Quarterly Foodservice Reports and Trends

Q4 2025

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- Operator and Consumer Survey Data
- 2026 Sales and Flavor Forecasts
- Distributors

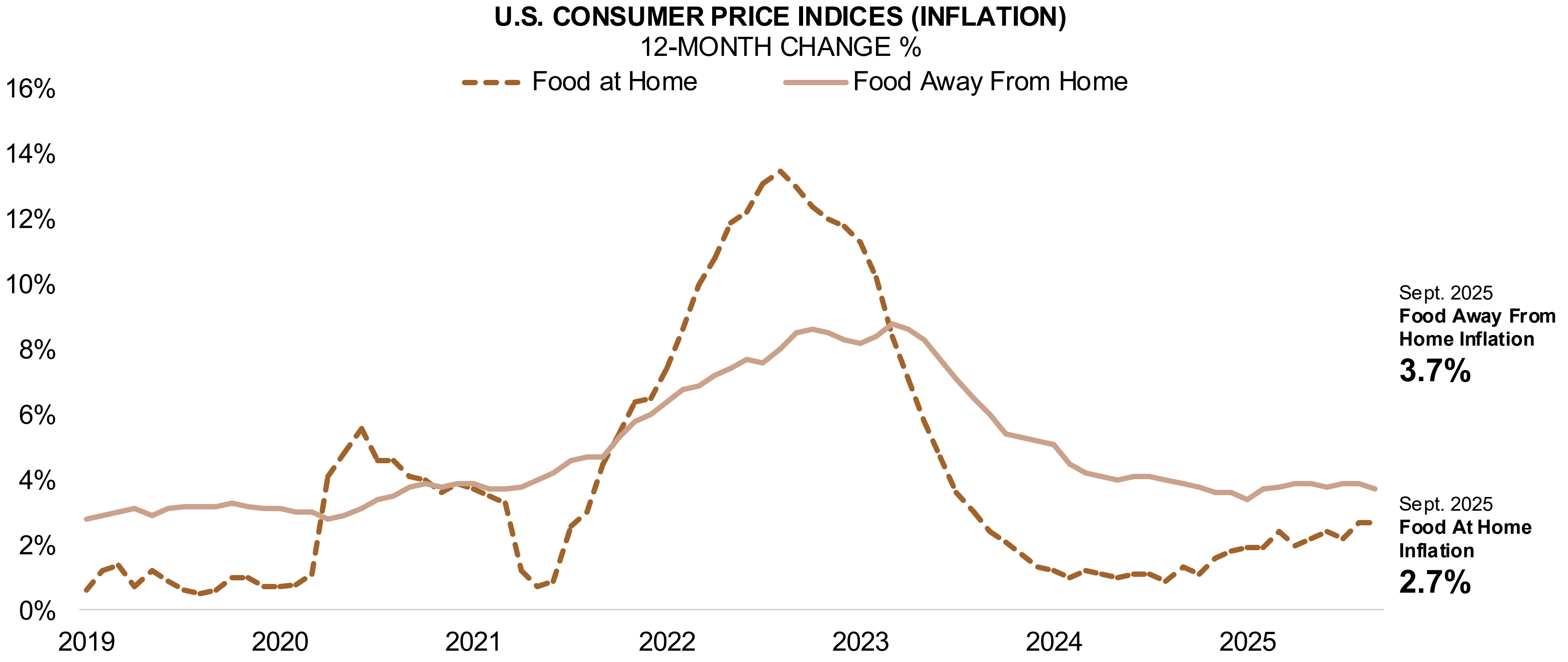
Full reports can be found on the Foodservice Teams page below:

Foodservice Reports

Industry Performance, and Operator Reporting and Concerns

Consumer Price Index - Food

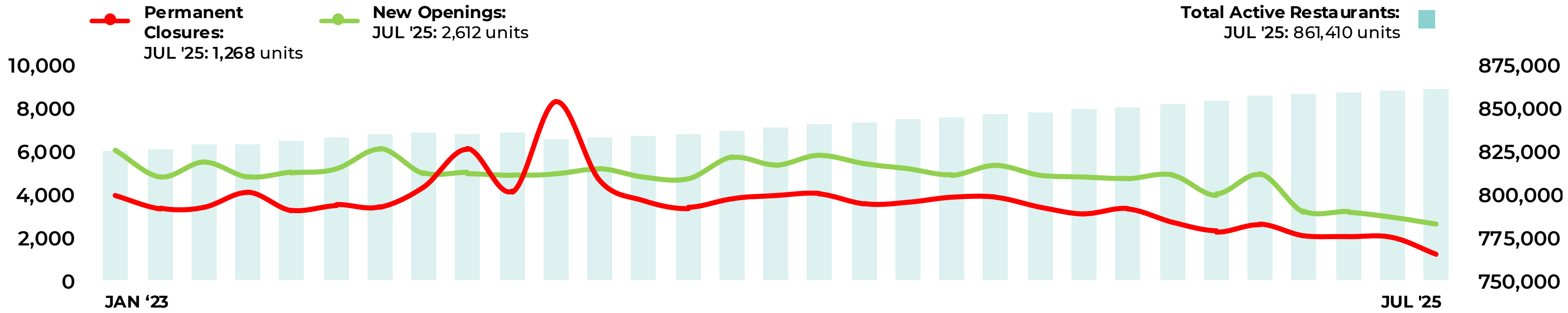
- Away-from-home food is still seeing higher inflation vs. at-home, however the gap is closing over the past few months



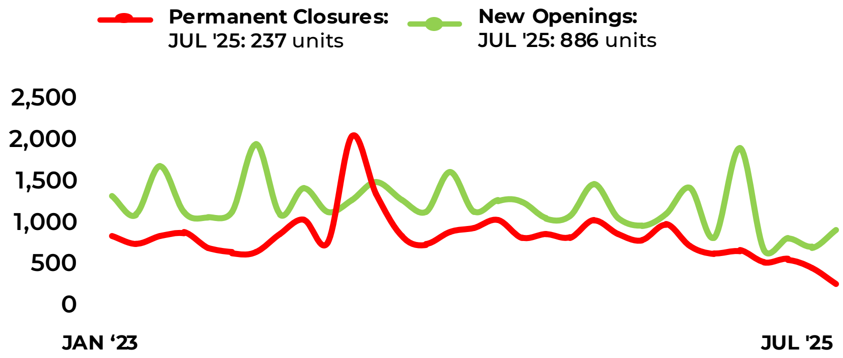
Source: Bureau of Labor Statistics and Technomic

Openings and Closings

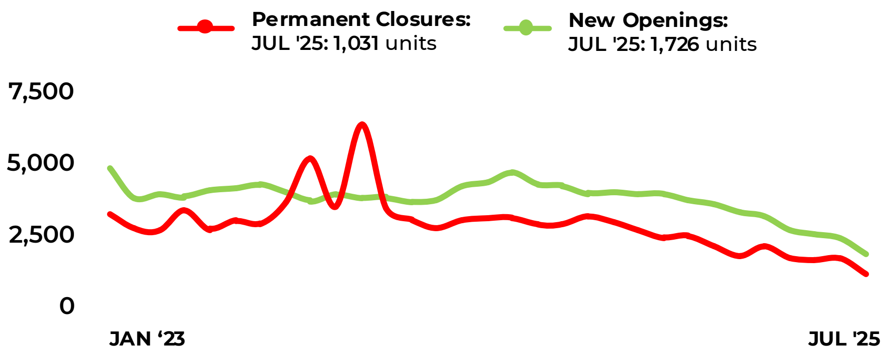
RESTAURANT OPENINGS & CLOSINGS: ALL RESTAURANTS



RESTAURANT OPENINGS & CLOSINGS: CHAINS



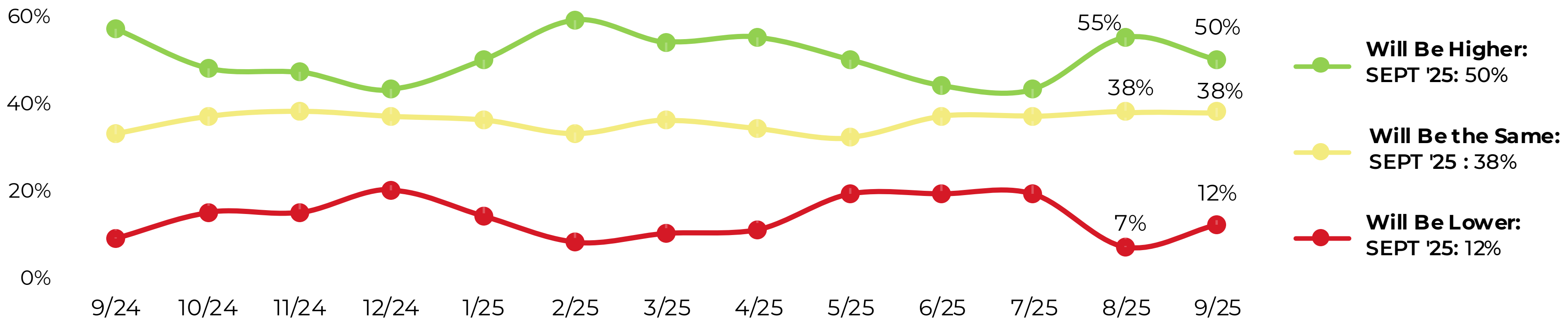
RESTAURANT OPENINGS & CLOSINGS: INDEPENDENTS



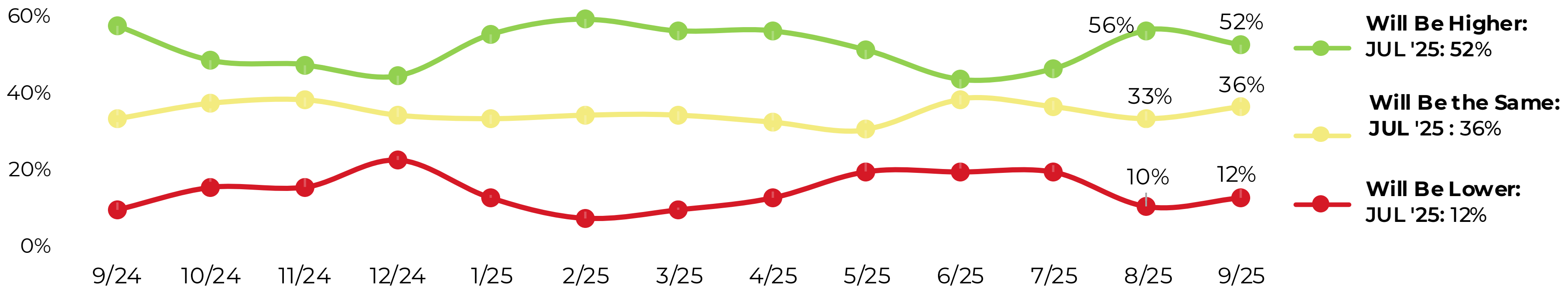
Source: Datassential

Operator Business Expectations

OPERATOR: TRAFFIC EXPECTATION FOR MOST RECENT MONTH



OPERATOR: SALES EXPECTATION FOR MOST RECENT MONTH



Source: Datassential

Operator Challenges and Profit Strategies

WHAT ARE OPERATORS' TOP OPERATIONAL CHALLENGES?

	AUG '25	SEP '25	1-mo. change
Food costs	78%	76%	-1%
Labor costs	57%	49%	-8%
Labor recruitment / hiring	29%	33%	4%
Retaining current staff	29%	31%	1%
Customers reducing how much they spend	18%	27%	9%
Customers reducing how often they visit	17%	22%	5%
New sources of competition in my area	7%	10%	2%
Marketing / promoting our business	6%	8%	3%
New laws or regulations	10%	8%	-2%
Sourcing challenges / ingredient shortages	6%	7%	1%
Innovating / updating our menu	6%	4%	-1%
Other	2%	3%	0%

WHAT KINDS OF PROFITABILITY STRATEGIES HAVE OPERATORS IMPLEMENTED?

	AUG '25	SEP '25	1-mo. change
Launched new items / LTOs	30%	32%	2%
Raised menu prices	27%	30%	3%
Focused on value	23%	30%	6%
Invested in technology / automation	16%	15%	0%
Reduced menu size	15%	15%	0%
Sourcing more online from suppliers	12%	15%	2%
Transitioned toward off-premise	11%	12%	1%
Switched / added new distributors	12%	8%	-3%
Reduced hours of operations	11%	8%	-4%
Reduced seating capacity	5%	4%	-1%

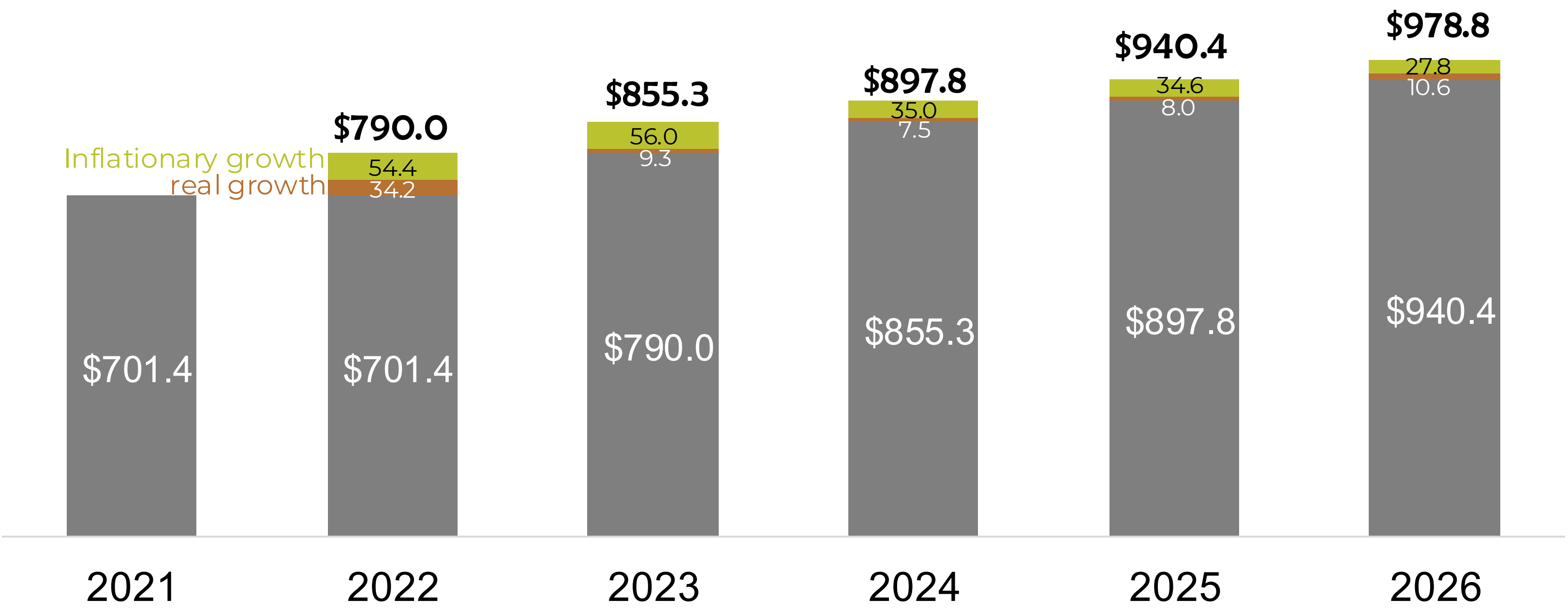
Source: Datassential

2026 Sales and Flavor Forecasts

Consumer Spend by Year

Prepared food and non-alcoholic beverages (billions)

- From 2021 to 2026 25% real growth….and 75% inflationary growth



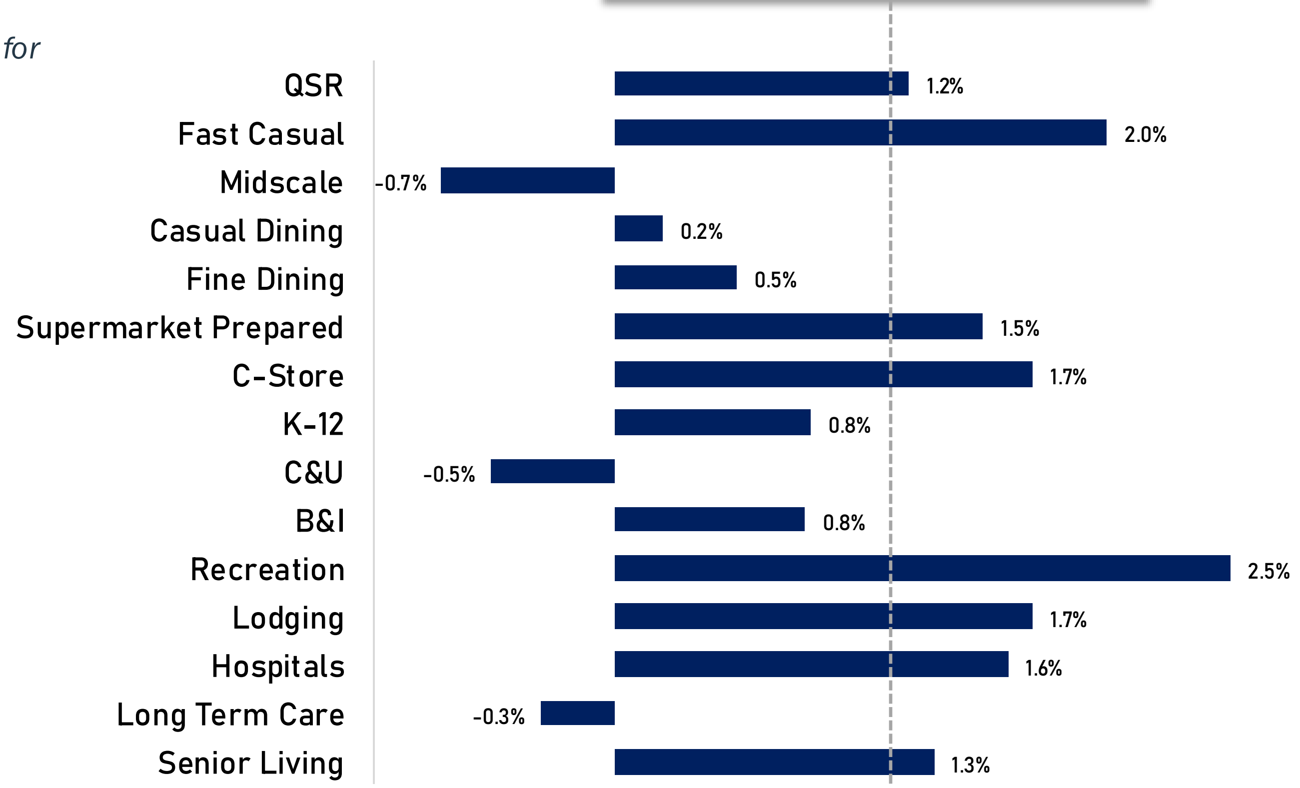
Source: Datassential

2026 Projected Growth by Segment

Prepared food and non-alcoholic beverages

Real growth = adjusted for inflation

1.1% overall industry projected real growth



Source: Datassential

New Classics for 2026 - Flavors/Ingredients

10 New Classics for 2026 is comprised of foods, flavors, and beverages that have become "new classics."

These items may not be "new," per se, but they're now cemented as a must-have for many consumers and can be leveraged across segments and retailers. Some New Classics also earned their spot on this list because they're "old dogs" who have learned "new tricks" – such as tomato, a ubiquitous ingredient, that is being used in new, unexpected ways. This list is by no means exhaustive, but it should be considered as you build out menu and retail strategies for 2026.

1. **Basque Cheesecake**
   What it is: A type of cheesecake with an intentionally golden-brown "burnt" top that gives way to a creamy, custardy, mousse-esque texture inside.

2. **Lemon Pepper**
   What it is: A spice blend featuring dried lemon zest, black pepper, and salt that's taking off in categories like chicken wings.

3. **Butter Chicken**
   What it is: An Indian dish featuring chicken in a mild curry with a tomato and butter or heavy-cream base. It's now appearing as a flavor for items ranging from pizza to burgers.

4. **Smashed**
   What it is: From smashed potatoes to smashburgers to smashed cucumber salads, the smashing technique has gone viral on social media and is a simple yet effective method for increasing flavor.

5. **Hot Honey**
   What it is: A hallmark of the "swicy" (sweet and spicy) trend, hot honey is a sweet-meets-spicy condiment made by infusing honey with chiles.

6. **Tomato in Unexpected Applications**
   What it is: Tomatoes, which are on 85% of menus, are being used in unexpected ways – think "tomato dust" garnishing cocktails/mocktails or starring in desserts or smoothies.

7. **Birria**
   What it is: Traditional birria is made with stewed goat, but it has evolved into a social media sensation featuring tacos filled with beef and cheese. New iterations such as birria pizza or birria burgers are increasingly popping up.

8. **Texture in Food/Beverages**
   What it is: Whether it's tapioca pearls, jelly cubes, or red beans in boba or crispy kataifi in Dubai chocolate, expect the unexpected as more foods and beverages are being studded with textures that add to the experience.

9. **Ube**
   What it is: A purple, Filipino potato that can be used as a blank canvas and add social media-worthy color to everything from cloud lattes to croissants.

10. **Monosodium Glutamate (MSG)**
    What it is: The tide is turning on once-misunderstood MSG, which can add umami to nearly any dish or beverage.

Source: Datassential

Operator Menu Data

WHAT NEW CLASSICS ARE OPERATORS OFFERING? WHICH DO THEY WANT TO OFFER?

	Currently offer it	Don't offer it but interested	Don't offer it and not interested
Lemon Pepper	50%	25%	25%
Hot Honey	41%	35%	23%
Smashed	30%	34%	37%
Unique Texture in Foods/Beverages	17%	35%	48%
Monosodium Glutamate (MSG)	17%	22%	62%
Butter Chicken	16%	37%	47%
Birria	16%	35%	50%
Basque Cheesecake	10%	44%	47%
Tomato in Unexpected Applications	8%	29%	63%
Ube	7%	27%	65%

Source: Datassential

Future Flavors for 2026

Our list of 10 Foods, Flavors, & Beverages for the Future walks the line between innovative/trend-forward yet approachable and rooted in reality.

How does one decide which "out there" food, flavor, or beverage is "out there" enough to be unique, but not so out there that it's not even worth talking about? It's the difference between something like fermented black beans, which is unlikely to ever be in Ubiquity on the MAC, but also has more traction going than, say, ant yogurt. Not all of the following foods, flavors, and beverages will be right for every business, but we've worked to balance some farther out trends (grass jelly) with more widely-applicable nearer-term trends (piloncillo).

1. **Stracciatella**
   What it is: A fresh, creamy, Italian cheese made from shredded mozzarella and cream that's the luscious filling inside burrata and could be used as an elevated swap anywhere burrata or fresh mozzarella are used.

2. **Camu kadaifi**
   What it is: This small Brazilian berry has the potential to be the next big superfood, as it boasts high levels of vitamin C and antioxidants. It's typically mixed into smoothies.

3. **Char Siu**
   What it is: A classic Chinese preparation featuring red-hued, sweet and savory BBQ pork that can be applied to a variety of different animal proteins.

4. **Piloncillo**
   What it is: Lean into piloncillo as consumers turn to natural sugars. This Latin American brown sugar can add complex notes of caramel and molasses to everything from drinks like café de olla to baked goods.

5. **Peruvian Black Mint (Huacatay)**
   What it is: Peruvian black mint has notes of mint, citrus, basil, and tarragon and could add global flair to any dish or beverage featuring traditional mint. It also stars in aji de huacatay, a green sauce/salsa that could be the next chimichurri.

6. **Ataya Tea**
   What it is: A Senegalese tea made with gunpowder green tea leaves, sugar, and mint, and features a foamy top that could appeal to lovers of coffee foam while also capitalizing on the teatime trend.

7. **Som Tum**
   What it is: Sweet, spicy, sour, and salty som tum is a quintessential Thai green papaya salad that can be easily customized to meet a variety of consumer preferences and serve as flavor inspiration for beverages.

8. **Ancient Grain Beer**
   What it is: Combining beer with health and sustainability-forward trends, ancient grain beer is brewed with ancient grains such as African fonio or quinoa.

9. **Fermented Black Beans**
   What it is: Black soybeans that have been fermented with salt and a fermenting agent similar to koji. While often used in a sauce to add funk to dishes, fermented black beans can also be used whole to add texture.

10. **Grass Jelly**
    What it is: Made with Chinese mesona (an herb that's part of the mint family), this jet-black jelly dessert is often featured as a topping/add-in to beloved boba.

Source: Datassential

FIBER TO THE MAX

FIBER IS THE NEW PROTEIN

What it is: Gut health and GLP-1s are trending, and with that, manufacturers and retailers are focusing on fiber (which can naturally increase the GLP-1 hormone in the body) and calling it out on food/beverage packaging. Fibermaxxing, a TikTok trend where consumers try to fit as much fiber as possible into a recipe or dish, is further propelling the fiber trend.

Why it matters: Fiber is set to be the next big health trend following on the heels of protein, particularly at retail, where new products are popping up highlighting fiber in relation to gut health. Notably, over half of consumers say that when thinking about their health in 2026, consuming more foods/beverages for gut health will be important to them.

Where to find it: Retail

Source: Datassential

Consumers looking for Fiber

- When Datassential asked consumers how important various attributes were when thinking about their health in 2026, increasing fiber intake was behind increasing protein intake only by a tiny (nearly negligible) margin – 51% compared to 52% – indicating a shift from protein being the big health trend to fiber.

- In line with the growth of the overarching gut health trend and the rise of GLP-1s, fiber (which can naturally increase the GLP-1 hormone in the body, according to NPR, with some fibers ”more potent at triggering GLP-1 release and at regulating hunger than others”) could overtake protein in the year(s) ahead as a primary callout on products at retail.

- A new type of diet called fibermaxxing has taken off on TikTok, which could further propel the fiber trend forward. While fibermaxxing isn’t widely recognized yet (only 12% of consumers overall know what it is, but that number jumps to 21% of Gen Z), once consumers know what it involves (simply maximizing fiber intake by making high-fiber recipes and consuming high-fiber foods/beverages), 52% are interested in trying it, revealing that there’s a broad market for high fiber products and the concept of fibermaxxing.

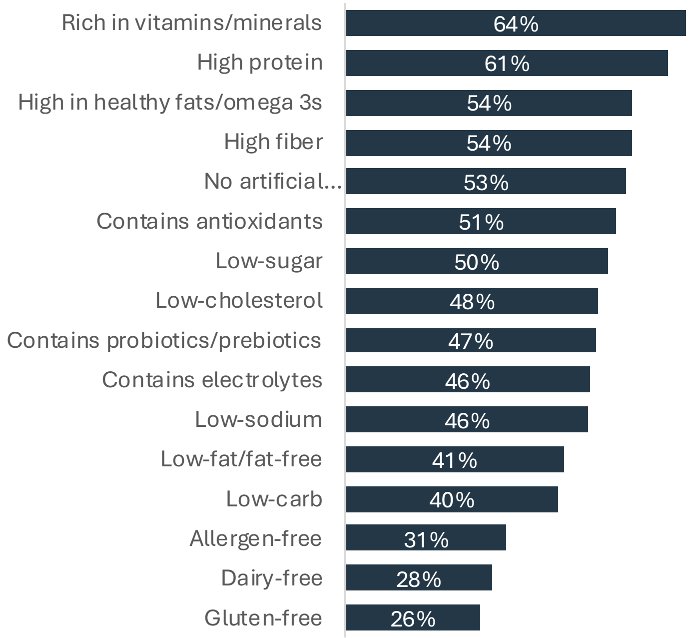
- Operators are not currently taking advantage of the fiber trend – only 22% say they already offer high-fiber items and promote that to patrons – making it a missed opportunity.

Source: Datassential

Consumer and Operator

There's a clear gap when it comes to consumer interest in foods/beverages featuring health-forward attributes like fiber and operators who are marketing or highlighting it on menus and product labels.

How interested are consumers in foods/beverages with the following health-related attributes?



Are operators promoting foods/beverages they already offer with the following health-related attributes to patrons?

	Offer items with this and promote that to patrons	Already offer items with this, but do NOT promote it to patrons	Don't offer items with this
High protein	38%	46%	16%
Allergen-free	32%	39%	29%
Low-sugar	29%	42%	29%
Low-carb	28%	44%	27%
Low-fat/fat-free	28%	45%	27%
High fiber	22%	41%	37%
No artificial flavors/dyes/preservatives	21%	45%	34%
Low-sodium	20%	48%	32%
Low cholesterol	18%	45%	37%
High in healthy fats/omega-3s	17%	43%	40%
Rich in vitamins/minerals	17%	48%	35%

LEFT: How interested are you in foods/beverages with the following attributes? (n=1005 consumers | top-2, 5 pt. scale). Fielded September 2025.
RIGHT: For each of the following, do you...? (n=359 operators). Fielded September 2025.

Source: Datassential

MEAT'S BACK ON THE MENU

PLANT-BASED MEAT HAS PLATEAUED

What it is: Plant-based meat and seafood products have plateaued, both in retail store sales as well as in terms of consumer sentiment. Many consumers are getting back to basics and returning to eating animal meats such as beef, poultry, and pork.

Why it matters: Now is the time to rethink your protein strategy as consumers are shifting back toward animal meat as well as seeking out center-of-plate vegetables (cauliflower steaks, etc.) that simply let garden goodies shine.

Where to find it: Retail & foodservice

Source: Datassential

Consumer and Operator Opinions

72%

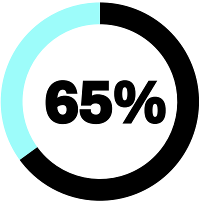
OF CONSUMERS SAY ANIMAL MEAT IS MORE SATISFYING TO THEM THAN PLANT-BASED MEAT ALTERNATIVES

34%

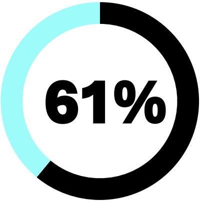
OF CONSUMERS SAY THAT WHEN THINKING ABOUT THEIR HEALTH IN 2026, **IT WILL BE IMPORTANT TO THEM TO CONSUME MORE ANIMAL MEAT**

72%

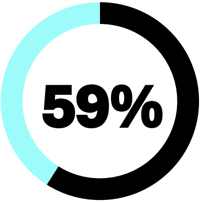
OF OPERATORS SAY EVEN IF PRICES ARE HIGHER ON ANIMAL MEAT, THEY GET MORE “BANG FOR THEIR BUCK” WITH ANIMAL PROTEIN



OF CONSUMERS SAY THAT, IN GENERAL, ANIMAL MEAT IS MORE “NATURAL” TO CONSUME THAN PLANT-BASED MEAT



OF CONSUMERS AGREE ANIMAL MEAT IS MORE VERSATILE THAN PLANT-BASED MEAT



OF CONSUMERS SAY THEY REGULARLY CRAVE ANIMAL MEAT – EVEN IF THEY DON’T CONSUME IT

Source: Datassential

What Does it Mean to Operator/Manufacturer

Overall, the plant-based meat category has stalled, and consumers are turning back to animal meat.

Some of the key factors propelling animal meat back to the forefront as plant-based meat plateaus include the following:

- Millennials are <u>largely leading the charge back to animal meat</u>, spurred by factors such as how over 40% have kids (think about the inherent meatiness of many kids' diets, from meatballs to chicken nuggets).
- Most consumers see animal meat as more natural (65%) and satisfying (72%) compared to plant-based meat.
- Despite innovation, 67% of consumers say there are dishes where plant-based meat will just "not ever" replace the comfort, texture, or taste of animal meat.
- Price is a determining factor for choosing animal meat for 61% of consumers (versus 43% who say the same for plant-based meat).

- While many consumers crossed the road to see what all the fuss about plant-based chicken and meat was all about, most have made up their minds that sometimes, nothing beats the "real thing" – **72% of consumers say animal meat is more satisfying than plant-based meat alternatives**, and 67% say there are dishes where plant-based meat just won't cut it and can't replace the comfort, texture, or taste of animal meat.

- **If you're a manufacturer, lean into animal meat and highlight its versatility.** Operators (88%), in general, see animal-based meat as a long-term trend, while 55% believe meat alternatives are a short-term fad that's fizzling out. Two-thirds of operators also say animal meat is more versatile than plant-based meat, making versatility a talking point to hit home when looking to sell animal-based meat offerings.

Source: Datassential

WHAT TYPES OF PROTEIN DO OPERATORS OFFER? WHAT DON'T THEY WANT TO OFFER?

% OF OPERATORS THAT CURRENTLY OFFER WITH NO PLANS TO CHANGE	% OF OPERATORS WHO DON'T OFFER AND ARE NOT INTERESTED IN OFFERING
Beef – 67%	Plant-Based Seafood – 60%
Poultry – 67%	Plant-Based Pork – 54%
Pork – 57%	Wild Game – 52%
Sausage/Hot Dogs – 57%	Plant-Based Sausage/Hot Dogs – 51%

Source: Datassential

Power 50 Broadline Distributors Report

November 2025

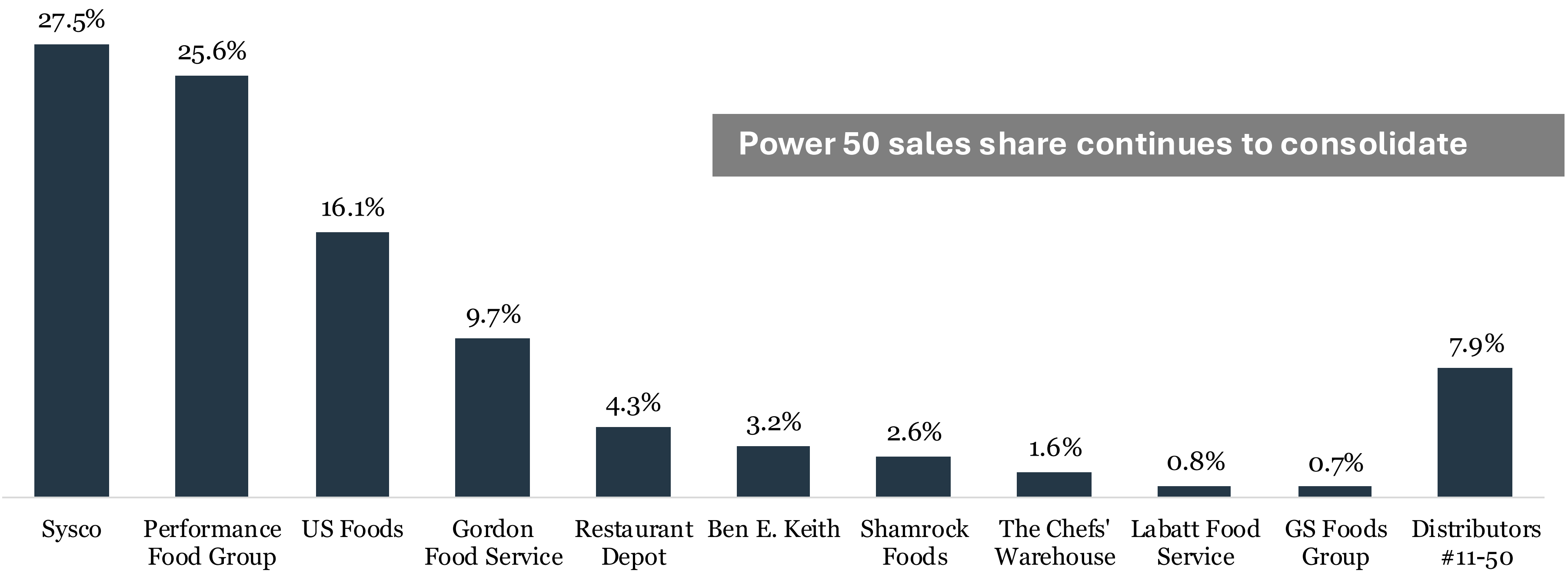
Top Broadliners Sales and Growth

- TOP 10 BROADLINE DISTRIBUTORS
- RANKED BY U.S. SALES VOLUME

Rank	Company Name	2024 U.S. Sales ($B)	Annual Change %
1	Sysco	$64.6	4.2%
2	Performance Food Group	$60.1	3.9%
3	US Foods	$37.9	6.4%
4	Gordon Food Service	$22.7	5.7%
5	Restaurant Depot	$10.2	5.5%
6	Ben E. Keith	$7.4	6.0%
7	Shamrock Foods	$6.0	5.4%
8	The Chefs' Warehouse	$3.8	10.5%
9	Labatt Food Service	$1.8	4.1%
10	GS Foods Group	$1.6	10.1%

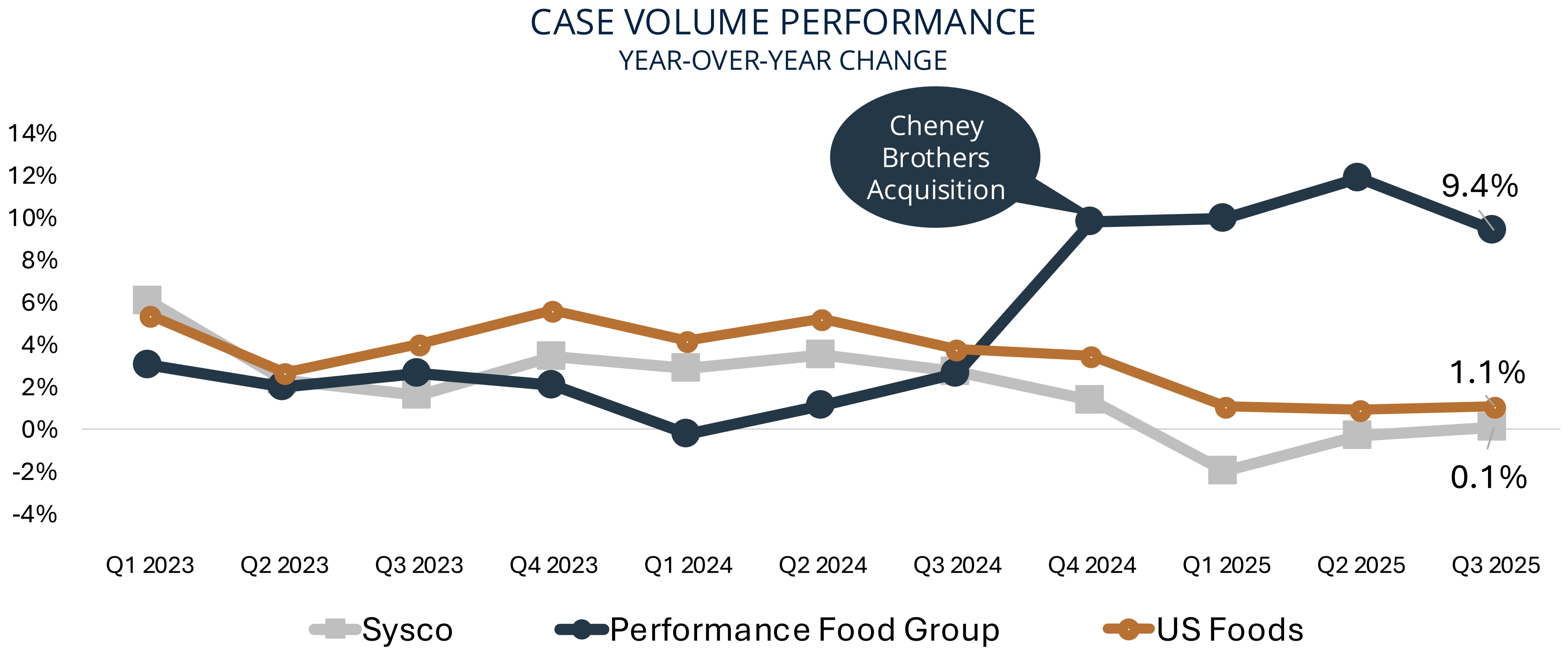
Source: Datassential

Market Share – Share of Power 50



Source: Datassential

Case Volume – Annual Growth %



Source: Datassential

Foodservice Buyer in 2025

11% - Gen Z (18-31)

59% - Millennials (32-47)

18% - Gen X (48-58)

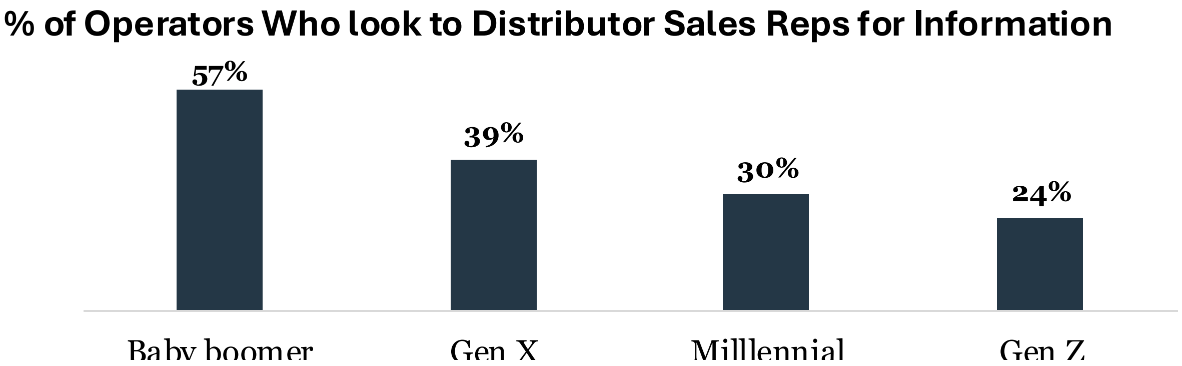
12% - Baby Boomers (59-78)

42

Median age of the foodservice buyer

Source: Datassential

Generational Differences



Generational differences exist for information sources

All Generations	Millennial	Gen Z
1. Distributor website/apps (tie)	1. Distributor website/apps	1. General internet search
1. Distributor sales representative (tie)	2. General internet search	2. Distributor website/apps
3. General internet search	3. Distributor sales representative	3. Manufacturer website/apps
4. Manufacturer website/apps	4. Manufacturer website/apps	4. Manufacturer sales reps

Source: Datassential

Thank You

For any questions, or for further detail on any topics, please email

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