



## Press Release

### **J.D. Power and Associates Reports: Service and Environment Rival Price as Drivers of Overall Customer Satisfaction with Restaurants**

#### Cracker Barrel Old Country Store Ranks Highest among Family Restaurants in Seven Market Segments

**WESTLAKE VILLAGE, Calif.: 10 August 2010** — In the current tough economic environment, in which many restaurant chains seek to attract customers by touting their value, dining establishments may be better able to differentiate themselves by providing satisfying service and environments, rather than competing solely on price and portion size, according to the J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup> released today.

The study includes satisfaction rankings for restaurant chains in 10 U.S. markets in three segments: [casual](#), [family](#) and [quick service](#). In each segment, four factors drive overall customer satisfaction with restaurants (listed in order of importance): price; service (including timeliness of order and wait staff courtesy and friendliness); meal (including quality/taste of food, meal presentation and portion size); and environment (including ambiance, cleanliness and convenience of location/hours).

The study finds that, among casual and family restaurant brands, the importance of service and environment, combined, outweigh the importance of price as a driver of overall satisfaction. Among quick service restaurant chains, service and environment are equally as important as price.

“In a fiercely competitive marketplace, restaurant companies have focused on a variety of strategies to attract customers—the most prominent being value-based, such as ‘dollar menu’ items,” said Jim Howland, senior director of the hospitality practice at J.D. Power and Associates. “While delivering value is still critical, elevating customer experiences by providing excellent service and an inviting environment are also key for restaurant chains that seek to differentiate themselves.”

Overall satisfaction in the 10 markets included in the study averages 742 on a 1,000-point scale among customers at casual restaurants, 709 among family restaurant customers and 701 among quick service restaurant customers.

#### **Casual Restaurant Segment**

Casual restaurants are defined as establishments offering wait service and menu items that are moderately priced and are paid for after the meal. Many restaurants in this segment serve only lunch and dinner and may also serve alcoholic beverages.

Among casual restaurants, Carrabba’s Italian Grill (headquartered in Tampa, Fla.) and The Cheesecake Factory (Calabasas Hills, Calif.) each rank highest in two markets. Also receiving awards in their respective markets are Bonefish Grill (Tampa, Fla.); Buca di Beppo (Minneapolis, Minn.); Mimi’s Café (Tustin, Calif.); Maggiano’s Little Italy (Dallas, Texas); Red Robin Gourmet Burgers (Greenwood Village, Colo.) and Texas Roadhouse (Louisville, Ky.).

#### **Family Restaurant Segment**

Family restaurants are defined as establishments offering wait service and menu items that are moderately priced and are paid for after the meal. Most restaurants in this segment serve breakfast, lunch and dinner, with a strong emphasis on breakfast and lunch, and may also cater to children. A limited selection of alcoholic beverages may be available.

Among family restaurants, Cracker Barrel Old Country Store (headquartered in Lebanon, Tenn.) ranks highest in seven markets. Marie Callender's (Memphis, Tenn.) ranks highest in two markets, while The Original Pancake House (Portland, Ore.) ranks highest in one market.

"It's particularly noteworthy that Cracker Barrel Old Country Store receives awards in seven markets, as this speaks to its ability to provide highly satisfying experiences consistently across various locations," said Howland. "In any service industry, creating consistently positive experiences for customers has a notable positive effect on loyalty."

### **Quick Service Restaurant Segment**

Quick service restaurants are defined as establishments offering inexpensively priced food that is ordered at a register or selected from a food bar. Meals are paid for before being served to the customer.

Among quick service restaurants, Chick-fil-A (headquartered in Atlanta, Ga.) and In-N-Out Burger each rank highest in three markets. Also receiving awards in their respective markets are Chipotle Mexican Grill (Denver, Colo.); Culver's (Prairie du Sac, Wis.), Panera Bread (Richmond Heights, Mo.) and Papa Murphy's Take N Bake Pizza (Vancouver, Wash.).

According to the J.D. Power Web Intelligence Division, main themes of social media conversation about quick service restaurants vary widely by demographic group. For example, Teens (ages 14 to 18) and Early Careerists (ages 22 to 29) are most apt to discuss the convenience of these establishments, while Gen Y moms are most inclined to discuss the quality of quick service restaurants. Among Gen X moms and Boomers, the predominant theme of discussion centers around providing themselves and their families with a treat or reward by visiting a quick service restaurant. For all five demographic groups, McDonald's is the quick service restaurant chain that garners the greatest volumes of online discussion.

The study results also include the following key findings:

- Nearly one-half of customers of quick service restaurants indicate they order the same meal each time they visit a particular restaurant chain. Approximately 30 percent of customers of family restaurants and 28 percent of customers at casual restaurants say the same.
- More than one-third of quick service restaurant customers (37%) indicate they purchase combo meals offered by the restaurant chain during a recent visit.
- According to the J.D. Power Web Intelligence Division, main themes of social media conversation about quick service restaurants vary widely by demographic group. For example, teens (ages 14 to 18) and early careerists (ages 22 to 29) are most apt to discuss the convenience of these establishments, while Gen Y moms are most inclined to discuss the quality of quick service restaurants. Among Gen X moms and Boomers, the predominant theme of discussion centers around providing themselves and their families with a treat or reward by visiting a quick service restaurant. Among all five demographic groups, McDonald's is the quick service restaurant chain that garners the greatest volumes of online discussion.

The 2010 U.S. Restaurant Satisfaction Study is based on responses from 97,376 customers of more than 100 major restaurant chains who dined at a restaurant between May and August 2010. The study was fielded between June and September 2010. For more comprehensive restaurant rankings for all 10 U.S. markets, visit [www.jdpower.com/travel](http://www.jdpower.com/travel). The 10 U.S. markets included in the study are: Atlanta; Boston; Chicago; Houston; Los Angeles/Riverside/Ventura County, Calif.; Minneapolis-St. Paul; New York/Northern New Jersey; Phoenix; the San Francisco Bay Area; and Washington, D.C.

### **About J.D. Power and Associates**

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NOTE: Four charts follow.

Updated version

# **J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup>**

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## ***Markets Included in the U.S. Restaurant Satisfaction Study***

**Atlanta**

**Boston**

**Chicago**

**Houston**

**Los Angeles/Riverside/Ventura County, Calif.**

**Minneapolis-St. Paul**

**New York/Northern New Jersey**

**Phoenix**

**San Francisco Bay Area**

**Washington, D.C.**

***For more comprehensive rankings by market for restaurant satisfaction,  
visit [www.jdpower.com](http://www.jdpower.com)***

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*Source: J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup>*

*Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup> as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates study results without the express prior written consent of J.D. Power and Associates.*

# J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup>

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## Top Three Casual Restaurant Brands In Overall Customer Satisfaction by Market

### Atlanta

**Highest: Carrabba's Italian Grill**  
Maggiano's Little Italy  
Bonefish Grill

### Boston

**Highest: Texas Roadhouse**  
The Cheesecake Factory  
P.F. Chang's China Bistro

### Chicago

**Highest: Maggiano's Little Italy**  
Claim Jumper  
Buca di Beppo (tie)  
Houlihan's (tie)  
P.F. Chang's China Bistro (tie)

### Houston

**Highest: Carrabba's Italian Grill**  
Buca di Beppo (tie)  
P.F. Chang's China Bistro (tie)

### Los Angeles/Riverside/Ventura County, Calif.

**Highest: Red Robin Gourmet Burgers**  
Claim Jumper  
The Cheesecake Factory

### Minneapolis-St. Paul

**Highest: Buca di Beppo**  
The Cheesecake Factory (tie)  
Romano's Macaroni Grill (tie)

### New York/Northern New Jersey

**Highest: Bonefish Grill**  
P.F. Chang's China Bistro  
The Cheesecake Factory  
Longhorn Steakhouse

### Phoenix

**The Cheesecake Factory**  
Buca di Beppo (tie)  
Carrabba's Italian Grill (tie)

### San Francisco Bay Area, Calif.

**Highest: The Cheesecake Factory**  
Black Angus Steakhouse  
BJ's Restaurant & Brewhouse

### Washington, D.C.

**Highest: Mimi's Cafe**  
Carrabba's Italian Grill  
Bonefish Grill

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# J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup>

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## Top Three Family Restaurant Brands In Overall Customer Satisfaction by Market

### Atlanta\*

**Highest: Cracker Barrel Old Country Store**  
IHOP

### Boston\*

**Highest: Cracker Barrel Old Country Store**  
Denny's

### Chicago

**Highest: Cracker Barrel Old Country Store**  
Steak 'n Shake  
Bakers Square

### Houston\*

**Highest: Cracker Barrel Old Country Store**  
Denny's

### Los Angeles/Riverside/Ventura County, Calif.

**Highest: Marie Callender's**  
IHOP  
The Original Pancake House

### Minneapolis-St. Paul\*

**Highest: The Original Pancake House**  
Bakers Square

### New York/Northern New Jersey

**Highest: Cracker Barrel Old Country Store**  
Perkins Restaurant & Bakery  
IHOP

### Phoenix, Ariz.

**Highest: Cracker Barrel Old Country Store**  
Village Inn  
IHOP

### San Francisco Bay Area, Calif.\*

**Highest: Marie Callender's**

### Washington, D.C.\*

**Highest: Cracker Barrel Old Country Store**  
Bob Evans Restaurant

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*\*No other family restaurant brand in this market performs above the market segment average.*

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# J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study<sup>SM</sup>

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## Top Three Quick Service Restaurant Brands In Overall Customer Satisfaction by Market

### Atlanta

**Highest: Chick-fil-A**

Chipotle Mexican Grill  
Jason's Deli

### Boston

**Highest: Chipotle Mexican Grill**

Panera Bread  
Uno Chicago Grill

### Chicago

**Highest: Culver's**

Chipotle Mexican Grill (tie)  
Jersey Mike's Subs (tie)

### Houston

**Highest: Chick-fil-A**

Papa John's  
Jason's Deli

### Los Angeles/Riverside/Ventura County, Calif.

**Highest: In-N-Out Burger**

Chick-fil-A  
Chipotle Mexican Grill

### Minneapolis-St. Paul

**Highest: Papa Murphy's Take N Bake Pizza**

Panera Bread  
Chipotle Mexican Grill

### New York/Northern New Jersey

**Highest: Panera Bread**

Sonic America's Drive-In  
Chipotle Mexican Grill

### Phoenix

**Highest: In-N-Out Burger**

Chick-fil-A  
Chipotle Mexican Grill

### San Francisco Bay Area, Calif.

**Highest: In-N-Out Burger**

Chipotle Mexican Grill  
Baja Fresh

### Washington, D.C.

**Highest: Chick-fil-A**

Chipotle Mexican Grill  
Panera Bread

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**Correction: J.D. Power and Associates 2010 U.S. Restaurant Satisfaction Study  
press release**

J.D. Power and Associates reported today that there have been updates made to the press release titled, "Service and Environment Rival Price as Drivers of Overall Customer Satisfaction with Restaurants," issued August 10.

As a result of a survey programming error, several restaurant brands that we would have expected to be ranked in the study (based on incidence) were excluded from the ranking due to low response (fewer than 100 responses). In order to provide greater representation of brands in our study, we made the decision to collect additional responses for restaurant brands that were excluded from the rankings, through a collection period that spanned several weeks. We are reissuing the findings, which include these additional responses.

Index scores for those brands previously ranked in the study were unaffected by these additional responses. Several additional brands have been added to the rankings. In some cases, this has caused changes to awardees and the top three brand rankings.

The changes in the top three rankings are as follows:

**Casual Segment:**

**Atlanta Market:**

Highest ranked changed from Maggiano's Little Italy to Carrabba's Italian Grill.  
Third rank position changed from Romano's Macaroni Grill to Bonefish Grill.

**Chicago Market:**

P.F. Chang's China Bistro ties with Buca di Beppo and Houlihan's for third rank position.

**Minneapolis-St. Paul Market:**

Third rank position includes The Cheesecake Factory in a three-way tie with Romano's Macaroni Grill for second rank position. This moves Houlihan's out of the top three ranking for the market.

**New York/Northern New Jersey Market:**

Highest ranked changed from P.F. Chang's China Bistro to Bonefish Grill.  
Second rank position changed from The Cheesecake Factory to P.F. Chang's China Bistro.  
Third rank position changed from Houlihan's to LongHorn Steakhouse.

**Phoenix Market:**

Second rank position includes Carrabba's Italian Grill in a tie with Buca di Beppo. This moves BJ's Restaurant and Brewhouse out of the top three ranking for the market.

**Washington, D.C. Market:**

Highest ranked changed from Carrabba's Italian Grill to Mimi's Café.  
Second rank position changed from Bonefish Grill to Carrabba's Italian Grill.  
Third rank position changed from Romano's Macaroni Grill to Bonefish Grill.

**Family Segment:**

**Boston Market:**

With the additional responses, there are now a sufficient number of eligible brands in the Boston market to issue an award. Cracker Barrel Old Country Store ranks highest. Denny's takes second rank position in the market.

**New York/Northern New Jersey Market:**

With the additional responses, there are now a sufficient number of eligible brands in the New York/New Jersey market to issue an award. Cracker Barrel Old Country Store ranks highest. Perkins Restaurant & Bakery takes second rank position in the market, while IHOP takes third rank position.



**San Francisco Bay Area Market:**

The family segment average in this market increased from 677 to 679. As a result, IHOP (678) now ranks below the segment average in the market and is not included in the top three ranking for the segment. These rankings only include those brands that perform above the segment average.

**Quick Service Segment:****Atlanta Market:**

Second rank position changed from Sonic America's Drive-In to Chipotle Mexican Grill.

Third rank position changed from Zaxby's to Jason's Deli.

**Houston Market:**

Second rank position changed from Jason's Deli to Papa John's.

Third rank position changed from Schlotzsky's Deli to Jason's Deli.

**Minneapolis-St. Paul Market:**

Second rank position changed from Chipotle Mexican Grill to Panera Bread.

Third rank position changed from Qdoba Mexican Grill to Chipotle Mexican Grill.

**Phoenix Market:**

Highest ranked changed from Chipotle Mexican Grill to In-N-Out Burger.

Second rank position changed from Rubio's Fresh Mexican Grill to Chick-fil-A.

Third rank position changed from Sonic America's Drive-In to Chipotle Mexican Grill.

**Overall Summary**

- The subheadline now reflects that Cracker Barrel Old Country Store ranks highest among family restaurants in seven market segments, not five.
- In the fifth paragraph, the 10-market study average for family restaurants has changed from 708 to 709. The 10-market study average for quick service restaurants has changed from 700 to 701.
- In the section titled, "Casual Restaurant Segment," the listing of awardees in the second paragraph has changed to reflect that Carrabba's Italian Grill and The Cheesecake Factory (and not Maggiano's Little Italy) each rank highest in two markets. In the list of brands receiving an award in their respective segment, Bonefish Grill, Maggiano's Little Italy and Mimi's Café have been added. P.F. Chang's China Bistro has been removed from the list.
- In the section titled, "Family Restaurant Segment," the second and third paragraphs have been changed to reflect that Cracker Barrel Old Country Store ranks highest in seven markets, not five.
- In the section titled, "Quick Service Restaurant Segment," the second paragraph has been updated to reflect that In-N-Out Burger ranks highest in three markets and that Chipotle Mexican Grill ranks highest in one market, instead of two.
- In the section beginning, "The study results also include the following key findings," the first bullet has been updated to reflect that nearly one-half (instead of one-half) of customers order the same meal each time they visit a particular restaurant chain. Approximately 30 percent (instead of 32 percent) of customers of family restaurants and 28 percent (instead of 30 percent) of customers at casual restaurants say the same.
- In the second bullet of the key findings section, 37 percent of customers (instead of 41 percent) indicate they purchased combo meals offered by the restaurant during a recent visit.
- In the 15<sup>th</sup> paragraph of the release, which begins "The 2010 U.S. Restaurant Satisfaction Study" has been changed to show the number of responses as 97,376, rather than 93,410. The study sampling period has been updated to reflect a May to August 2010 timeframe, from May and July 2010. The study fielding period has been updated to reflect a June to September 2010 timeframe, from June and July 2010.

J.D. Power and Associates sincerely apologizes for any problems these changes may have caused.