

Industry Insights

A roundup of noteworthy foodservice findings
for the week of Dec. 4, 2023

Image Source: Shutterstock



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BY DAYPART
Where should I go for lunch?

BY NEED STATE
I'm craving chocolate cake!

BY SEGMENT
I need something fast!

BY OCCASION TYPE
Where's date night?

Chain restaurant sales forecasted to rise by 8% in 2023

Cumulative top 1,500 chain restaurant sales volume is projected to expand by 8% on a year-over-year basis in 2023, reaching a forecasted annual total of \$450 billion.

Similar to the dynamics of 2022, sales growth will mainly be the result of widespread increases in menu pricing, an uptick in overall chain restaurant locations and strong sales results from industry giants like McDonald's, Starbucks and Chick-fil-A.

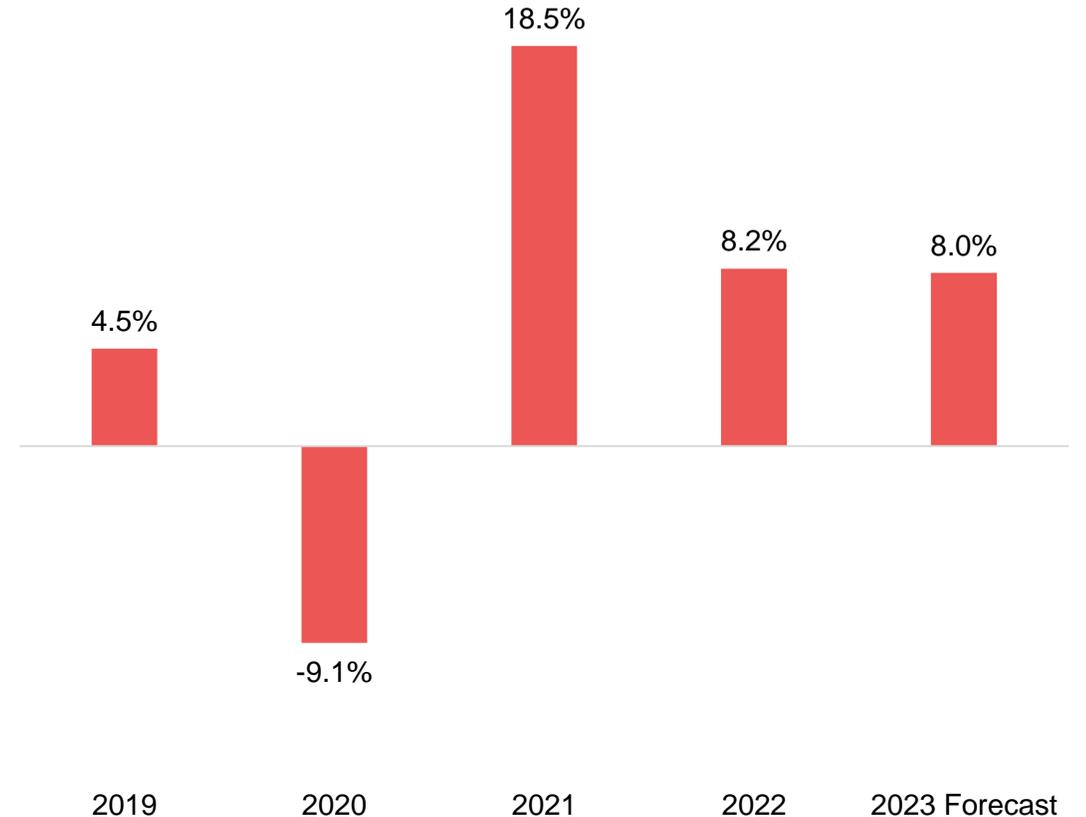
Explore Technomic's recently released *Chain Restaurant Performance Outlook* report for deeper sales and location forecasting insights across key segments and menu categories.

[Ignite Company clients: Click here for more](#)

Source: Technomic Ignite Company

Note: Forecasts are preliminary and subject to ongoing updates; all values are expressed in nominal terms

TOP 1,500 CHAIN RESTAURANTS
ANNUAL U.S. SALES GROWTH



What's in store for menus in 2024

Technomic's recently published *What's in Store for 2024* whitepaper delves into several trend predictions for the coming year. Here are a few key menu takeaways:

Menus Go Granular

Vague menu descriptors are in the past as more transparent listings become in vogue. Not only will ingredient varietal types find momentum in menu descriptions, but so will callouts of regions or countries of origin and influence, especially lesser-known ones, such as Haitian honey and Senegalese-style chicken. This in-depth menu detail will further push quality, premiumization and transparency in the consumer mindset.

Pandemonium on the Plate

This year's pickle palooza—from pickle pizzas to pickled fries—has opened the door for more off-the-wall, headscratcher fare to flourish. Sensory-seeking consumers inspired by TikTok recipes like chopped sandwiches and feta pasta will get their kicks at restaurants serving savory sweets and cocktails, such as fat-infused fried desserts and garlic or mole cocktails; bizarre beverages, like tahini coffee and spicy smoothies; and pungent ingredients and flavor combos, such as fermented honey and truffle horseradish.

You Say Tomato

2024 will be the year of the tomato. This not-so-rotten ingredient has vast applications, appeal and health benefits. Next year, expect more nontraditional uses of tomatoes, such as in desserts and as a meat replacement, along with jam, fermented, frozen and clarified preparations. Global tomato-based sauces and dips, such as Mayan sikil pak, Libyan chraimeh sauce and Japanese yum yum sauce, as well as dishes such as Philippine sarsiado and West African mafe stew, will gain ground. And beyond bloody marys, tomato will blossom in adult beverages, like caprese-inspired vodka drinks and Chavela beer cocktails.

[Ignite Menu clients: Click here for more](#)

Source: Technomic Ignite Menu
Image Source: Photo by [Justus Menke](#) on [Unsplash](#)



Consumers trading out rather than trading down

According to past-week restaurant usage tracked by Technomic's *Consumer Awareness & Visit Report*, three in 10 consumers are choosing to avoid restaurants altogether. This is likely a reaction to the current inflationary environment, as menu price increases show no signs of slowing.

August is the fourth consecutive month that claimed zero visits in the past week has passed the 30% threshold.

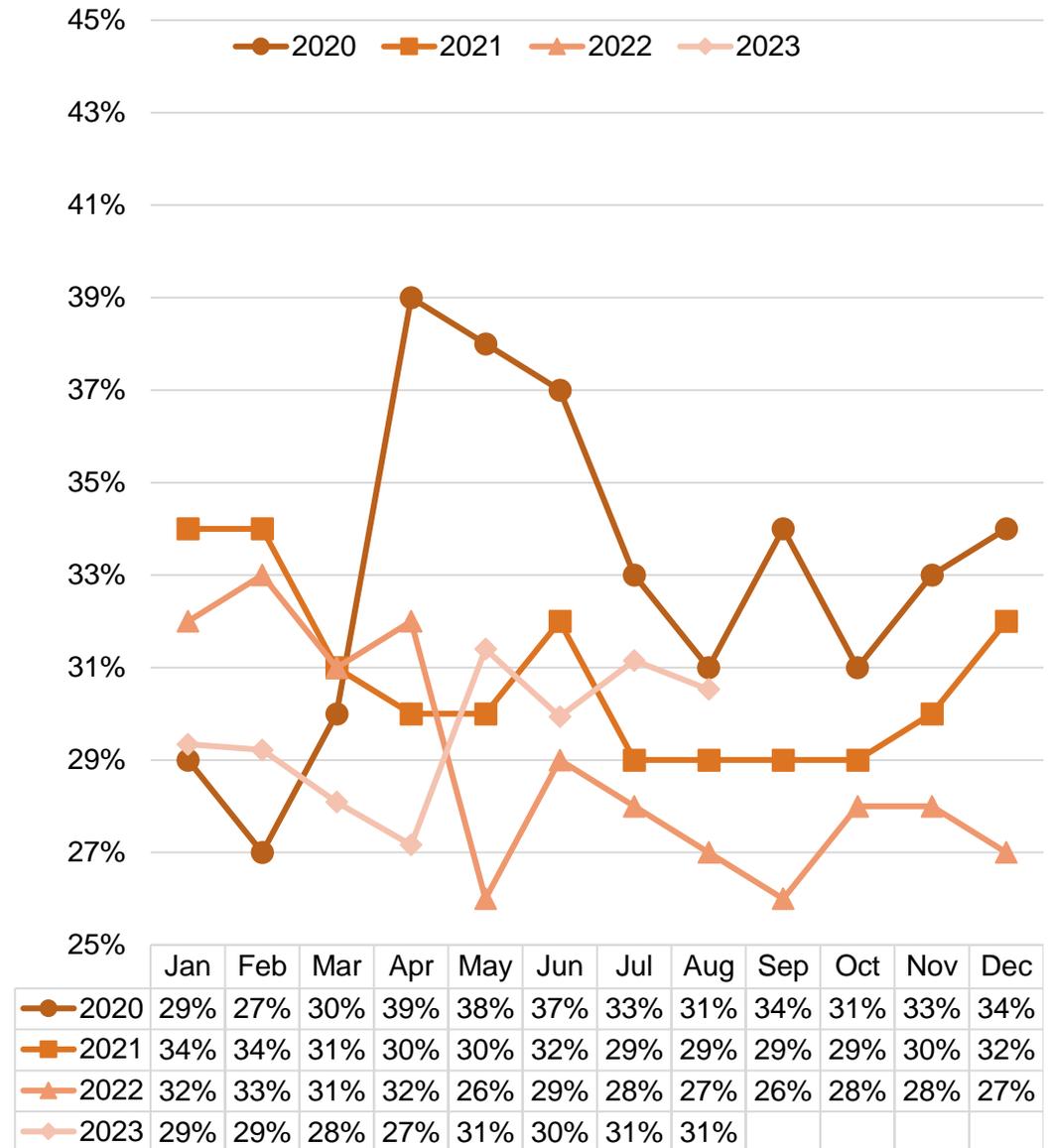
Historically, this type of slowdown has occurred during COVID-19 variant outbreaks and, to some degree, during winter months. The recent summer uptick in nonusers should worry operators who are already struggling with traffic declines.

If growing traffic is the current objective of a restaurant operator, those who are also considering higher menu prices should take note.

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Base: Approximately 2,000 consumers 18+ per month
 Source: Technomic Ignite Platinum Consumer featuring the August 2023 Consumer Awareness & Visit Report

PERCENT OF CONSUMERS WITH ZERO VISITS TO RESTAURANTS IN THE PAST WEEK



How consumers pay for meals around the world

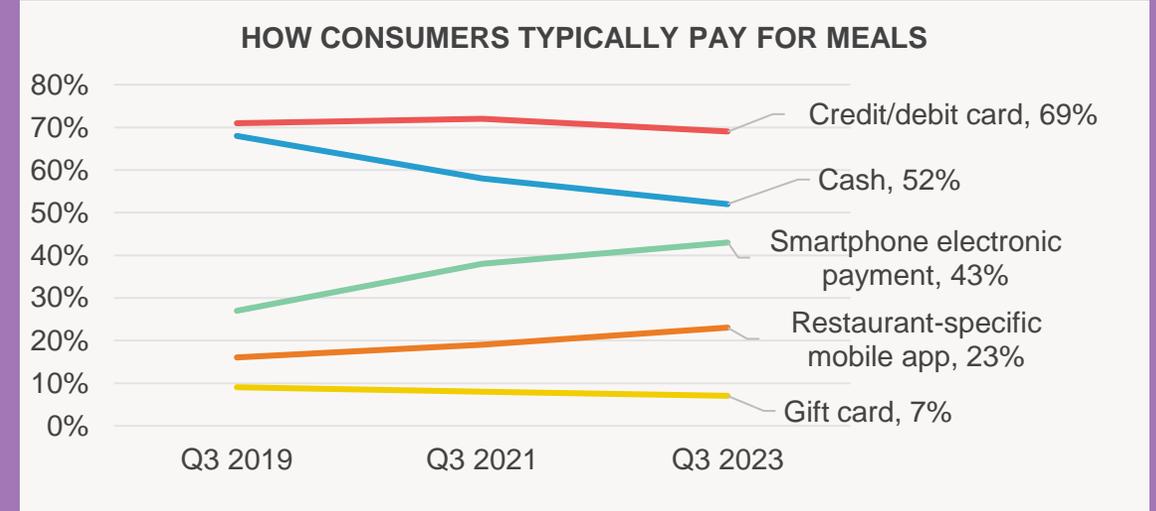
Twice a year, Technomic asks consumers in 25 countries around the world about how they prefer to pay for their meals at foodservice locations.

Since the start of the pandemic—and accelerating since then—these preferences have undergone dramatic shifts, particularly at the regional level.

The global shift away from cash is the standout trend in payment preferences over the last four years, with consumers

in every region markedly pay with cash far less since Q3 2019. This trend is particularly pronounced in the Middle East and Latin America, where it shifted from the dominate form of payment to one that less than half of patrons use at restaurants.

Concurrently, electronic payments on smartphones (through programs like Apple Pay) and apps specific to restaurants have grown during the same period, with consumers in



Asia now preferring electronic payments over all other forms and those in the Middle East and North America approximately doubling their usage of the latter.

Credit/debit card usage has seen a very small decline over the last four years, driven in no small part by a 17% drop among Middle East customers, along with smaller shifts in Asia and North America. Similarly, although gift card usage has been largely stable,

consumers in the Middle East and North America (the only regions to ever notch double-digit preferences for this type of payment) saw noticeable shifts away from it.

Get more data-driven insights into consumer trends around the world with Technomic's [Global Navigator Program](#).

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Base: 8,700-8,719 global consumers; varies by payment type

Q: When you order food/beverages from a restaurant or other foodservice locations for any occasion, how do you typically pay for your order? Select all that apply.

Source: Technomic Global Foodservice Navigator Program

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We provide insights into consumer, industry and menu trends in the U.S., Canada and 23 countries around the world.

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Have questions?

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