

Quick Service Restaurant (QSR) Loyalty Index Report



Fifth Edition
Location-based Insights, 2021-2022

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Measuring Customer Loyalty With Location Data.

Year one of the Covid-19 pandemic was one of historic change for the QSR industry. Despite facing a slew of unforeseen challenges, fast food chains fared far better than other dining categories, proving that agility and innovation are key ingredients to staying relevant amidst shifting habits.

This past year came with its own set of challenges for QSR brands to confront — from the emergence of the Omicron variant and supply chain issues to labor challenges and most recently: inflation, resulting in growing demand for deals and offers as well as value menus.

According to research from Bluedot, over 80% of survey respondents reported changing dining habits due to price lifts, and 2/3 [of survey respondents] are downloading more apps or joining additional loyalty programs to access offers. Increasing demand for priced-right menus, value deals and loyalty rewards presents an opportunity for QSR brands to not only attract new customers, but also retain them as loyal, repeat customers.

Despite the ever-changing landscape, our foot traffic analysis is proof positive that it's possible to build a dedicated fan base amidst times of great uncertainty. Developing a loyal customer base is a top priority for QSRs, and our latest Loyalty Index Report provides the most accurate assessment of customer loyalty. With a deep understanding of how people move around the real world, Foursquare is uniquely positioned to measure loyalty based on true consumer behavior, rather than reported behavior and brand perception.

In this report, you'll learn...

- The methodology behind the Foursquare Loyalty Index
- The rankings of America's leading QSRs in terms of customer loyalty (plus, year-over-year changes & audience specific rankings)
- Data-driven strategies to boost QSR customer loyalty



Want to know more?

Meet with us today to learn more about why your brand ranked where it did, which metrics you're performing better or worse on, dive deeper into specific competitors + more!

What is the QSR Loyalty Index?

The QSR Loyalty Index is Foursquare's ranking of the top Quick Service Restaurants in the United States based on their customers' loyalty. This loyalty index distills a complex set of behaviors and preferences into a single metric that can be compared across chains, revealing which QSRs are winning in terms of customer loyalty. For this year's index, we looked at data from **July 1 2021 - June 30 2022**.

The Foursquare QSR Loyalty Index is calculated using the following metrics:



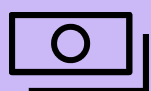
Frequency

The average number of visits per customer to each brand within the analysis period.



Penetration

The percentage of category visitors who visited each brand within the analysis period.



Share of Wallet

The mean share of each customer's total QSR visits to a particular chain during the analysis period.



Fanaticism Threshold

The number of visits within the analysis period required for a user to be within the top 1% of users who visit a particular chain.

Editor's Note: Foursquare analyzes foot traffic patterns from millions of Americans that make up our always-on panel. All data is aggregated and normalized against U.S. Census data to remove age, gender and geographical bias. Indexed (affinity) numbers in this report indicate percentage more likely than the average U.S. consumer to frequent a specific venue or place.

The Foursquare QSR Loyalty Index (2021-2022)

Based on QSR Magazine's Top 50 QSR Chains By Revenue

Rank	Brands	Change from last year
1	McDonald's	▲
2	Starbucks	▲
3	Dunkin'	▼
4	Sonic Drive-In	▲
5	Chick-fil-A	▼
6	Taco Bell	▲
7	Subway	▼
8	Whataburger	●
9	Jack in the Box	▲
10	Panera Bread	▲
11	Tim Hortons	▲
12	Domino's Pizza	▼
13	Wendy's	▼
14	Bojangles'	▲
15	Burger King	▲
16	Dairy Queen	▲
17	Hardee's	▼
18	Pizza Hut	▼
19	Chipotle	▲
20	Del Taco	▲
21	Culver's	▼
22	Taco John's	▼
23	Zaxby's	▲
24	In-N-Out Burger	▲
25	Papa John's Pizza	▼

Rank	Brands	Change from last year
26	Einstein Bros.	▲
27	Raising Cane's	▲
28	Popeyes Louisiana Kitchen	▲
29	Little Caesars	▲
30	Marco's Pizza	▼
31	The Coffee Bean & Tea Leaf	▲
32	Arby's	▼
33	Jimmy John's	▼
34	Carl's Jr.	▼
35	White Castle	▲
36	Church's Chicken	▼
37	McAlister's Deli	▲
38	El Pollo Loco	▲
39	Panda Express	▲
40	Carvel Ice Cream	●
41	Tropical Smoothie Cafe	▲
42	Bruegger's	▼
43	KFC	▼
44	Auntie Anne's	▼
45	Checkers	▼
46	Cinnabon	●
47	Smoothie King	▼
48	Wingstop	▼
49	Jersey Mike's Subs	▼
50	Papa Murphy's	●

▼ Down From 2021 ● NEW! Not included in 2021 report
 ▲ Up From 2021 ▲ New To Top 50 ● Same as 2021

The Foursquare QSR Loyalty Index (2020-2021)

Based on QSR Magazine's Top 50 QSRs By Revenue

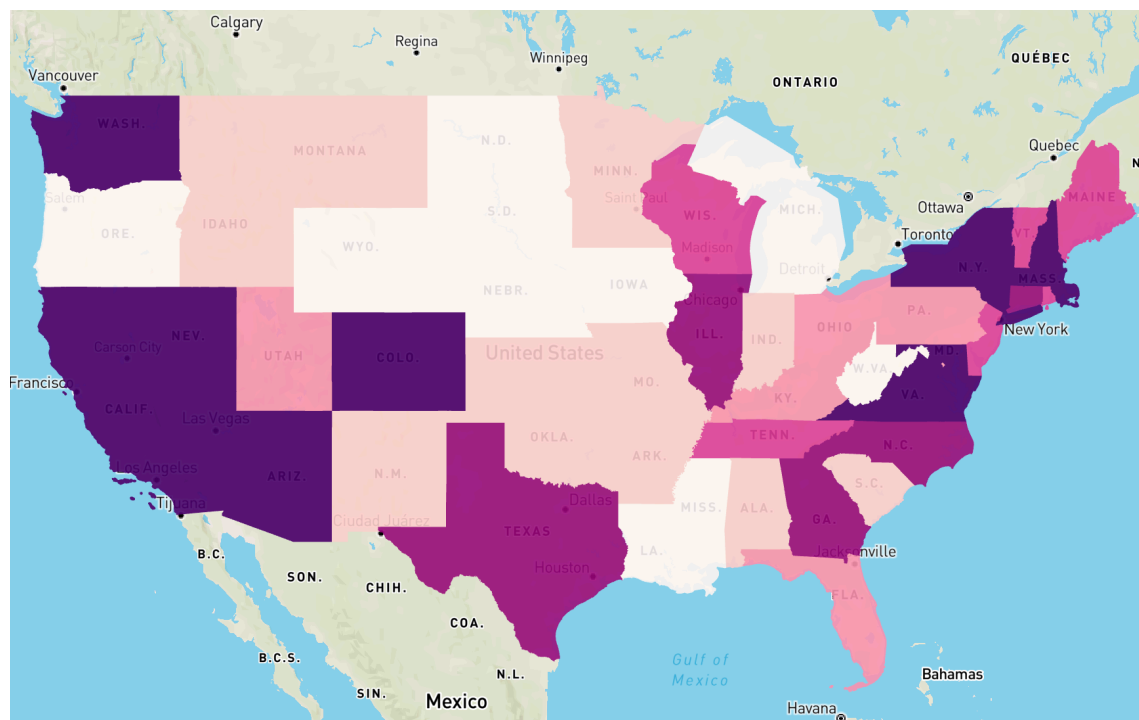
Rank	Brands
1	Chick-fil-A
2	Dunkin'
3	McDonald's
4	Subway
5	Starbucks
6	Sonic Drive-In
7	Domino's Pizza
8	Whataburger
9	Pizza Hut
10	Papa John's Pizza
11	Taco Bell
12	Wendy's
13	Culver's
14	Panera Bread
15	Hardee's
16	Tim Hortons
17	Jack in the Box
18	Dairy Queen
19	Burger King
20	Bojangles'
21	Taco John's
22	Marco's Pizza
23	Chipotle Mexican Grill
24	Jimmy John's
25	In-N-Out Burger

Rank	Brands
26	Church's Chicken
27	Arby's
28	Bruegger's
29	Carl's Jr.
30	Little Caesars
31	Einstein Bros.
32	KFC
33	Del Taco
34	The Coffee Bean & Tea Leaf
35	Checkers
36	Popeyes Louisiana Kitchen
37	Auntie Anne's
38	Papa Murphy's
39	Baskin-Robbins
40	McAlister's Deli
41	Wingstop
42	Jersey Mike's Subs
43	Zaxby's
44	White Castle
45	Panda Express
46	Smoothie King
48	Jamba Juice
49	Schlotzsky's
50	Tropical Smoothie Cafe

Let's take a closer look at QSR loyalty across the United States

QSR Loyalty By State

July 2021 - June 2022



AVERAGE QSR CUSTOMER LOYALTY INDEX

Less than 4.2	6.3 to 7.6
4.2 to 5.3	7.6 to 9.55
5.3 to 6.3	9.55 or more

HOW TO READ:

Lowest numbers/darkest colors indicate highest average loyalty score of QSRs in the geography (including chains with $\geq 5\%$ venue share in the geography).

KEY INSIGHTS:

According to Statista, **California** accounts for the highest number of Quick Service Restaurants (QSRs) in the United States. Our latest map (to the left) shows an increase in QSR customer loyalty in this state compared to last year. Today, America's most loyal QSR customers can primarily be found in the **West** (California, Washington, Nevada, Arizona, Colorado) and in the **Northeast** (New York, New Hampshire, Virginia & Massachusetts).

QSR customer loyalty also appears to have intensified in parts of the **South** (in places like Texas, Georgia, North Carolina and Tennessee) over the past 2 years. Meanwhile, we're actually seeing less customer loyalty YoY in some **Midwestern** states like Idaho, Iowa, Nebraska, Arkansas, Oklahoma, Missouri & Mississippi.



Meet with us to learn more about how you can visualize, unify, enrich & analyze spatial data on a planetary scale in one easy-to-use platform.

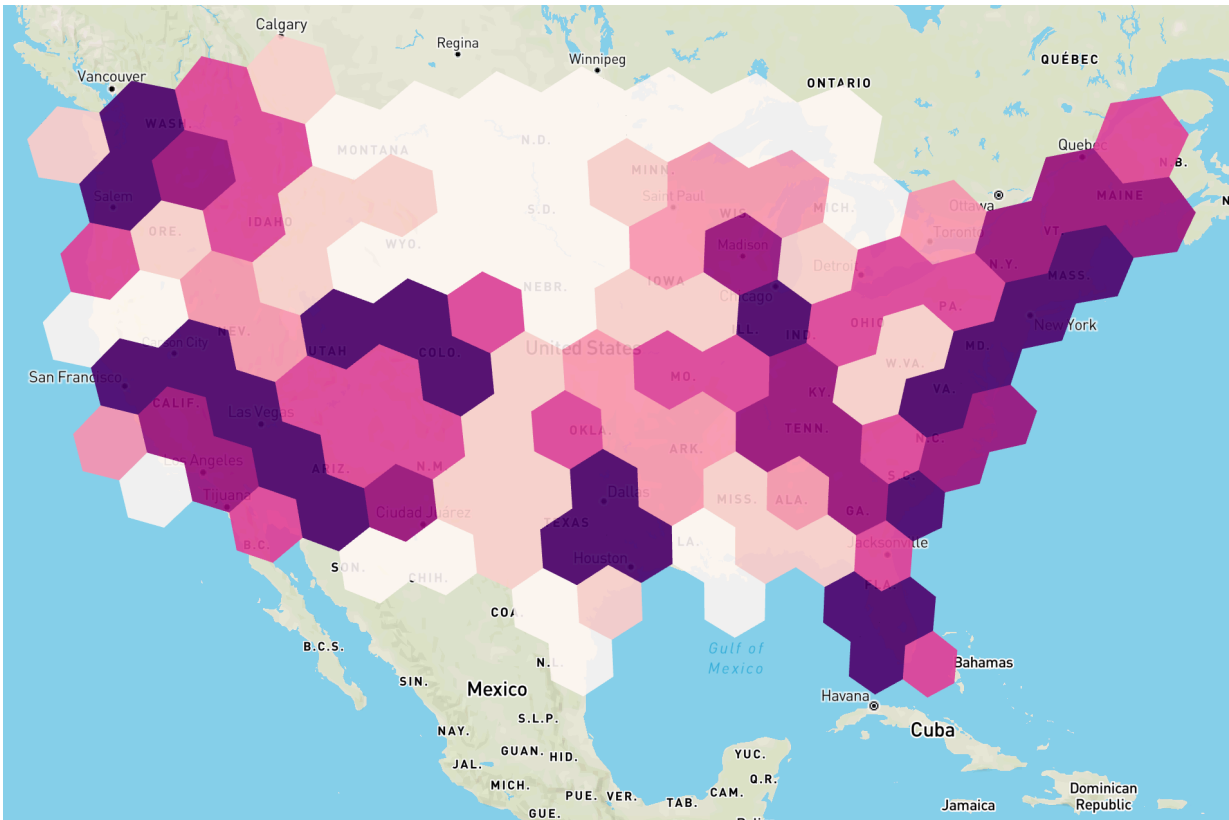
Map is showing continental U.S. only

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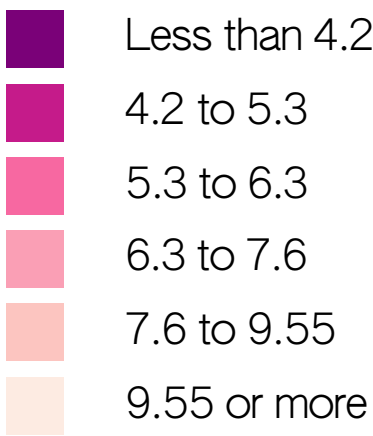
Let's take a closer look at QSR loyalty across the United States

QSR Loyalty By H3 Cells

July 2021 - June 2022



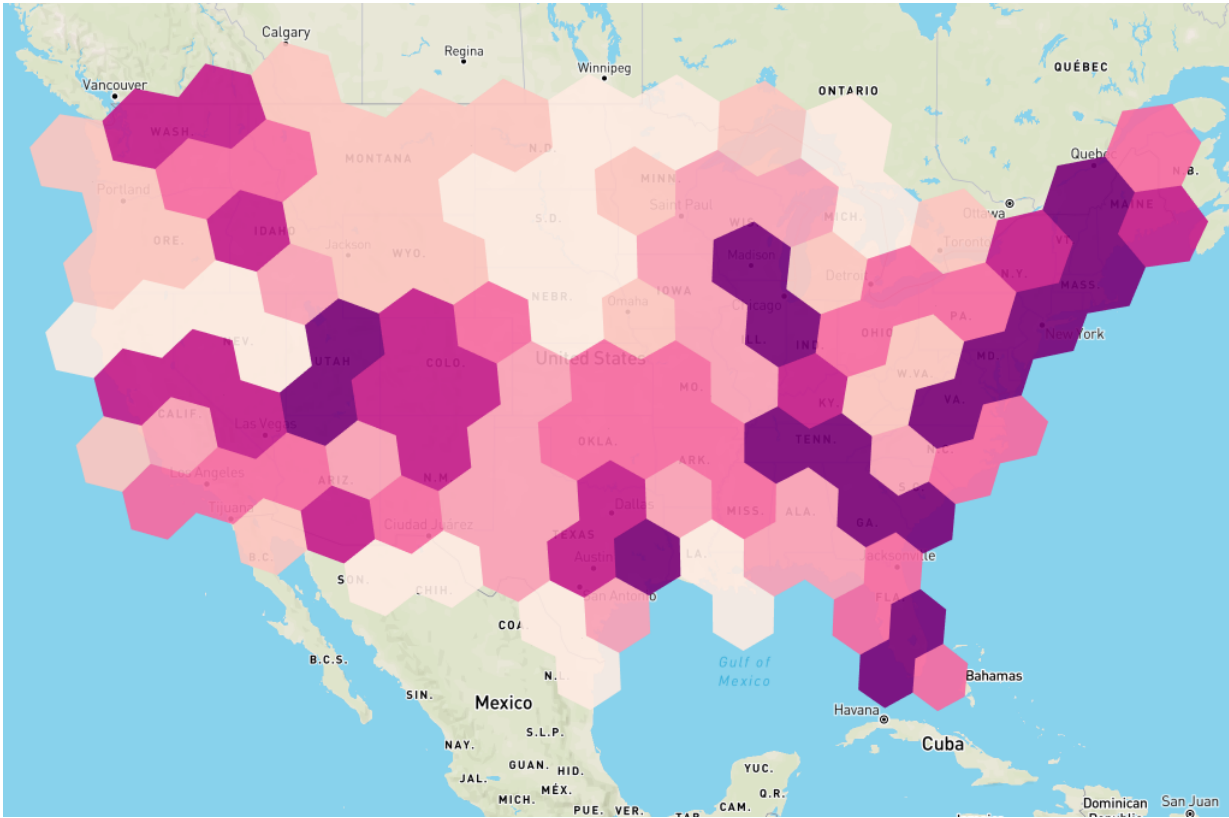
AVERAGE QSR CUSTOMER LOYALTY INDEX



HOW TO READ:

Lowest numbers/darkest colors indicate highest average loyalty score of QSRs in the geography (including chains with $\geq 5\%$ venue share in the geography).

July 2020 - June 2021



KEY INSIGHTS:

If we take a closer look at a more granular breakdown of QSR customer loyalty within & across state borders, we're able to see much more detail in the YoY change compared to the state level.

For instance, in looking at **California**, our data reveals stronger QSR customer loyalty in the south bordering Arizona compared to last year. Customer loyalty has also intensified in certain parts of northern Washington, eastern Texas, southern Florida and most of the Northeastern coastline this past year.

Map is showing continental U.S. only.

Movers & Shakers

As experts in location technology, we know that harnessing the power of real-world data is one of the best ways to captivate consumers. Take a closer look at the following case studies to learn how leading QSRs are maintaining top rankings based on customer loyalty.

Raising the bar with **Raising Cane's**

2021 was a year of unprecedented growth for Raising Cane's, resulting in the biggest year-over-year jump in our loyalty rankings (up +33 spots from last year!). Earning its place at #27, the brand is gaining momentum, quickly. Raising Cane's has been expanding like crazy with plans to grow even more this year and next by adding 100+ more stores to today's approximate 550 locations across 30 US states.

The chain has benefited from two key trends in the QSR space post-COVID: drive-thru appeal and menu simplicity. Raising Cane's has drive-thrus at nearly all locations and is ahead of the competition with multi-lane drive-thru roll out. And on top of that, north of 80% of locations are company-owned, which Raising Cane's expects to remain the primary growth vehicle going forward.

These strategies are clearly paying off for Raising Cane's – The chain's nearly \$5 million AUV last year was second only to Chick-fil-A (now #5) among the top 50 QSR chains. With more expansion efforts underway, we will likely continue to see the finger chicken chain rise in the rankings in years to come.



Schlotzsky's Comes Up Short

Opposite the success of Raising Cane's, Schlotzsky's experienced the biggest drop in our loyalty rankings, and was displaced from the 'top 50' (down -17 spots from last year).

Less than 3% of Americans made at least one visit to a Schlotzsky's location this past year. And those who were visiting were doing so less often than usual. On top of that, the chain saw a considerable dip in share of wallet — visits to Schlotzsky's accounted for less than 5% of customers' total QSR traffic this past year (down from almost 9% the year prior).

More recently, the casual sandwich chain put an innovative spin on its fresh baked bread, revealing a new 'bare naked pizza' with exclusive offerings for rewards members. Perhaps this move will result in upward movement for the casual sandwich chain in the year ahead.

Movers & Shakers

America Runs On Coffee Wars: Starbucks vs. Dunkin’

Starbucks overtakes the competition, displacing Dunkin’ in the #2 spot this year.

Drive-thru, mobile order and pay, and delivery collectively totaled 75% of Starbucks’ sales in Q2 this year. The chains’ mobile order & pay business is up 20% above 2021 performance. These investments are certainly paying off for the coffee giant, resulting in an +11 % point increase in penetration year-over-year (indeed, nearly 60% of Americans visited a Starbucks at least once this past year).

Ease of ordering via mobile apps & drive-thrus is likely one of the many reasons Starbucks now claims the 2nd highest share of wallet of all QSRs, behind McDonalds. Visits to Starbucks account for over 16% of customers’ total QSR traffic. Looking ahead, 90% of planned store growth will feature drive-thrus.



Dunkin’ falls to #3, now behind Starbucks.

Of all the QSR chains we looked at, Dunkin’ saw the biggest decrease in share of wallet this past year, followed by Tim Hortons. Visits to Dunkin’ accounted for roughly 15% of customers’ total QSR traffic (down from 25% the year prior).

Despite attracting slightly more customers than usual this past year (+8 % point increase in penetration), Dunkin’ still lags behind Starbucks in this metric. 35% of Americans visited a Dunkin’ at least once during our analysis period, while almost double the % of Americans had made at least one visit to a Starbucks in that time. Dunkin’ has the upper hand, however, when it comes to visit frequency and fanaticism. Dunkin’ customers are visiting Dunkin’ slightly more often than Starbucks’ customers on average. In fact, Dunkin’s most loyal customers had to have made at least 15 visits in the last year to have been considered a ‘fanatic’ (in the 99th percentile of visitors), vs. an average of 14 visits for Starbucks’ most loyal customers.

Honorable Mentions

It's not all about burgers and fries — this year's top ten QSRs show significant variety in terms of menu focus. Brands topping the list include a coffee chain, burger joint, chicken spot, sandwich shop, taco joint and pizza place. It's safe to say there's no one recipe for success when it comes to customers' loyalty to QSRs.



Taco Bell cracks the 'Top 10' to celebrate 60 years

Taco Bell celebrates its 60th anniversary with the biggest YoY increase in penetration, and the 2nd biggest increase in fanaticism (outpacing Subway, Wendy's and Chipotle in this metric). Upward mobility in our loyalty rankings isn't likely to stop there, with plans to add in-store pick-up shelves and a cloud-based smart hub on the horizon.



McDonald's claims #1

Top earners in the QSR industry — McDonald's saw the biggest YoY increase in fanaticism of any QSR chain — customers had to have made at least 17 visits in the last year to have been considered a 'fanatic' (in the 99th percentile of visitors), a +30.8% increase from 2021. Thus, the burger chain also had the highest visit frequency, and the biggest increase in this metric YoY.



Zaxby's takes the fast track

Not only did Zaxby's move up 20 spots (from #43 to #23) this past year, but the chain also underwent a historic leadership change in that time, bringing on a new CEO, COO and first ever Chief People Officer.



Jack in the Box claims #9, up +8 spots from last year

The burger chain has experienced tremendous growth since launching a franchise-led expansion strategy in 2021. And plans appear to be paying off — an increase in fanaticism, penetration and visit frequency has resulted in a 'Top 10' status.



Sonic soars to new heights

Sonic Drive-In saw an increase in both penetration and visit frequency this past year, indicating that more people are visiting the chain, and they're visiting more often than before. The brand is focused on guest rewards and promotions through web ordering to incentivize visits for medium to light users.



Chick-fil-A falls from first

In today's competitive market, it takes a lot more than impressive sales numbers to maintain top status. That's not to say the chicken chain didn't have a stellar year. In fact, Chick-fil-A added over 100+ U.S. stores last year and is considered to be one of the fast growing brands (from a financial perspective) in fast food.

Want to know more? Meet with us today to learn more about why your brand ranked where it did, which metrics you're performing better/worse on, dive deeper into specific competitors + more!

Tracking Top Trends

When it comes to attracting & retaining loyal customers, it's safe to say there's no one recipe for success. Let's take a closer look at what appears to be the latest emerging trends in fast food based on year-over-year movement in our QSR Loyalty rankings.

#1 Pizza places fall from the 'Top 10'

Papa John's and Papa Murphy's both dropped 12-15 spots, respectively, from last year's loyalty rankings. Marco's Pizza also fell back 8 spots, while Domino's, Pizza Hut and Papa John's were all displaced from the 'Top 10' this year.

Domino's, ranked #7 last year, found itself in the #12 spot in this year's loyalty rankings. Despite seeing a +6 % point increase in the % of Americans who visited this past year, Domino's also saw a -7 % point decrease in share of wallet. In other words, even though a higher % of people are visiting, customers are increasingly spending time & money with other QSR chains (visits to Domino's accounted for less than 10% of customers' total QSR traffic this past year). In this case, Domino's' newest customers are likely lighter and less loyal, bringing share of wallet down.

It comes at no surprise, then, that the beginning of our analysis period (Q3 2021) marked the first quarter in which Domino's experienced a decline after 41 consecutive quarters of positive comps. This disruption to growth can be attributed to a variety of factors, including shorter operating hours, disruption in customer service and lapsing federal stimulus*. Despite a challenging year, Domino's managed to see a slight increase in fanaticism, still outpacing many QSR competitors (including Pizza Hut, Taco Bell, Wendy's, Burger King) in this integral metric.



#2 Regional taco chains rise up in the rankings

While < 8% of Americans visited each respective taco chain this past year, El Pollo Loco and Del Taco both managed to rise up 13-14 spots, respectively, in this year's loyalty rankings. Menu innovation and drive-thru expansion strategies appear to be paying off. And considering the regional foothold these chains have, perhaps this upward movement suggests a growing fast food affinity amongst west coasters.

Tracking Top Trends

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#3 Americans cut back on sweets & frozen treats

Neither Baskin-Robbins nor Jamba Juice made the top 50 in this year's loyalty rankings. The dessert & specialty beverage chains fell 13 and 11 spots, respectively. Krispy Kreme Doughnuts, ranked #55 last year, fell back 9 spots this year.

Perhaps the negative change in rank order is indicative of an overall change in consumer behavior when it comes to consumers' dining & spending preferences. With inflation on the rise, more Americans are looking for ways to save money. For some, this could mean brewing coffee at home vs. visiting a local coffee shop, cutting back unnecessary outings due to rising gas prices or avoiding 'treat yourself' dining expenses. Whether it stems from rising inflation or a more mindful shift in health-conscious food consumption, it appears that fast casual dessert & specialty beverage chains are losing momentum when it comes to retaining loyal customers.

Menu diversification and adaptability could be the key to navigating this change. For instance, Dairy Queen & Sonic Drive-In both managed to jump up two spots this year. And while Dairy Queen certainly offers an extensive frozen treat menu, the chain also appeals to diners during lunch, dinner & late night dayparts with a variety of burgers, sandwiches, chicken & fries. Not to mention, Sonic was a frontrunner in contactless orders & drive-thru expansion at the onset of the pandemic. So, when it comes to building and maintaining loyalty – diversification & adaptability are key ingredients for success.



Measuring Customer Loyalty By Audience: Gen Z & Millennials

Reaching The Right Customers



98% of Millennials and Gen Z Americans, respectively, visited a fast food restaurant at least once within the first 6 months of our analysis period (2H 2021).

What's more, Gen Z Americans are 14% more likely than the average American to frequent fast food chains (Millennials are 8% more likely).

Not only do these audiences have a relatively stronger affinity for fast food compared to the average American, but it seems that economic worries aren't stopping these audiences from dining out (overall, Gen Z and Millennials reported spending more on restaurants compared to 2021). And according to a recent article from Fast Casual, Gen Z diners are closing in fast on the Millennials — 29% planned to visit a drive-thru more in the future, a spike of 18% since Q1 of 2022.

Read on to learn more about what customer loyalty looks like for these distinct and unique audiences.

Want to know more? Check out our latest [Gen Z](#) & [Millennial](#) audience research reports to learn more about the diversity of these expansive audiences across varying life stages, lifestyles and geographies.

The Foursquare QSR Loyalty Index (2021-2022)

Focus Audience: Gen Z, Ages 18-24

Rank	Brands	Change Overall	From Rank
1	McDonald's	●	
2	Starbucks	●	
3	Dunkin'	●	
4	Chick-fil-A	▲	5
5	Sonic Drive-In	▼	4
6	Taco Bell	●	
7	Subway	●	
8	Jack in the Box	▲	9
9	Dairy Queen	▲	16
10	Einstein Bros.	▲	26
11	Whataburger	▼	8
12	Domino's Pizza	●	
13	Chipotle	▲	19
14	Bojangles'	●	
15	Papa John's	▲	25
16	Tim Hortons	▼	11
17	Panera Bread	▼	10
18	Wendy's	▼	13
19	Culver's	▲	21
20	Burger King	▼	15
21	Hardee's	▼	17
22	Pizza Hut	▼	18
23	In-N-Out Burger	▲	24
24	Zaxby's	▼	23
25	Taco John's	▼	22
26	Del Taco	▼	20
27	Raising Cane's	●	
28	Marco's Pizza	▲	30
29	KFC	▲	43
30	Arby's	▲	32
31	Carl's Jr.	▲	34
32	Baskin-Robbins	▲	52
33	El Pollo Loco	▲	38
34	Checkers	▲	45
35	Panda Express	▲	39
36	McAlister's Deli	▲	37
37	Auntie Anne's	▲	44
38	Popeyes	▼	28
39	Little Caesars	▼	29
40	Papa Murphy's	▲	50
41	Church's Chicken	▼	36
42	The Coffee Bean & Tea Leaf	▼	31
43	White Castle	▼	35
44	Tropical Smoothie Cafe	▼	41
45	Jamba Juice	▲	58
46	Moe's Southwest Grill	▲	57
47	Jimmy John's	▼	33
48	Wingstop	●	
49	Cinnabon	▼	46
50	Jersey Mike's Subs	▼	49

▼ Down from total U.S. ● Same as total U.S. ▲ Up from total U.S.

The Foursquare QSR Loyalty Index (2021-2022)

Focus Audience: **Millennials**, Ages 25–34

Rank	Brands	Change Overall	From Rank
1	McDonald's	●	
2	Starbucks	●	
3	Dunkin'	●	
4	Chick-fil-A	▲	5
5	Sonic Drive-In	▼	4
6	Taco Bell	●	
7	Subway	●	
8	Jack in the Box	▲	9
9	Whataburger	▼	8
10	Panera Bread	●	
11	Wendy's	▲	13
12	Burger King	▲	15
13	Tim Hortons	▼	11
14	Dairy Queen	▼	16
15	Domino's Pizza	▼	12
16	Bojangles'	▼	14
17	Chipotle	▲	19
18	Hardee's	▼	17
19	Pizza Hut	▼	18
20	Del Taco	●	
21	Culver's	●	
22	In-N-Out Burger	▲	24
23	Taco John's	▼	22
24	The Coffee Bean & Tea Leaf	▲	31
25	Papa John's Pizza	●	

Rank	Brands	Change Overall	From Rank
26	Zaxby's	▼	23
27	Popeye's	▲	28
28	Raising Cane's	▼	27
29	Arby's	▲	32
30	Little Caesars	▼	29
31	Panda Express	▲	39
32	Einstein Bros.	▼	26
33	Marco's Pizza	▼	30
34	El Pollo Loco	▲	38
35	White Castle	●	
36	Jimmy John's	▼	33
37	Auntie Anne's	▲	44
38	KFC	▲	43
39	Church's Chicken	▼	36
40	Carvel Ice Cream	●	
41	Tropical Smoothie Cafe	●	
42	McAlister's Deli	▼	37
43	Baskin-Robbins	▲	52
44	Qdoba Mexican Grill	▲	51
45	Checkers	●	
46	Bruegger's	▼	42
47	Wingstop	▲	48
48	Five Guys	▲	53
49	Jersey Mike's Subs	●	
50	Moe's Southwest Grill	▲	57

▼ Down from total U.S. ● Same as total U.S. ▲ Up from total U.S.

FSQ

Attracting & retaining loyal Gen Z & Millennial fast food customers

Take a closer look at the following trends to learn how leading QSRs are maintaining top rankings amongst younger customers based on customer loyalty.

#1 Gen Z & Millennial consumers have a stronger affinity for sweet treats & specialty beverages.

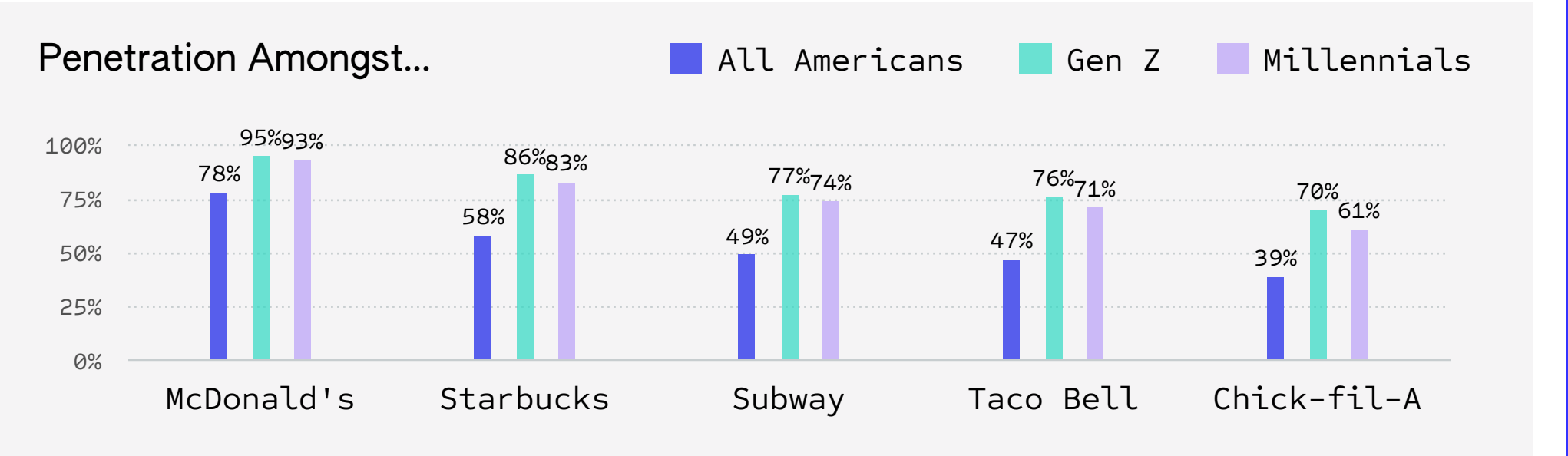
When it comes to frozen treats, younger audiences have the biggest appetite. In fact, Gen Z consumers are +21% more likely to frequent ice cream shops, and +10% more likely to frequent donut shops compared to the average American. Case in point, the biggest discrepancy between this year's overall QSR Loyalty Index and our audience-specific rankings belongs to **Baskin-Robbins**. While the ice cream chain actually fell 13 spots from last year's total U.S. rankings (#52 this year), Baskin-Robbins does appear to have a loyal following with younger customers. The chain ranks #43 with Millennials, and #32 with Gen Z consumers (up 20 spots from general population rankings).

Jamba Juice and Dairy Queen also appear to be winning even more with Gen Z Americans as compared to the general U.S. population. Jamba Juice (ranked #58 overall) was ranked #45 with Gen Zers. And Dairy Queen (ranked #16 overall) managed to snag 'top 10' status with Gen Z Americans at #9.

When it comes to winning with younger QSR fans — Baskin-Robbins, Jamba Juice and Dairy Queen were accompanied by several other chains — Chick-fil-A, Jack-in-the-Box, Chipotle Mexican Grill, In-N-Out Burger, KFC, Panda Express, El Pollo Loco & Auntie Anne's (among several others for each respective audience) — all ranked higher with Gen Z & Millennial consumers vs. total U.S.

#2 Gen Z & Millennials are more likely to visit fast food places compared to the average American.

The chart below reveals the % of each audience who visited a given QSR chain at least once between July 2021 - June 2022, also known as 'penetration'. For instance, less than 1/2 of all Americans made at least one visit to a Chick-fil-A this past year. However, 61% of Millennials and 70% of Gen Z Americans visited a Chick-fil-A during that time.

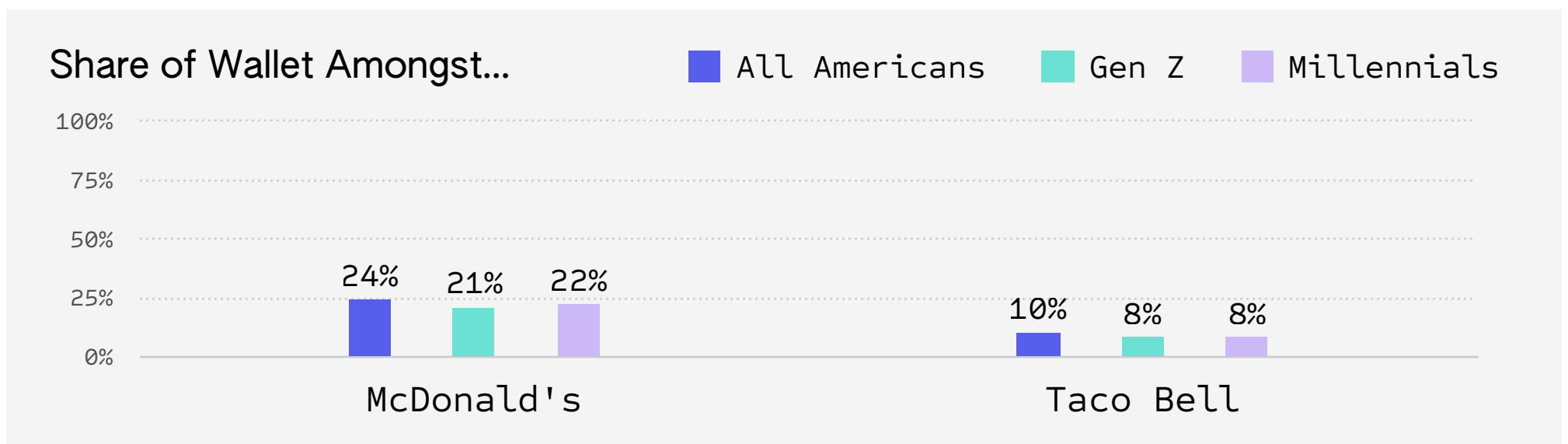


Attracting & retaining loyal Gen Z & Millennial fast food customers (cont.)

Take a closer look at the following trends to learn how leading QSRs are maintaining top rankings amongst younger customers based on customer loyalty.

#3 Gen Z & Millennials are less loyal to a particular QSR chain. They're more likely to visit a variety of fast food places compared to the average American.

For instance, visits to McDonald's accounted for roughly 24% of McDonald's customers' total QSR traffic this past year, while McDonald's share of wallet amongst all of their Gen Z & Millennials customers was between 21-22%. Thus, a higher % of younger McDonald's customers are indeed spending money with direct competitors.



#4 Gen Z & Millennials are frequenting certain fast food places more often than most Americans.

McDonald's had the highest average visit frequency of any QSR chain last year (with an average of 2.6 visits per customer). Visit frequency was even higher for McDonald's' youngest customers — 2.7-2.8X visits on average for 18-34 year old McDonald's visitors.

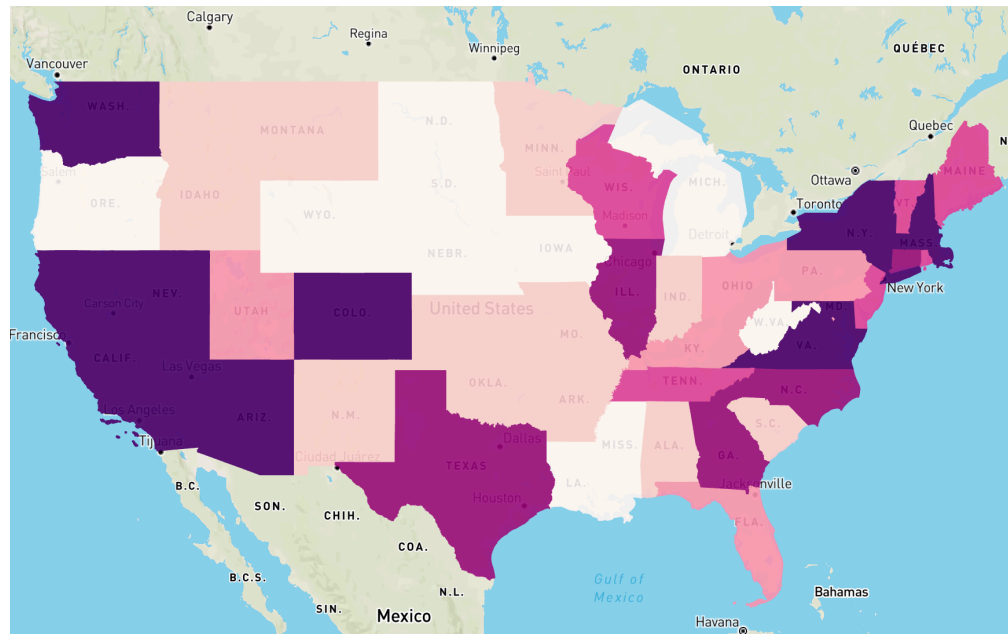
Starbucks saw a similar trend — average visit frequency of 2.4-2.5X amongst the coffee chain's youngest visitors surpassed the average visit frequency for Starbucks' customers overall (2.2X on average).



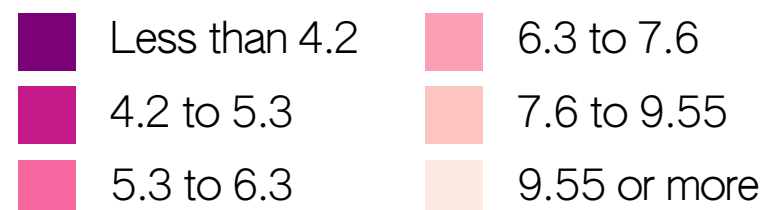
Visualizing QSR Customer Loyalty By Audience

QSR Loyalty By State July 2021 – June 2022

Total U.S.



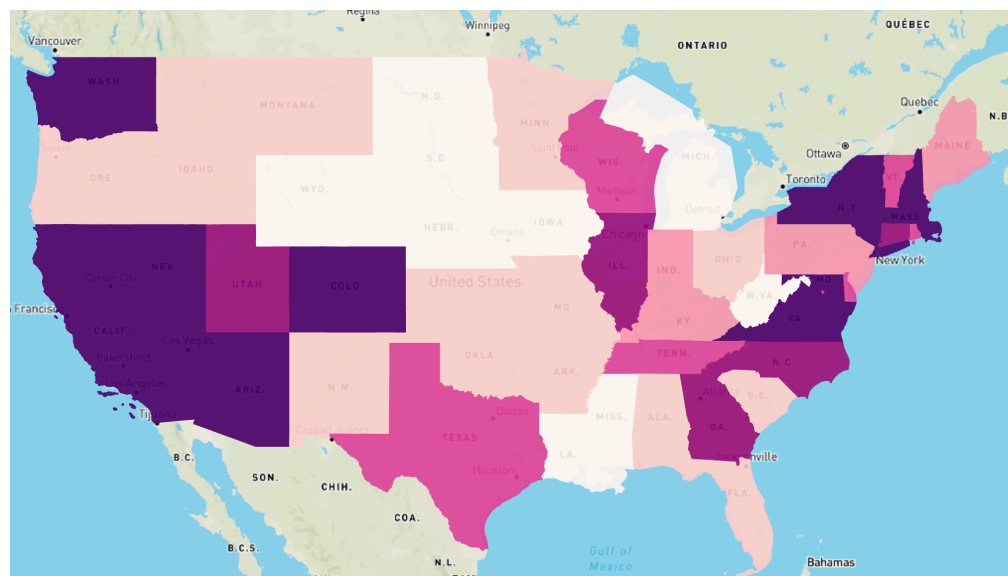
AVERAGE QSR CUSTOMER LOYALTY INDEX



HOW TO READ:

Lowest numbers/darkest colors indicate highest average loyalty score of QSRs in the geography (including chains with $\geq 5\%$ venue share in the geography).

Gen Z Americans, 18–24



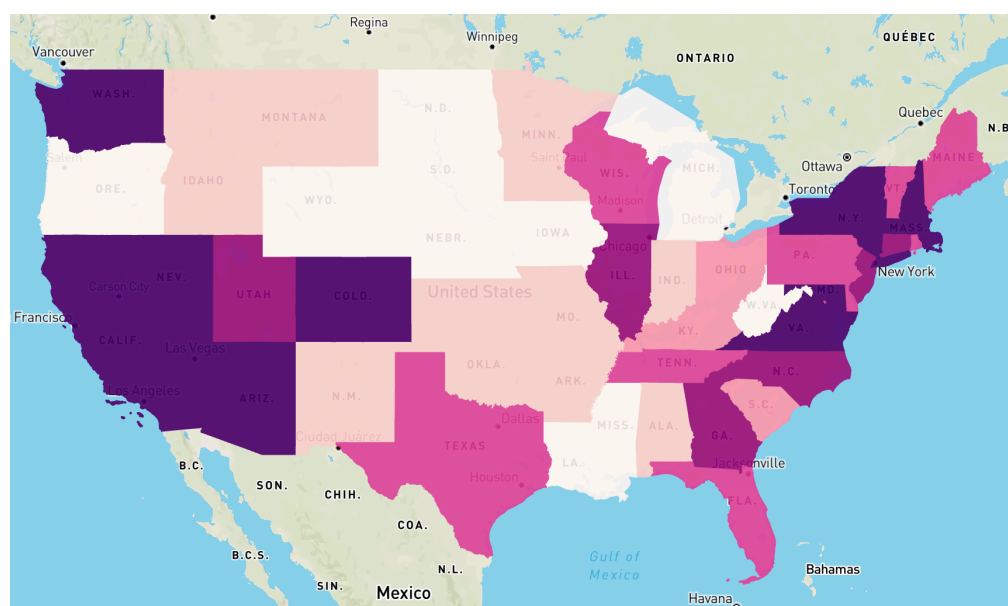
KEY INSIGHTS:

If we take a closer look at disparities in QSR customer loyalty by state, we see that average loyalty appears to be consistently higher amongst both **Gen Z and Millennial consumers** in Colorado, but slightly lower amongst both cohorts in Texas (compared to total U.S.).

Compared to total U.S., QSR customer loyalty amongst **Millennials** appears to be slightly higher in some east coast states like Florida, South Carolina, Pennsylvania and New Jersey.

Compared to total U.S., QSR customer loyalty amongst **Gen Z consumers** appears to be slightly higher in Oregon and Indiana. However, QSR loyalty appears to be slightly lower amongst Millennials in Florida, Maine and New Jersey compared to total U.S.

Millennial Americans, 25–44

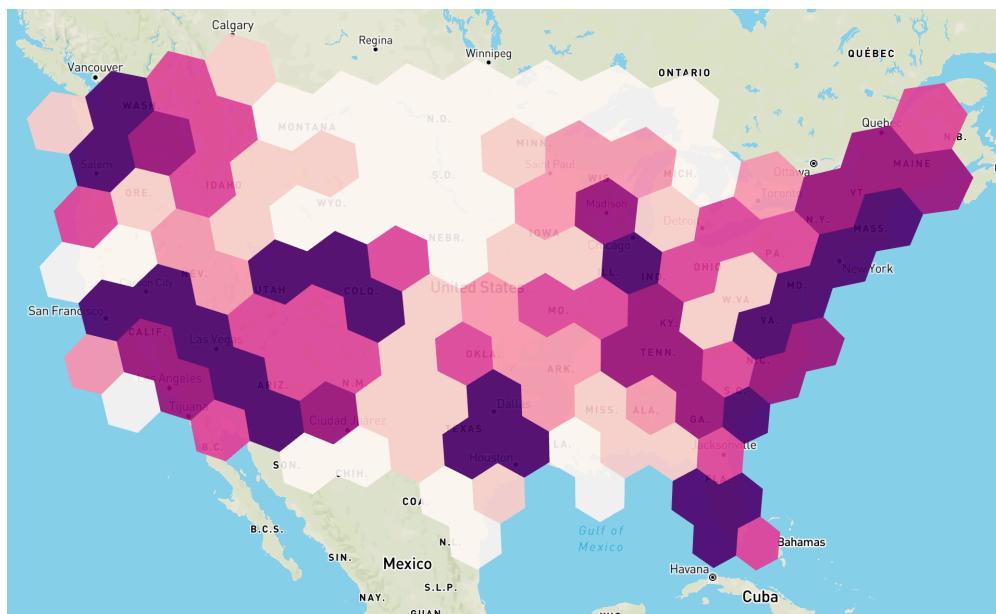


Meet with us to learn more about how you can visualize, unify, enrich & analyze spatial data on a planetary scale in one easy-to-use platform.

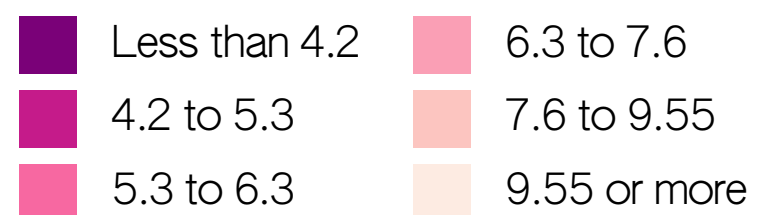
Visualizing QSR Customer Loyalty By Audience

QSR Loyalty By H3 Cells July 2021 – June 2022

Total U.S.



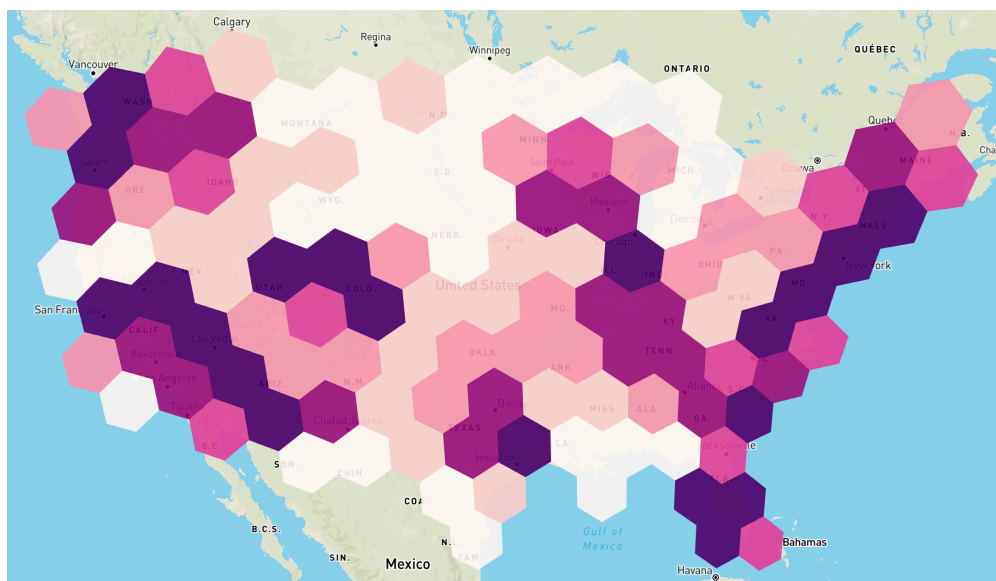
AVERAGE QSR CUSTOMER LOYALTY INDEX



HOW TO READ:

Lowest numbers/darkest colors indicate highest average loyalty score of QSRs in the geography (including chains with $\geq 5\%$ venue share in the geography).

Gen Z Americans, 18–24



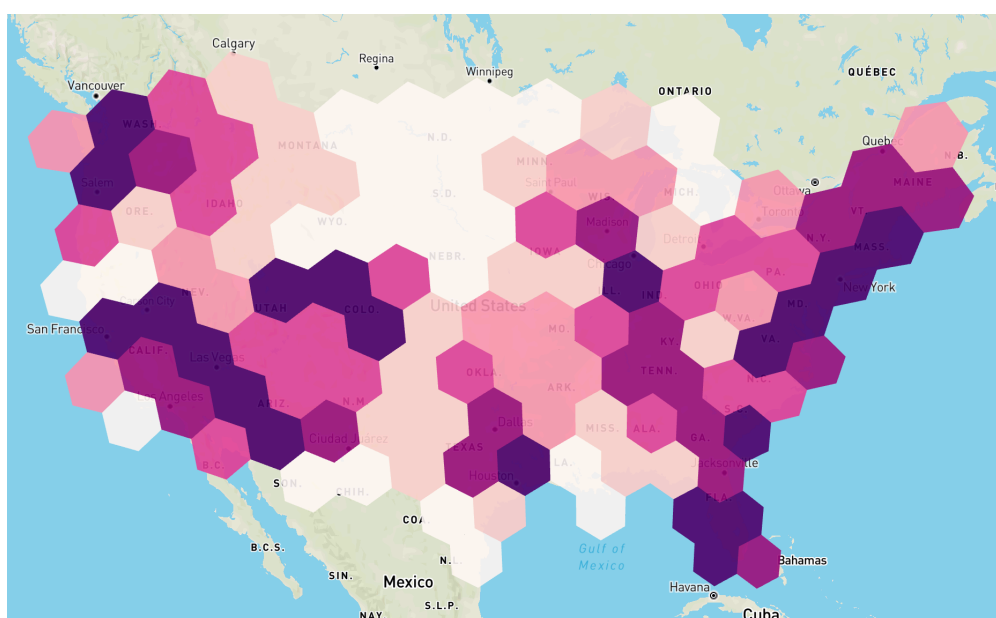
KEY INSIGHTS:

An H3 cell level analysis provides another layer of granularity to uncover disparities in QSR customer loyalty amongst various audiences.

While our state-level analysis showed that QSR customer loyalty was consistent amongst all 3 cohorts in Iowa and Minnesota, our H3 cell analysis reveals that QSR customer loyalty is actually slightly higher amongst both **Millennials** and **Gen Z** consumers just south of St. Paul (northern Iowa, southern Minnesota) compared to total U.S.

Our analysis also shows that QSR customer loyalty is slightly stronger amongst Millennials in certain parts of Florida — including the most southern tip and the area surrounding Jacksonville — compared to total U.S. and Gen Z.

Millennial Americans, 25–44



Executive Summary

Ready to Boost Your Customer Loyalty?

Do limited time offers drive a slew of one-off visitors or more visits from brand loyalists? Are sales on the rise due to net new customers or increased foot traffic from existing customers? Foursquare partners with the ten leading QSR brands in the country to measure consumer behavior, shedding light on the path-to-purchase, lifestyle preferences, and competitive visitation.

Location technology helps marketers measure incremental visits, visit frequency, penetration and cross-visitation --as well as comparing effectiveness by campaign, message, target, and partner, determining how media strategies tie back to visit behavior. Need help on the below? Let's talk.

To Improve Visit Frequency...

Segment customers into fanatic (high loyalty), sporadic (moderately loyal), and defector (disloyal), to plan more effective CRM strategies, customizing communications with each segment to boost brand loyalty.

Measure media's impact on visit frequency, optimizing towards the most effective creative, targeting tactics and partners to maximize your return on investment.

Deliver proactive location-contextual messaging to consumers in times of consideration to intercept them on the path to purchase.

Tailor creative to consumer preferences and behaviors, which vary based on time of day. Conquesting by daypart (breakfast, lunch, dinner, and even late night) coupled with loyalty targeting will allow brands to connect with the right diners for the right occasion.

To Improve Share of Wallet...

Leverage location data to determine your **true competitive set** in the minds of your customers -- it may surprise you.

Build custom segments to conquest visitors from competitive chains, while accounting for their loyalty, daypart patterns, and region.

Build brand affinity by understanding and aligning with your customers' lifestyles, rather than driving one-off promotional visits.

Expand conquering strategies to include brands in adjacent categories where consumers also go for a bite, like convenience stores and casual dining chains.

Ready to Boost Your Customer Loyalty?

To Improve Penetration...

Uncover which QSRs are winning with different **demographic** and **psychographic** cohorts, enhancing **conquesting strategies** to reach new audiences based on the places they go in the physical world.

Measure whether **media strategies** are effectively driving visits from net new customers, versus existing brand loyalists.

To Improve Fanaticism...

Identify and connect with your most loyal customers, using their affinities and preferences for menu development.

Leverage location data to **derive meaningful insights** about your customers' lifestyles, tailoring promotions and rewards to their preferences, whether they skew healthy or on-the-go.



Want to know more?

For a detailed competitive analysis and a tailored strategy to boost your customers' loyalty, [contact us](#) today.

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