NATION'S RESTAURANT NEWS
RESTAURANT BUSINESS

MARKET LEADER REPORT

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THE RESTAURANT AI PLAYBOOK

Presented in partnership with:

palona PAR CLEARCOGS leasecake REVMO

Embracing the AI Era

Artificial intelligence has exploded into the global consciousness over the past few years and is poised to transform nearly every aspect of business across industries. For restaurants, it's already revolutionizing how essential daily processes — such as sales forecasting and reporting, labor management, marketing, menu analysis, and more — are conducted and optimized. Most restaurant operators either say they're using AI in their businesses now or are eager to adopt it soon. Operators that have incorporated AI-driven functions are streamlining processes, turbocharging their existing tech stacks, and leveraging data like never before.

But as AI shifts from buzzword to key building block of business strategy, restaurant operators face several complex questions: Who is using AI — and how? What areas of business are ripe for an AI assist? Will AI steal jobs, or remove the most tedious elements to make them more rewarding and impactful for humans? And, critically, how does one prove the ROI of AI?

In our latest Market Leader Report, The Restaurant AI Playbook, Nation's Restaurant News and Restaurant Business set out to assess the current AI landscape and understand the attitudes, investment plans and potential impact of this game-changing technology. We surveyed nearly 500 restaurant operators about how they're using AI in their businesses, their planned investments, their biggest pain points and the opportunities they're most excited about. Read on to benchmark your AI aptitude against your peers, avoid common challenges, identify the most impactful use cases and forge your path into an AI-driven future.

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– MARIA ZHANG, CO-FOUNDER AND CEO,PALONA

"You can leverage your data history that's collected and stored in the tools you already use. The beauty of AI is that it can make those connections seamlessly, to get these unique insights in an instant."

– SAVNEET SINGH, CEO AND PRESIDENT, PAR TECHNOLOGY

"The next real shift is making operations proactive. Daily plans should anticipate demand, set pars before the day begins, and adjust early so rushes feel routine. Operators should judge technology by how consistently it prevents surprises, not by how elegantly it reports them."

– MATT WAMPLER, CO-FOUNDER AND CEO, CLEARCOGS

"Leases aren't just paperwork. They're the third-largest expense in your business – and the source of hidden risks most operators don't even know they're carrying."

– SCOTT WILLIAMSON, CEO, LEASECAKE

"What's great about AI is that it scales with you. It not only alleviates the challenges that grow at enterprise scale, but it also brings those same enterprise-level benefits to smaller chains—benefits they wouldn't otherwise have. And no matter your size, you save money, ease staffing burdens, and deliver a more consistent guest experience."

– RYAN LOUIS, CO-FOUNDER AND CEO, REVMO

Key Findings

Optimism drives AI adoption and investment

Operators who have already implemented AI plan to accelerate their spending on similar tools in the coming 12 months, and they're also more likely than others to boost hiring and to predict positive impacts from more AI in the industry.

AI skeptics struggle to find use cases

As in previous research, operators set against incorporating AI into their operation avoid it not necessarily out of concern over privacy, complexity or cost, but because they don't see compelling use cases in their restaurants.

Costs, knowledge gaps could slow adoption

As they vet ways to experiment with new tech, AI Curious respondents were intrigued by many capabilities. Yet they appear more concerned than Adopters with costs and knowledge gaps, so they'll likely ramp up cautiously.

AI's biggest potential ROI: Time savings

Restaurateurs give a slight edge to saving time for their people — especially managers who could use technology for complex strategic tasks — over driving top-line revenue as the most likely ways AI optimizes their return on investment.

Intelligent forecasting has a bright future

Regardless of where they are on the AI adoption curve, operators generally see their forecasting ability as a powerful tool to leverage. Applying that to more strategic areas and incorporating more data sources are big opportunities.

Generative AI has entered the chat

As large language models continue to intrigue the general public, restaurant leaders largely have leveraged them already for marketing functions. Many are looking to progress from text tools to chat- and voice-based applications.

Key Findings

Operators count on AI in inventory management

A popular use among AI Adopters is tech-enabled inventory management, which also fits similar levels of interest in the forecasting of prep cooking. Fewer have figured out how AI optimizes menu development, but interest is high.

AI has room to maneuver in marketing

Restaurant marketers appear to have picked the low-hanging fruit of using generative AI for copywriting. Their next big push appears to be using guest data and insights to personalize offers, messaging and guest experiences.

Automation is up and running

Among labor-focused use cases for AI, those that automate guest interactions like order taking have gained traction, especially in the FSR sector, while managers seek better efficiency for scheduling and staffing strategies.

AI isn't replacing the human element

Despite broader concerns that AI could automate many jobs away, foodservice operators are taking a different tack, planning to increase their headcounts and showing little appetite for fully automated models.

AI's biggest champion is company leadership

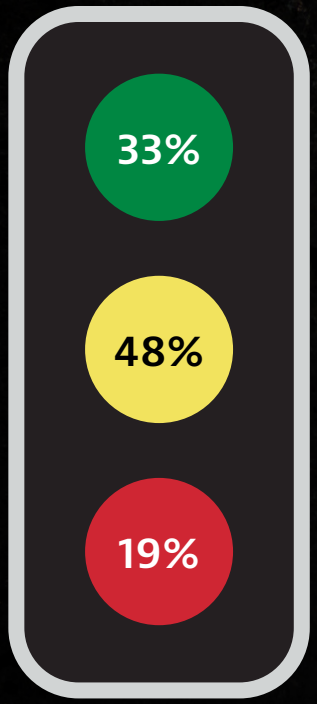
Survey respondents indicated that their fellow owner-operators and executives are charging hardest for the spread of AI in the restaurant industry. However, they're also satisfied with the level of buy-in they see among employees.

LSR likely to lead experimentation and acceleration

The full-service respondents among AI Adopters reported greater current usage in many areas compared with limited-service peers, but strong pent-up interest among the latter shows where innovation will likely happen.

Optimism drives AI adoption and investment plans.

AI adoption among restaurant operators is already on the rise, with significantly more decision makers saying they're using AI now than earlier this year. In the most recent survey of operators from the combined audience of Nation's Restaurant News and Restaurant Business, one in three people said they use some form of AI in their organization. That figure is significantly higher than the 21% of respondents who said so in the 2025 Restaurant Technology Outlook, published earlier this year.



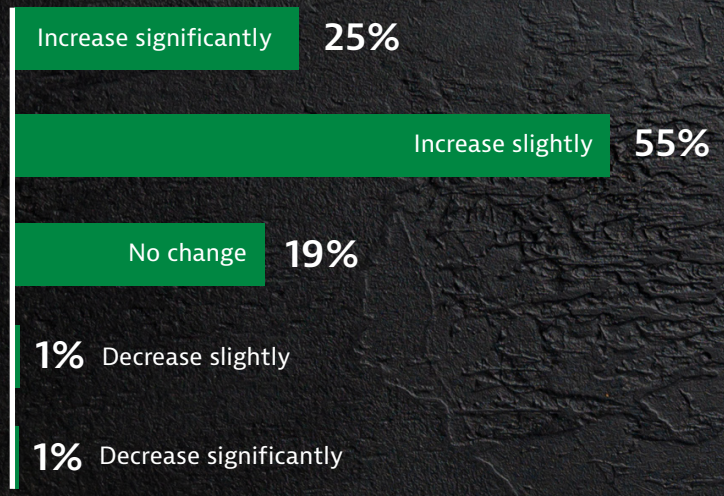
Base: AI Adopters (n = 480)

AI Adopters, comprising one in three survey respondents, currently using AI

The **AI Curious**, don't use AI currently, but they're interested in adopting it

The **AI Avoidant** don't use AI either, and they're NOT INTERESTED in adopting it

How do you expect your investment in AI to change this year?



Base: AI Adopters (n = 155)

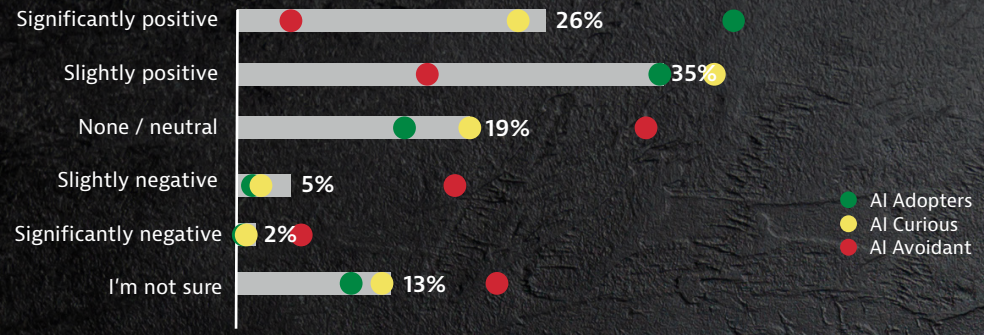
This group — referred to throughout the report as AI Adopters — stands apart from the other personas in this study to whom they'll be compared: the AI Curious (48% of respondents), who are interested in incorporating some form of it, and the AI Avoidant (19% of respondents), who have no such intent. This most recent group of operators appears less skeptical than January's, in which more than a quarter of respondents (28%) expressed disinterest in AI.

The AI Adopters are charging full steam ahead: Four in five respondents in this group planned to increase their investments in these capabilities over the next 12 months, and virtually every remaining AI Adopter said they were likely to keep their expenditures steady, rather than pull back on AI in any way.

Unsurprisingly, the operators already bought in to AI's potential were far more likely to predict that this technology would have a positive impact on foodservice. Approximately three in five respondents overall foresee positive effects from the spread of AI, including 78% of AI Adopters.

Only 7% of all operators think AI's impact on the industry will be bad. To be sure, one in four AI Avoidant respondents predict negative effects, but this group was just as likely to say they weren't sure what AI's impact would be (23% of AI Avoidant respondents). They're even more likely to say AI would not have a significant effect in either direction (34% of this group, compared with 19% overall).

In general, what will be AI's effect across the foodservice industry?



AI Adopters are more likely than *all respondents* to...

Increase hiring in coming 12 months: **64%** vs. *49%*

Rate their capabilities with customer data as "advanced": **43%** vs. *25%*

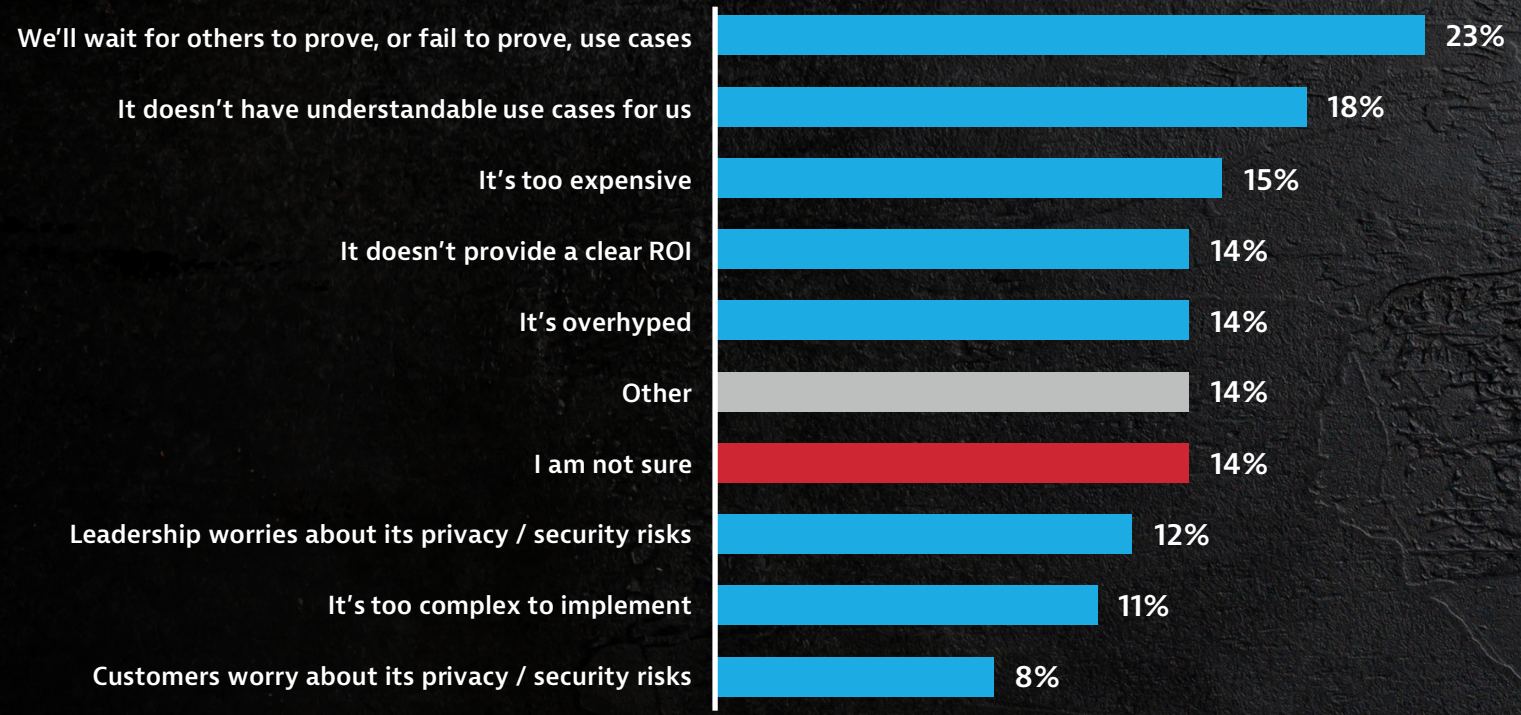
Rate their capabilities with operations data as "advanced": **51%** vs. *32%*

Rate their forecasts as "very accurate": **36%** vs. *22%*

The AI Avoidant are still waiting to see relevant use cases.

The restaurant leaders who are content to stay out of the AI land grab don't necessarily feel that way out of concern for security risks or for how expensive or complex the technology is to implement. More often, they indicate that potential returns on investment end up multiplied by zero, because they can't find use cases for AI relevant to their operations.

Why is your organization not interested in adopting AI?

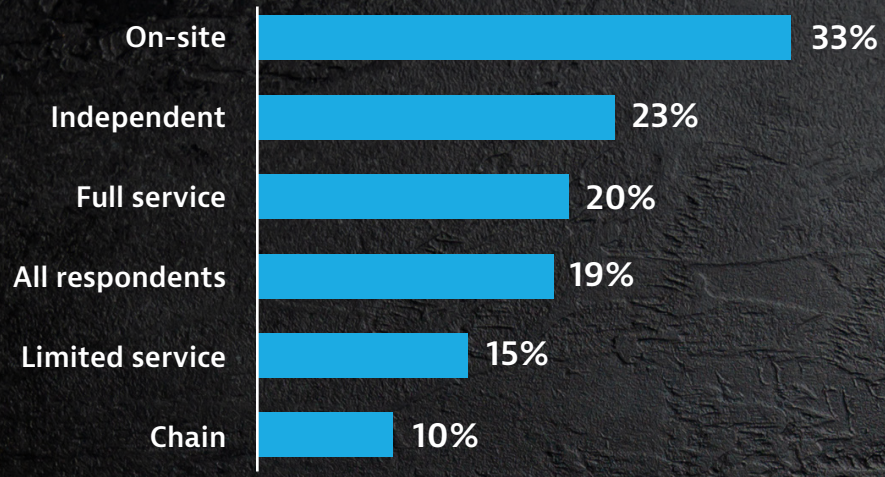


Base: AI Avoidant respondents (n = 93)

AI Avoidant respondents' top reason for their disinterest is that they're waiting for industry peers to prove — or to fail to prove — uses for these capabilities. The 23% of this group who answered this way showed a slight improvement in sentiment from the 27% who responded similarly in January.

Some over-the-top responses appeared from the 14% of AI Avoidant operators who provided a free-text "Other" answer, such as "I don't need Big Brother looking at me" or "It will destroy civilization." But generally, more people could likely evolve toward the AI Curious or Adopter persona over time, if they see convincing ways that these technologies improve their ability to grow sales and traffic or save time and money in a way that flows to their bottom lines.

AI Avoidant respondents, by industry segment



AI Avoiders are less likely than *all respondents* to...

Change headcount in the coming 12 months: **57%** plan to keep staffing levels steady this year vs. *19%* for all operators

Rate their capabilities with customer data as "advanced": **12%** vs. *25%*

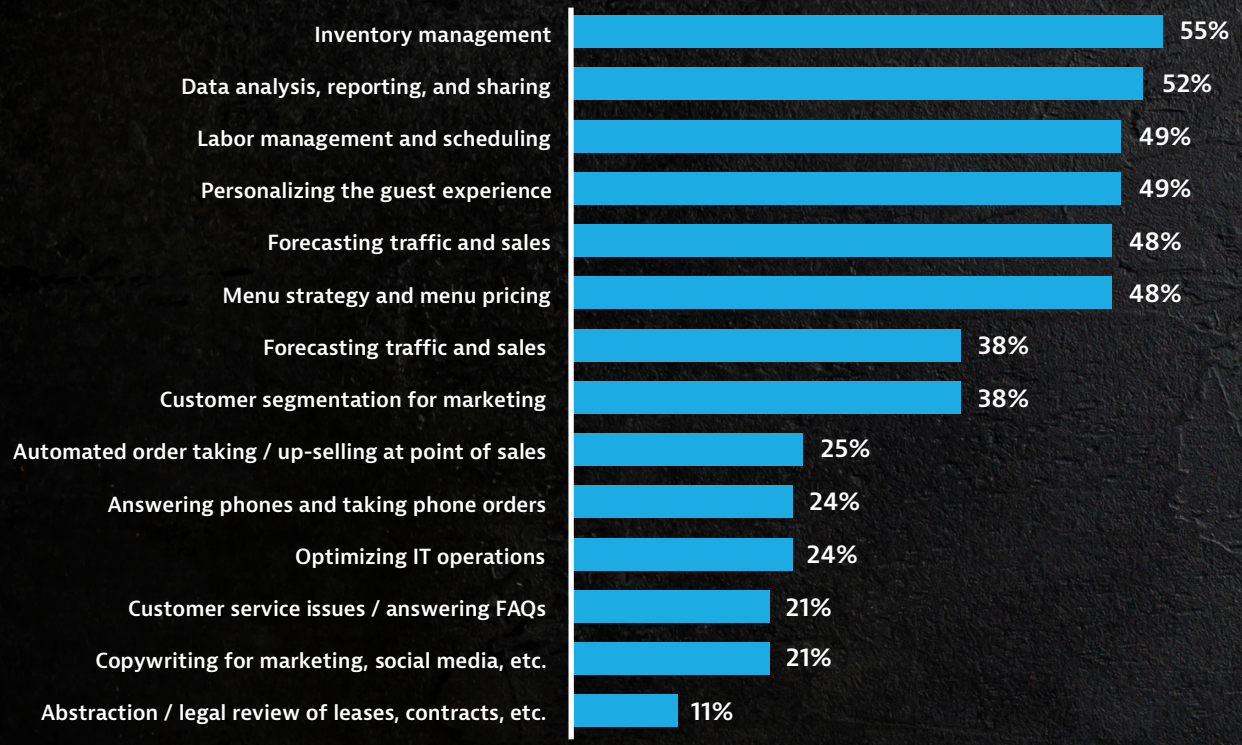
Rate their capabilities with operations data as "advanced": **15%** vs. *32%*

Forecast their sales and traffic: **72%** vs. *91%*

AI Curious operators are open to experimentation but are overly careful.

From the sidelines, the AI Curious see some potential benefits to AI, especially for back-office functions unlikely to grab headlines or affect the guest experience directly. More than half are interested in AI enabled inventory management tools or in applications that automate the analysis and reporting of all the data they collect. Those are among the most common things Adopters use at their restaurants today.

Which potential use cases for AI in foodservice are you interested in?



Base: AI Curious respondents (n = 229)

Beyond inventory management and data reporting, the most appealing use cases tend to deploy machine learning algorithms that take complex math off the plate of staff and managers, to free them up to focus on hospitality and guest service. Programs or apps that algorithmically make recommendations for scheduling and labor management, forecasting future traffic and sales, or menu pricing and rationalization were choices as popular with respondents as an AI solution for recommending personalized guest experiences. In fact, functions meant to automate tasks for front-of-house or back-of-house employees ranked secondary to the previously mentioned options.

Cost concerns and knowledge gaps were more likely to hold the AI Curious back, however.

Costs were the most salient concern overall, slightly edging out the difficulty in finding relevant uses for AI. Approximately four in 10 AI Curious respondents cited costs, compared with only three in 10 AI Adopters.

That group was also more likely to say they struggled to choose the right AI solutions from everything offered on the market, with 32% of AI Curious operators responding this way, compared with 24% of AI Adopters. Another knowledge gap appeared in the AI Curious being slightly more likely to cite a lack of staff capable of using AI to its full potential.

Otherwise, operators were likely to view other potential drawbacks to AI similarly, whether they'd already made investments in this technology or not. Both groups reported similar levels of distrust in AI-generated outputs or recommendations and difficulty getting buy-in for AI in their organizations.

This dynamic arguably shows runway for greater adoption of AI if the skeptics either see their peers succeed with it or if they begin experimenting with it themselves.

What have been your biggest challenges holding you back from using AI more?

	All operators	AI Adopter	AI Curious
Hight costs for new AI solutions	35%	30%	39%
Identifying use cases for AI	31%	29%	32%
Lack of staff capable of managing AI	30%	26%	32%
Inability to choose the right AI solutions	29%	24%	32%
Risk management (privacy compliance)	22%	23%	21%
Distrust of AI-generated outputs and data	18%	18%	18%
Lack of ROI	17%	15%	19%
Lack of commitment / buy-in from ownership	15%	15%	15%
Lack of commitment / buy-in from staff	15%	16%	14%
Other	5%	4%	6%
None of these / I'm not sure	10%	11%	9%
n=	386	158	228

Base: Respondents using or interested in AI (n = 386)

Finding Value in Change Management

Palona CEO lays out potential paths for transformation in restaurant technology

Maria Zhang, co-founder and CEO, Palona

Maria Zhang, co-founder and CEO of Palona, advocates for a holistic approach to evaluating AI's costs and long-term benefits to hospitality.

You've come to the restaurant industry after having AI and technology leadership roles at Google, Meta, and other major companies. What do you think restaurant operators might misunderstand about AI?

I wouldn't say restaurants are getting anything wrong. It's very natural to have a little bit of concern, particularly around the question of, how will introducing AI be perceived by my guests? Traditionally, there's this perception of technology versus hospitality, but we really believe in AI-powered digital hospitality. Like anything else, it's change management, which is universally hard. We get used to doing things in a certain way, and even if the outcomes of the changes are better, it doesn't make the change easier. That's a factor to consider when you adopt a new technology.

I do recommend starting small, to start with a piece of technology that can be embedded in your existing workflow and systems, versus massive amounts of change all at once. I would say they have two things to overcome, analytically and emotionally. One is, can I enhance hospitality through AI and technology? The other is, how do I gracefully manage this change through my organization and through my team?

For the sake of change management, could you please explain the different AI models you work from, and how these different frameworks could work for different kinds of restaurant businesses?

You could take it 10 steps forward to a pure-AI model and just create a new workflow with new systems, going through the training and just fully embracing AI. It takes courage and dedication, and some restaurants are taking that approach. They're using robots in the kitchen and experimenting with drone delivery.

On the other end of the spectrum, we can take baby steps. We can identify what our biggest pain points are. Maybe it's a very repetitive, laborious task, or maybe it's humanly impossible — as hard-working as we can be, we can't answer five phone calls at once, right? You might as well have AI answer the four calls you can't get to, so it still captures those lost opportunities.

Over time, if you realize that AI agents are answering calls as well as your staff, you can release your staff from that task. It's perfectly OK at answering those calls, and the AI also knows to escalate issues and forward the call to staff. With all these mechanisms in place, you can fully leverage the advantage the new technology offers.

As operators weigh these different approaches, how should they calculate their ROI for AI?

From my perspective, technology providers are here to create value and amplify your food and hospitality and the joyful moments you deliver. We do that by removing friction, such as answering more phone calls than you could at once, to reduce wait times and help you deliver better guest experiences and reduce the stress on the staff.

The thing you have to start with is, how much value is this technology delivering to my business? If it's not very high-value, or if you just couldn't really put a number to it, then you don't even need to look at how much costs, right? You might value these things monetarily differently, depending on the type of business you have or the stage of business it's in. Part of your costs will be for licensing software, for buying hardware, and other kinds of things your vendors will invoice you for. There are also the invisible costs. How long will it take for employee training? Do I have to reprint menus? Do I need to update signage?

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My point is, at the end of the day, you should see multiples of return. If you're investing $100 and only getting $20 back at the end, it doesn't clear the high bar we set. There's also the reduced stress on the staff and their freedom to serve their guests. You can put a dollar amount on that too. It may be indirect, but it has a positive impact to your business. Look at the costs holistically, look at the value created holistically, and if there is a multiple return, it's worth the investment in both the short term and in the long run.

How should restaurants set up a tech stack to keep up? Do those two sides of the equation impact restaurants differently based on size or segment?

I think there are differences among independents, small chains, and the national brands and big franchises. It's a different motion, with different decision criteria and rollout processes. In the past, larger corporations led the way for digitization. Domino's or McDonald's would be examples there, because they have a CTO or CIO and they were very intentional because they have so many locations.

Now, fast forward to 2025, and we're working with both large and emerging brands, and some new partners are independent. I see the trend being a little bit flipped, with independent restaurant owners truly embracing technology and wanting to get ahead. They're pushing us forward, asking us if we can go faster and if we can add different capabilities. I find it quite fascinating. The owners are tech-savvy in their personal use of AI. Obviously, they're passionate about hospitality, but they're also passionate about technology. That kind of intersection is very inspiring and energizing, and I do see a glimpse of the future. I think this round of revolution will be more fundamental than the digitization we went through, from paper menus to online ordering to mobile ordering to delivery.

For you as an AI expert and a startup founder, are there any AI tools that you use every day to make you more productive?

My entire team, we think of AI first. We build AI agents that work for us internally, just like we build agents that can be employed at our partners' restaurants. But on the personal side, of course, I'm using ChatGPT and Notion a lot. On the creative side, there's Midjourney to create imagery, Sono to create music, and Runway to create video. These allow us to express ourselves much better, because I can't draw and I didn't study art, but now I can have Midjourney draw for me.

The other thing I do now is, particularly in ChatGPT-5, which has thinking mode, I don't just get answers but I also have a thought partner. You can have a brainstorm session with your AI assistant, and the more you use it, the better it becomes to work with.

I also want to share a tip, and that is to push back when ChatGPT gives you an answer. Don't just take the first output. It will refine the answer. I do want us to look at these tools, but through a critical lens, because that's how you make it better and have them serve you better.

Time savings and efficiency cited as core benefits of AI.

Before operators decide which AI solutions to buy, they ought to have an idea of the outcomes that would be most beneficial to their businesses. This survey sought to simplify their choices into a binary between using AI to grow top-line sales or to save staff time on the tasks they perform every day, ultimately saving them money that flows to the bottom line.

Which statement do you agree with more?

The greatest potential ROI from AI in the restaurant is **SAVING TIME & MONEY** **54%**

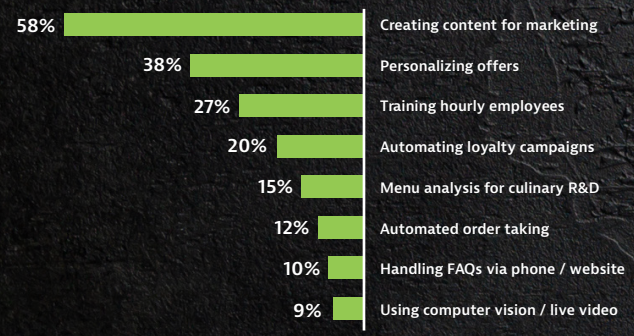
46% The greatest potential ROI from AI in the restaurant is **GROWING TRAFFIC & SALES**

Base: All respondents (n = 487)

Which tasks or responsibilities would yield the greatest ROI if you use AI to automate, simplify, or digitize them?

Base: Respondents who responded, "SAVING TIME & MONEY" (n = 259)

Which sales strategies would yield the greatest ROI if you use AI to automate, simplify, or digitize them?



Base: Respondents who responded, "GROWING TRAFFIC & SALES" (n = 224)

By a slim majority, the latter option won out among all operators: 54% of respondents agreed with the statement, "The greatest potential ROI from AI in restaurants is saving time and money," which the survey question explained as the ability to reduce food waste, simplify workflows, and help employees and managers be more efficient.

The remaining 46% agreed that AI's greatest potential return was "to identify opportunities to grow traffic and sales," through efforts like automating transactions or up-sell attempts at the point of sale, data-driven recommendations for marketing and loyalty campaigns, and similar capabilities.

This latter, sales-focused group of people tends to look toward marketing as the area most ripe for improvement with AI. Nearly three in five said using generative-AI applications like ChatGPT or Midjourney to create marketing or social-media content would be their most likely path to increasing sales and generating the greatest ROI. Another two in five said the same about using AI to segment audiences in their marketing database and get recommendations for personalized messaging and offers to those segments.

A bare majority of the other group of respondents, focused on making staff more efficient, picked inventory management as a responsibility they'd most like to digitize and simplify with AI. They also identified back-office functions that demand time and energy from managers and owners as challenges to be solved by AI, including data analysis and reporting (34% of this group chose that option). The notion that technology saves significant time in the sharing of information reappeared a few times in respondents' answers to subsequent survey questions.

Of the potential benefits from incorporating AI into your operations, which have been the three most impactful to your performance?

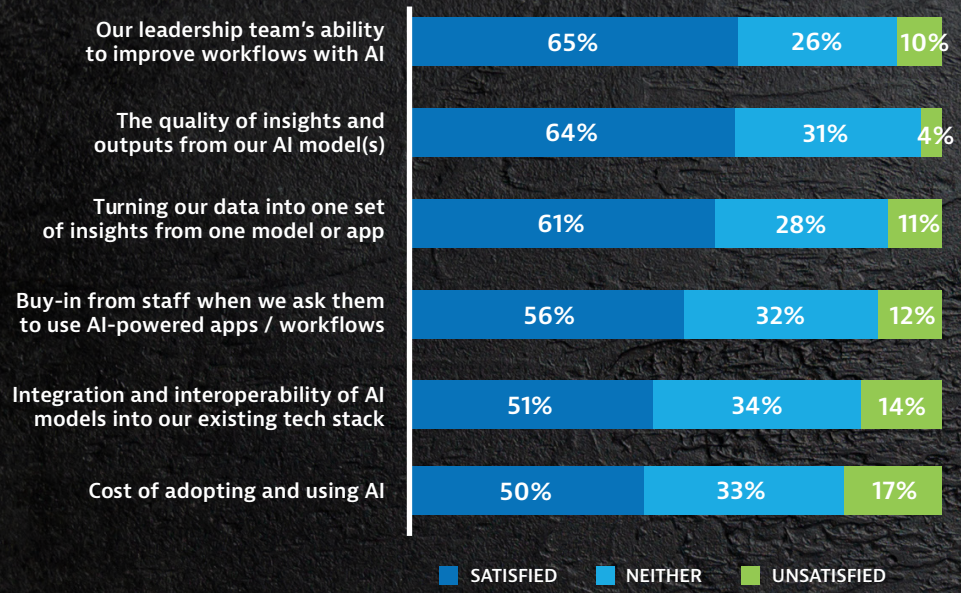
- 44% Data analysis and reporting
- 34% Time saving for hourly staff
- 28% Menu optimization
- 27% Loyalty program optimization
- 27% Forecast optimization
- 23% Inventory optimization
- 21% Labor optimization
- 18% Order accuracy
- 17% Speed of service
- 16% Kitchen efficiency

Base: AI Adopters (n = 140)

For instance, a question posed to only AI Adopters asked which business functions had improved the most because of their investments in this technology, leading 44% to identify data analysis and reporting as the top choice. That option finished well ahead of the second choice, saving hourly staff time on their repetitive, rote tasks (34% of respondents said this). Of the remaining potential benefits, those focused on improving functions usually overseen by management or ownership, like the optimization of menus and marketing programs, outranked those focused on hourly employees' duties. Fewer than one in five respondents identified order accuracy, speed of service, or kitchen efficiency as significant beneficiaries of AI.

That being said, operators who already use AI said they were mostly satisfied with how aspects of their technology strategy had changed due to that implementation. Nearly two-thirds of AI Adopters were satisfied with their organization's ability to put AI into practice and improve workflows. About the same were satisfied with the data insights and recommendations produced as outputs of the AI models they use.

How satisfied are you with each aspect of your technology strategy as you incorporate AI?



Base: AI Adopters (n = varies)

Why Built-In AI Beats Bolted-On Solutions

PAR CEO encourages operators to take the "leap of faith"

Savneet Singh, CEO and president, PAR Technology

Savneet Singh, PAR CEO encourages operators to think of AI as a teammate versus tool.

When operators decide to incorporate AI, how do they start that process in a way that works with a modern hospitality tech stack?

The way we think about it is AI that's built-in to the foundation of the solution versus a bolted add-on. With the AI industry continuously evolving, you can endlessly find new AI features to add to your tech stack, whether it's around menu pricing, inventory management, or suggestive selling, and it's truly incredible. But it can also create even more Frankenstein-looking tech stacks, where solutions are glued together without a unified foundation. So, trying to bolt on a bunch of new AI tools to make it "better" just compounds the problem.

If you're an operator, the first and most important step is to identify whether your existing partners are building AI into the tools you already use. You can leverage your data history that has been collected and stored in those tools to gather unique and powerful insights within a matter of seconds. This saves time while enabling more impactful, data-backed decisions to be made.

There's no shortage of data in a restaurant. It's literally endless. How do you create strategic and actionable insights from that? The beauty of AI is that it can make those connections seamlessly. Instead of hearing that you've got an inventory challenge on a set of products and wasting time to provide a solution that generates sales, AI can run a targeted marketing campaign tailored towards resolving this specific issue at that exact location. So, to me, it's about leveraging the tooling and the partners you have to get these unique insights in an instant.

How should people choose which solutions to focus on first for getting those insights and building in some automation?

I think the first place AI will impact the restaurant is on the marketing side. AI — and, to a larger degree, machine learning — is already being applied to the marketing tech stack, in a way that enables the brands we love to create targeted campaigns. Most brands are already leveraging loyalty platforms to create nuanced and specific marketing campaigns built on customer data and their buying preferences. With AI, you can take a step further by identifying what a specific consumer wants based on the data you have. Forget running a campaign to a segment of my customers. Instead, leverage generative AI to identify what this person needs from your brand to feel closer to it. Think about how you use all your loyalty data to increase the lifetime value of your customers over time. You're doing that by creating special, one-to-one experiences.

Some brands might do this first, but I think the No. 2 step to take is on the operations side. That is where you probably have more data than anywhere else, coming from different

parts of your system to show your inventory, your labor, and so many other different points of data. AI can make it simple to have real, actionable insights. In September 2025, we will have launched Coach AI, an operational intelligence assistant embedded into our PAR OPS platform. Operators can query Coach AI for instant answers on things like, which was my most profitable store? Which sold the most of this product I'm tracking, and why? What was the margin on that product? And receive unique data-backed insights and recommendations based on their own data.

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Historically, you're going into the system, downloading reports, and building charts to identify findings. By removing this burden from the operator, you create so much more utility.

How do you evaluate the degree to which these processes are improving with the use of AI? The CFO could point to financial ROI at some point, but how do restaurant leaders measure operational outcomes and adjust?
It must be ROI-driven, but to get to that point, you will need to take a leap of faith and try something new. Once you identify what the right process looks like for your team, then you will see the ROI follow. If a process your team created shows an ROI right out of the box, that isn't a success. As a CEO, it means you weren't running your business right in the first place. If I tell my board that a tool I want to implement is going to have an automatic ROI, then I should've been doing what that tool does a long time ago. I'm essentially late to the game.

For example, let's say we're going to use AI in our call center. You absolutely should be tracking whether there is now an increase in answered calls and accurate responses while reducing the time and cost per call. These are metrics every business tracks across the board—greater efficiency, lower costs—and you should aim for those to be your goals.

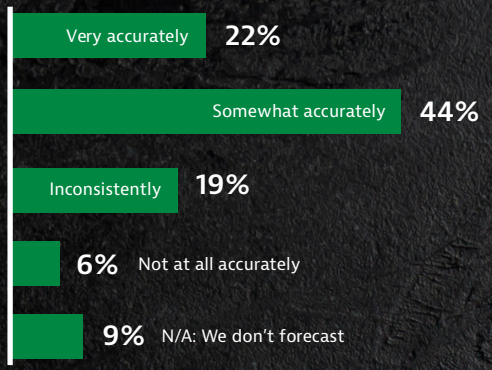
But, you shouldn't stop there. Instead, encourage your team to take some risks and go further by asking, can we use AI agents as the first line of defense to answer frequently asked questions so our team can handle more intensive requests? That sounds like an obvious way to solve problems faster. But this can be an opportunity missed if you're not encouraging your team to take a leap of faith in the beginning. It's also important to anticipate that in the first few months, you're going to see more cost and confusion. Once you identify the fully maxed-out ROI this new process is bringing, then you double down and implement.

In your opinion, which potential use case for AI is closest to wider adoption in restaurants right now?
What we're seeing today is really cool and novel, but it often doesn't have wide applicability. We're seeing companies launch tiny point solutions for single-store brands. What I'm so excited for is that the AI features PAR is coming out with are built into our existing tools — no add-ons or training necessary. It's similar to how Google and Microsoft are inserting AI features into their suite of tools that people already use every day. Building it into the product, instead of bolting on, is so powerful. These built-in features are used more often than when the user has to go elsewhere to leverage AI. PAR's launch of AI solutions will be, in my opinion, the first time you'll see larger restaurant brands having AI available to them.

You're the CEO of large tech company. How do you use AI on a daily basis, in a way that would help an operator?
There's a lot I use it for, but my biggest use case is for the distillation of information. I can take a large PDF or PowerPoint deck and have it distilled for me in podcast form. Instead of spending 30 minutes reading an article, I can use Notebook LM or Microsoft's own tools to produce something I can listen to on the drive home. I'll often dive into a Slack channel that I haven't been able to check, and I can use AI to summarize what's been going on with that team. I love it, because it's completely incremental, knowing that I wouldn't be able to get to these things without it.

AI-powered forecasting has a bright future.

Restaurant operators indicated that a fundamental way AI could improve their businesses was to improve their ability to forecast traffic and sales, so they could be better prepared to meet customer demand they're likely to encounter on a given day. While about one in 10 respondents from the full survey sample do not forecast their performance, most do, and they were mostly confident those forecasts were accurate. The AI Adopters were far ahead of their peers in calling their forecasting ability "somewhat accurate" or "very accurate": 87% of that group answered this way, compared with 59% of the AI Curious and only 44% of the AI Avoidant.



How accurately can your current tech tools forecast key data sets, namely projected sales, traffic, etc.?

Base: All respondents (n = 484)

How would better forecasting affect your organization's profitability?

31% Increase profits significantly

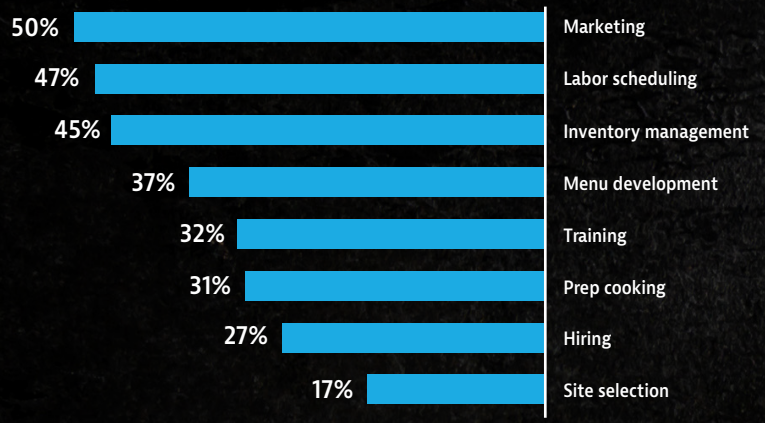
44% Increase profits somewhat

12% It wouldn't make a difference

13% I'm not sure

Base: All respondents (n = 485)

Which aspects of your business incorporate forecasted data?



Of the external data sets you could incorporate into your forecasts, which would most improve that ability and your profitability?

	All operators	Segment		Size	
		LSR	FSR	Chain	Ind.
Local events	35%	44%	63%	53%	56%
Seasonal factors	31%	49%	49%	49%	48%
Social-media trends	30%	33%	42%	32%	44%
Macroeconomic data	29%	28%	38%	42%	26%
Foot traffic / location data	22%	40%	20%	28%	30%
Competitor activity	18%	33%	22%	35%	21%
Local weather forecasts	17%	35%	18%	23%	29%

Base: AI Adopters (n = 140)

Three in four respondents overall also felt improved forecasting would improve their profitability, though once again, the AI Avoidant operators were out of step with the rest of the industry. More than a quarter of these people said improved forecasting would not make a difference to their profitability, and another 37% were not sure how better forecasting would make a difference.

Yet even the AI Adopters have some room to grow in their use of forecasting. Half of the operators in this group said they incorporate forecasted data into their marketing strategies, and nearly as many use it for their labor scheduling and inventory management. However, fewer than one in three currently use forecasted data to augment training programs or plan out the prep cooking they need to accomplish throughout a shift.

There are many interesting data sets a restaurant could pay to access and incorporate into their forecasting, but most AI Adopters still need to learn more before they see them as potentially helpful. Around half of these respondents think calendars of local and seasonal events would be worth investing in.

From Data Chaos to Decision Clarity

ClearCOGS leader touts predictive and prescriptive analytics as powerful use cases for AI

Matt Wampler, Co-founder and CEO, ClearCOGS

Matt Wampler, co-founder and chief executive of ClearCOGS, advises operators to stay current on AI by thinking about the future.

As a tech executive and host of "The Restaurant AI Podcast" talking to operators all the time, what would you say is the biggest misperception about AI in our industry?

The biggest misperception is that operators think they need to choose a side—that AI is either The Terminator coming for everyone's jobs, or it's just marketing fluff with ".ai" slapped on the end. But here's what I've learned from talking to hundreds of operators: both extremes miss the point entirely.

The real misperception is that AI is somehow this separate, scary thing you need to "implement." In reality, the best AI doesn't feel like AI at all. It feels like finally having the information you've always needed, exactly when you need it. It's your weatherman, not your replacement.

Operators are already drowning in data, POS, inventory systems and scheduling software are all generating massive amounts of information every single day. The problem isn't a lack of data. It's that all this data sits in silos, and nobody has time to make sense of it. So your best GMs are still relying on gut instinct and hustle when two line cooks call out sick or when unexpected demand hits.

Here's the shift that's happening: AI isn't about replacing human judgment. It's about handling the mechanical stuff, the things that don't require a human touch, so your team can focus on what actually matters. Think about it: do you really want your best manager spending two hours manually analyzing spreadsheets to figure out how much chicken to prep, or do you want them on the floor building relationships with customers and developing their team?

The operators who get this are the ones winning right now. They're not asking "Should we use AI?" They're asking "What specific problem do we need to solve better tomorrow than we did today?" That's the question that actually matters. Because once you answer that, AI becomes a lot less intimidating and a lot more practical.

What are the big costs for the operator here, and how would they prove the return on those investments?

Here's the uncomfortable truth: AI can absolutely become a bottomless pit if you approach it wrong. I've seen brands sink millions into building custom solutions, only to realize they need a full-time team just to maintain and update the system. But the cost conversation has fundamentally shifted. What used to require $20,000 investments now costs under $200 per location in many cases. The real cost isn't the technology anymore, it's the opportunity cost of not implementing it while your competitors are.

There are really two paths operators take. The first is building it yourself or buying a "lite" system where you handle all the heavy lifting, paying for data scientists, engineers, people to

run the models daily. It feels cheaper upfront, but you quickly realize you need people waking up every day thinking about this. The second path is treating AI as a service which can mean higher ongoing costs, but you're outsourcing all that complexity to people who live and breathe this stuff. For most operators, this is the only sustainable approach because the innovation cycle is just too fast to manage internally.

"Restaurants are still largely reactive. Teams scramble after problems show up. The next real shift is making operations proactive. Daily plans should anticipate demand, set pars before the day begins, and adjust early so rushes feel routine. Operators should judge technology by how consistently it prevents surprises, not by how elegantly it reports them."

– MATT WAMPLER, CO-FOUNDER AND CEO, CLEARCOGS

Proving ROI? This is where it gets interesting. The wins are actually very tangible and immediate. We're talking about food waste reduction of 30-55% when you know exactly how much to prep, 2-3% immediate margin improvement just from better ordering and staffing decisions, and labor cost reductions of 10-15% by matching staffing to actual demand. One operator told me they were skeptical because they already ran a tight operation, but literally overnight they added 2% to their bottom line with zero operational changes. That's the kind of proof that sells itself. The key is starting with one specific, measurable problem. Pick something concrete, like food waste or labor scheduling, calculate what that problem costs you today in actual dollars, then measure the improvement. And be ruthlessly skeptical of any AI vendor who can't show you documented case studies with real numbers from real operators. The proof of concept era is over. The technology works. Now it's just about finding partners who understand restaurant operations and can deliver measurable outcomes.

Let's talk about data forecasting, which operators see as a helpful use case for AI. How does the industry get better at forecasting performance?

We've lived in a world of descriptive analytics, which is, what happened in the past? What were my comps? What were my theoretical food costs versus my actual food costs? Now, we're talking about predictive analytics.

The No. 1 thing you can do to increase the accuracy of your predictive analytics is data cleansing. Restaurant data is really "dirty," because you're often looking at manually entered transaction data. You may or may not have factored in catering. Your POS may have had an outage, and the next day all your hourly totals are incorrect. Then you've got limited-time offers and promotions. All of this affects how predictable the future is.

One of the reasons you see AI-powered forecasting failing is because operators are feeding unclean data into the predictive models. Data cleansing is something operators can do internally, but it's a lot of effort and time. It's why companies go through that personalization with you as part of the service, so that it makes things more predictable.

How do operators use those forecasts more effectively and set better strategies?

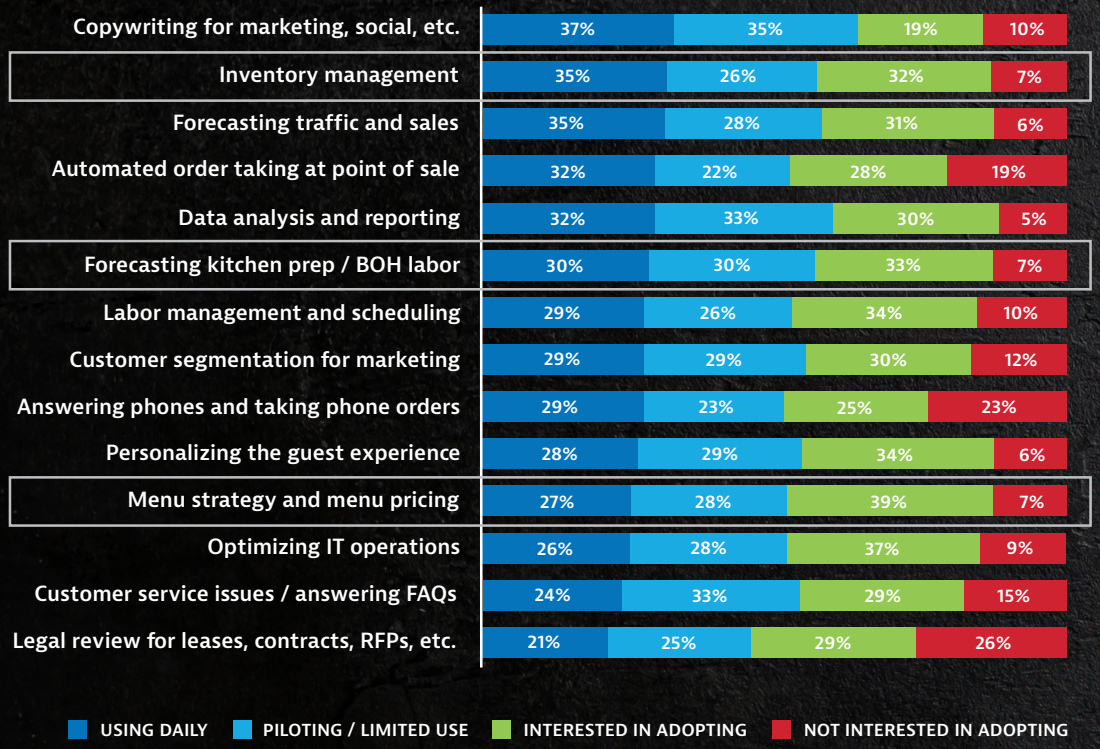
The number one thing that will transform your forecasting accuracy isn't a better algorithm, it's data cleansing. Restaurant data is notoriously "dirty" which makes predicting the future incredibly difficult. One of the biggest reasons AI-powered forecasting fails is because operators are feeding garbage data into sophisticated models. Garbage in, garbage out. This is why the best AI partners go through that personalization process with you as part of the service, cleaning and structuring your data so predictions actually become reliable.

The other piece that's often overlooked is incorporating the right external data sets. Weather, holidays, national events, limited-time offerings, etc. These seem straightforward, but the complexity is that restaurants vary store to store. Rain in Seattle means something completely different than rain in Arizona. If you're next to a college campus, when does school start? Which days have sporting events? It's a really complex web that changes on a location-by-location basis, and that's what makes forecasting so difficult to do well at scale.

But when you get it right, when you have clean data feeding into models that understand your specific locations and their unique patterns, the accuracy becomes almost startling. We're seeing operators hit 85-95% forecast accuracy, which means they can confidently prep exactly what they need, staff appropriately, and eliminate the guesswork that's been plaguing this industry forever. That's the real power of modern forecasting: turning uncertainty into confidence, so operators can finally make decisions based on what will happen, not just what did happen.

Inventory management drives AI's impact on the menu.

For each potential use case for AI, please indicate whether your organization uses it or plans to.



Base: AI Adopters (n = varies)

A restaurant's menu produces reams of data, from sales of popular items to real-time counts of ingredients available in the kitchen. Accordingly, one of the most popular uses of AI among the operators currently adopting the technology is incorporating it into inventory management. More than a third of AI Adopters (35%) use AI-powered inventory management solutions every day, and another 26% have such applications in pilot. Nearly one in three AI Adopters are interested in augmenting their inventory management this way.

These operators also showed similar levels of adoption and interest in a companion strategy to inventory management, which is to use AI for forecasting the prep cooking and other back-of-house labor they must account for every day. Some available solutions update these forecasted needs throughout the day or use computer vision to anticipate needs after analyzing a live-video feed of ingredients left on the make line, but most provide recommendations for kitchen managers before a shift at the least.

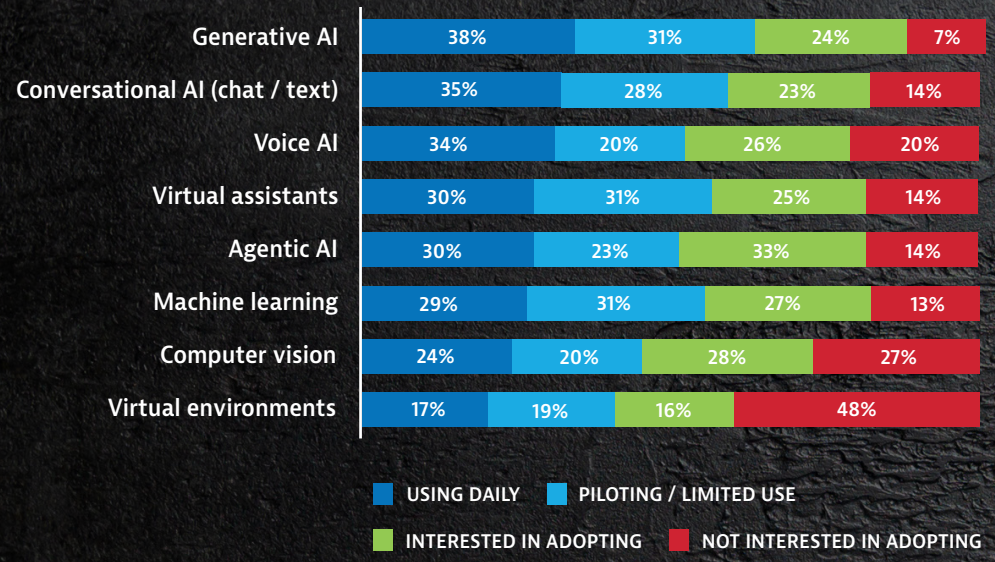
Fewer respondents currently have AI applications in place to help them analyze menu data for coming up with new items or determining optimal pricing. However, nearly two in five AI Adopters are intrigued by this capability, which is the highest level of interest in any potential solution.

Generative AI leads the pack for interest and adoption.

What AI tools are already making headway among restaurant operators? Generative AI that can quickly create text, images, audio, and other content, edged out a variety of other types of AI tools as the most used. Of the AI users in our survey, nearly 7 in 10 (69%) of restaurant businesses are already leveraging this type of AI technology, with 38% reporting daily use and 31% in pilot or limited deployment phases. Only 7% of respondents expressed no interest in adopting generative AI, the lowest resistance rate among all AI categories surveyed.

This strong adoption likely stems from generative AI's familiarity as ChatGPT and other models became household names over the past few years, as well as its immediate practical applications in creating marketing copy, menu descriptions, internal communications, and customer-facing content—tasks that deliver results without requiring extensive technical infrastructure.

For each type of AI technology, please indicate whether your organization uses it or plans to.



Base: AI Adopters (n = varies)

While generative AI leads the pack, restaurants are actively exploring multiple AI models across their operations. Conversational AI (63% adoption) and voice AI (54% adoption) show strong implementation rates, particularly for enhancing customer ordering experiences. While not necessarily powered by generative AI, these tools increasingly are being bolstered by that functionality, as businesses seek to create more rich and dynamic experiences for customers and employees.

Machine learning solutions for forecasting and pattern recognition are being used by 60% of respondents, while agentic AI for transaction processing has captured interest from 53% of operators. This use case had the second greatest level of adoption and interest, with 87% saying they use it daily or are piloting use. Only 13% said they had no plans to adopt machine learning.

Only virtual environments face significant resistance, with nearly half (48%) of respondents expressing no interest—further underscoring findings throughout our survey that restaurant operators are prioritizing practical technologies with clear operational benefits rather than more experimental uses.

AI has room to maneuver in marketing.

Restaurant leaders often speak of AI's potential for supercharging their marketing capabilities, given how much that side of the business is digitized. To be sure, the most common use case across all restaurant operations for AI Adopters is copywriting for marketing materials or social-media posts. Nearly three in four AI Adopters (71%) make daily use of or are piloting the use of AI to generate text they would rather not spend a lot of time thinking up or writing.

Beyond that low-hanging fruit they could pick with a large language model, however, are higher-order marketing functions that could also make a significant difference. The AI Adopters apparently see this in the case of personalization, in the provision of both tailored marketing messages relevant to specific customers and individualized experiences during a meal that come from guests' preferences.

For example, consider the option of "personalizing the guest experience," which nearly three in five AI Adopters (57%) use the technology to improve on a daily basis or in a pilot phase. That goal is just as appealing as AI-powered menu strategies are, based on a "net interest" calculation that subtracts the level of disinterest from the level of interest among respondents: Only 6% of AI Adopters are uninterested in this capability, far fewer than the 37% who are interested in adopting it.

The net interest is lower among these respondents for AI-powered customer segmentation within marketing applications, but arguably that fundamental strategy deserves more consideration. Before operators craft a personalized offer or ask host staff and servers to add some personal touch during a guest's meal, they need a better sense of who they're serving. Subtracting the 12% of respondents uninterested in improved segmentation from the 30% who are interested in adopting it yields a net interest of +18%, placing this capability on the bottom half of most operators' target list of investments.

For each potential use case for AI, please indicate whether your organization uses it or plans to.

	% of operators using	Net interest in using
Copywriting for marketing, social, etc.	71%	9%
Inventory management	61%	25%
Forecasting traffic and sales	63%	25%
Automated order taking at point of sale	54%	9%
Data analysis, reporting, and sharing	65%	25%
Forecasting kitchen prep / BOH labor	60%	25%
Labor management and scheduling	55%	24%
Customer segmentation for marketing	58%	18%
Answering phones / taking phone orders	52%	1%
Personalizing the guest experience	57%	31%
Menu strategy and menu pricing	55%	32%
Optimizing IT operations	54%	28%
Customer service / answering FAQs	56%	14%
Legal review of leases, contracts, etc.	46%	3%

How AI Helps Operators Stop Hidden Lease Risks from Costing Millions

Leasecake CEO explains why real estate obligations should be managed as profit drivers, not back-office chores

Scott Williamson, CEO, Leasecake

Scott Williamson, CEO of Leasecake, explains how AI-driven visibility into lease terms helps operators reduce costs, protect flexibility, and unlock expansion opportunities.

Operators often think about growing revenue or saving time and money when they vet potential AI investments. Your company focuses on another potential benefit, risk management. How should that factor in?

Revenue growth and efficiency are always top of mind for operators, but both can be directly impacted by what's written in your leases. Real estate is often a business's second- or third-largest expense, and the fine print of those agreements determines occupancy costs, renewal flexibility, and even whether you can introduce new menu items in specific locations. The challenge is that critical details are buried in dense legal language. An ambiguously written clause, a missed renewal window, or a restrictive exclusivity term can undermine the gains you've worked so hard to achieve.

That's why we built Leasecake LIFT, our AI-powered lease risk analysis tool. Think of it like a health checkup for your lease portfolio. Instead of combing through every clause yourself, you run it through LIFT and get a diagnosis: which terms are favorable, which ones put you at risk, and what deserves attention first. It translates complex legal language into a simple, actionable score so you can manage risk proactively, protect your business's future, and grow with confidence.

How do you uncover those insights that lead to real money?

Operators can lose money in dozens of ways that are hidden in the fine print of their leases. Miss a renewal window, and you can be forced to move away from your best performing location, or stuck with years of above-market rent. Overlook an auto-renewal clause, and you're locked into a lease that limits your flexibility. An exclusivity restriction might block you from adding new menu items because another tenant holds those rights. A co-tenancy clause can be triggered when an anchor tenant leaves a shopping center, suddenly changing your rent obligations. Even insurance requirements, like flood protection, can expose you to liability if they aren't tracked. And ambiguous common area maintenance (CAM) charges can quietly inflate expenses year after year if the lease language isn't clear about what expenses you are actually liable for.

The challenge is that no operator has the time to comb through dozens of 80-page leases to find and track all those details. That's where we come in. Our AI scans lease language, flags clauses that carry risk, and scores their favorability, giving operators a clear, clause-by-clause analysis that highlights which terms matter most and when they could impact the business. Instead of reacting to surprises, they can avoid costly mistakes, negotiate from a position of strength, and redirect those dollars toward growth – whether that's opening new stores, investing in marketing, or creating more breathing room in a tough quarter.

Are there other insights operators could pull out of other documents, agreements, or contracts?

Every location depends on contracts beyond the lease – permits, franchise agreements, insurance policies, vendor contracts, equipment leases, and service agreements. Each carries obligations that can impact costs and compliance, but when these documents are scattered across inboxes and shared drives, you can't see the bigger picture.

By centralizing everything in one place and tying it to each location, operators gain visibility that goes far beyond tracking expiration dates. Costs can be benchmarked across locations to quickly spot when one store is overpaying for services. Lease terms and franchise agreements can be compared side by side to ensure they align, avoiding mismatched obligations. Insurance certificates stay visible across the portfolio, and contract renewals are mapped together so they can be negotiated with greater leverage. Even vendor agreements and escalation clauses can be reviewed in context, helping operators identify inconsistencies and standardize terms across locations.

The value is in connecting the dots. Instead of reacting one contract at a time, operators can step back and see how all these obligations work together and how they impact daily operations, financial planning, and long-term growth.

How can restaurateurs draw the line from a single view of their contractual obligations to a better, unified strategy for their operations?

It starts by recognizing that leases aren't just paperwork; they can shape the way the business runs. Finance needs visibility into rent escalations and occupancy costs. Operations needs to know lease restrictions that affect how the restaurant can function day to day, such as hours of operation, exclusivity clauses, or maintenance responsibilities. Legal has to track compliance obligations and risk clauses. Real estate leaders need clarity on expirations, renewal options, and co-tenancy provisions. But traditionally, all of that information lives in silos or buried in PDFs on a shared drive.

The power comes from turning static lease documents into structured data. Instead of sifting through dense legal language, operators see the key obligations tied to the dates that matter most: renewals, expirations, rent escalations, etc. Once those are visible, you can plan ahead, align teams, and make proactive decisions instead of reacting after the fact.

Think about it: reading a 95-page lease for one location is hard enough. Doing that across 100 locations? It's impossible – so most operators don't. They gamble that nothing critical will be missed. We remove that gamble. We make sure nothing slips through the cracks, so teams across departments can act on the same truth, with the same timeline, and align their strategy accordingly.

You work with many other retail businesses besides restaurants. Are there lessons for adopting AI outside the industry that restaurant operators could apply?

Large retailers have made real estate a strategic lever. They benchmark rents and CAM charges across their portfolios, enforce co-tenancy clauses when anchor tenants leave, and align lease expirations with long-term brand plans. That discipline lets them spot outliers, negotiate stronger terms, and keep costs predictable.

> "Leases aren't just paperwork. They're the third-largest expense in your business – and the source of hidden risks most operators don't even know they're carrying."
>
> – SCOTT WILLIAMSON, CEO, LEASECAKE

In restaurants, real estate is often managed under pressure. Operators are juggling daily demands, so it's easy to miss risks hidden in the fine print. That can mean absorbing CAM charges that should have been excluded, overlooking co-tenancy provisions when an anchor tenant leaves, or not aligning lease expirations with franchise agreements. Each of those oversights translates into real dollars lost or flexibility reduced — the kinds of details retailers are disciplined about managing.

The lesson from retail is simple: treat lease management as part of your growth strategy, not just paperwork. When operators see risks and costs clearly, they protect profitability today and give themselves the flexibility to grow tomorrow.

Operators already running with automation.

A similar look at labor-focused functions shows potential for operators to capitalize on their interest in using AI for more efficient staffing and scheduling.

Applications that simplify scheduling tasks and that produce recommendations to managers who make the schedule are already in place for 55% of respondents. More than three times as many operators are interested in this capability than aren't (34% of AI Adopters expressed interest in adopting, compared with 10% who expressed disinterest), giving AI-powered labor management and scheduling a net interest calculation of +24%.

By comparison, net interest is much lower for using AI to alter job functions and responsibilities for hourly staff, even though respondents have adopted AI for those purposes at similar rates to their usage of labor management applications. For example, about as many AI Adopters are interested as uninterested in adopting conversational AI or voice AI for answering phones, suggesting that function is one of the more mature solutions on the market.

Net interest among respondents was slightly more positive for AI applications to automate order taking at points of sale (+9% net interest) or handling frequently asked questions over the phone or on a restaurant's website (+14% net interest).

As we'll see later in this report, some industry segments are ahead of others in their adoption of or interest in these capabilities for hourly employees. Unsurprisingly, full-service respondents were more likely than limited-service operators to be using labor management apps already, since they typically have larger staffs in the front and back of house.

For each potential use case for AI, please indicate whether your organization uses it or plans to.

	% of operators using	Net interest in using
Copywriting for marketing, social, etc.	71%	9%
Inventory management	61%	25%
Forecasting traffic and sales	63%	25%
Automated order taking at point of sale	54%	9%
Data analysis, reporting, and sharing	65%	25%
Forecasting kitchen prep / BOH labor	60%	25%
Labor management and scheduling	55%	24%
Customer segmentation for marketing	58%	18%
Answering phones / taking phone orders	52%	1%
Personalizing the guest experience	57%	31%
Menu strategy and menu pricing	55%	32%
Optimizing IT operations	54%	28%
Customer service / answering FAQs	56%	14%
Legal review of leases, contracts, etc.	46%	3%

Watch for growing experimentation with AI among LSR respondents.

Broadly speaking, restaurant operators in our survey indicated similar attitudes and investment levels when it came to AI, regardless of their service model. For example, when asked if they were currently using AI anywhere in their businesses, limited-service and full-service operators reported similarly: 85% of LSR respondents said they are either currently using or plan to add AI tools, compared with 80% of FSR respondents who said the same. They were also in lockstep in their views around how better forecasting — a key strength of AI — leads to better profitability.

For each potential use case for AI, please indicate whether your organization uses it or plans to.

	All operators		LSR		FSR	
	% using	Net interest	% using	Net interest	% using	Net interest
Copywriting for marketing social, etc.	71%	9%	62%	15%	81%	6%
Inventory management	61%	25%	55%	27%	62%	25%
Forecasting traffic and sales	63%	25%	54%	39%	68%	22%
Automated order taking	54%	9%	51%	23%	54%	5%
Data analysis, reporting, and sharing	65%	25%	54%	39%	69%	18%
Forecasting kitchen prep / BOH labor	60%	25%	52%	33%	65%	25%
Labor management and scheduling	55%	24%	44%	44%	65%	19%
Customer segmentation for marketing	58%	18%	43%	38%	70%	11%
Answering phones / phone orders	52%	1%	50%	13%	52%	0%
Personalizing the guest experience	57%	31%	44%	56%	61%	23%
Menu strategy and menu pricing	55%	32%	44%	53%	58%	29%
Optimizing IT operations	54%	28%	44%	41%	54%	26%
Customer service / answering FAQs	56%	14%	53%	40%	60%	8%
Legal review for leases, contracts, etc.	46%	3%	34%	21%	53%	-2%

But when drilling down to specific use cases, interesting differences emerged.

When AI Adopters from both segments were asked about where and how much they used AI for specific tasks, full-service outlets reported greater current usage than their LSR counterparts, especially for generative AI in their copywriting, forecasting their traffic and sales, and segmenting their audiences in their marketing databases.

However, LSR respondents reported strong pent-up interest in adding AI for a wide range of use cases, and as technology companies continue to innovate new solutions for the foodservice industry, quick-service and fast-casual brands may be the ones to lead the way in experimenting with and pilot-testing different strategies.

LSR respondents' likely targets for investment in the near term appear to be labor-focused solutions that simplify hourly workers' jobs, for which their reported net interest is much greater than that for FSR operators. Limited-service leaders also appear keen to catch up in their adoption of AI-powered customer segmentation, data reporting, and analysis tools to get strategic insights out of their menus, their transaction histories, and their legal contracts like leases and franchise agreements.

Full-service respondents, meanwhile, were most interested in such capabilities as menu strategy and pricing, forecasting for kitchen / back-of-house labor, and inventory management, but still at rates that lagged LSR respondents.

So, while many of the first movers on AI in our study were full-service operators, the strong interest reflected in the data suggests that the next wave of experimentation may be led by limited-service brands.

How AI Answers the Call for Innovation That Scales

Revmo AI's CEO explains how new solutions save a restaurant staff from burnout, which helps grow traffic and sales

Ryan Louis, CEO and co-founder, Revmo AI

Ryan Louis, CEO and co-founder of Revmo AI, a conversational voice AI that empowers multi-location and enterprise restaurants with human-like agents to automate high-volume customer interactions—from phone orders to reservations. Capture missed revenue, drive business growth, and empower human staff to focus on in-person customer service.

When operators vet investments in AI, how do you walk them through the potential benefits of saving time and money or of finding opportunities for sales growth?

We focus on three outcomes. First, we want to help you answer every call so guests aren't put on hold or sent to voicemail. Second, we want to help you convert those answered calls into sales by taking orders, booking reservations and waitlist spots, and offering upsells.

Third, we aim to support your staff. The restaurant industry has a labor shortage, so alleviating their stress, especially when it's chaotic, is something AI can meaningfully help with. Those are the three main things: save your staff, deliver a better guest experience, and grow revenue.

Is there one approach with AI that saves staff across front of house and back of house, or does it require several?

Our solution is really focused on the front of house, but certainly we're seeing other technologies that can improve efficiencies and some core back-of-house things, like better inventory management. We want to allow the staff, whether that's a manager or a host, to better serve guests coming through the door. When you have to answer the phones, you're probably multitasking, so you're not really focused on the guest experience on that call. An AI solution can do things that a host simply can't while they're working. It can send an offer out via text message or give guests who call driving directions via text. It can gather data on what type of calls are coming in and then give that data to the owners or executives, so they can use insights to drive better decision making. It can start to predict patterns and behaviors, learning how people are ordering and what they order and when. We're able to then send personalized orders back to those customers.

How do you get buy-in from the staff to incorporate AI into their workflows?

We frame it as phone relief, not replacement. For managers, we're helping them alleviate a lot of their challenges with labor shortages. The constant turnover of the front-of-house staff leads to inconsistencies in the service they provide over the phone. Using voice AI provides consistency where you otherwise would be very inconsistent. That's how we talk about it: saving your staff, allowing them to do a better job at the front of the house and really solving those problems that exist, especially when you're busy. We're handling a workflow that bigger brands potentially would offload to a contact center. We're not replacing people, but rather we're taking a workflow that's difficult for them to manage.

The data is so powerful, especially when we're able to connect a lot of these different systems, like the POS, CRM, loyalty system, and other platforms. We have another layer of

agentic AI we code named "The Farm", which is like deploying an army of people to interface with all the different systems and pull that data into ours. The interoperability allows us to deploy an integration in days, versus weeks. That means we can take payments (PCI compliant, Revmo never stores card data), quickly consume and abstract a menu, and bring all those other data sets together on the back end quickly.

"What's great about AI is that it scales with you. It not only alleviates the challenges that grow at enterprise scale, but it also brings those same enterprise-level benefits to smaller chains—benefits they wouldn't otherwise have. And no matter your size, you save money, ease staffing burdens, and deliver a more consistent guest experience."

– RYAN LOUIS, CO-FOUNDER AND CEO, REVMO

What does the output of all that look like in practice in the restaurant?

You can do such interesting things, like powering the AI agent to talk about details that your host staff wouldn't necessarily know. When someone calls, if the AI application is integrated with the loyalty system, you could know who this person is on the other line and what they had to eat the last time they came in. You can proactively ask, "May I save you the table you had last week? Was that the right table for you?" You can really start to personalize the experience with that data.

From a management perspective, you can pull everything into what we call our Conversation Analytics Center (CAC). It gives a comprehensive view of phone conversation data and back-of-house data, tying that together to make better decisions for the entire operation. It could tell you what the most frequent topics to come up were in all the phone calls you took from customers — what was ordered the most, or what were the biggest complaints about guests' experience? This is information you could get retrospectively, but far better to catch before they show up in a negative review.

Are there lessons you've learned from your large, enterprise-level restaurant clients that apply further down the chain scale? As independents and small chains try to expand and scale up, how can they incorporate AI in a smart way?

As you scale up your problems get bigger. You have more people that you manage, and more managers in between them. It becomes a lot more complicated. But then you also start to have more resources to work with. For example, larger restaurant groups are more likely to have a call center. What's great about AI is that it scales with you. It not only alleviates the challenges that grow at enterprise scale, but it also brings those same enterprise-level benefits to smaller chains—benefits they wouldn't otherwise have. And no matter your size, you save money, ease staffing burdens, and deliver a more consistent guest experience..

Think about the old way of using an Interactive Voice Response system at a hotel, and it's the most frustrating experience. All I want is some more towels for my room, and the IVR asks me to press 0 for this, or 1 for this, and press 3 for the concierge, who will connect you to housekeeping. Voice AI gets rid of that IVR or phone tree setup for large brands and instead provides a consistent experience to everyone.

If a customer just wants the voice AI agent to transfer them to a live operator, no big deal. For the rest, we can build it to handle more calls and have fewer transfers. It's completely flexible. For the customer, it's always going to answer the phone and provide exactly what you want from a brand experience. A four-location restaurant brand can have that exact same experience as a 400-location brand because the system scales up, and it scales down to work just as well for smaller operators.

It can offer you the same integrations to the POS and the same conversational analytics center that the large brands get. So, where you couldn't afford to use a contact center at your scale, you could still afford to use voice AI. Over time, just like with the adoption of anything, it takes a little getting used to, but the AI continues to handle more complexity.

Restaurant leaders look to AI tools to optimize — not replace — workers.

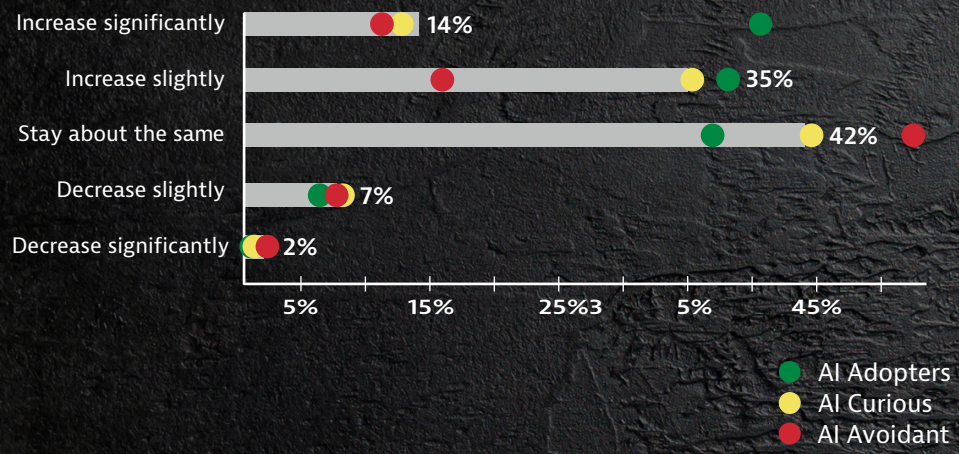
Despite broader concerns about how AI will impact job markets of the future, our survey reveals a decidedly people-centric view to AI's potential. Restaurant operators underscored the importance of their teams, with the vast majority saying they did not expect to trim headcount in the coming year even as they looked to leverage AI to boost efficiency.

An overwhelming majority of all respondents (91%) said they would maintain or increase hourly headcount in the coming year, with nearly half (49%) indicating they would increase headcount in the next 12 months. Only 9 percent of respondents said they would decrease headcount in the year ahead.

Interestingly, the AI Adopters were more likely to say they'd increase hiring than those who were yet to embrace the technology. Nearly two-thirds (64%) of AI Adopters expect to increase hiring, compared with just 34% of AI Avoiders. Nearly a quarter of AI Adopters (22%) said their increase in head count would be "significant."

The importance of people emerged multiple times through the survey, even as respondents grapple with knowledge gaps and learning curves — nearly a third (30%) said their lack of staff to manage AI technology was a challenge. Yet when asked for their most likely path to developing AI skills on their teams, the most common answer, cited by 43%, was that they would upskill existing employees. Only 12% said they were likely to seek out new people with specific AI skills.

Over the next 12 months, how do you expect headcount for hourly employees to change?



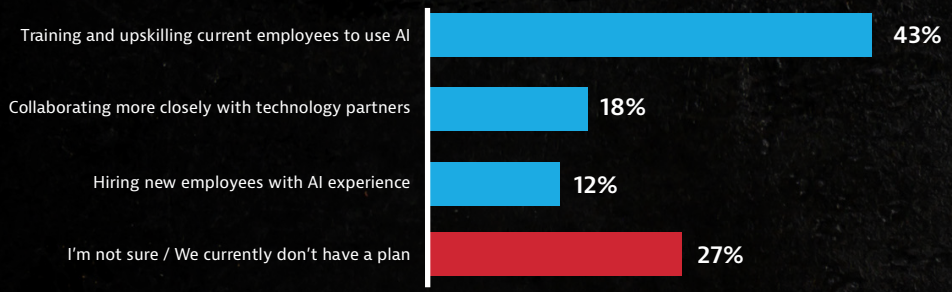
Base: All respondents (n = 484)

Notably, more than a quarter (27%) are still figuring out how they will overcome the AI learning curve.

Elsewhere in the survey, operators also prioritized using AI to support employees, primarily through the reduction of important, yet often tedious and repetitive, tasks. Asked what AI-assisted tasks would yield the greatest ROI, they zeroed in inventory, generating reports and data, and compliance issues, including food safety protocols like temperature checks.

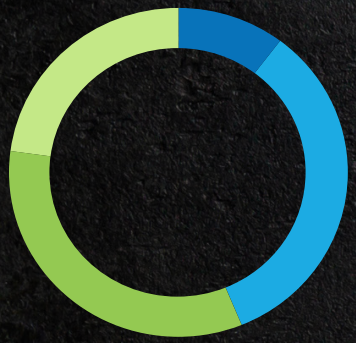
The AI landscape is evolving rapidly, and there may be a time where ultra-efficient operations put the squeeze on human roles. But the findings reveal a restaurant community seeking to empower and streamline their people with new tools, favoring a tech-human hybrid over full automation. Only one in 10 operators said they were interested in implementing a pure-AI model, where every step of the ordering is fully automated. The remaining 90% were seeking to find the right balance of a human-AI hybrid model in their operations.

What is your organization's most likely path for developing more AI skill on your staff?



Base: Respondents using or interested in AI (n = 381)

Which of the following models for AI in the restaurant industry is your preference for your ideal setup?



10% of operators prefer a **PURE AI model**, in which every step of ordering process is automated

33% of operators prefer a **AI-FIRST HYBRID** model, in which AI manages most ordering steps but hands off to a human staffer when needed

33% of operators prefer a **HUMAN-FIRST HYBRID** model, in which humans manage most steps but AI handles overflow and rote tasks

23% of operators prefer a **PARALLEL HYBRID** model, in which humans manage every step and AI works behind the scenes on back-office tasks

Base: AI Adopters (n = 153)

Leadership teams are all-in on AI.

When it comes to who's driving use of artificial intelligence in the restaurant industry, enthusiasm starts at the top. More than a third (34%) of respondents said their ownership or board of directors are leading the AI charge, and another 22% said IT executives were advocating for change. Taken together, more than half of respondents say it's company executives that are pushing for innovation, underscoring how quickly AI has shifted from futuristic novelty to essential strategic priority.

Nearly a quarter of respondents (22%) said their unit-level managers were primary advocates for greater AI adoption, likely stemming from the opportunity to streamline operations and save time for overburdened store leaders.

For hourly workers, however, greater use of AI isn't a priority. Only 7% of hourly staff are identified as the primary champions for these technologies. This relatively low engagement from frontline teams — the very people who'll likely interact with many AI systems daily — represents both a challenge and an opportunity for restaurant leaders looking to maximize their technology investments.

External influence on AI adoption remains relatively modest, with technology vendors and partners serving as primary champions in just 11% of cases.

Least likely to push for more AI in restaurants, according to respondents: the customer. Guests were the least likely to advocate for more AI at their favorite restaurants, with just 4% of respondents citing guests as their primary AI champions. This suggests brands are proactively implementing AI solutions rather than responding to explicit guest expectations. It's worth noting, of course, that AI use can often be invisible, and customers may not even be aware of the ways AI is already in use in their favorite restaurants.

The bottom line: Restaurant AI adoption currently follows a decidedly top-down pattern, with strategic vision from leadership outpacing grassroots enthusiasm. As these technologies become more integrated into daily operations, bridging this enthusiasm gap — particularly with hourly team members who will no doubt be interacting with AI-powered processes regularly — could be key to realizing AI's full potential in the industry.

Which group of people is most excited and doing the most to champion the potential adoption of AI across your company?

34%	Ownership / board of directors
22%	Unit-level leaders / managers
22%	Our IT department / tech execs
11%	Our partners / tech vendors
7%	Hourly staff
4%	Our guests

Base: Respondents using or interested in AI (n = 384)

Outlook & Opportunities

Over the next 12 months, the market for artificial intelligence in the restaurant industry is likely to move faster and faster. The early adopters are excited to increase their spending, and AI Curious operators far outnumber the skeptics. But jumping into the competition without a plan for succeeding would likely lead to a burned out staff and too much lost time and money.

As you get off the sidelines, consider each of the following:

Keep the doubt — and the hype — at arm's length: Most restaurant operators are in "wait and see" mode, staying informed about the latest developments in AI for the industry. A few AI Avoidant respondents will probably never be convinced of the technology's potential, but most doubters just need to see use cases that could make sense for them to be persuaded. Keep your eyes open.

Be clear about your goals: The question of whether AI can accelerate your top-line revenue or net you significant time and money savings isn't either-or. Many solutions on the market will tout their ability to do both. But choosing one of those approaches can narrow down the choices you'll want to vet for your investments. It can also help you define the initial ROI you want to achieve.

Seek discrete use cases: Systematically find specific tasks or strategies you want AI to improve, and then begin testing the technology's effects on your people's efficiency, the customer's experience, and how these things flow to the bottom line. You don't necessarily have to buy the newest solution off the shelf for inventory management, digital marketing, or whatever else. Ask your technology suppliers how they're incorporating AI into their offerings.

Work with your partners to close knowledge gaps: While many operators don't have a plan for getting more AI expertise into their organizations, their most stated goal is to train and upskill their current employees to use these tools to their full potential, rather than recruiting AI talent from the outside. Ask for all the support technology vendors offer to your people.

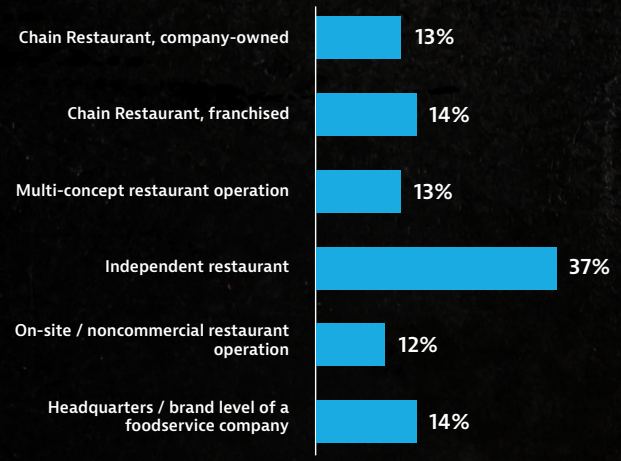
Don't drop the ball: Measure your AI-powered strategies against the status quo. If they're not performing, change the gameplan. Pursue steady improvement to build a long-term foundation for AI in your organization.

Who We Surveyed

Nation's Restaurant News and Restaurant Business surveyed nearly 500 foodservice operators online over a two-week period in August 2025. The custom survey was promoted to both publications' audiences via email, editorial products and social media. Respondents provided select demographic information about their businesses, but individual results were anonymized. Respondents self-identified as foodservice operators and represent a diverse mix of industry segments.

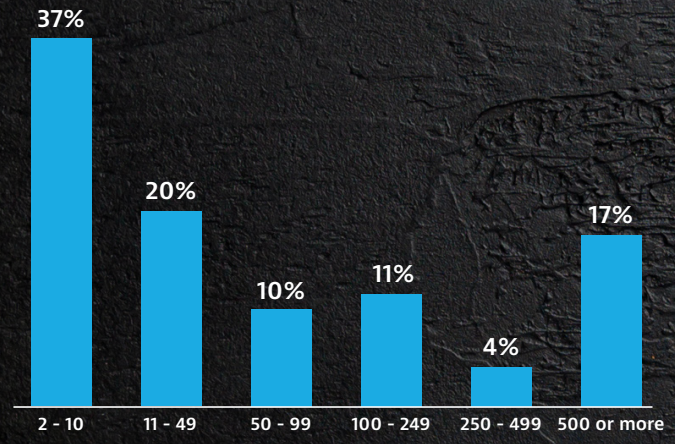
Key business decision makers were well represented in the sample, with most identifying as the owner-operator or as a director-level role. The sample was made up of 179 chain or multiconcept operators, 246 independent restaurateurs, and 60 on-site operators.

Which of the following best describes your restaurant operation?



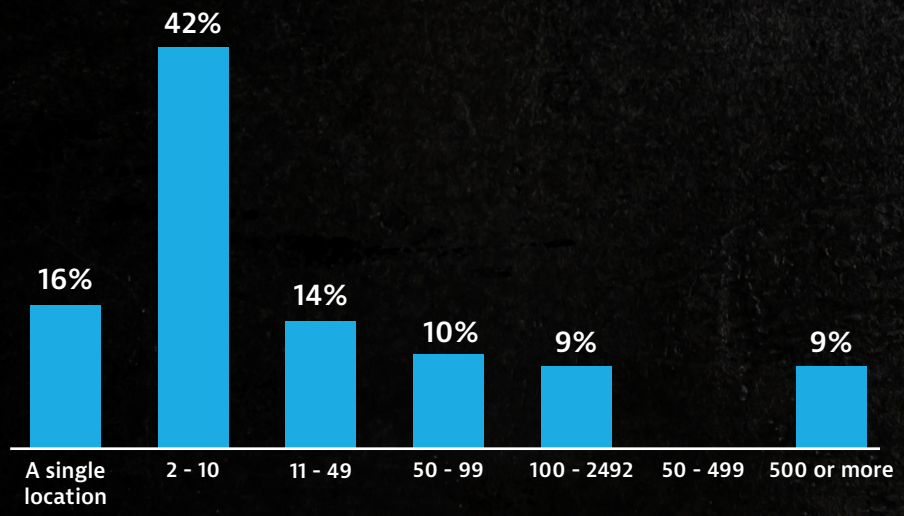
Base: All respondents (n=485)

How many units are in your operation system wide?



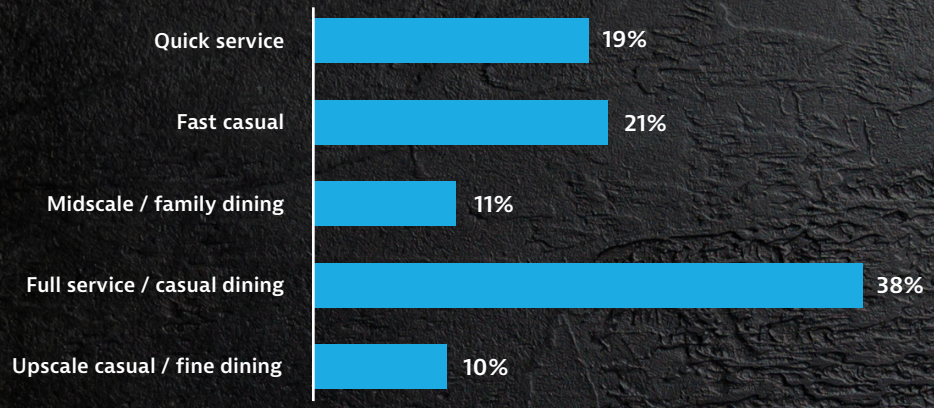
Base: Chain restaurants, multiunit restaurants, brand / HQ employees (n=244)

How many locations do you operate as a franchisee?



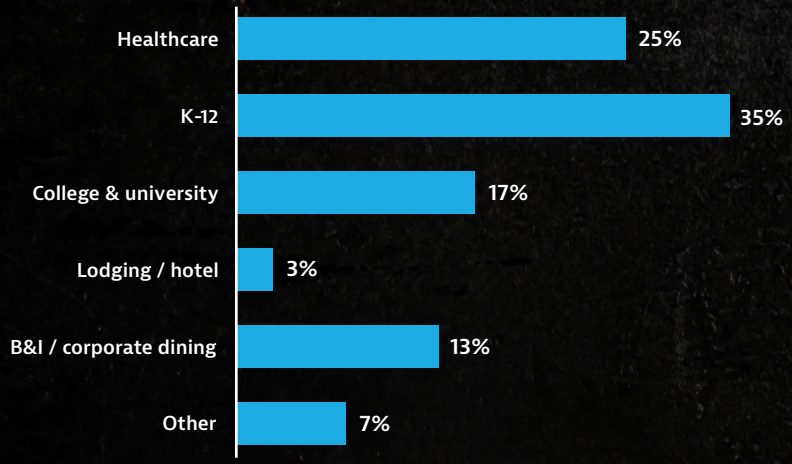
Base: Chain restaurants, franchised (n=69)

Which best describes your restaurant concept?



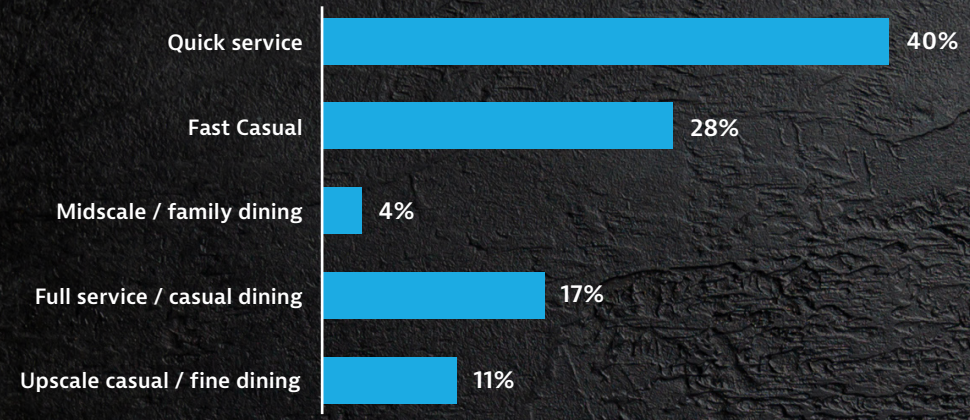
Base: Chain restaurants and independent restaurants (n=376)

Which best describes your on-site foodservice segment?



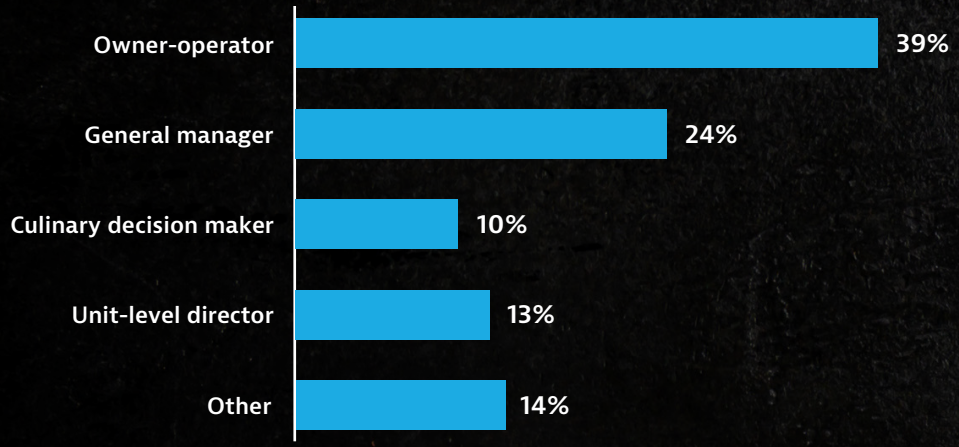
Base: On-site operators (n=60)

Which segment best describes your company?



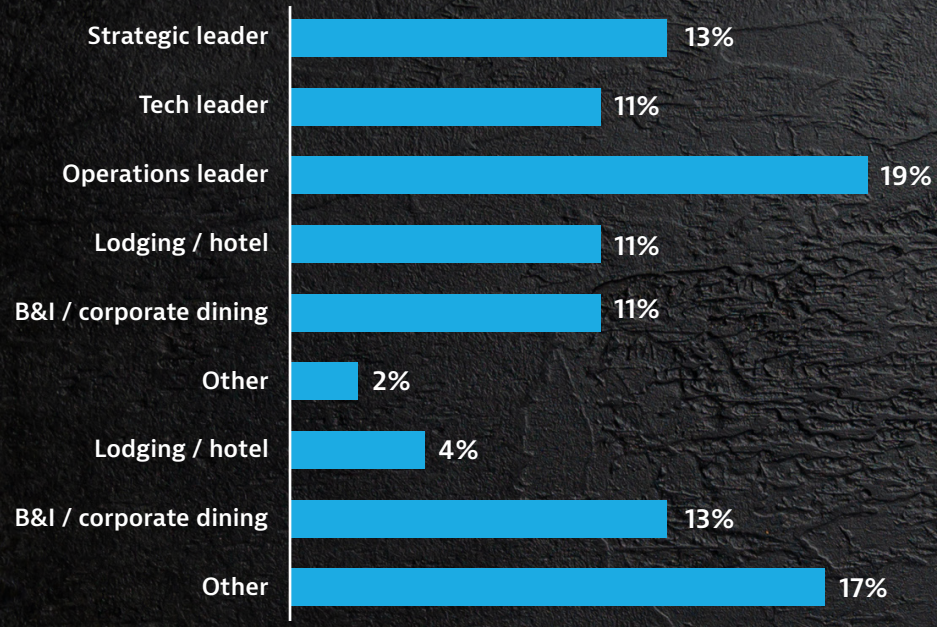
Base: HQ / brand level (n=47)

Which of the following best describes your job function?



Base: All operators but those at HQ / brand level (n=437)

Which of the following best describes your job function?



Base: HQ / brand level (n=47)

This report was developed and produced by the research and insights division of Informa Connect Foodservice Group, with support from foodservice industry partners, as part of its ongoing series of Market Leader reports. For more information about upcoming research studies and sponsorship opportunities, please contact:

Peter Loibl
Vice President of Sales
peter.loibl@informa.com

Christi Ravneberg
Senior Director, Media Intelligence and Custom Content
christi.ravneberg@informa.com

Mark Brandau
Associate Director, Research & Insights
mark.brandau@informa.com

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