Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development
Vol. 25, Issue 1, 2025
PRINT ISSN 2284-7995, E-ISSN 2285-3952

ASSESSMENT OF RESTAURANTS AND OTHER FOOD SERVICE SECTOR: TRENDS AND ANALYSIS IN ROMANIA

Viorela Gabriela CIOBOTEA (PETRESCU), Elena TOMA (DIACONU)

University of Agricultural Sciences and Veterinary Medicine Bucharest, 59 Marasti, District 1, 11464, Bucharest, Romania, Phone/Fax: 00 40 744 6474 10; E-mails: viorelaciobotea@yahoo.com, elenatoma2001@yahoo.com

Corresponding author: elenatoma2001@yahoo.com

Abstract

The document focuses on the transformation and dynamics of the restaurant and food service market in Romania ranging from 2015 to 2022 with a special attention to the 2023 financial information. The research is based upon on particular information obtained from the National Statistics Institute and certain other financial related data bases in order to single out and address the major trends occurring in the sector. Analysis focuses on the economic variations, shifts in the consumption patterns of people, as well as the consequential effects on revenue and operational expenditures in the food service business. Furthermore, the analysis presents with national and regional dimensions of the sector development, the spatial imbalances, and the main determinants of the growth and the viability of the companies in this industry. The obtained results give important insights into the functioning of the restaurant and food service market place and explain in details the general state of the industry in the mentioned economic situation.

Key words**:** *restaurants sector, other food service activities, trends, financial assessment*

INTRODUCTION

In the past ten years, the restaurant industry has had a significant impact on society and the environment, especially in countries with a developed tourism sector or with a food culture integrated with social and tourist activities [9]. However, the entire food services sector comes with numerous challenges from year to year due to food waste [13] [14], the competitive environment [1], labor shortages [3], the quality of management practices [15] etc. Specialized literature has addressed these challenges by focusing on: identifying market changes, service quality in the food sector, economic efficiency of restaurants, service marketing, food safety and health, etc. [5].

Despite all the challenges in the field, in Romania, the entire hospitality industry has had a favorable evolution, with increases in turnover and the number of tourists even in the context of reduced investments in the sector [2]. Moreover, studies in the field analyze the food service sector in general in close correlation with the tourism sector, aiming to highlight: the connection with the tourism infrastructure [4] [6]; the place in the service sector [8]; the evolution of the workforce [11] [16]; the competitive environment [7]; financial aspects [10] etc.

MATERIALS AND METHODS

The research method adopted for this paper focused on some indicators specific to the restaurant and catering sector in Romania. These were selected to highlight how the sector has evolved from 2015 to 2022 and to underline its size at the county level in 2023. The difference in years between the selected ones is given by the fact that the National Institute of Statistics is currently providing, for the year 2022, while the website topfirme.ro is supplying financial data for the latest annual reporting year, respectively 2023. We consider that the statistical data allows us to outline the evolution of the sector in the last ten years, according to the dimensions of: size - number of firms; social dimension - number of employees; economic indicators - financial parameters. On the other hand, the financial data provided by the Topfirme.ro website gives us an image of the sector at county level both in terms of size

Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development
Vol. 25, Issue 1, 2025
PRINT ISSN 2284-7995, E-ISSN 2285-3952

(number of active companies), social aspect (number of employees), and economic by evaluating turnover and profit. The results are presented structurally and dynamically, through graphic and tabular representation.

RESULTS AND DISCUSSIONS

The evolution of the sector between 2015 and 2022

This section presents the evolution of the growth of public catering units since 2015 in different categories of restaurants of the CAEN code class 56. There is an increase in catering event units with home delivery, customers being more interested in ordering ready-made dishes, and a decrease of 11.9% in service activities in units in the last 7 years.

Table 1 studies the changes that occurred in the food service sector with reference to the number of enterprises and the average number of employees over the years 2015 to 2022, focusing on the three main sectors of restaurants and mobile food services (CAEN 561), event catering and other food services (CAEN 562), and beverage serving activities (CAEN 563). It illustrates the growth and decline of certain sub-sectors during these seven years.

Our analysis indicates the following: a growth in restaurants and event catering; a decline in beverage serving activities; a growth in employment.

The total number of enterprises grew by 15.6% from 20,075 in 2015 to 23,197 in 2022. Sub-sectored, restaurants and mobile food services recorded the largest growth, with a 39.8% increase in the number of enterprises. These trend changes suggest a buoyant market for eating-in and take-out establishments, probably influenced by changing consumer patterns and the rise of food delivery services. Likewise, event catering and other food services experienced 61.3% growth, thus indicating a recovery in catering establishments as a result of the re-establishment of social and corporate events post-pandemic.

On the contrary, the beverage serving sector (563) experienced a downward trend, with the number of enterprises becoming 87.1% of the 2015 figure. Changes in social customs, economic constraints, or more stringent regulations on alcohol consumption could be responsible for this decline.

The total number of employees grew by 16.3%, being in line with the growth of enterprises. The sectors of restaurant activities and event catering experienced growth in employment, whereas the employment levels in beverage service activities are noted to have declined by 16.3% in tandem with the decline in the numbers of businesses.

Table 1. Data for CAEN class 56 Restaurants and other food service activities (2015-2022)

	2015	2022	2022/ 2015 (%, +/-)
Number of enterprises			
Total	20,075	23,197	115.6
561 Restaurants and mobile food service activities	9,340	13,059	139.8
%	46.5	56.3	9.8
562 Event catering and other food service activities	1,066	1,719	161.3
%	5.3	7.4	2.1
563 Beverage serving activities	9,669	8,419	87.1
%	48.2	36.3	-11.9
Average number of employees			
Total	**118,177**	**137,482**	**116.3**
561 Restaurants and mobile food service activities	78,005	101,046	129.5
%	66.0	73.5	7.5
562 Event catering and other food service activities	9,032	10,777	119.3
%	7.6	7.8	0.2
563 Beverage serving activities	27,335	22,878	83.7
%	23.1	16.6	-6.5

Source: Own calculation on the basis of data from Tempo on line data base 2015-2022, NIS [12].

Table 2 provides an overview of the main financial indicators for the CAEN 561 restaurant industry in Romania, with all indicators expressed in constant 2022 prices over the 2015-2023 period. Data show significant increases in all the major financial indicators in the restaurant industry, demonstrating strong sectoral expansion albeit under challenging economic conditions.

Regarding revenue and profitability growth we observed that from 2015 to 2023 turnover increased from RON 8,343.5 million to RON 20,877.2 million (with 150.2%). Similarly, production for the period grew by 158.0%, reflecting higher activity levels in the sector. The contribution to the economy, as measured by gross value added at factor cost, raised threefold. Of importance is the growth in gross operating surplus by 448.7% and gross profit by 540.3%, marking a substantial turn for profitability.

Personnel costs rose close to 250.4 %, while wages and salaries seemed to increase even faster at 299.1 %. These numbers suggest significant increases in wages, possibly because of labor shortages, inflationary pressures, or minimum wage adjustments initiated by policies. Though the costs of labor appeared to have an effect on profits, it seems that the growth in revenue has compensated much more for these increased costs.

Net investments increased by 202.4% while tangible goods gross investments rose by 235.3%, indicating that infrastructure has continued to grow. Meanwhile, export turnover increased by 281.3%, indicating a greater perspective toward foreign markets, though its contribution to overall revenue is minuscule.

Table 2. Main indicators for CAEN 561 Restaurants (real values, constant prices 2022, million RON)

	2015	2023	2022/ 2015 (%)
Personnel costs	1,586.7	3,972.5	250.4
Wages and salaries	1,294.2	3,871.7	299.1
Turnover	8,343.5	20,877.2	250.2
Exercise production	8,182.7	21,111.4	258.0
Gross value added at factors cost	2,243.2	6,918.4	308.4
Gross operating surplus	656.5	2,945.8	448.7
Gross result of exercise	607.6	3,282.7	540.3
Direct exports	6.1	17.1	281.3
Net investments	456.5	923.8	202.4
Gross investments for tangible goods	648.4	1,525.8	235.3

Source: Own calculation on the basis of data from Tempo on line data base 2015-2022, NIS [12].

The sector dimension in 2023

At the country level, for 42 geographical areas with Bucharest as its capital, the following data can be found: Bihor County, a frequently accessed tourist area, has 604 economic units and 2630 employees; Brașov, a mountain town with 1 economic unit larger than Bihor but with 4122 employees in restaurants and services and a declared profit of 27.7 million euros. The most economic units are found in Bucharest with 2474 and 27902 employees, registering a profit of 208.3 million euros.

In 2nd place is the county of Constanta on the shores of the Black Sea with 1241 restaurants and a profit of 50.3 million euros. Due to seasonal work in public catering, the county of Constanta reports 5967 fewer employees than Brasov. Despite the mere 442 public catering units in Iasi County, 3720 registered employees generate a profit of 24 million euros. The lowest number of public catering units is in Covasna County, with around 109 locations. Bucharest and Cluj remain the top locations with a profit of 208.3% and 155.2%.

Like we may see, the data highlights significant regional disparities in the distribution of economic agents, turnover, employment, and profit in the restaurant sector. Bucharest leads in all indicators, reinforcing its position as Romania's primary economic hub. Cluj and Constanța follow, reflecting their strong tourism and business environments. The contrast with smaller counties like Covasna and Giurgiu, where both the number of establishments and profit margins are lower, indicates differing levels of economic activity and local demand.

Counties with strong tourism sectors—such as Brașov, Constanța, and Suceava—show robust figures in employment and profitability. The seasonal nature of hospitality jobs in Constanța, which has a high number of restaurants but fewer employees than Brașov, indicates reliance on temporary workers.

While Bucharest and Cluj report the highest profits (208.3% and 155.2%), some counties show higher profit-to-employee ratios. For instance, Suceava (2.6%), Constanța (2.72%), and Valcea (2.48%) demonstrate strong efficiency, likely due to a mix of tourism-related activity and lower operational costs.

The presence of many economic agents in Cluj, Timiș, and Iași suggests a growing business-friendly climate in these regions, driven by urban expansion, student populations, and increased disposable income.

Table 3. Main indicators for CAEN 561 Restaurants at county level

	Number of economic agents	% county	Turnover	% county	Number of employees	% county	Profit	% county
Alba	298	0.68	47.2	0.5	1,127	1.7	7.6	1.16
Arad	402	0.67	68.8	0.65	1,574	1.85	9	1.05
Arges	438	0.65	87.2	0.41	1934	1.44	12.4	1
Bacau	341	0.73	65	0.5	1,611	1.81	7.3	0.43
Bihor	604	0.68	103.4	0.8	2,630	2.21	17.4	1.58
Bistrita-Nasaud	249	0.72	45.2	1.01	991	2.1	7.3	1.71
Botosani	155	0.52	38.9	1.26	822	2.84	7.4	2.86
Brasov	605	0.73	222.9	1.26	4,122	2.81	27.7	1.9
Braila	180	0.69	35.2	1.13	926	2.72	4	1.4
Bucuresti	2,474	0.51	1,800	0.87	27,902	2.59	208.3	0.39
Buzau	210	0.58	47.1	0.75	1,155	2.16	6.5	1.37
Caras-Severin	216	0.84	28.2	1.53	744	2.73	3.1	2.03
Calarasi	145	0.61	28.2	0.87	527	2.14	4.9	2.17
Cluj	906	0.64	276.5	1.06	5,569	2.68	155.2	0.13
Constanta	1,241	1.34	308.7	1.64	5967	4.74	50.3	2.72
Covasna	109	0.57	20.6	0.84	503	1.88	1.6	0.76
Dambovita	255	0.58	71.6	1.26	1,658	3.22	7	1.34
Dolj	443	0.67	91	0.78	2,135	2.33	15.5	1.6
Galati	321	0.65	72.1	0.9	1,860	2.53	8.1	1.34
Giurgiu	119	0.49	16.5	0.59	414	1.63	2.4	0.9
Gorj	216	0.79	46.7	1.27	969	2.13	6.1	1.23
Harghita	205	0.65	43.5	1.03	1,269	2.62	4.6	1.16
Hunedoara	354	0.85	52	1.4	1,456	2.86	5.9	1.71
Ialomita	131	0.67	20.4	0.71	503	2.08	2.7	1.33
Iasi	442	0.51	188.8	1.77	3,720	3.21	24	1.8
Ilfov	709	0.7	202.4	0.49	3,605	1.82	25.4	0.73
Maramures	337	0.55	67.9	1	1,691	2.18	7.7	1.34
Mehedinti	113	0.54	22.5	1.96	576	3.34	4	2.99
Mures	448	0.74	92.9	0.77	2,205	2.35	16	1.84
Neamt	244	0.65	54.3	1.2	1,446	2.95	7.1	1.59
Olt	201	0.66	25.4	0.47	599	1.37	5.6	1.47
Prahova	531	0.67	117.7	0.62	2,488	1.64	15.3	0.9
Satu Mare	223	0.69	35.3	0.54	893	1.61	4.4	0.88
Salaj	151	0.54	23.9	0.78	578	2.05	3.8	1.03
Sibiu	406	0.69	100	0.79	2135	1.98	14	0.85
Suceava	446	0.82	193.4	2.55	3,919	5.09	19.7	2.6
Teleorman	127	0.39	26.9	1.17	699	2.7	2.6	1.25
Timis	753	0.66	213.5	0.89	3,896	2.08	29.4	1.45
Tulcea	127	0.59	25.6	0.92	627	2.49	3.8	1.65
Vaslui	116	0.51	29.1	1.15	781	2.01	3.9	1.84
Valcea	316	1.01	66.1	1.49	1,665	3.32	10.4	2.48
Vrancea	208	0.76	30.9	0.98	764	1.99	3.9	1.31

Source: Own calculation on the basis of data from topfirme.ro [17].

CONCLUSIONS

Public food services play a significant role in the economic and social development of the country. Analyzing the statistical data from the last 7 years of registered public catering companies, we find an increase in the number of consumer customers in different sectors, a higher percentage allocated to catering units and a very large number of employees in Bucharest and due to the large population.

Overall, the data suggest movement in the food services industry, with restaurants and catering food service keeping the flag high while non-conventional beverage service operations find it increasingly difficult to survive. Also, the figures show that the restaurant industry has enjoyed great success, with higher revenue generating growth, investment, and profitability. The rise in labor costs remains a challenge, however.

The restaurant industry in Romania reflects a concentration of activity in urban and tourist-heavy counties, with regional variations in profitability, workforce dynamics, and business density shaping the sector's evolution.

However, this analysis of the restaurant sector presents a number of regional disparities regarding the entities' distribution of business, size of workforce, and levels of profitability.

Bucharest is the paramount economic pole, with 2,474 restaurants and 27,902 employees, values that far exceed the number in other regions. It also reports the highest profitability, namely 208.3 million euros, highlighting the capital's strong consumer demand, higher purchasing power, and business density.

Also, tourism is one of the most important determinants of the restaurant industry. Both internal and international tourism determines the high level of employment and profitability in Brașov, Constanța, and Suceava. Brașov is a mountain resort and has 605 restaurants with 4,122 employees, while Constanța ranks second in the number of restaurants (1,241) but has fewer employees (5,967) because of seasonal features of employment.

While Cluj and Iași counties are behind Bucharest in terms of the number of companies, their profitability remain very high, at 155.2 million euros and 24 million euros, respectively. That means good business conditions in a big city favour further development. Covasna County has the smallest number of public catering units—109 businesses—expressing weak local demand.

Investment and business expansion

The counties with developing urban centres, such as Cluj, Timiș, and Iași, offer an excellent environment for restaurant businesses, favoured by a combination of economic growth, student populations, and business investments.

Data underlines the role of urbanisation, tourism, and economic development in the restaurant industry. Whereas Bucharest, Cluj, and Constanța remain among the best-performing locations, smaller counties seem to struggle to attract and maintain restaurant businesses. More investment, adapting to seasonal demand, and innovation in food services are likely to drive further development within the sector.

REFERENCES

[1]Alkhafaji, M.A., 2024, The Modern Food Industry: Trends, Challenges, and Innovations. Iraqi Journal of Market Research and Consumer Protection, 16(1), pp. 135-145. https://www.iraqoaj.net/iasj/download/6837408c8ddf76b4, Accessed on January 05, 2025.

[2]Băneș, A., Raicov, M., Orboi, M.D., Iosim, I., 2018, Study on Investments in Hotel and Restaurant Industry in Romania. In 5th International Multidisciplinary Scientific Conference on Social Sciences and Arts, SGEM 2018, Albena, Bulgaria, Section (Vol. 4). https://shorturl.at/n5wkl, Accessed on January 10, 2025

[3]Bradley, D.M., Elenis, T., Hoyer, G., Martin, D., Waller, J., 2017, Human Capital Challenges in the Food and Beverage Service Industry of Canada: Finding Innovative Solutions. Worldwide Hospitality and Tourism Themes, 9(4), pp. 411-423. https://www.emerald.com/insight/content/doi/10.1108/whatt-04-2017-0017/full/html, Accessed on January 05, 2025.

[4]Constantin, D.L., Reveiu, A., 2018, A Spatial Analysis of Tourism Infrastructure in Romania: Spotlight on Accommodation and Food Service Companies. Region, 5(1), pp. 1-16. https://www.econstor.eu/handle/10419/235780, Accessed on January 05, 2025.

[5]DiPietro, R., 2017, Restaurant and Foodservice Research: A Critical Reflection Behind and an Optimistic Look Ahead. International Journal of Contemporary Hospitality Management, 29(4), pp. 1203-1234. https://www.emerald.com/insight/content/doi/10.1108/ijchm-01-2016-0046/full/html, Accessed on January 11, 2025.

[6]Hontus, A.C., 2015, Sustainable Tourism Development - Important Component of Spatial Touristic Planning. Scientific Papers. Series "Management, Economic Engineering in Agriculture and Rural Development", Vol. 15(1), pp. 211-218. https://managementjournal.usamv.ro/pdf/vol.XV_1/Art29.pdf , Accessed on January 11, 2025.

[7]Horodnic, I.A., Williams, C.C., Horodnic, A.V., 2016, Are Practices of Competitors in the Informal Sector a Major Threat for Hotels and Restaurants? Yearbook of "Gheorghe Zane" Institute for Economic Research Iasi, 25(1), p. 49. https://shorturl.at/ETzk0, Accessed on January 11, 2025.

[8]Jugănaru, I.D., 2019, The Dynamics of the Economic and Financial Efficiency, in Correlation with the Size of the Human Resources Used by Companies in the Services Sector in Constanţa County, Romania. Annals Economic Sciences Series, Vol. XIX, Issue 1,

p. 221. https://ibn.idsi.md/sites/default/files/j_nr_file/Full-Vol.-XIX-Issue-1-1.pdf#page=234, Accessed on January 10, 2025.

[9]Leogrande, A., Restaurant Businesses in OECD Countries. LUM University Giuseppe Degennaro, Casamassima, Bari, Puglia, Italy, EU; LUM Enterprise s.r.l., Casamassima, Bari, Puglia, Italy, EU; University of Bari Aldo Moro. https://shorturl.at/arECH, Accessed on January 05, 2025.

[10]Marcuta, A., Marcuta, L., 2022, Study on the Implications of the Application of the Specific Tax on the Profitability of Economic Entities in Tourism and Public Food. Scientific Papers. Series "Management, Economic Engineering in Agriculture and Rural Development", Vol. 22(1), 393-398. https://managementjournal.usamv.ro/pdf/vol.22_1/Art46.pdf, Accessed on January 18, 2025.

[11]Marin-Pantelescu, A., 2017, The Perspectives of Romania Hospitality Employment. International Journal of Academic Research in Accounting, Finance and Management Sciences, 7(9.3), pp. 126-130. https://shorturl.at/s2V3R, Accessed on January 20, 2025.

[12]National Institute of Statistics, Tempo Online. http://statistici.insse.ro:8077/tempo-online/, Accessed on January 05, 2025.

[13]Papargyropoulou, E., Steinberger, J.K., Wright, N., Lozano, R., Padfield, R., Ujang, Z., 2019, Patterns and Causes of Food Waste in the Hospitality and Food Service Sector: Food Waste Prevention Insights from Malaysia. Sustainability, 11, 6016. https://www.mdpi.com/2071-1050/11/21/6016, Accessed on January 18, 2025.

[14]Rocha, A., Viegas, C., 2023, Challenges of Food Service Towards Sustainability Beyond Food Waste. https://repositorio-aberto.up.pt/handle/10216/151028, Accessed on January 20, 2025.

[15]Sunmola, F., Burgess, P., Wertheim-Heck, S., 2024, Challenges and Hotspots in Food Supply Chain Quality Management Practices. Total Quality Management & Business Excellence, 35(11-12), pp. 1296-1330. https://www.tandfonline.com/doi/full/10.1080/14783363.2024.2367607, Accessed on January 10, 2025

[16]Tapescu, A.I.M., 2015, Romanian versus Bulgarian Tourism Labour Market Analysis. Procedia Economics and Finance, 27, pp. 375-384. https://www.sciencedirect.com/science/article/pii/S2212567115010096, Accessed on January 10, 2025

[17]Top Firme.ro, Top firms from Romnaia, https://www.topfirme.com/, Accessed on January 5, 2025.