



Quarterly Foodservice Reports and Trends

Q3 2026



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- Industry Sales, Inflation and Traffic Update
- Pork on the Menu
- 2027 Industry Forecast
- Distributor Report
- Bacon Trends

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

Foodservice Reports

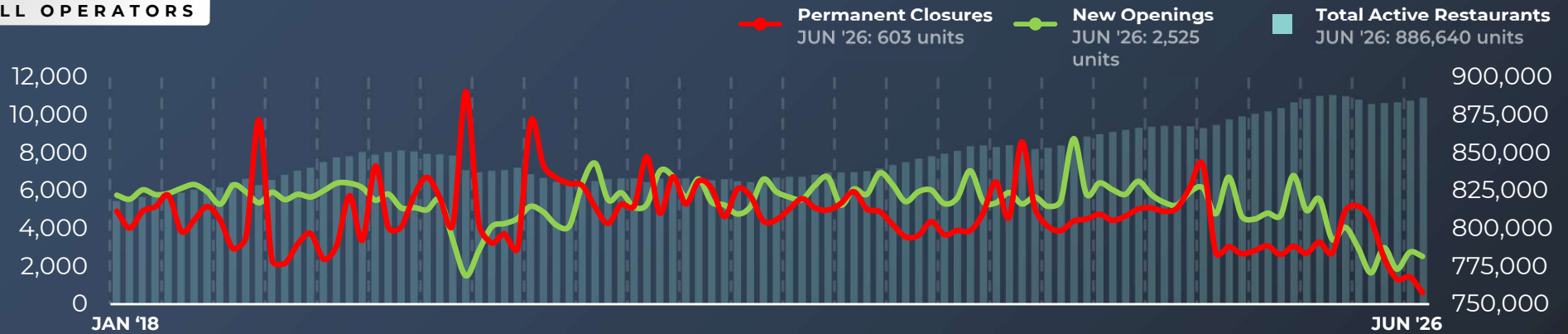
**Sales, Inflation,
Operator/Consumer
Sentiment**

**Datassential,
Technomic, and
Kinetic**

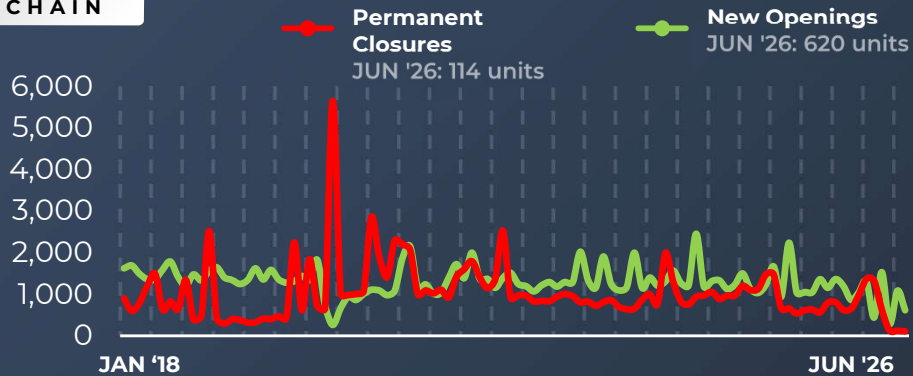


Foodservice Openings & Closings

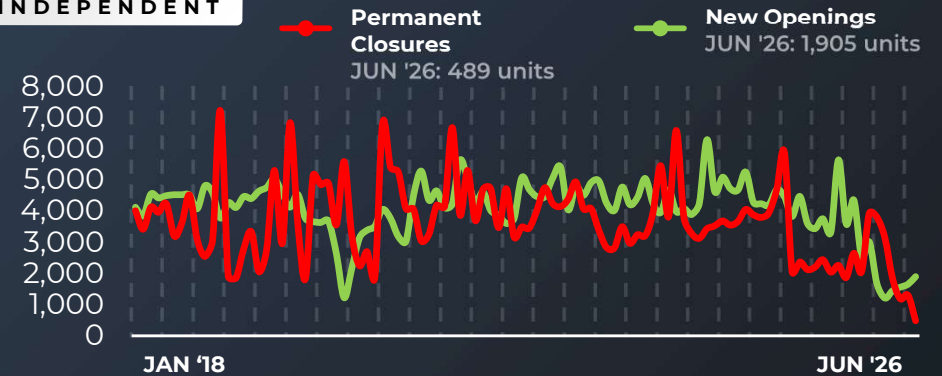
ALL OPERATORS



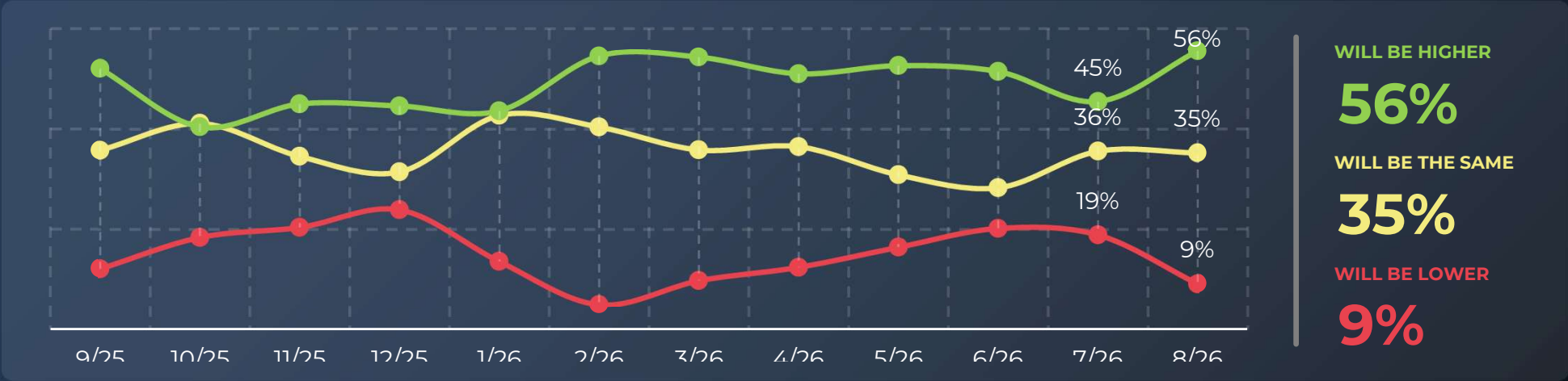
CHAIN



INDEPENDENT

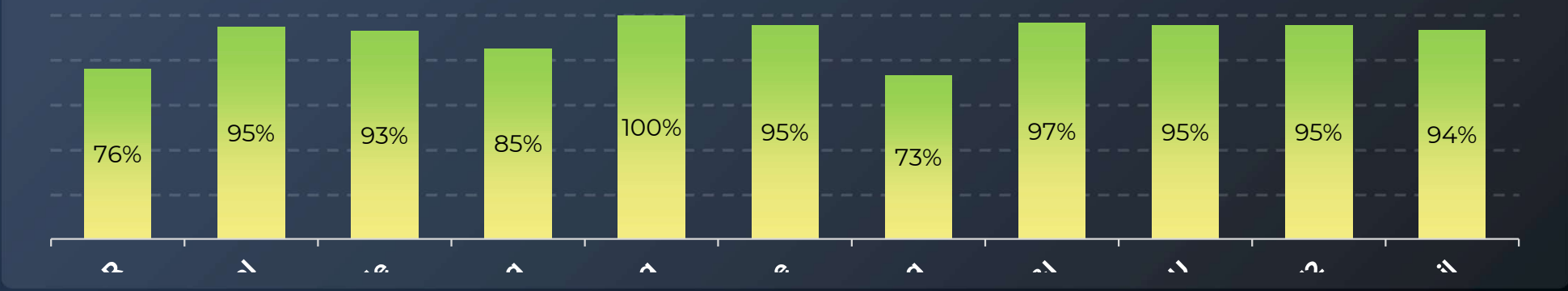


Operator: Sales Expectation For The Upcoming Month



BY SEGMENT

TOP 2 – “Will Be Higher” + “Will Be The Same”



Operator: Current Challenges & Future Goals

What Are Operators' Top Operational Challenges?

	07/26	08/26	1-mo. change
Food costs	75%	75%	0%
Labor costs	53%	55%	2%
Labor recruitment / hiring	27%	32%	5%
Customers reducing how much they spend	26%	27%	2%
Retaining current staff	25%	26%	1%
Customers reducing how often they visit	26%	25%	-1%
New laws or regulations	11%	9%	-2%
Sourcing challenges / ingredient shortages	7%	7%	1%
Marketing / promoting our business	8%	7%	-1%
Innovating / updating our menu	5%	6%	1%
New sources of competition in my area	9%	5%	-4%
Other	2%	1%	0%

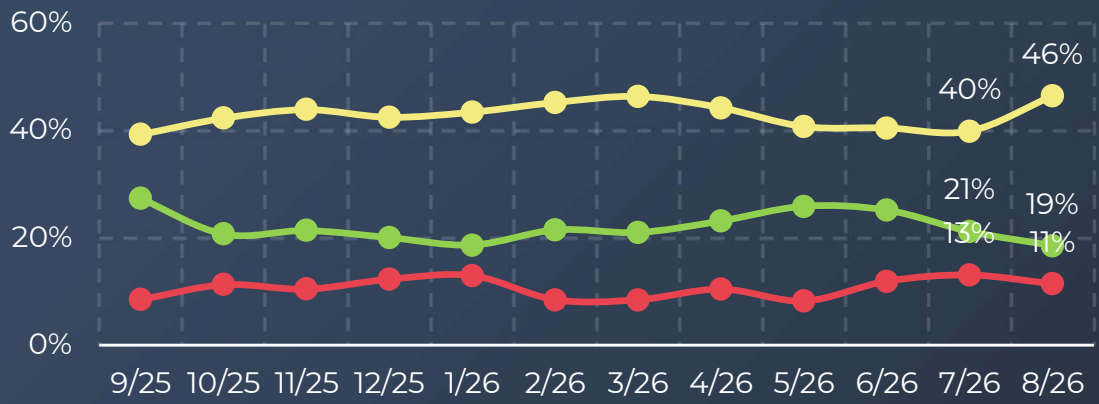
What Business Goals Are Operators Prioritizing This Month?

	07/26	08/26	1-mo. change
Reducing monthly food cost	47%	42%	-5%
Improving our labor / staffing situation	32%	31%	-1%
Increasing our earnings / bottom line	27%	29%	3%
Increasing our average check	27%	27%	1%
Improving customer satisfaction / feedback	24%	25%	2%
Increasing our revenue / top line	22%	22%	1%
Reducing monthly business expenses	26%	22%	-4%
Improving employee capabilities	18%	19%	1%
Developing / launching new menu items	13%	18%	5%
Expanding marketing / promotional efforts	9%	12%	3%
Improving speed of service	10%	8%	-2%
Expanding loyalty and rewards programs	5%	7%	2%
Adjusting our physical layout / ambiance	5%	6%	1%
Forging new supplier / distributor relationships	5%	3%	-2%
None of the above	2%	2%	0%

Operator: Monthly Sales Changes By Daypart

BREAKFAST

In the past month, **76% of operators offered breakfast service**, particularly on-site (98%) and retail segments (94%).

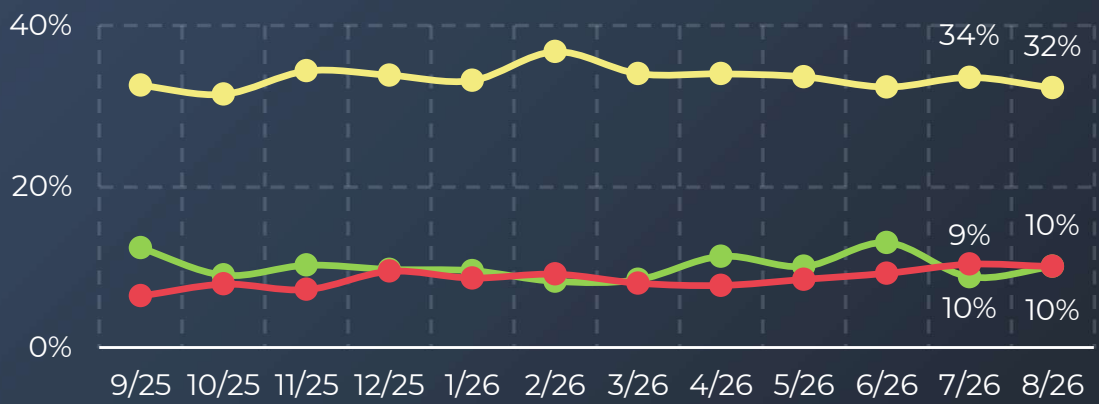


Sales Change Compared To The Prior Month

INCREASED	STAYED THE SAME
19%	46%
DECREASED	DO NOT OFFER
11%	24%

BRUNCH

In the past month, **52% of operators offered brunch service**, particularly restaurants (58%) and retail segments (90%).



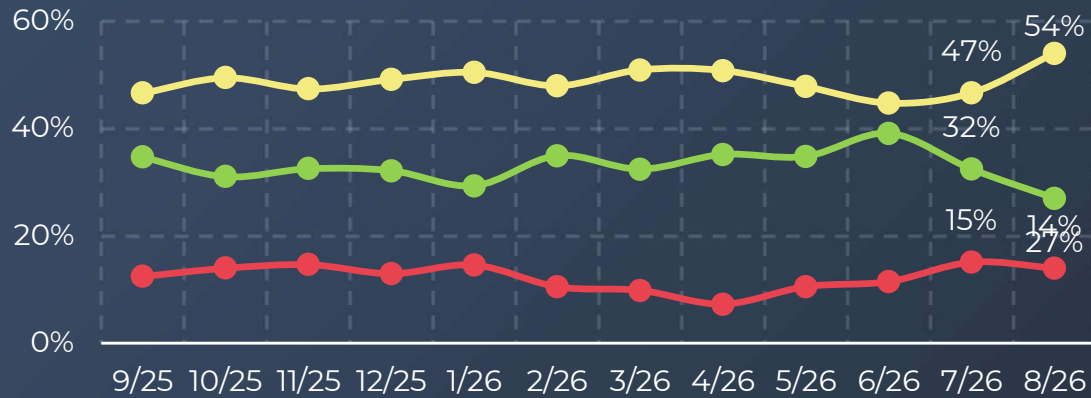
Sales Change Compared To The Prior Month

INCREASED	STAYED THE SAME
10%	32%
DECREASED	DO NOT OFFER
10%	48%

Operator: Monthly Sales Changes By Daypart

LUNCH

In the past month, **95% of operators offered lunch service**, with no significant differences across broad channels.



Sales Change Compared To The Prior Month

INCREASED

27%

STAYED THE SAME

54%

DECREASED

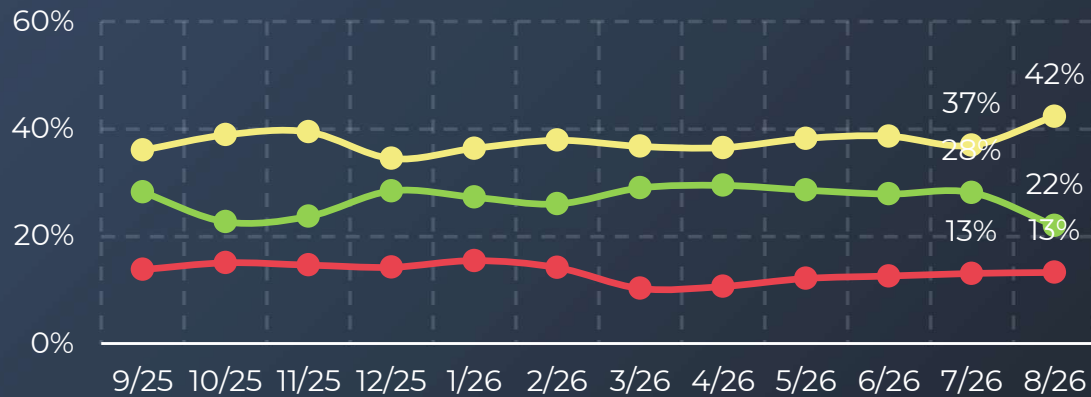
14%

DO NOT OFFER

5%

DINNER

In the past month, **78% of operators offered dinner service**, particularly restaurants (92%) and retail segments (94%).



Sales Change Compared To The Prior Month

INCREASED

22%

STAYED THE SAME

42%

DECREASED

13%

DO NOT OFFER

22%

BUSINESS PERFORMANCE & GROWTH PRIORITIES

TRAFFIC IS UNIVERSAL. THE PRESSURE UNDERNEATH IT IS NOT.

Traffic leads across the major segments, but each segment is solving a different version of the same problem. LSR/QSR is more exposed to execution and franchisee consistency; Fast Casual is watching underperforming stores and loyalty; FSR feels food cost, pricing and overhead more sharply.

Supplier conversations need to move past broad industry claims and connect solutions to the economics, operating model and decision pressure of the specific segment.

Top business challenges anticipated in coming months — by segment



Multi-select • % of respondents within each segment • n: Overall=113, LSR / QSR=29, Fast Casual=35, FSR=32 (Multi-segment, n=17)

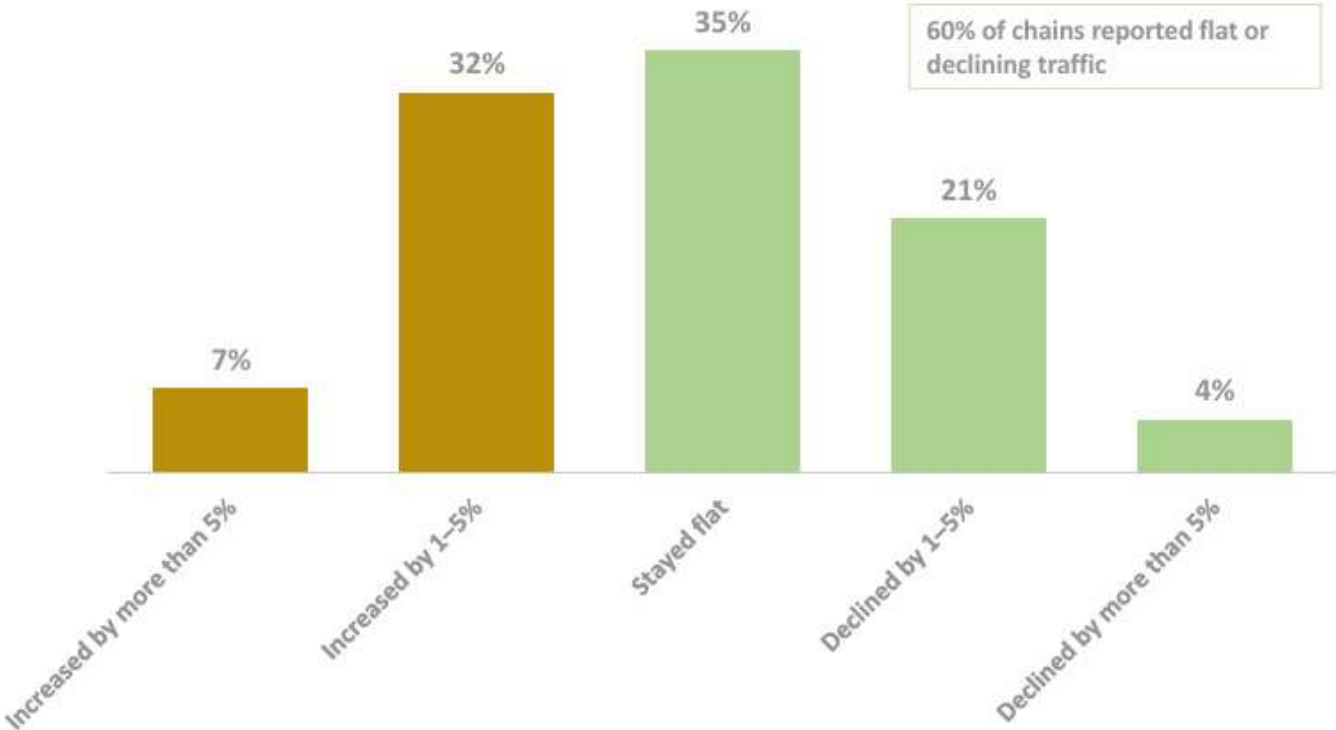
BUSINESS PERFORMANCE & GROWTH PRIORITIES

TRAFFIC IS HOLDING — BUT MOMENTUM IS UNEVEN.

Recent traffic performance is mixed rather than collapsing. That is better than a broad downturn, but it still creates little room for error. Growth cannot depend on the market lifting everyone at once.

Operators need sharper reasons to visit, stronger value signals and more dependable execution to build momentum brand by brand, occasion by occasion.

Change in average unit patron traffic over the past month



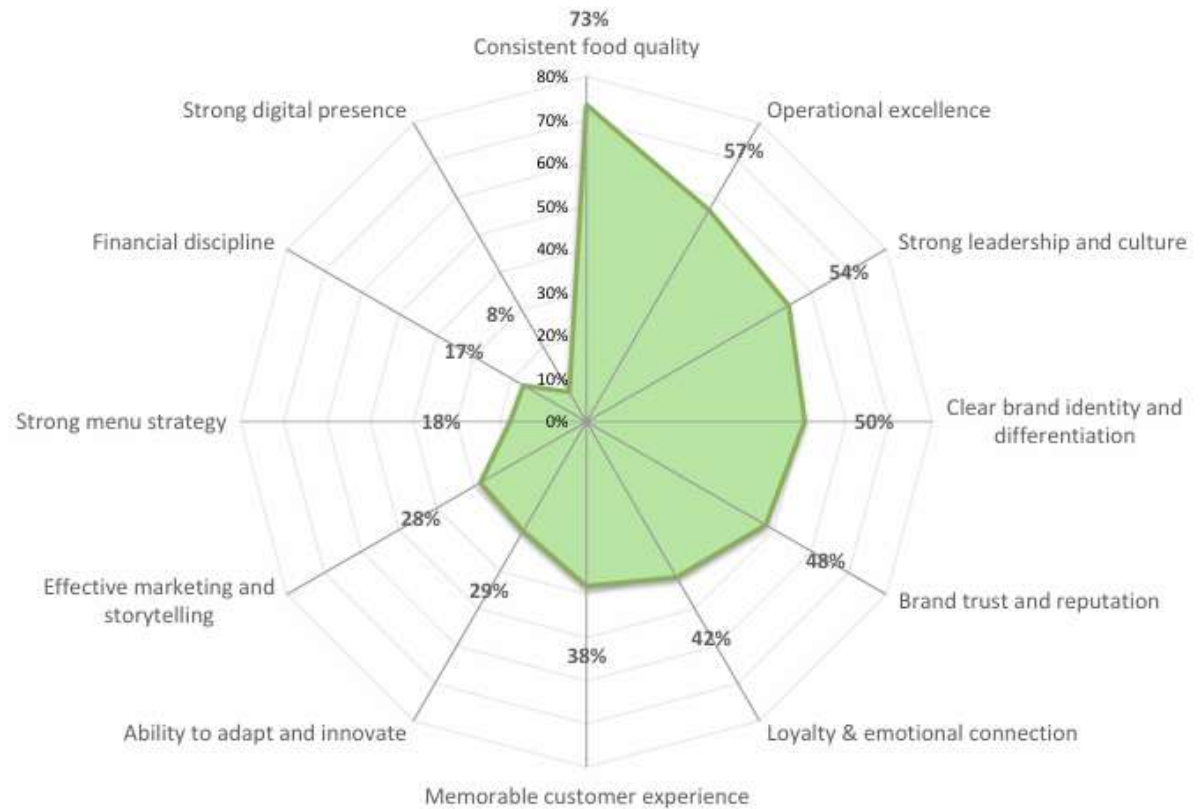
Single-select. Base: n = 113

THE BRAND PROMISE IS ONLY AS STRONG AS THE OPERATION BEHIND IT

Operators define strong brands through consistent food quality, operational excellence, leadership, differentiation and trust—not marketing alone. That creates a hard truth: a compelling brand can attract a guest once, but inconsistent delivery quickly erodes what the brand worked to build.

Bringing suppliers closer to the brand promise gives both sides a stronger filter for innovation. **When products, processes and experiences are designed around what the brand must consistently deliver, differentiation becomes something the operation can sustain—not just something marketing can claim.**

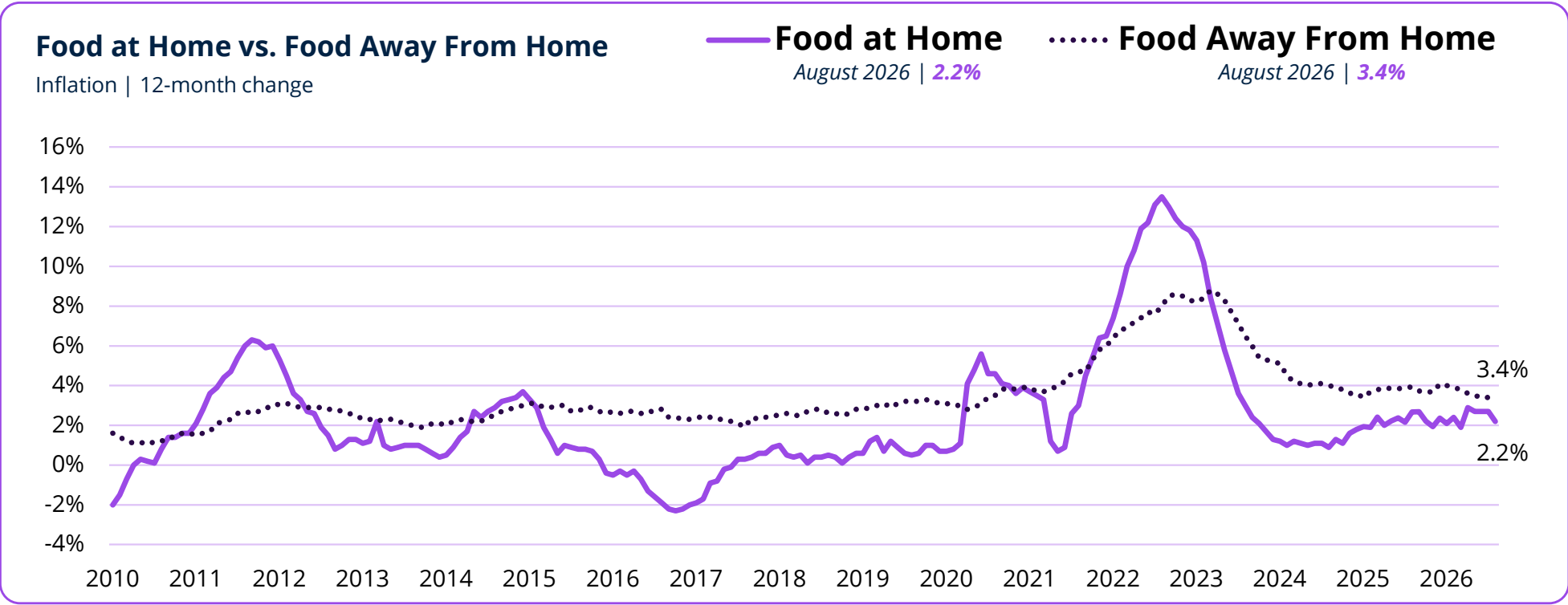
Key components of a successful restaurant brand



Multi-select — respondents chose several options, so percentages sum to >100%. Base: n = 113

U.S. Consumer Price Index – Food Pricing Inflation

The consumer price index for food away from home grew by 3.4% over the trailing 12-month period ending in August compared to a 2.2% increase for food at home



Source: U.S. Bureau of Labor Statistics

U.S. Consumer Price Index – Menu Inflation

Full-service restaurant prices increased by 3.5% over the 12-month period ending in August, while limited-service restaurant prices rose by 3.2%

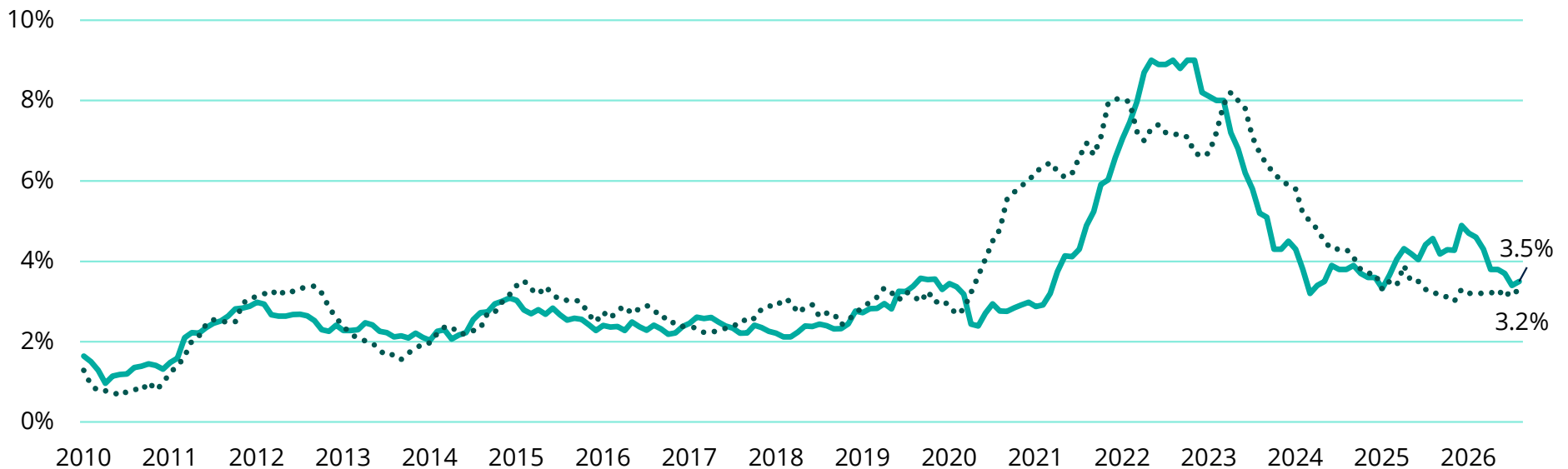
Full- vs. Limited-Service Restaurants

Inflation | 12-month change

— Full Service Limited Service

August 2026 | 3.5%

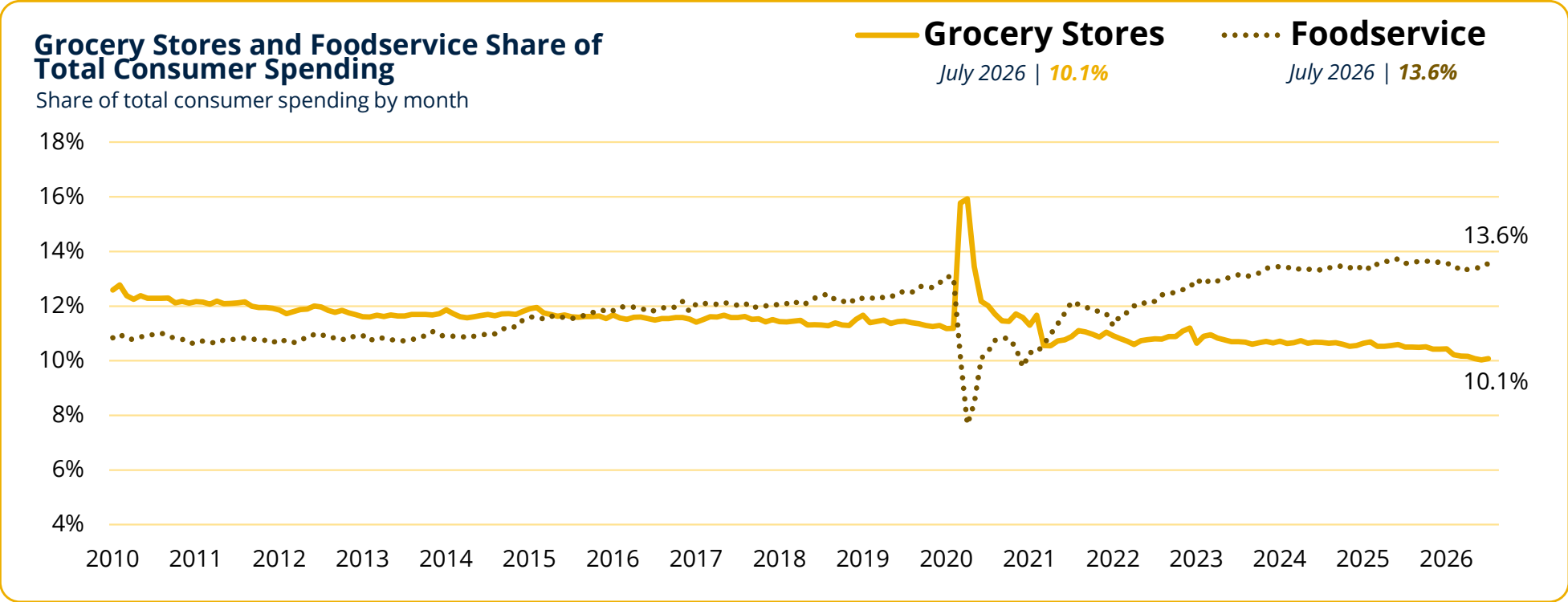
August 2026 | 3.2%



Source: U.S. Bureau of Labor Statistics

U.S. Consumer Spending – Food Spend

Foodservice and grocery stores combined to account for 23.7% of all U.S. consumer spending in July



Source: U.S. Census Bureau; Monthly Trade Report
*Note: Grocery store sales data does not include grocery items purchased at club/warehouse stores, convenience stores and general merchandise stores

Pork on The Menu

Datassential

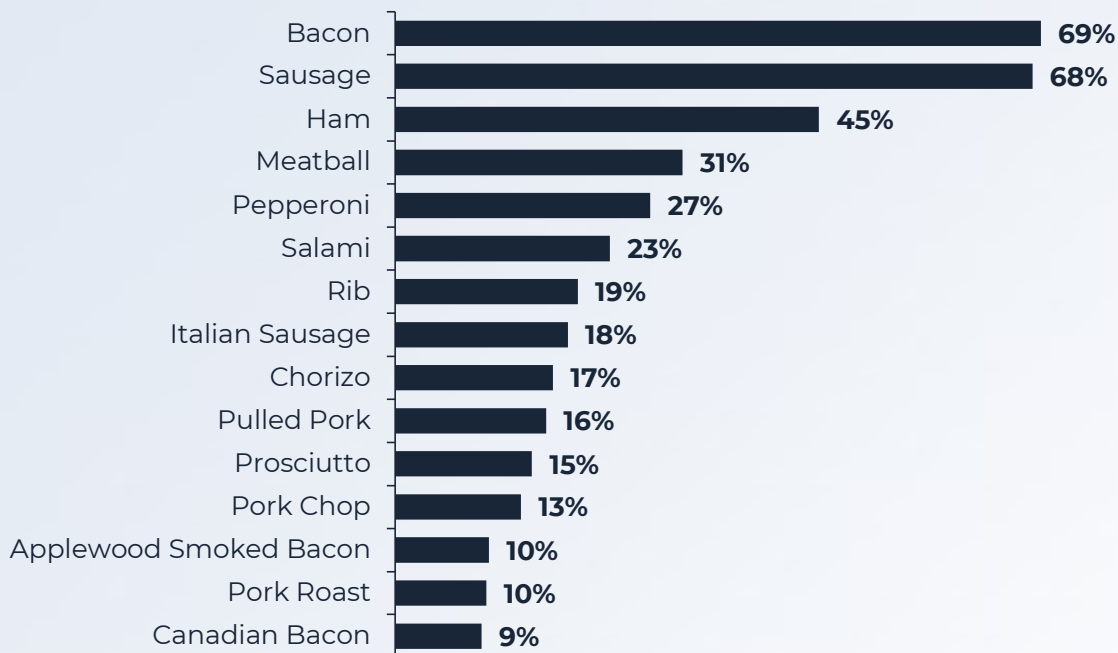


PORK VARIETIES & CUTS

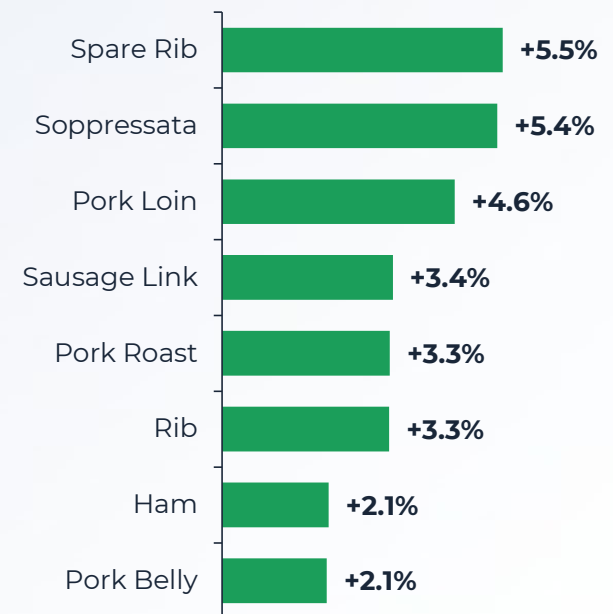
Q2 2026

Bacon and sausage remain menu staples across foodservice, while ribs, pork roast, and specialty cuts drive the category's momentum this quarter.

Current Menu Penetration



Trending Now — Past 12-Mo Growth

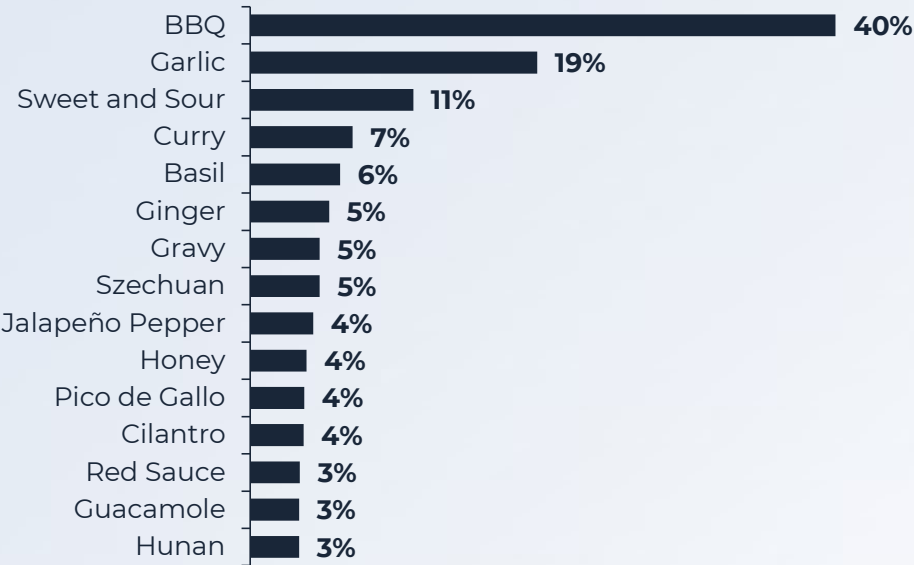


FLAVORS PAIRED WITH PORK

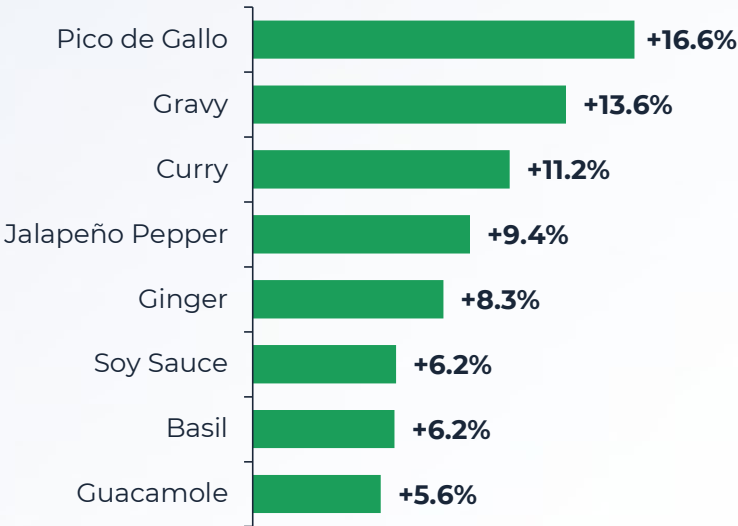
Q2 2026

BBQ and garlic dominate pork flavor pairings, while bright, global notes — pico de gallo, gravy, curry, and ginger — are climbing fastest.

Current Menu Penetration



Trending Now — Past 12-Mo Growth



ON THE HORIZON Projected 4-yr growth: Curry +47% · Basil +41% · Ginger +21%

PRICING TRENDS

Q2 2026

Premium cuts command the highest menu prices, and most pork items held steady or edged up over the past year — tracking broader food inflation.



2027 Industry Forecast

Datassential



Restaurant operators began raising menu prices in late 2022 to offset higher food and labor costs. Initially, elevated grocery inflation limited the impact on traffic. But as grocery inflation slowed in late 2023 and 2024, dining at home became relatively more affordable, prompting some consumers to cut back on restaurant visits.

Global food prices reached a two-year high in August 2025, and the war in Iran has added food and fertilizer supply pressures that could drive further increases. We expect menu inflation to continue outpacing grocery inflation, requiring operators to deliver distinctive offerings and experiences that attract diners while protecting margins.

Inflation is modeled as follows:

- 3.8% in 2025
- 3.8% in 2026
- 3.3% in 2027
- 3.0% in 2028

**FOOD-AWAY-FROM-
HOME INFLATION WILL
REMAIN ELEVATED.**



KEY PREDICTION

**RESTAURANT
LOCATION
TURNOVER WILL
STABILIZE.**

After steady growth in 2025, restaurant counts remained essentially flat through May 2026, with modest spring gains offsetting early-year declines. Openings and closures both slowed well below 2025 levels, suggesting operators are neither aggressively expanding nor broadly retreating.

Quick service and casual dining led activity, while fine dining—the smallest segment—saw the least movement. American, Mexican, and Coffee/Bakery concepts accounted for the most openings and closures, reflecting broader industry stabilization.



KEY PREDICTION

**HIGHER-INCOME
HOUSEHOLDS DRIVE
AN OUTSIZED SHARE
OF INDUSTRY SALES.**

There are indicators that lower-income consumers are pulling back on their restaurant spending and the industry (especially QSR and casual dining) is working to draw them back in with value deals. And while we need these consumers for strong growth, the reality is they do not account for the bulk of the dollars spent at restaurants. According to the Bureau of Labor Statistics, households with income over \$100,000 make up almost 60% of restaurant spending and those under \$50,000 make up just 20% of spending.

The industry should think of ways (hello value meals!) to keep lower-income consumers coming in the door, but should also not forget the very impactful higher-income consumers who may be more motivated by premium and innovative offerings. The industry needs to find ways to appeal to both high- and low-income consumers to maximize growth.



U.S. population grew just 0.5% from mid-2024 to mid-2025, as net international migration fell from 2.7 million to 1.3 million. Amid tighter immigration policy, the Census Bureau projects a further decline to 321,000 by mid-2026, the lowest level in more than 60 years, excluding 2020. Around 2030, deaths are expected to exceed births, making net immigration the sole driver of population growth.

Generational shifts continue to shape foodservice. Millennials increasingly have children at home, and these households have remained resilient despite higher prices. Retiring Boomers are showing renewed interest in food and choosing more urban, food-focused communities. Racial and ethnic diversity will continue increasing, though slower immigration may delay the “majority-minority” milestone until the late 2040s or beyond—extending the timeline for foodservice to adapt.

KEY PREDICTION

**DEMOGRAPHIC SHIFTS
WILL SHIFT THE
FOODSERVICE
LANDSCAPE.**



FOODSERVICE TOTAL

2027 Operator Spend (\$B)

\$359.6

2027 Consumer Spend (\$B)

\$1,023.4

2025 Actual
Real Growth

0.8%

2026 Projected
Real Growth

0.8%

2027 Projected
Real Growth

0.9%

2028 Projected
Real Growth

1.1%

2027 INDUSTRY
FORECAST

DATAESSENTIAL

FOODSERVICE LANDSCAPE

generated 09.09.2026

2027 OVERVIEW

CHAIN / CM
% of locations that are either chains or contract managed

VISIT RATE
% of consumers who visited that segment in a typical month

2026 Growth
actual REAL growth rate (adjusted for inflation) between 2025 and 2026

2027 Growth
projected REAL growth rate (adjusted for inflation) between 2026 and 2027

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 **DATASSENTIAL**

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	LANDSCAPE		2027 OPERATOR SPEND (\$B)					2027 CONSUMER SPEND (\$B)				PROJECTIONS	
	Units	Chain / CM	Total	Share	Food	Beverage	Packaging	Total	Share	Per Loc.	Visit Rate	2026 Growth	2027 Growth
RESTAURANTS	929,694	36%	\$210.7	59%	\$152.5	\$32.6	\$25.6	\$694.4	68%	\$746,907	81%	+0.5%	+0.7%
QSR	420,759	51	93.2	26	64.3	17.0	12.0	358.6	35	852,358	64	+0.7	+0.8
Fast Casual	118,624	52	25.5	7	17.9	4.1	3.5	91.2	9	768,547	31	+1.2	+1.4
Midscale	114,841	17	22.4	6	16.8	3.1	2.4	62.2	6	541,330	31	-0.7	-0.5
Casual Dining	230,579	16	64.1	18	49.2	7.7	7.1	168.6	16	731,086	39	+0.2	+0.5
Fine Dining	6,210	23	3.8	1	3.1	0.4	0.3	9.4	1	1,514,182	17	+0.5	+0.8
Food Truck	38,526	8	0.7	<1	0.5	0.1	0.1	2.2	<1	56,565	12	+1.5	+1.5
Ghost/Virtual Restaurants	155	n/a	1.1	<1	0.8	0.2	0.1	2.3	<1	14,627,867	<1	+5.0	+5.0
RETAIL FOODSERVICE	306,901	n/a	\$52.1	15%	\$32.7	\$13.2	\$6.2	\$105.6	10%	\$344,215	53%	+1.6%	+1.7%
Supermarkets/Grocerants	128,066	83	30.2	8	22.0	4.9	3.3	52.1	5	407,043	34	+1.7	+1.8
Convenience Stores	165,924	38	20.8	6	9.9	8.1	2.8	50.8	5	305,932	29	+1.5	+1.6
Club Stores	2,217	n/a	0.7	<1	0.5	0.1	0.1	1.9	<1	835,857	14	+1.7	+1.7
Other Retailers	10,694	n/a	0.4	<1	0.3	0.1	<0.1	0.9	<1	83,869	7	-0.4	-0.2
ON-SITE FOODSERVICE	471,551	n/a	\$96.7	27%	\$67.3	\$18.5	\$11.0	\$223.4	22%	\$473,689	-	+1.3%	+1.3%
Education	145,186	34	24.4	7	18.1	3.4	2.9	43.5	4	299,949	8	-0	-0.0
K-12	140,422	13	13.7	4	10.6	1.4	1.7	19.8	2	141,123	3	+0.6	+0.5
College & University	4,764	57	10.7	3	7.5	2.0	1.2	23.7	2	4,981,444	5	-0.5	-0.5
Business and Industry	15,650	67	6.4	2	4.1	1.3	1.0	13.7	1	872,770	10	+0.6	+0.6
Office/ White Collar	8,519	n/a	1.4	<1	0.9	0.3	0.2	3.0	<1	352,117	7	+2.1	+2.2
Manufacturing/Warehouse	7,130	n/a	5.0	1	3.2	1.0	0.8	10.7	1	1,494,906	4	+0.2	+0.2
Travel & Leisure	221,459	n/a	30.7	9	22.1	5.2	3.4	89.2	9	402,746	17	+1.6	+1.6
Recreation	126,339	n/a	10.9	3	7.5	1.9	1.5	33.1	3	262,369	8	+1.8	+1.9
Lodging	92,127	72	18.0	5	13.4	2.8	1.7	52.8	5	573,265	9	+1.5	+1.5
Transportation	2,993	n/a	1.8	1	1.2	0.4	0.2	3.2	<1	1,079,525	6	+0.5	+0.7
Healthcare	49,808	60	17.8	5	12.5	2.9	2.4	33.7	3	675,771	10	+1.3	+1.4
Hospitals	7,705	17	10.7	3	7.1	2.0	1.5	23.2	2	3,012,273	7	+1.6	+1.6
Long Term Care	18,400	53	2.7	1	2.0	0.4	0.3	3.9	<1	213,658	3	-0.3	+0.0
Senior Living	23,703	68	4.4	1	3.4	0.5	0.6	6.5	1	274,984	3	+1.3	+1.6
Other	39,448	n/a	17.5	5	11.5	5.2	0.8	43.3	4	1,097,927	21	+2.3	+2.2
Vending	3,227	n/a	11.4	3	7.0	4.4	0.0	28.4	3	8,812,981	16	+2.6	+2.6
Catering	25,943	n/a	2.9	1	2.1	0.4	0.5	8.5	1	327,982	6	+2.5	+2.5
Military	1,943	n/a	1.6	<1	1.2	0.2	0.1	3.1	<1	1,597,080	<1	+0.5	+0.3
Corrections	8,335	n/a	1.6	<1	1.2	0.2	0.1	3.3	<1	391,068	<1	+0.4	+0.4
TOTAL	1,708,145	n/a	\$359.6	100%	\$253.5	\$63.9	\$42.2	\$1,023.4	100%	\$599,131	90%	+0.8%	+0.9%

	Broadline Dist.		Specialty Dist.		Club Store		Cash & Carry		Grocery		Farm		Mfr. Direct		3 rd Party Web	
	Use	Share	Use	Share	Use	Share	Use	Share	Use	Share	Use	Share	Use	Share	Use	Share
RESTAURANTS	92%	64%	39%	7%	45%	5%	42%	7%	48%	4%	24%	2%	55%	8%	31%	3%
QSR	91	67	24	4	44	5	38	7	45	4	13	1	54	9	22	2
Fast Casual	89	62	40	7	52	6	45	10	51	3	27	2	54	7	35	3
Midscale	90	56	44	7	56	7	47	9	57	5	35	4	61	9	37	3
Casual Dining	96	64	64	10	40	4	47	6	49	3	35	3	56	7	44	3
Fine Dining	97	62	78	15	32	2	32	3	43	2	56	7	62	6	40	3
Food Truck	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ghost/Virtual Restaurants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RETAIL FOODSERVICE	86%	44%	37%	7%	41%	6%	32%	4%	45%	8%	26%	4%	79%	25%	31%	3%
Supermarkets/Grocerants	81	37	62	11	34	5	36	4	45	11	36	4	81	25	34	3
Convenience Stores	96	53	21	2	49	7	32	3	49	4	21	3	83	26	32	2
Club Stores	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Retailers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ON-SITE FOODSERVICE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education	94	79	17	4	22	4	12	1	26	1	41	3	38	6	16	1
K-12	94	79	16	4	22	4	11	1	25	1	41	3	37	6	15	1
College & University	100	70	59	5	36	3	30	2	51	3	37	4	80	12	38	2
Business and Industry	96	71	55	6	21	2	17	5	36	2	32	3	72	10	19	2
Office/ White Collar	96	71	55	6	21	2	17	5	36	2	32	3	72	10	19	2
Manufacturing/Warehouse	96	71	55	6	21	2	17	5	36	2	32	3	72	10	19	2
Travel & Leisure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lodging	91	62	49	6	56	8	37	4	59	7	36	4	57	7	32	3
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Healthcare	95	75	29	6	27	1	27	1	49	3	26	3	44	9	24	1
Hospitals	96	73	34	7	19	1	17	1	51	4	27	3	71	10	23	1
Long Term Care	95	85	16	2	33	2	25	1	48	2	21	2	33	6	25	1
Senior Living	94	75	38	5	24	1	32	3	50	3	29	3	44	8	24	1
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Catering	82	47	50	5	62	12	44	12	62	6	41	3	62	12	44	3
Military	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	91%	62%	38%	6%	42%	5%	37%	6%	46%	4%	27%	3%	58%	11%	30%	2%



FOODSERVICE LANDSCAPE

generated 09.09.2026

SOURCING

USE
% of operators that purchase
from that source

SHARE
% of total purchases made
through that source

powered by
D DATASENTIAL

ifma@foodaway.org
info@datassential.com

QSR

2027 Operator Spend (\$B)

\$93.2

2027 Consumer Spend (\$B)

\$358.6

2025 Actual
Real Growth

0.8%

2026 Projected
Real Growth

0.7%

2027 Projected
Real Growth

0.8%

2028 Projected
Real Growth

1.0%

QSR's growth estimate has been trimmed for 2026 and 2027, as lower-income consumers continue pulling back on visits and the segment's success drawing higher-income diners with value deals hasn't been enough to fully offset that pullback. QSR of course relies heavily on its value proposition with consumers and despite headlines about how many consumers now consider fast food a "luxury", the reality is that the segment has the lowest price point among restaurants. Major chains have also focused on value with special meal deals and bundles that are helping to drive traffic. Consumers are always looking for fast and easy ways to eat out and as the cost-conscious consumer turns away from delivery fees, they are most likely to return to the drive-thru where QSR has a stronghold. What's more, the QSR segment is made up of primarily chain locations and those locations have been able to invest in technology (both FOH and BOH) and to massively expand their loyalty programs/apps. Not all brands will succeed in the coming years, but those who are able to offer good value are likely to keep traffic coming in the door.

FAST CASUAL

2027 Operator Spend (\$B)

\$25.5

2027 Consumer Spend (\$B)

\$91.2

2025 Actual
Real Growth

1.3%

2026 Projected
Real Growth

1.2%

2027 Projected
Real Growth

1.4%

2028 Projected
Real Growth

1.4%

Fast casual's growth estimate has also been lowered, for the same reason as QSR: lower-income consumers are cutting back on visits and the higher-income trade-down traffic the segment attracts hasn't fully made up for it. Even with that trim, fast casual is still expected to have the highest growth among all restaurant segments in the coming years. Fast casual operators have successfully leveraged their heavy reliance on technology to improve digital ordering, which has in turn improved their loyalty programs and repeat business. The segment benefits from a more well-perceived workplace environment and culture than QSRs, which has helped it compete in a very tight labor market. Fast casual (although looking more like QSR today than ever before) offers items at higher prices than their fast-food peers and will see some customers trade down. However, we are also likely to see some casual dining consumers turn to fast casual. Although the in-person dining experience is obviously not the same as in a full-service restaurant, consumers do, to a lesser degree, turn to fast casuals for socializing and in many ways they can fill the void of a lower-cost, quality-food experience that today's consumer is seeking. Notably, there are some risks for the segment as casual dining restaurants create meal bundles and do aggressive discounted pricing, which can create the potential for a lower-priced experience at casual dining than at fast casual.

2027 INDUSTRY
FORECAST

DATA^{ASS}SENTIAL

CASUAL DINING

2027 Operator Spend (\$B)

\$64.1

2027 Consumer Spend (\$B)

\$168.6

2025 Actual
Real Growth

-0.2%

2026 Projected
Real Growth

0.2%

2027 Projected
Real Growth

0.5%

2028 Projected
Real Growth

0.7%

Casual dining had negative real growth in 2025 but is forecasted to turn slightly positive again starting in 2026 and continue improving gradually through 2028. Consumers love dining out at casual dining locations and these types of restaurants play a major role in life events, celebrations, and socializing (which we are more eager to do now than ever after having endured a pandemic). The segment continues to get additional revenue from off-premise offerings with increased curbside, delivery, and family meals. However, delivery revenue is likely to fall in the next few years as consumers are more price-sensitive and so want to avoid delivery fees. The segment has also taken note of the needs of the value-focused consumer and is offering meal deals and drink specials at prices that resemble their limited-service peers. Casual dining is a service-forward and experience-focused segment and although labor shortages hit the segment hard, they have also been able to pivot and innovate with investments in technology and loyalty programs to keep patrons coming back. The segment remains closely tied to consumer sentiment, which fell throughout 2025 and drove the segment's negative real growth that year, and which has stayed soft into 2026.

FINE DINING

2027 Operator Spend (\$B)

\$3.8

2027 Consumer Spend (\$B)

\$9.4

2025 Actual
Real Growth

0.5%

2026 Projected
Real Growth

0.5%

2027 Projected
Real Growth

0.8%

2028 Projected
Real Growth

0.8%

The fine dining segment continues to see slight positive real growth. Fine dining operators are benefiting from the fact that consumers are eager for unique experiences and many have pent up demand and the disposable income to pay for them. The segment caters most heavily to higher-income consumers who are also feeling the impact of historically high inflation rates but tend to own their own homes and simply have enough income to manage those price increases. Lower-income consumers are cutting back the most with their dining at restaurants and are a small share of fine dining patrons, which helps insulate the segment somewhat from the broader softening in consumer sentiment. Labor shortages have impacted fine dining, though not as badly as other full-service segments since workers and waitstaff generally have more experience and are paid higher wages. Fine dining was also slower to return to the same sales volume it had pre-COVID and so its moderate growth is on top of dollars that are more muted than for other key restaurant segments (except for midscale which still remains below pre-COVID dollars).

2027 INDUSTRY
FORECAST

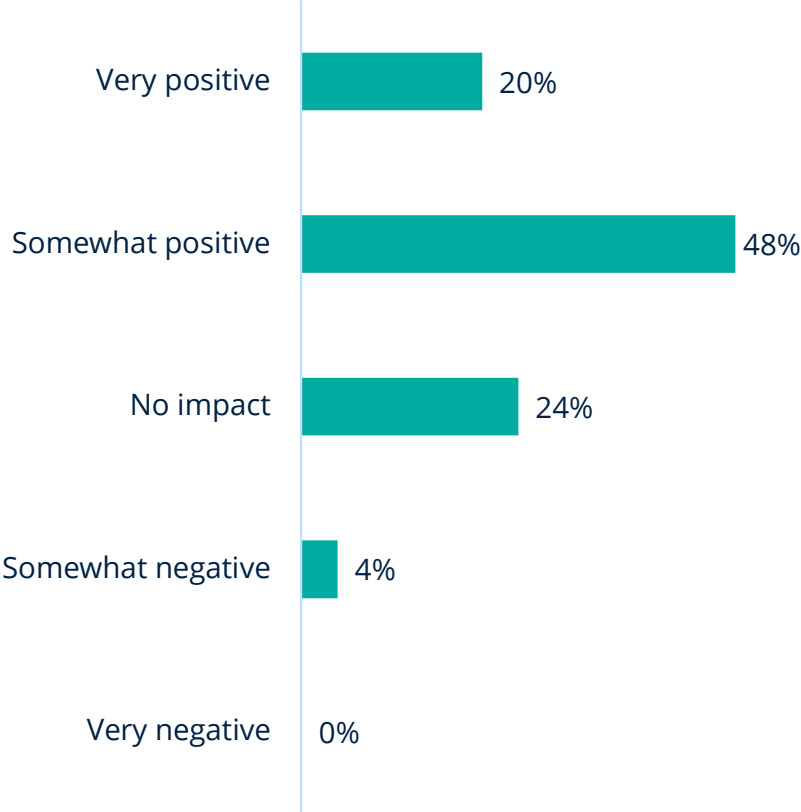
DATASSENTIAL

Distributor Intelligence Report

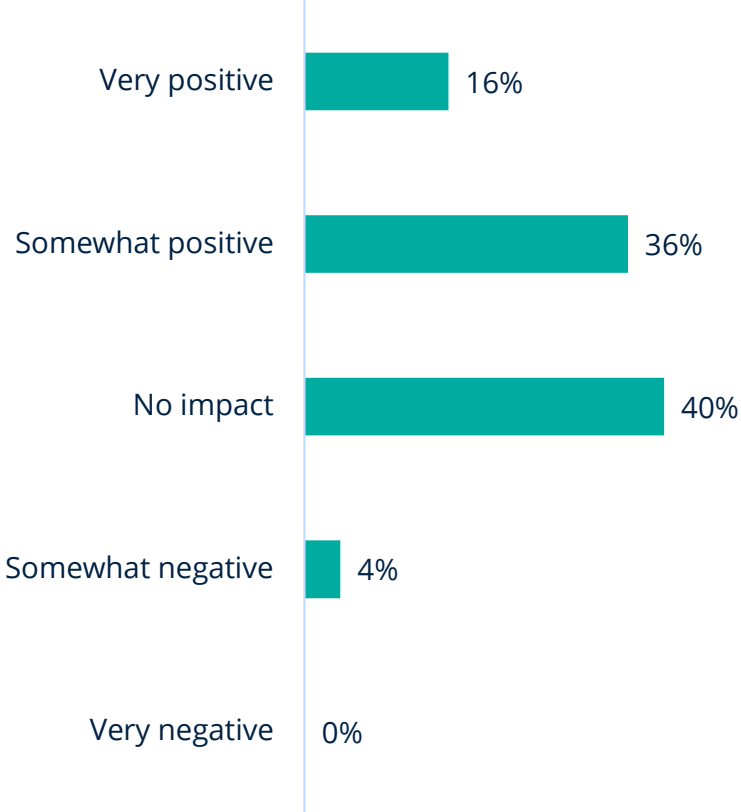
Technomic



PERCEIVED IMPACT OF SYSCO-JETRO/RESTAURANT DEPOT MERGER ON SYSCO*

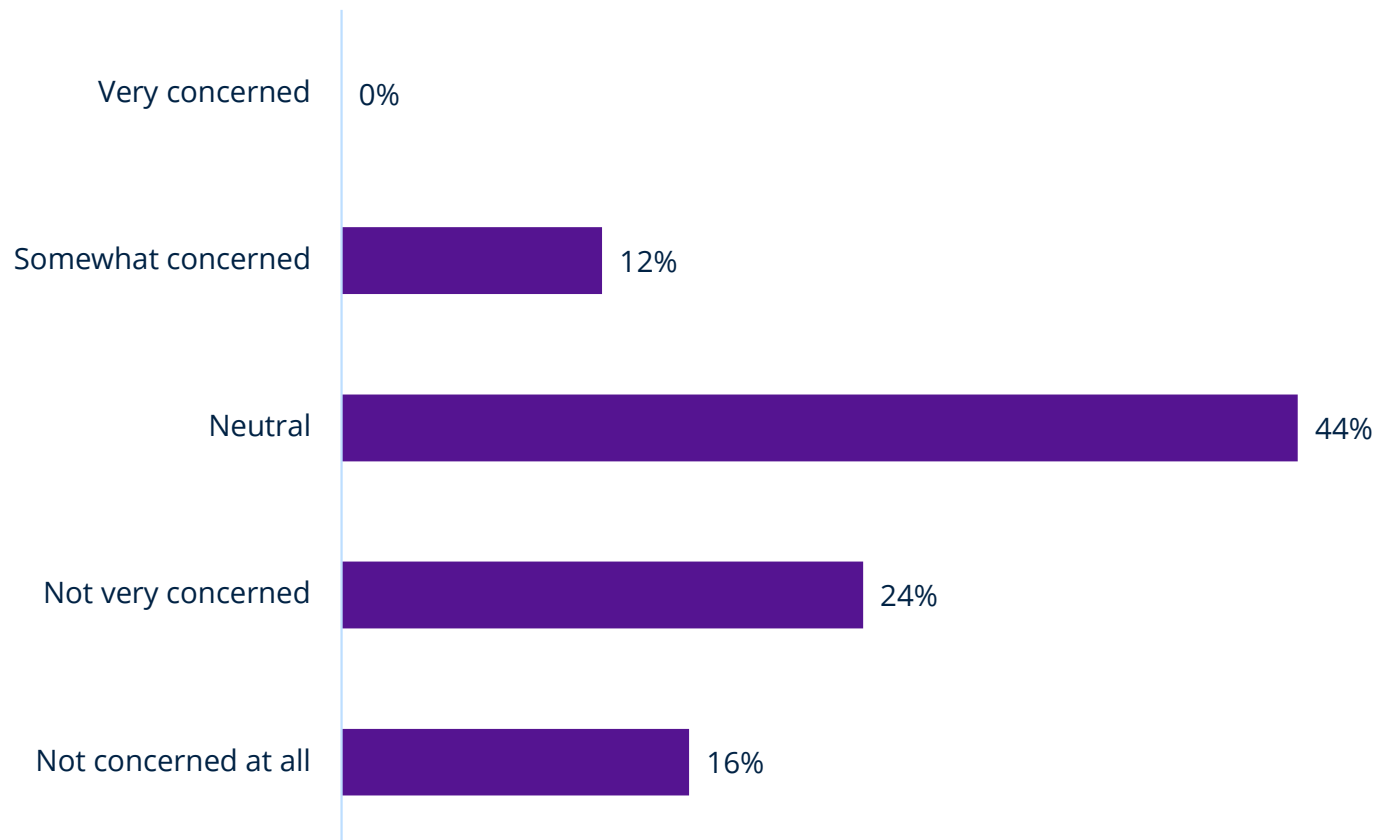


PERCEIVED IMPACT OF SYSCO-JETRO/RESTAURANT DEPOT MERGER ON YOUR COMPANY**



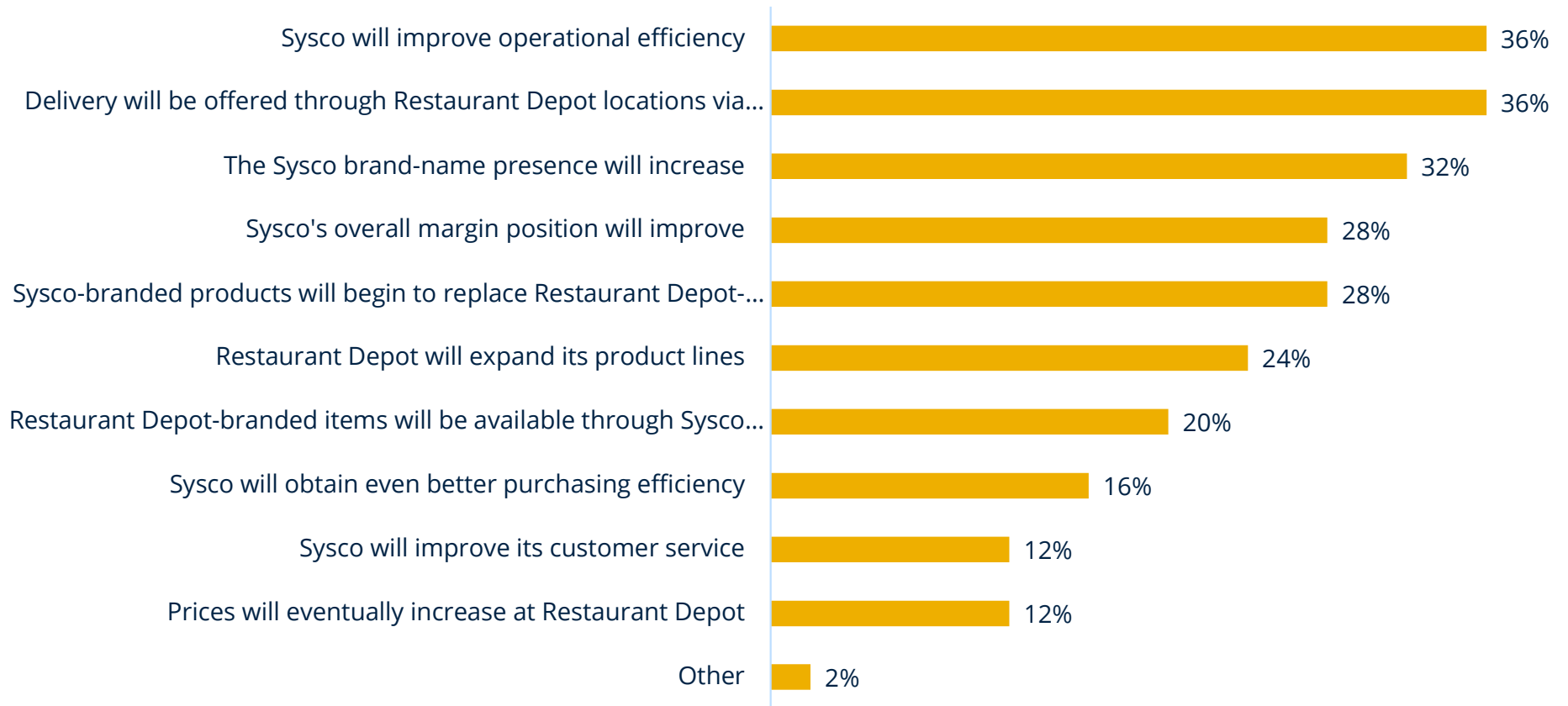
*Q: Based on your own opinion, what best characterizes the Sysco-Jetro/Restaurant Depot merger on Sysco's longer-term market position and success?
**Q: Based on your own opinion, what best characterizes the Sysco-Jetro/Restaurant Depot merger's impact on your company's longer-term market position and success?

LEVEL OF CONCERN ABOUT SYSCO-JETRO/RESTAURANT DEPOT MERGER ON BUSINESS



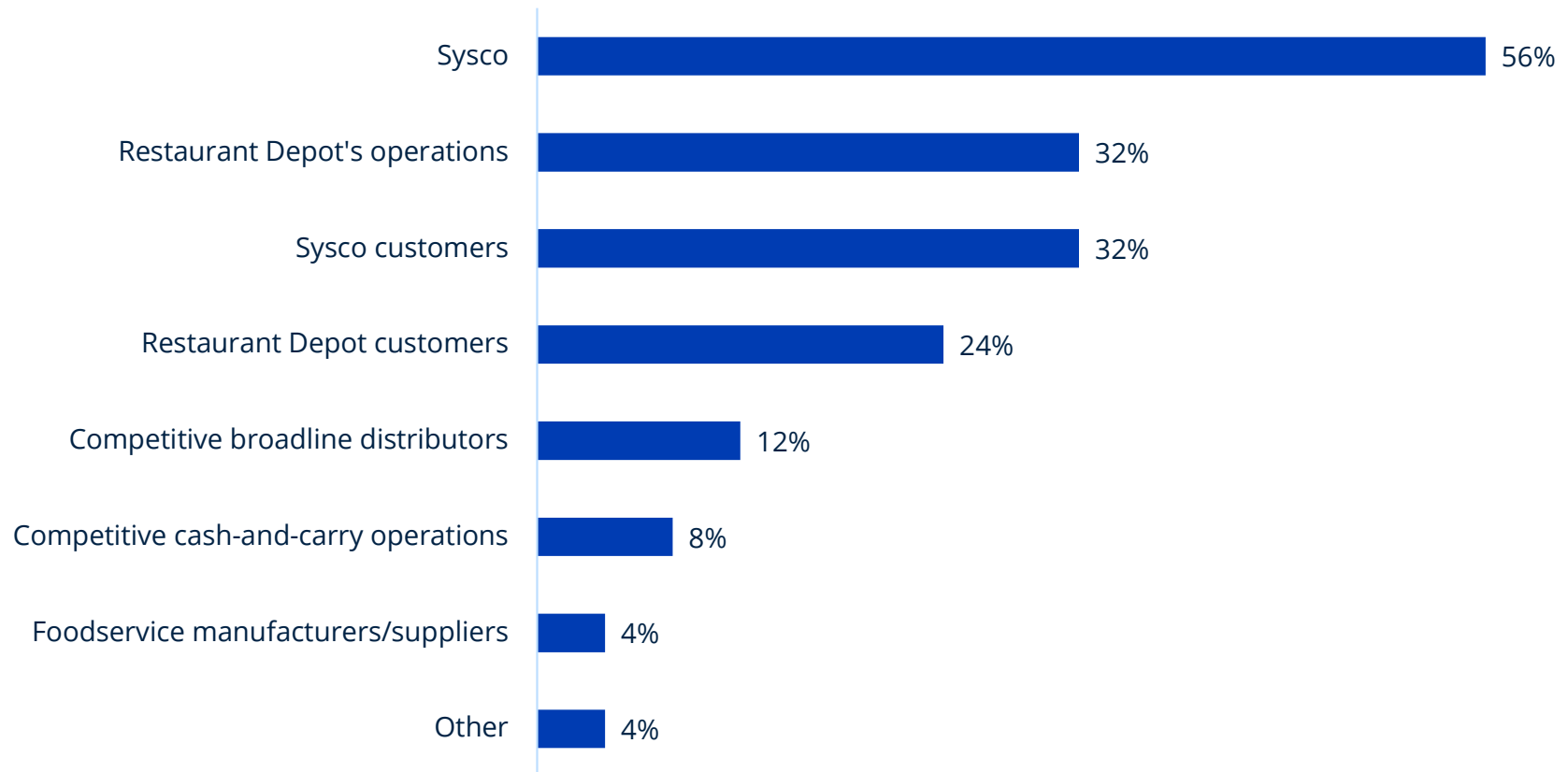
Q: To what degree are you concerned about the proposed Sysco-Jetro/Restaurant Depot merger for your business?

MOST SIGNIFICANT OUTCOMES OF SYSCO-JETRO/RESTAURANT DEPOT MERGER



Q: What do you believe will be the most significant outcome(s) of the Sysco-Jetro/Restaurant Depot merger? Check all that apply.

TOP BENEFICIARIES FROM THE SYSCO-JETRO/RESTAURANT DEPOT MERGER



Q: Overall, who do you believe will gain the most from the Sysco/Restaurant Depot merger? Check up to three.

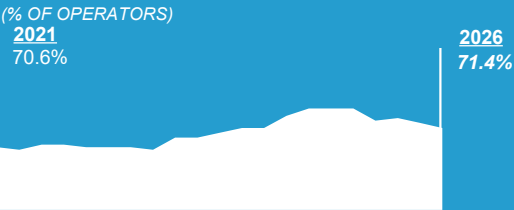
Bacon Trends

Technomic



OVERVIEW OF BACON

Q2 OPERATOR PENETRATION



One-year growth: -0.8% | Five-year growth: 0.8%

Top Segments	(% of operators)
Midscale	96.0%
Traditional CDR	73.6%
Upscale CDR	73.3%
Fine Dining	72.7%
Fast Casual	61.8%

Cuisine Types	(% of operators)
Family Style	98.2%
Sports Bar	94.3%
Steak	89.7%
Sandwich	88.6%
Burger	87.5%

Base: 7,751 operators with nationally representative menus in Q2 2021-Q2 2026
Source: Technomic Ignite Menu national food trends data



TOP DISHES

Number of Menu Items

Bacon Cheeseburger	1,860	Chicken Sandwich	1,589
Specialty Burger	1,809	BLT Sandwich	1,352
Club Sandwich	1,684	Cobb Salad Entree	1,072



TOP-RATED LTOS

Most Popular

Bacon, Egg And Cheese Croissant Breakfast Sandwich—Portillo's

63% of consumers are likely or very likely to purchase

Biggest Traffic Driver

Double Bacon Parmesan Hash—First Watch

74% of potential purchasers are likely or very likely to visit

Most Craveable

Double Bacon Parmesan Hash—First Watch

75% of purchasers would likely or very likely crave



TOP INGREDIENTS

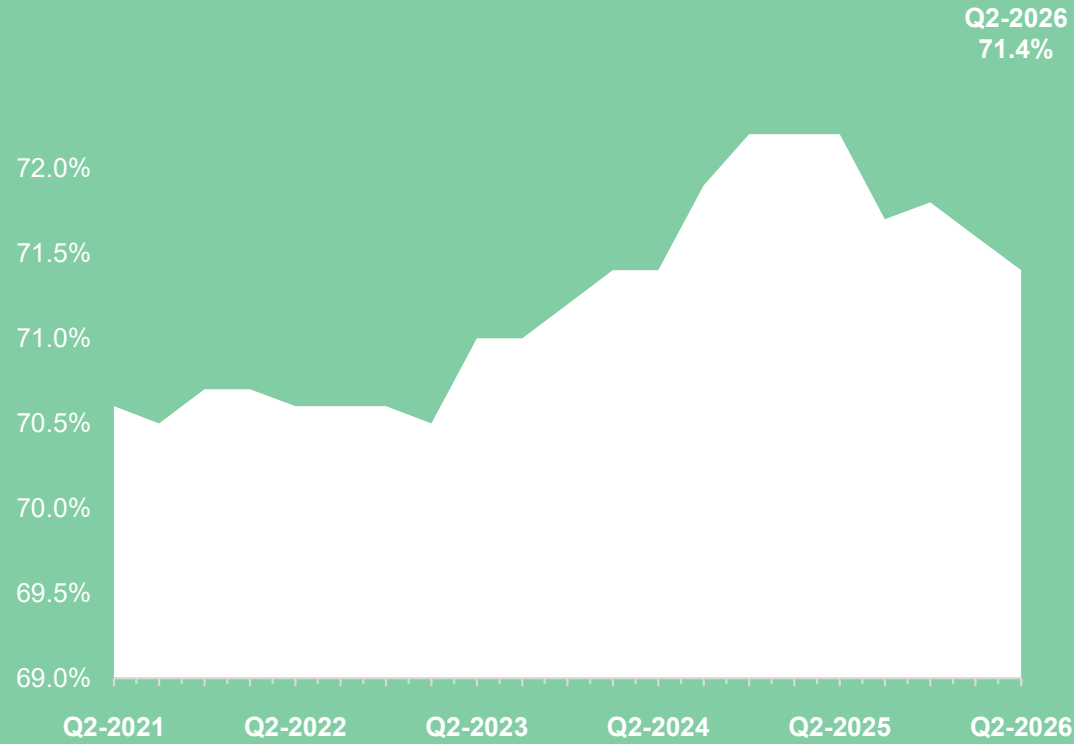
Paired With Bacon

Cheese	53.1%
Tomatoes	39.0%
Onion	32.5%
Eggs	24.4%
Chicken	23.9%
Lettuce	22.7%
Cheddar	21.3%
Sauces	20.0%
Sausage	17.3%
Potato	15.4%

Base: 39,742 Menu Items across 5,691 operators with nationally representative menus in Q2 2025-Q2 2026
Source: Technomic Ignite Menu national food trends data



OPERATOR PENETRATION OF BACON



Base: 7,751 operators with nationally representative menus in Q2 2021-Q2 2026
Source: Technomic Ignite Menu national food trends data



Top Commercial Segments	(% of Operators)	YOY Change
Midscale	96.0%	0.0
Traditional CDR	73.6%	-1.0
Upscale CDR	73.3%	+1.0
Fine Dining	72.7%	-2.2
Fast Casual	61.8%	+0.4
Quick Service	59.9%	-0.1
Food Trucks	41.9%	0.0

Top Noncommercial Segments	(% of Operators)	YOY Change
Supermarket Foodservice	90.9%	0.0
Convenience Stores	88.5%	-3.8
Lodging	86.7%	0.0
Business and Industry	84.2%	+21.1
Hospitals	84.2%	-5.3

Top Cuisine Types	(% of Operators)	YOY Change
Family Style	98.2%	+0.0
Sports Bar	94.3%	+0.0
Steak	89.7%	-1.4
Sandwich	88.6%	-0.0
Burger	87.5%	-1.5

■ Above 71.4% Average ■ Below 71.4% Average

WHAT'S NOW & WHAT'S NEXT WITH BACON

Analyze how trends spread throughout the industry, from chef-driven independents (Innovators) to leading chains (Proven Favorites)

What am I looking at? The percentage of operators in each specific bucket who menu these ingredients/flavors/etc. within Bacon

INTRODUCTION

Pimento Cheese 2.9%
Watercress 2.9%
Hot Dog 2.4%
Polenta 2.4%
Red Pepper Aioli 2.4%
Sesame Seed Bun 2.4%
Albacore 1.8%
Bacon Dressing 1.8%
French Bread 1.8%
Gnocchi 1.8%

GROWTH

Crab 15.3%
Candied Bacon 12.9%
Filet Mignon 12.9%
Asparagus 11.8%
Scallop 10.6%
Dates 9.4%
Oyster 9.4%
Bearnaise Sauce 8.2%
Black Pepper 8.2%
Seafood 8.2%

MAINSTREAM

Salmon 19.1%
Cilantro 16.6%
Black Beans 16.4%
Arugula 15.0%
Sweet Potato Fries 14.8%
Lemon 14.0%
Pesto Sauce 13.6%
Marinades 13.4%
Veggie Protein 13.2%
Baked Potato 12.2%

MATURE

Bacon 100.0%
Cheese 95.7%
Tomatoes 81.9%
Onion 80.8%
Chicken 80.0%
Sauces 74.0%
Lettuce 69.1%
Cheddar 65.2%
Beef 63.3%
Proteins 62.3%

Innovators

Independents and Smaller Fine-Dining Chains

Chef-driven restaurants leading the way in new uses of flavors and ingredients (e.g., *The Slanted Door* in San Francisco and *Au Cheval* in Chicago)

Ahead of the Curve

Higher-End, Casual-Dining Chains

Chef-inspired concepts that watch for innovation from independents (e.g., *Bonefish Grill*, *The Melting Pot* and *Seasons 52*)

Adopt the Popular

Fast-Casual and Traditional Casual-Dining Chains

Concepts that incorporate what is piquing consumer interest and gaining acceptance on menus (e.g., *Corner Bakery* and *Zaxby's*)

Proven Favorites

Quick-Service and Midscale Chains

Concepts that focus on flavors proven to have wide appeal for many different palates (e.g., *Wendy's*, *Denny's* and *Subway*)

Thank You

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

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