events large and small throughout our locations nationwide.

Asian-American Flavors Fueling Culinary Diversity – This trend taps into a broader consumer desire for bold flavors and multicultural dining. L&L Hawaiian Barbecue brings a distinct fusion of Asian, Pacific Islander, and American influences to consumers in the continental U.S. This culinary evolution is rooted in immigrants from Japan, China, Korea, the Philippines, and Portugal – then later America during World War II, who each made significant contributions to Hawaii's flavor landscape. These tastes became deeply embedded in Hawaii's culinary identity through the iconic “Plate Lunch.”

Value-Driven Dining for the Modern Consumer – In a time when consumers seek out both quality and quantity, L&L continues to provide substantial portions at an accessible price point. With the signature Plate Lunch delivering generous combinations of proteins, rice, and macaroni salad, L&L's offerings give patrons a cost-effective way to enjoy hearty meals that are prepared fresh with quality ingredients.

– L&L Hawaiian Barbecue Director of Marketing, Brandon Dela Cruz

The global stored value market is experiencing remarkable growth, fueled by the increasing penetration of mobile devices and the growing acceptance of contactless payment methods. In 2025, we foresee significant developments in on and off premise restaurant payments. As of 2024, over half of U.S. consumers now use digital wallets as they seek a convenient, contactless payment experience. Restaurants that merely accept this form of payment will meet customer expectations, but restaurants that truly embrace this shift will be the real winners. In 2025, we anticipate more restaurant brands will develop their own white-labeled digital wallets in partnership with companies like Ansa to provide customers easy-to-use payments with the added benefit of personalized loyalty incentives. Not only do branded digital wallets foster convenience for guests, but they also drive sales, visit frequency and guest engagement while lowering the astronomic cost of credit card swipe fees.

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Additionally, we believe loyalty programs will evolve, moving away from traditional points and discounts toward more sophisticated, personalized incentives delivered through digital channels, such as digital wallets. Customer data gathered from digital interactions can offer tailored recommendations and rewards that resonate with individual guest preferences. This evolution will help operators create meaningful connections with guests, driving repeat visits and enhancing overall customer satisfaction. As technology continues to advance, restaurants that embrace these changes will be better positioned to thrive in a competitive landscape.

– Sophia Goldberg, Cofounder & CEO, Ansa

Markets Matter

In a world where chain stores and online retail offer uniformity, local markets stand out as vibrant hubs of diversity, reflecting the character and culture of their communities. For restaurants, sourcing from these local markets offers a way to support regional producers while differentiating

their menus with unique, high-quality ingredients. Expect 2025 to see a renewed fight for the survival and growth of local markets, driven by both consumers and restaurateurs who value authenticity, sustainability, and the vital social role these markets play.

– Kate Howell, Third Vice President of Les Dames D’Escoffier International

The restaurant industry is becoming increasingly competitive, and I see AI as being a critical differentiator for operators. It will enable hyper-personalized experiences that transform guest interactions through advanced customer insights. I think smart, AI-enabled platforms will turn data into intelligence around visit frequency, ordering, traffic patterns and more. These insights will help anticipate individual preferences and empower restaurants to reimagine their loyalty programs and ordering systems with exceptional precision. If restaurants can leverage this across this operation, their team members will be able to optimize their efficiency, enhance productivity and address labor constraints. These innovations will allow restaurant operators to do more with less and help create smart, seamless experiences that meet rising guest expectations.

– Rhonda Levene, CEO of Ziosk

Chicken’s Timeless Comfort Food Appeal

Chicken has become America’s ultimate comfort food. It’s versatile, crave-worthy, and familiar, which keeps it in high demand, especially during uncertain economic times. In 2025, we expect to see continued growth in menu innovation with bold flavors, premium ingredients, and creative presentations, keeping loyal fans happy while drawing in adventurous foodies.

The Resilience of the Franchise Model

The franchise model remains one of the best business structures in today’s restaurant landscape. It provides a proven playbook, ongoing support, and brand recognition, reducing much of the guesswork that independent operators face.

In an industry known for slim margins and rising operational costs, franchises offer built-in scalability, bulk purchasing power, and marketing resources. At Wing Snob, franchisees benefit from a trusted business framework while retaining entrepreneurial freedom, making it easier to navigate an increasingly competitive market.

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Challenges for Independent Operators

The independent restaurant model is becoming riskier due to factors like fluctuating food costs, labor shortages, and the growing tech landscape. Without the safety net of a larger system, small operators face greater financial and operational pressure.

Looking ahead, restaurants that adapt quickly, prioritize strong supplier partnerships, and embrace technology-driven guest engagement will have the best chance of thriving—whether part of a franchise system or operating independently.

– Wing Snob Co Founder Jack Mashini

Restaurants get quicker, more personalized with content display: Restaurants rely on signage for many critical moments in time during the dining experience, from advertising, to deal promotion, to menu boards, to order processing, and more. The digitization of signage and displays has opened new doors for restaurants to deliver engaging, personalized content for customers and a better customer experience. Looking ahead for restaurants, the challenge in meeting consumer demand becomes two-fold: how to understand the content that consumers want which drives business and how to generate and display that content in as close to real time as possible.

The answer lies in integrated digital signage solutions, in which professional displays, content management systems, data capture, and analytics capabilities come together to inform, create, and show content. This connected ecosystem not only generates business opportunities for restaurants by maximizing the chance to engage current or potential customers, but it also allows restaurants to make faster and more informed decisions backed by data. Infusing AI into the content and analytics

mix has also sparked conversations with restaurant leaders on how to scale operations and determine how fast content can be produced and updated. This will be an interesting space to watch as the evolution of online and social commerce directly impacts what consumers demand from restaurant content at every touchpoint.

– Patrick May, product manager, digital signage at Panasonic Connect North America

Innovation is woven into every part of what we do at Fogo de Chão, and for 2025, the No. 1 trend will be about creating new and unique dining experiences that surprise and delight our guests as they have come to expect from us. It's about pushing boundaries—whether that's through bold menu innovation inspired by our Brazilian heritage or crafting environments where people want to gather and celebrate.

For us, menu innovation is more than adding dishes—it's about offering something guests can't find anywhere else. Whether it's our elevated cuts of meat, new seasonal salads, or indulgent desserts, every offering is designed to reflect our commitment to quality and authenticity.

Beyond the menu, we're rethinking what the dining experience can be through dynamic restaurant design. We're creating spaces that feel vibrant, welcoming, and modern while still honoring our heritage.

As we expand globally, these principles of innovation are our guide. Each new market is an opportunity to refine and elevate the Fogo experience while staying true to the essence of who we are. No matter what's happening in the world, our focus is on leveling up and delivering excellence for every guest, every time.

Leveraging AI throughout all touchpoints and will not only be a trend but a need in 2025. We're continuing to build our data infrastructure and are already leveraging AI for social media, content marketing, scheduling, supply chain, data mining and more all with the goal of benefitting our guest experience.

“By leveraging the consumer's demand for authenticity and storytelling as a way to connect and resonate with the brand, social platforms are moving toward showcasing real experiences rather than overly polished content.”

How crucial will flexibility be for restaurants in 2025?

Flexibility will be essential for restaurants to succeed in 2025. From the types of dishes offered to how we serve our guests—dine-in, takeout, or delivery—operators must meet customers wherever they are. At Fogo de Chão, our churrasco experience is naturally flexible, allowing guests to customize their dining experience with a range of wholesome proteins, signature Brazilian sides, and access to the Market Table. We also ensure that dining styles adapt to modern needs, such as solo dining or small groups, without losing the vibrancy of our service model.

In what ways can operators enhance the dining experience while still providing value?

Value is about more than price—it's about the quality of the food, the atmosphere, and the service. Fogo enhances the dining experience by focusing on authenticity

and creating connections with our guests. For example, at Fogo, the churrasco experience served tableside by Gauchos allows for personal interaction with our team, and our Market Table ensures guests have access to fresh, high-quality ingredients. Balancing premium offerings with inclusive pricing models ensures guests feel they are getting exceptional value.

Will the social media impact for restaurants wane at all in 2025?

Social media will remain a powerful tool, but its role is evolving with the increase in AI. By leveraging the consumer's demand for authenticity and storytelling as a way to connect and resonate with the brand, social platforms are moving toward showcasing real experiences rather than overly polished content. At Fogo, we use AI as a tool for social media and content marketing, and this allows us to engage with our fan base through fun online engagements such as polls, this vs. that options, and more.

– Barry McGowan, Chief Executive Officer, Fogo de Chão

For 2025 we see dining trends shaped by both economic realities and evolving tastes. Guests are carefully balancing their spending while seeking meaningful dining experiences that blend value with quality. At Cracker Barrel, we're meeting these needs through our heritage of generous portions and affordable comfort food, while also embracing innovation.

Our Hashbrown Casserole Shepherd's Pie exemplifies how we're reimagining nostalgic favorites for today's guests. This balance of tradition and innovation, combined with our commitment to value and hospitality, positions us well to meet evolving consumer preferences while staying true to our authentic identity.

– Sarah Moore, CMO of Cracker Barrel

“Guests are carefully balancing their spending while seeking meaningful dining experiences that blend value with quality.”

Chef Driven Fast Casual

Chef driven fast casual restaurants feed consumers' desires for high quality menu items delivered quickly and on the go and will continue to gain momentum. This type of casual experiential dining appeals on many fronts to consumers of varying ages in different parts of the country looking for affordable culinary experiences.

Pop Ups

Expect pop ups to become part of the mainstream culinary landscape. The festive nature and exclusivity of a pop-up with special offerings available for a limited time, appeal to consumers' desires for culinary adventure and offer opportunity for chefs to express themselves in a unique way without the constraints of working in a restaurant.

Non-alcoholic beverages

Non-alcoholic beverages are here to stay as consumers want the pleasure of a cocktail without the spirits. Dining out is often a splurge occasion, yet today's restaurant patrons are finding more options to balance their choices and manage indulgence.

– Sharon Olson, Les Dames Member and Executive Director of Culinary Visions

The very definition of value is being transformed. In an era of endless entertainment choices, simply broadcasting games is no longer enough – venues must craft unforgettable, personalized social experiences that make leaving home irresistible. Modern guests seek technological innovation that elevates and tailors their experience while maintaining authentic human connection.

Tom's Watch Bar sits precisely at this sweet spot – where cutting-edge technology enables more intimate, customized moments while amplifying the electric atmosphere of sharing sports with fellow fans.

– Brooks Schaden, Co-CEO, Tom's Watch Bar

“We're entering an era where early detection before infection remains paramount, and predictive systems will replace reactive responses.”

Recent high-profile contamination cases have exposed our industry's food safety vulnerability, creating unprecedented urgency around food safety innovation. This heightened awareness, combined with breakthrough technologies like AI, is driving a revolution in prevention.

We're entering an era where early detection before infection remains paramount, and predictive systems will replace reactive responses. Operators who embrace these modern monitoring platforms now will build consumer trust and brand resilience needed to thrive in an increasingly competitive market.

– Christine Schindler, CEO PathSpot

In 2025, the focus will be on striking the right balance between quality and price. Over the past few years, rising food and labor costs have driven up average ticket prices, leading some guests to seek lower-cost alternatives. As inflation trends downward, the industry should identify savings opportunities that can be used to enhance value for guests and encourage repeat visits.

Guest loyalty will be a key trend in 2025. Restaurants are discovering that the best way to increase guest frequency is by understanding their preferences better. Technology will play a significant role, as advanced software solutions become more accessible and restaurants increasingly adopt data-driven strategies.

Artificial intelligence (AI) will continue to shape the industry, influencing every aspect of restaurant operations. From front-end tasks like order taking to back-of-house functions such as recipe development, cost management and operational decision-making, AI will serve as an essential tool for restaurant success.

Customers will expect greater personalization in their dining experiences. Making it easy for guests to get exactly what they want, when they want it, will be a significant competitive advantage. Offering consistent customization options across all ordering channels will be critical.

Food delivery will continue to expand but with a shift toward third-party delivery services rather than marketplaces. This approach will enable restaurants to deliver food to customers at lower costs, improving overall efficiency.

Automation and self-service technology will see wider adoption in 2025. While these technologies have already gained traction, their adoption will accelerate as costs decline and labor expenses rise. Restaurants will increasingly rely on automation to achieve the right balance between efficiency and cost management.

– Bob Vergidis, Chief Vision Officer, pointofsale.cloud

“Offering consistent customization options across all ordering channels will be critical.”
