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## **The summer rush out of town - At mid-year, consumer confidence is trending "up"**

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"How did this happen?" It was only 'yesterday' that we were challenged by back-to-back snow storms. "Where are we going to put all this snow?" was heard through the land. Over 100 inches of snow clogged the streets and obliterated parking spots throughout the region. Months into 2015, many of Boston's restaurants are still recovering from lost revenue and depressed foot traffic. The Boston Business Journal recently reported that statewide restaurant sales, and the accompanying meals tax revenue, were off measurably and some of the most prominent operators were planning on hopefully just breaking even for the year even if the second half of 2015 reached original expectations.

Slowly the weather got better, the snow disappeared, and consumer confidence warmed.

Then, when things appeared to be back on track, suddenly it was Memorial Day...and shortly thereafter, 4th of July. We heard it everywhere, "Lets head for the Cape. We're outta here!" As a result, every Friday night the roads are bumper-to-bumper with cars heading to the Sagamore and Bourne bridges or clogging Rte. 95 north.

Whether going south to the Cape or the beaches of Rhode Island, or heading for the mountains, lakes, or shores of Vermont, NH, or Maine for the weekend, the restaurants and motels are doing a booming business. For those not going away for the whole weekend, they're doing day trips; it's Friday night in Plymouth or Rockport and on Saturday a ride to Newport or Portsmouth.

Just as Greater Boston's hospitality industry was beginning to heal through the spring, summer came over the horizon. The popular restaurants in and around Boston that were seeing 1-2 hour waiting lines return, became accustomed to more reasonable 15 minute waits. What a great feeling it had been...people were happy, servers and bartenders were again making a decent wage. Now those lines has shifted to the Cape...all over the Cape. Obviously I'm over-simplifying but the point is that, depending on where you are, you're experiencing the results of that shift.

It seems everyone wants to be on the water.-Marshfield, Scituate, Plymouth, Falmouth, Hyannis, Harwich, Chatham, P-Town. Then there's those who migrate north to Gloucester, Portsmouth, Portland. You get the point...come the few weekends of summer and everyone wants to "get out of Dodge."

So what does that mean for the consumers left behind...better deals, better service, lesser waiting times, and more relaxed dining unless you're in the Seaport area (still a zoo on the weekends).

What does that mean for the operators? Restaurateurs are wrestling with a tight labor market, higher payroll costs, higher taxes, higher insurance, and higher food costs.

Did you ever expect to routinely pay \$10 for a decent hamburger? A glass of wine served in a restaurant costs as much as the cost of a whole bottle on the outside.

Routinely the cost for a couple going out to eat in a decent restaurant with a beverage and an

appetizer usually approaches \$100 with tax and tip. Try to get your mind around \$300 per couple for a birthday celebration at Capital Grille or Abe and Louie's.

Charge today, pay tomorrow. Fun today, worry tomorrow. Lobster today, hamburgers tomorrow.

Filling a restaurant is easy...a good chef, using good ingredients, served by happy waitresses, at reasonable prices, in a comfortable environment.

So there it is, at mid-year, apparently consumer confidence is trending "up."

Whether the consumer is at Legal Seafood or Wahlburgers, Ninety-Nine or Davio's, or the Coonamesset Inn or the Chatham Squire, the consumer is "out." When the weather is good, consumers are happy, and the spirits soar.

Just as winter evolves into summer, fall is around the corner. The weekend migration and weekly rentals will dissipate and the crowds will return to their favorite local restaurants, sports bars, and fast food providers. The summer tourist attractions will slowly slip in their annual slumber and the throngs of Summer voyageurs will return...boosted by thousands of new students eager to get a taste of Boston's hospitality.

"WELCOME HOME, dear friend, WELCOME HOME."

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