

Chad Moutray, Ph.D., CBE

*Senior Vice President, Industry Research & Knowledge,
and Chief Economist*

@chadmoutray



STATE OF THE RESTAURANT INDUSTRY 2026

April 30, 2026

**STATE OF THE
RESTAURANT INDUSTRY
2026**

U.S. ECONOMIC OVERVIEW

U.S. Economic Outlook

INDICATOR	2023	2024	2025	2026
Real Gross Domestic Product	2.9%	2.8%	2.1%	2.3%
Real Disposable Personal Income	5.7%	2.9%	1.6%	1.2%
Consumer Price Index	4.1%	3.0%	2.6%	2.8%
Total U.S. Nonfarm Payroll Employment	2.3%	1.3%	0.1%	0.5%

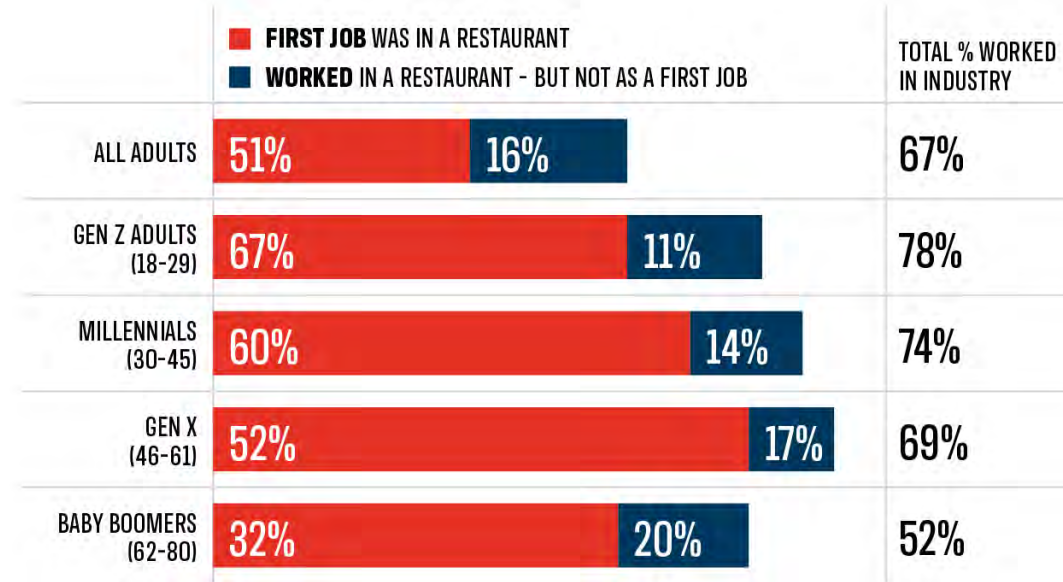
Upside Risks

Wage growth remains solid, but moderating
Spending is cautious but has been somewhat resilient despite challenges amid solid wage growth
Monetary is largely neutral, with a slight possibility of a possible rate cut later this year
Other elements to watch (e.g., federal tax and regulatory policy, technology integration)

Downside Risks

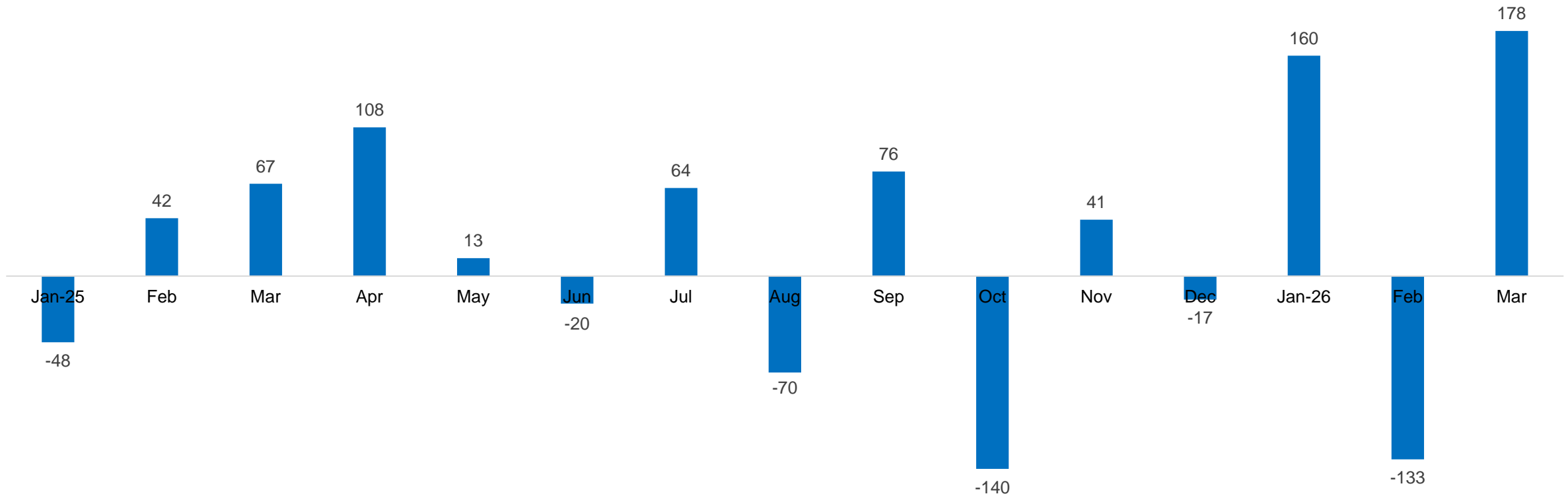
Labor market has continued to soften materially
Political uncertainties (e.g., government shutdown, tariffs, immigration policies, etc.)
Geopolitical risks (Iran war, Ukraine, Taiwan, etc.)
Lingering inflationary/cost pressures
Other red flags to watch (e.g., labor issues, federal debt, regional restaurant laws & regulations)

HALF OF ADULTS GOT THEIR **FIRST JOBS** IN A RESTAURANT
 % OF ADULTS WHO HAVE WORKED IN THE RESTAURANT AND FOODSERVICE
 INDUSTRY, EITHER AS THEIR FIRST JOB OR AT SOME POINT IN THEIR LIVES



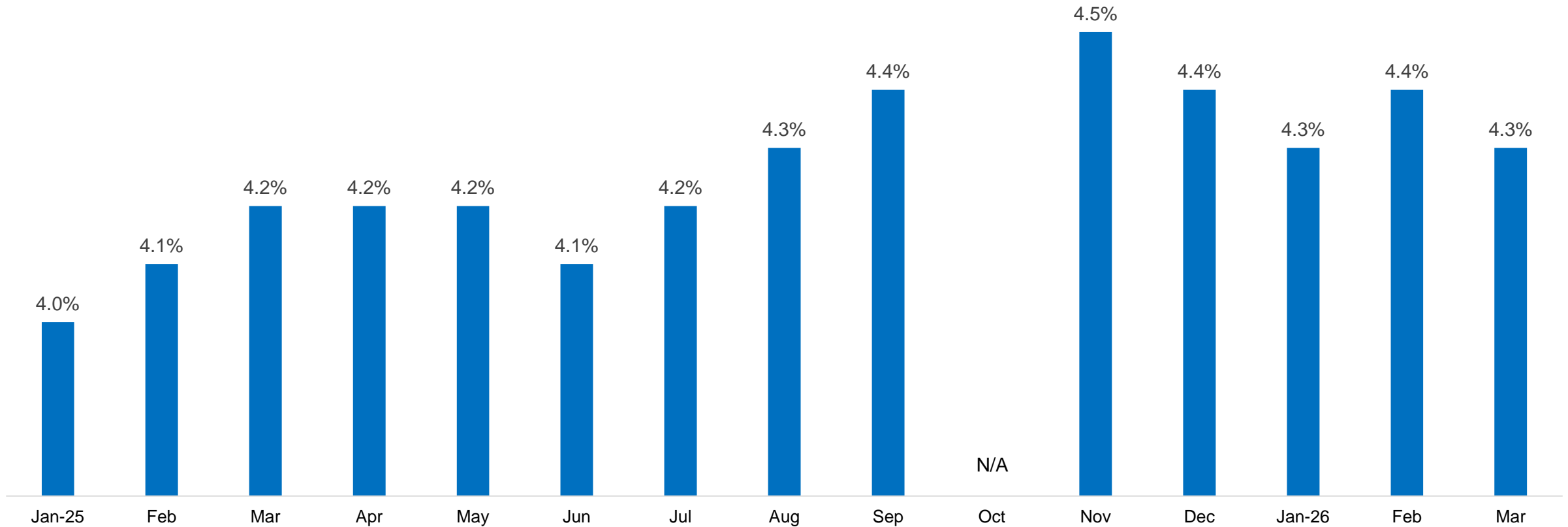
Monthly Change in Nonfarm Payroll Employment

January 2025 to March 2026, in Thousands of Workers, Seasonally Adjusted



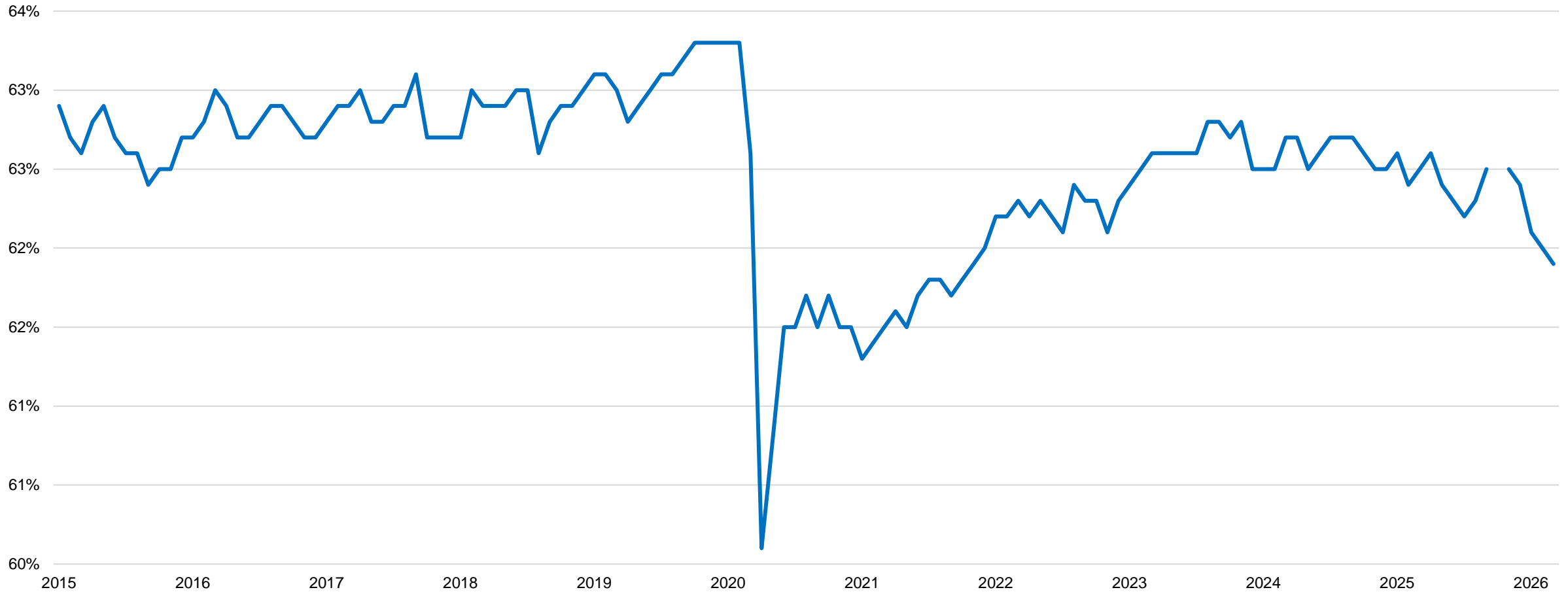
U.S. Employment Rate

January 2025 to March 2026, Seasonally Adjusted



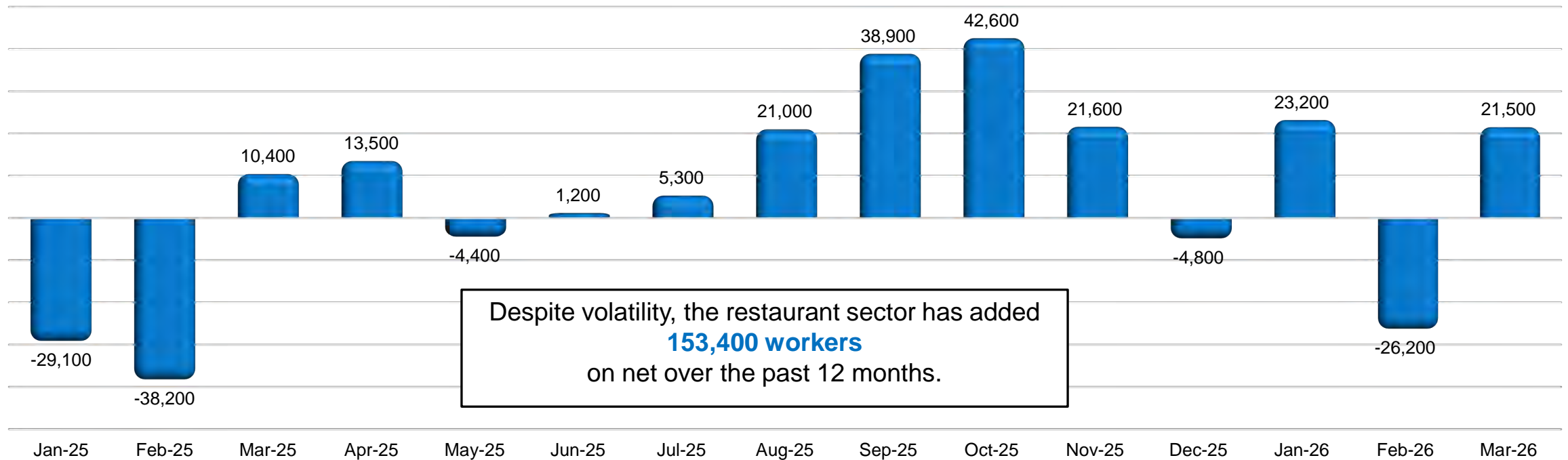
Labor Force Participation Rate

January 2015 to March 2026, Seasonally Adjusted



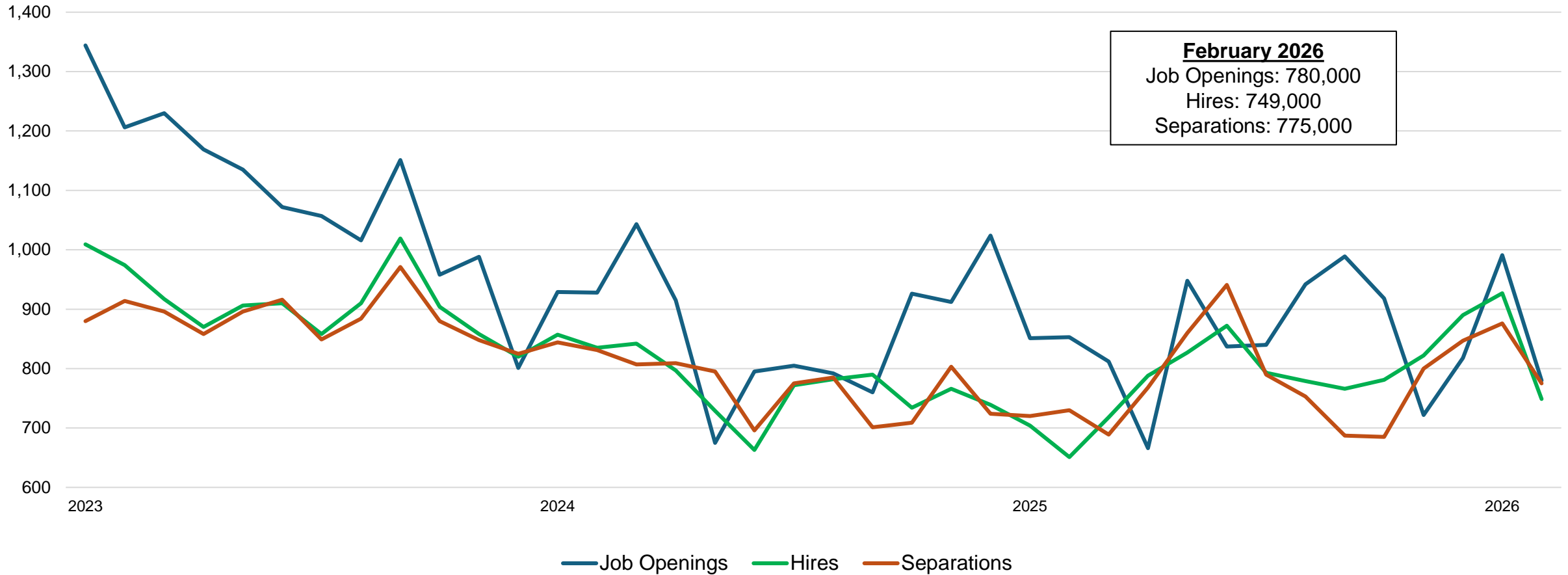
Monthly Change in Eating and Drinking Place Employment

January 2025 to February 2026, in Thousands of Workers, Seasonally Adjusted



Job Openings in the Restaurants & Accommodations Sector

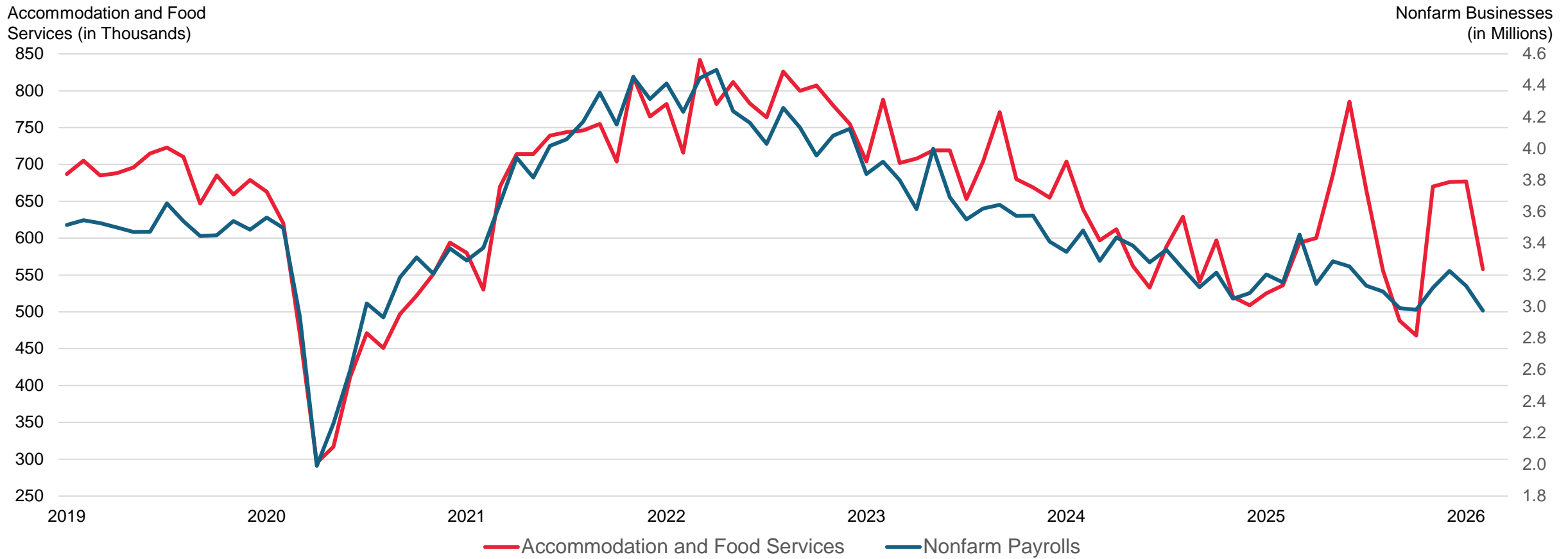
January 2023 – February 2026, in Thousands of Workers



Sources: Bureau of Labor Statistics; figures are seasonally adjusted

Employee Quit Rate Has Normalized From Elevated Pandemic Levels

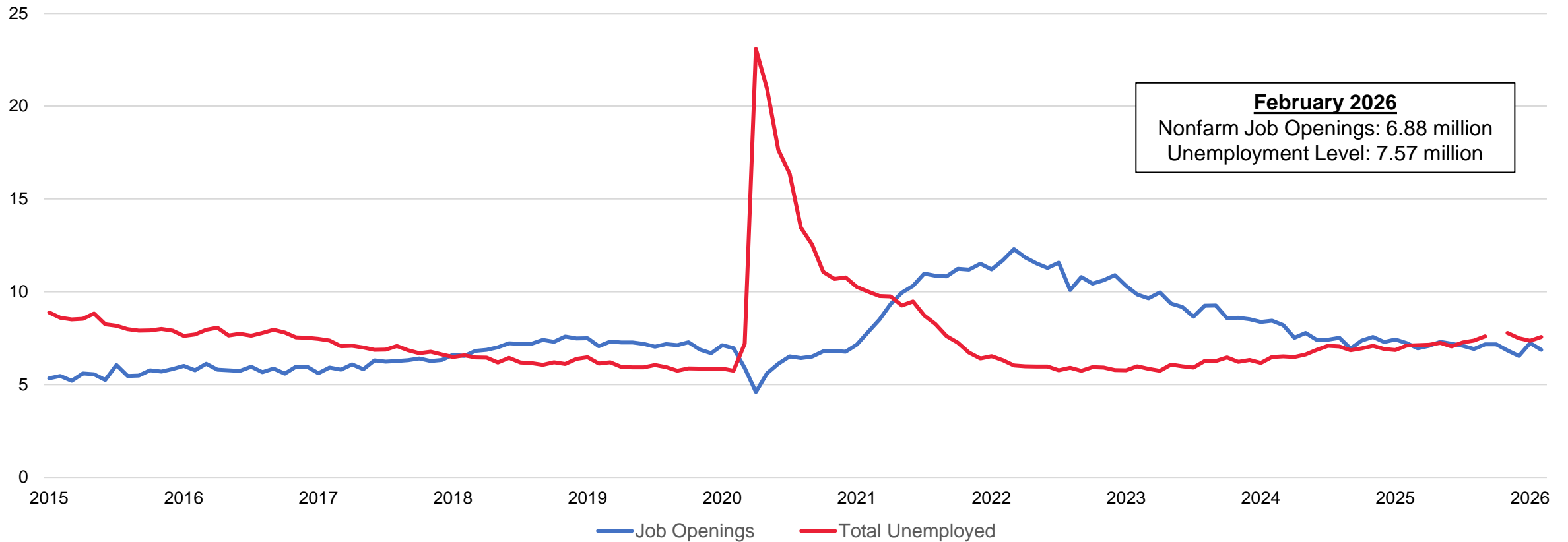
Quit Rate in the Restaurants & Accommodations Sector, January 2019 – February 2026



Sources: Bureau of Labor Statistics; figures are seasonally adjusted

There Continues to be More Job Openings Than the Unemployed

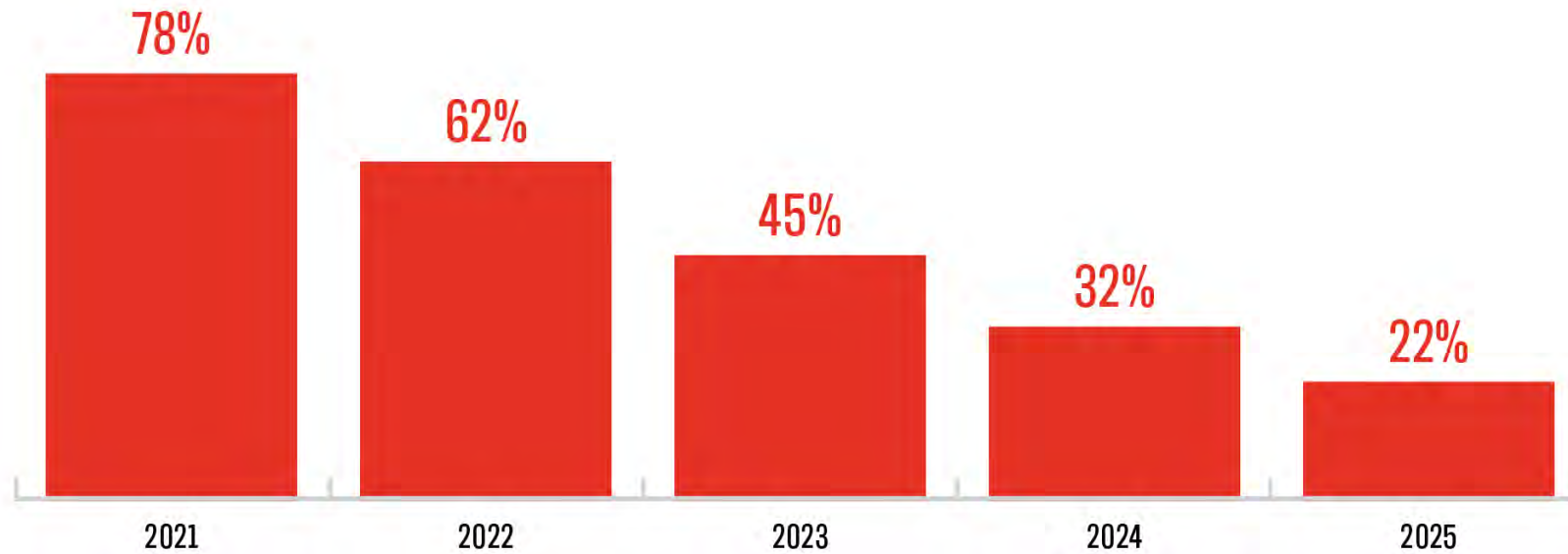
January 2015 – February 2026, in Thousands of Workers



Sources: Bureau of Labor Statistics; figures are seasonally adjusted

1 IN 5 RESTAURANTS WERE **UNDERSTAFFED** IN 2025

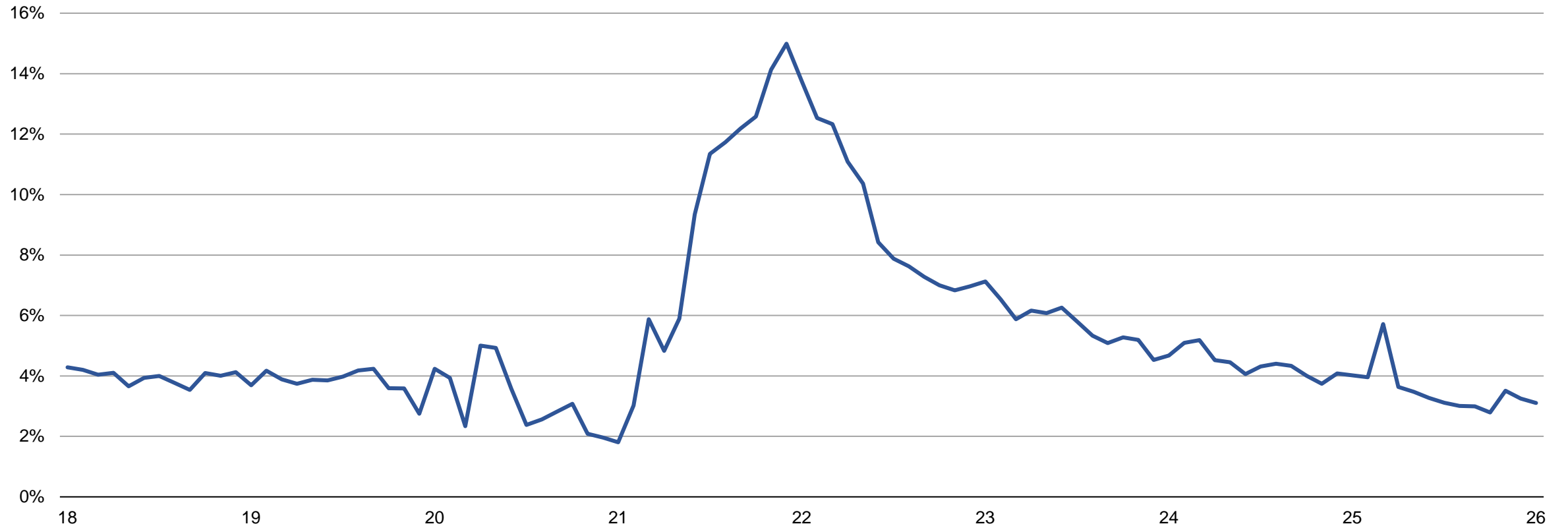
**% OF RESTAURANT OPERATORS WHO SAID THEY DON'T HAVE ENOUGH
EMPLOYEES TO SUPPORT EXISTING CUSTOMER DEMAND**



Source: National Restaurant Association
Note: Surveys were fielded during Q4 of each year

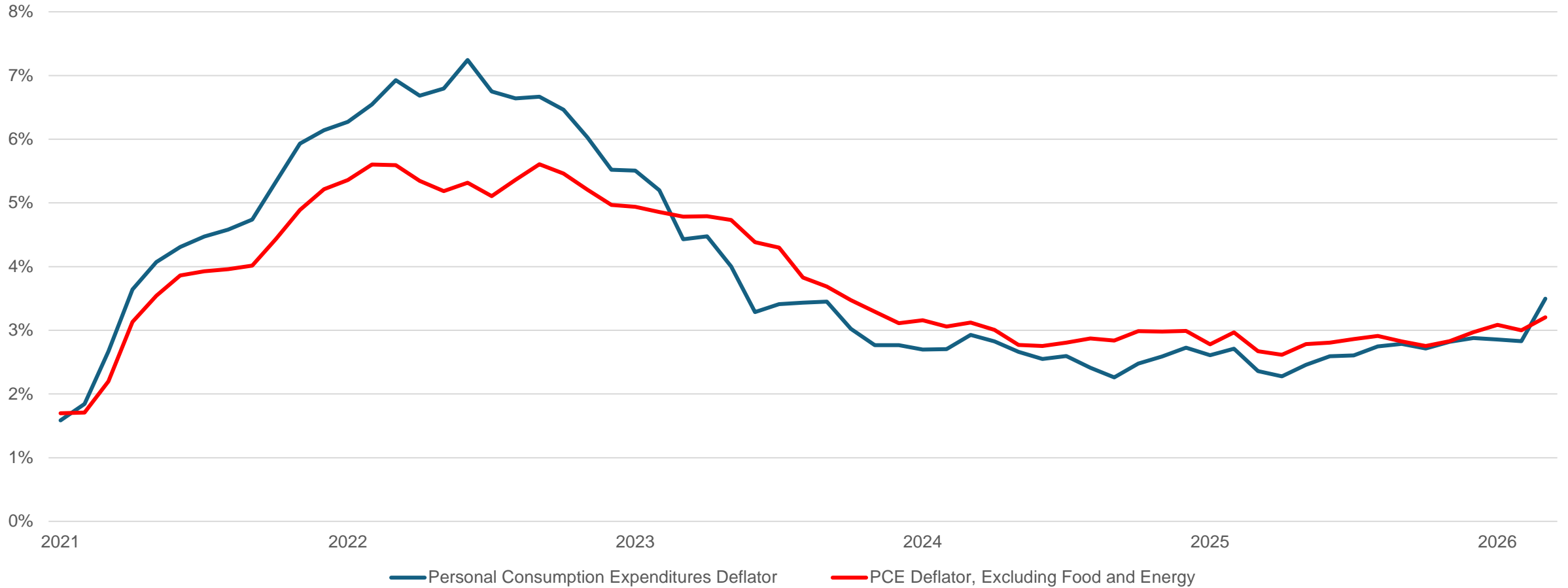
Average Hourly Earnings of Eating and Drinking Place Employees

January 2018 to January 2026, Year-Over-Year Percentage Change, Seasonally Adjusted



Year-Over-Year Percentage Change in the PCE Deflator

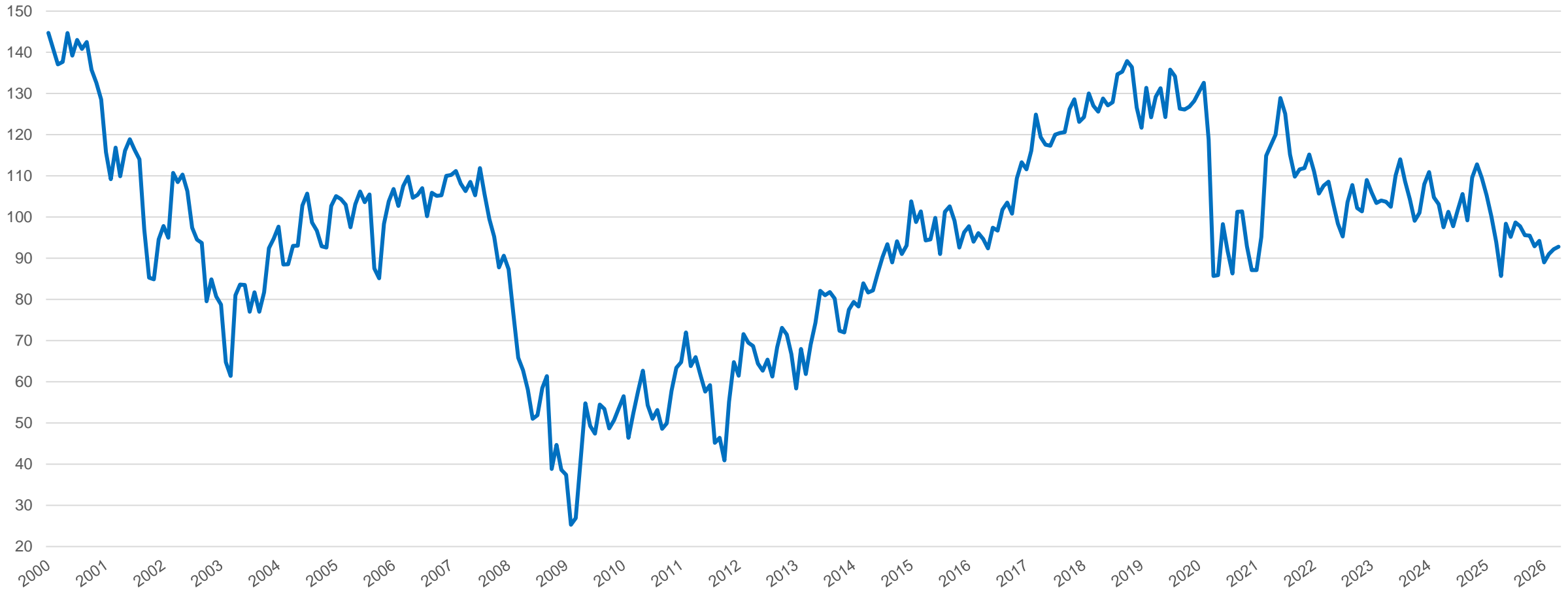
January 2021 to March 2026



Sources: Bureau of Labor Statistics; figures are seasonally adjusted

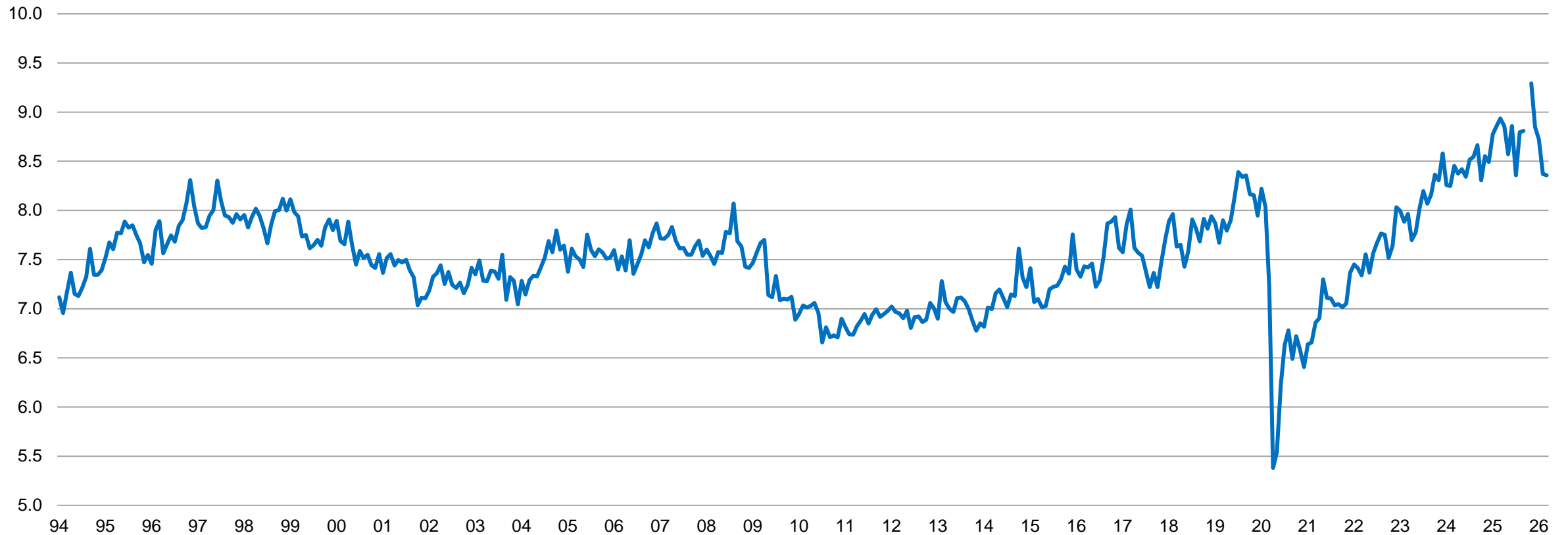
Consumers Remain Anxious About the Economy

U.S. Consumer Confidence Index, January 2000 – April 2026



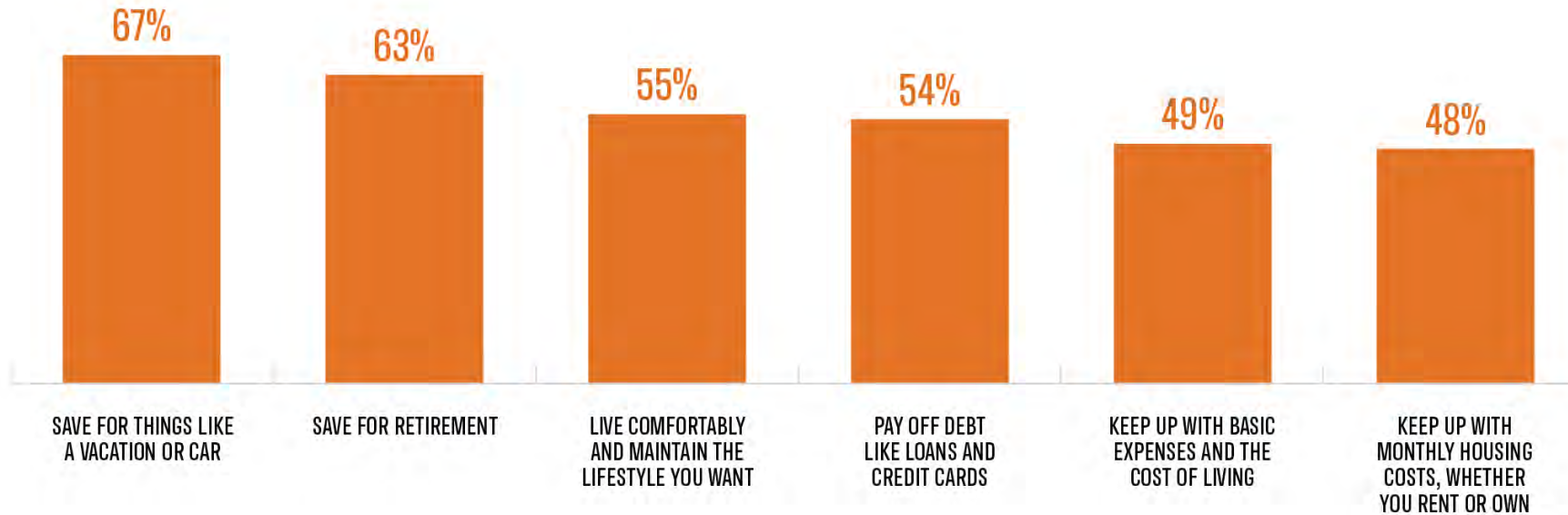
Number of Multiple Jobholders

in Millions, Seasonally Adjusted, January 2004 to March 2026



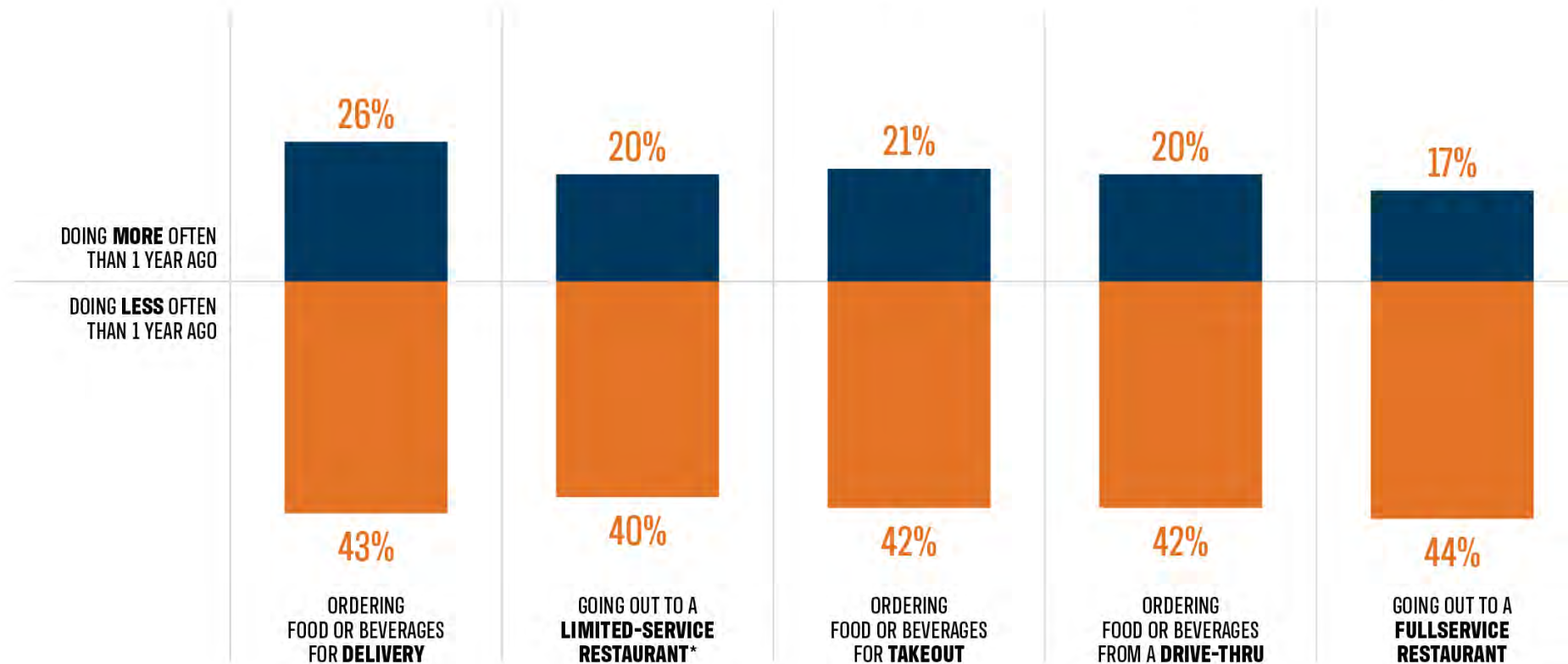
CONSUMERS ARE **FEELING STRAINED** ECONOMICALLY

% OF CONSUMERS WHO SUGGEST THAT DOING THE FOLLOWING THINGS ARE 'VERY' OR 'SOMEWHAT DIFFICULT' TO DO



4 IN 10 CONSUMERS SAY THEY CUT THEIR RESTAURANT FREQUENCY IN 2025

RESTAURANT CUSTOMERS' REPORTING OF THEIR RESTAURANT USAGE COMPARED WITH 1 YEAR AGO



Source: National Restaurant Association

Base: Consumers who used restaurants for those individual activities during the past 6 months

*Includes going out for food or beverages at coffee shops, snack places, delis, quickservice restaurants, and fast casual restaurants

CONSUMERS PRIORITIZE RESTAURANTS IN THEIR DISCRETIONARY SPENDING

**% OF CONSUMERS WHO SAID THEY STILL DO THE FOLLOWING ACTIVITIES,
DESPITE HAVING A DIFFICULT TIME KEEPING UP WITH BASIC EXPENSES**

ACTIVITY	ALL ADULTS	GEN Z ADULTS (18-29)	MILLENNIALS (30-45)	GEN X (46-61)	BABY BOOMERS (62-80)
ORDER TAKEOUT OR DELIVERY FROM A RESTAURANT	54%	56%	58%	51%	53%
GO OUT TO EAT AT A RESTAURANT	53%	52%	56%	49%	53%
BUY CLOTHING, APPAREL, OR ACCESSORIES	49%	49%	49%	49%	48%
PICK UP A COFFEE OR TREAT FROM A COFFEE SHOP OR SNACK PLACE	37%	38%	46%	35%	28%
GO OUT FOR ENTERTAINMENT, SUCH AS A MOVIE, CONCERT, OR SPORTING EVENT	25%	39%	28%	19%	17%
BUY ELECTRONICS LIKE A SMARTPHONE, TELEVISION, OR GAMING DEVICE	22%	22%	23%	23%	19%

Source: National Restaurant Association

Base: Consumers who said they were having a difficult time keeping up with basic expenses and the cost of living

Average Price Per Gallon of Conventional Retail Gasoline



Average Price Per Gallon
Has Increased by
\$1.15
Since the End of February

Personal Consumption Expenditures, Gasoline & Other Energy Products

January 2015 to February 2026, in Billions of U.S. Dollars, Seasonally Adjusted



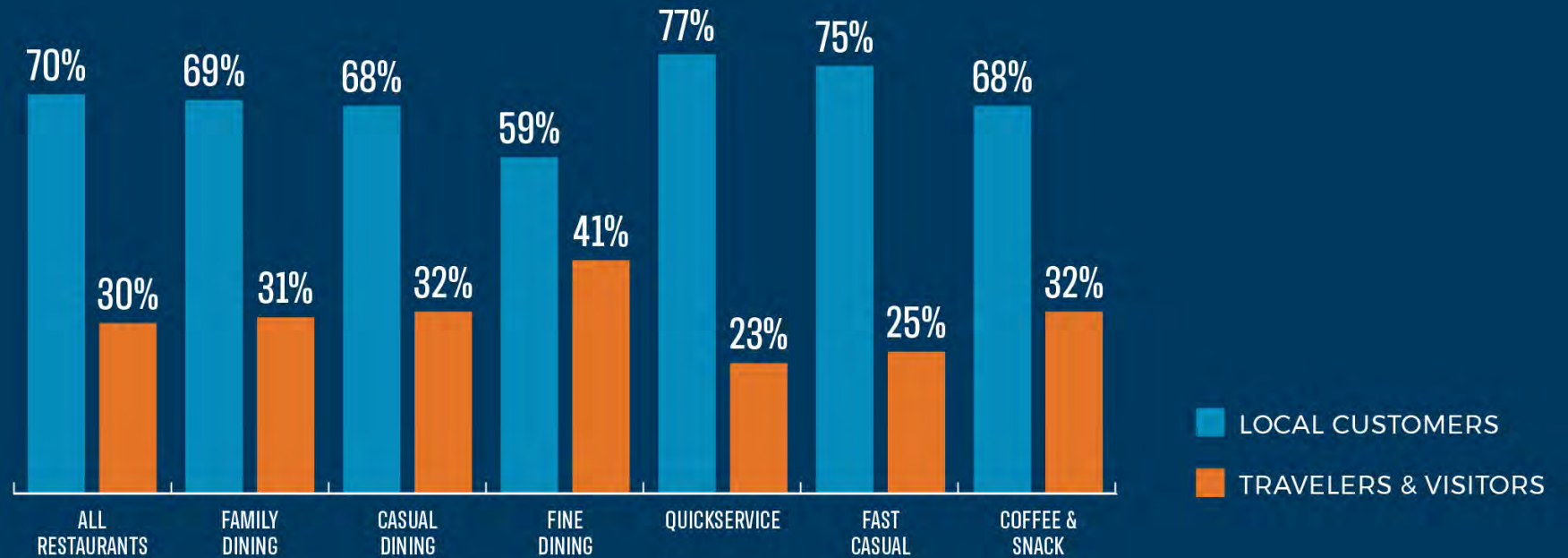
If gasoline and other energy products prices were to stay 30% higher than the February 2026 level for the rest of the year, that would translate into roughly **\$125 billion annually** in additional personal spending in this category, or **\$10.5 billion per month**.

We estimate that the impact to restaurants could be more than **\$9 billion annually**, assuming reductions proportional to current rates, or roughly **\$775 million per month**. That would represent **0.6%** of total sales for a month in the restaurant and foodservice sector.

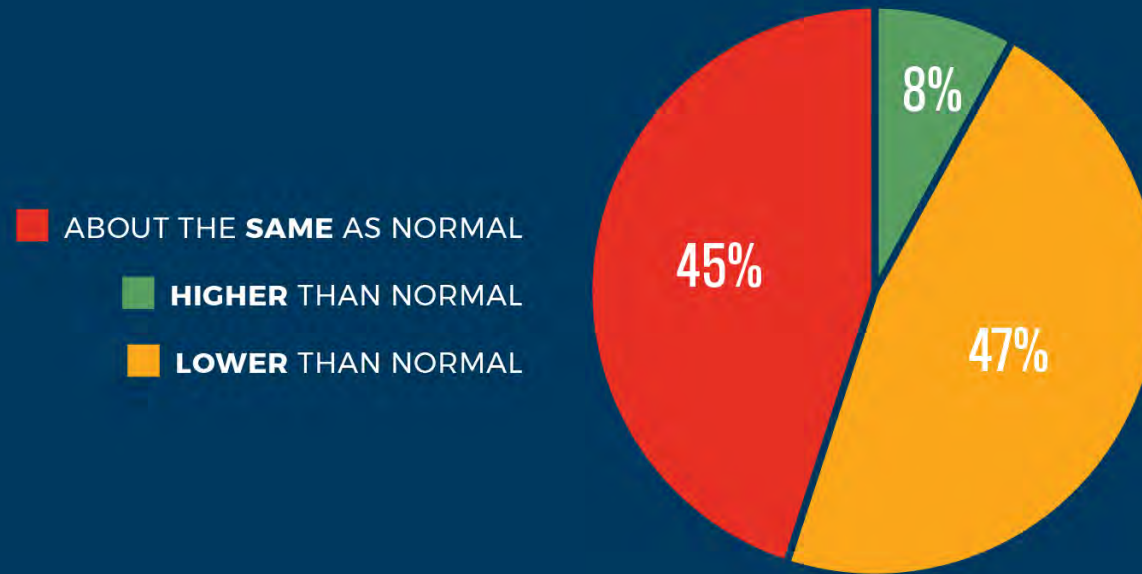
It is also possible that consumers might cut back more in other categories, or that consumers might dip into their savings somewhat, at least temporarily, reducing those impacts.

TOURISM IS A KEY DRIVER OF RESTAURANT SALES

DISTRIBUTION OF RESTAURANT SALES IN A TYPICAL YEAR



TOURISM SALES WERE DAMPENED FOR NEARLY HALF OF OPERATORS IN 2025
RESTAURANT OPERATORS' REPORTING OF SALES FROM TRAVELERS IN 2025 COMPARED WITH A TYPICAL YEAR

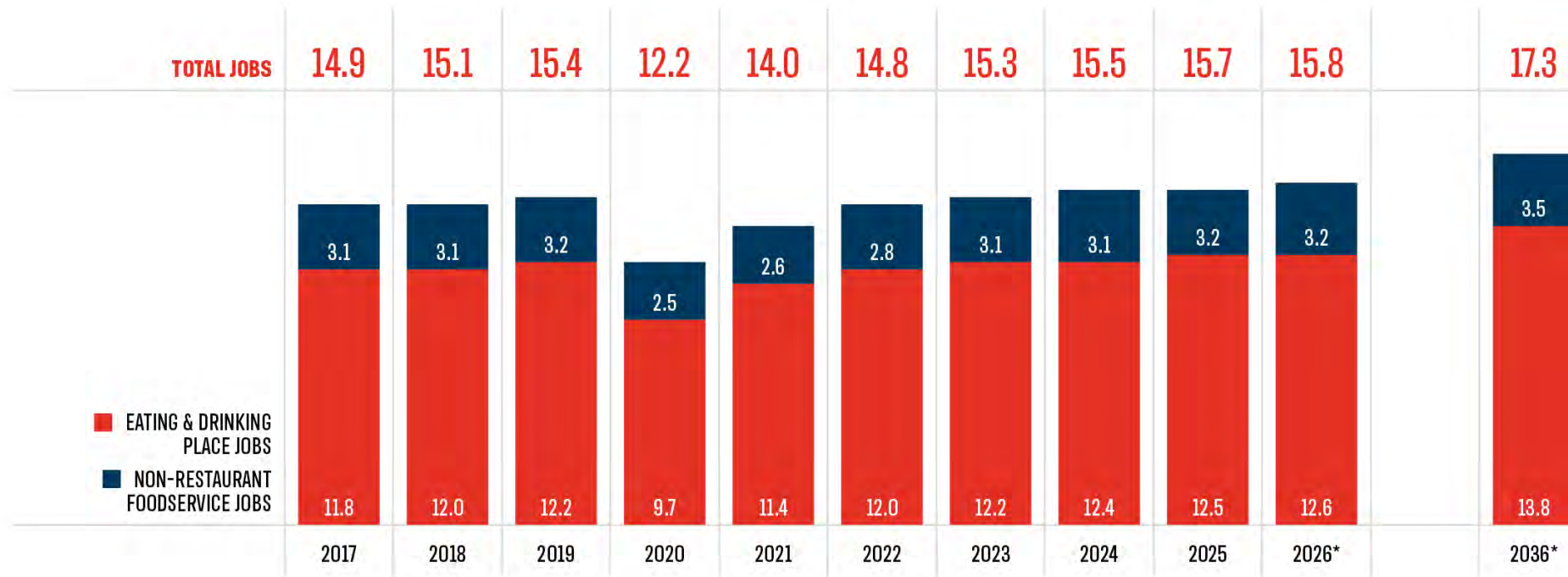


**STATE OF THE
RESTAURANT INDUSTRY
2026**

INDUSTRY OUTLOOK

RESTAURANTS WILL **CONTINUE TO ADD JOBS** IN 2026

NUMBER OF RESTAURANT AND FOODSERVICE JOBS (MILLIONS)



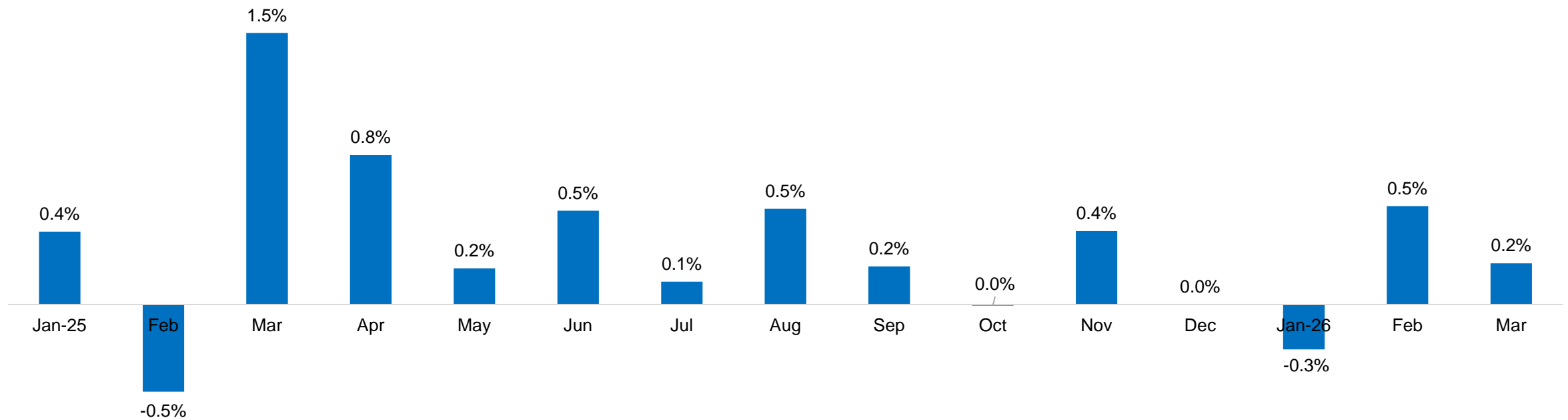
Source: National Restaurant Association, based on historical data from the Bureau of Labor Statistics.
 Note: Figures represent year-end employment levels.

	RESTAURANT AND FOODSERVICE INDUSTRY FOOD AND BEVERAGE SALES (\$BILLIONS)							2025-2026 % CHANGE	2025-2026 REAL % CHANGE
	2020	2021	2022	2023	2024	2025	2026		
EATING AND DRINKING PLACES	\$606	\$795	\$915	\$1,015	\$1,071	\$1,123	\$1,176	4.8%	1.3%
FULLSERVICE RESTAURANTS	\$259	\$375	\$440	\$489	\$519	\$549	\$576	4.9%	1.2%
LIMITED-SERVICE RESTAURANTS	\$328	\$391	\$441	\$488	\$513	\$532	\$557	4.7%	1.4%
BARS AND TAVERNS	\$19	\$28	\$34	\$38	\$40	\$42	\$44	4.4%	0.8%
LODGING PLACES	\$22	\$31	\$39	\$48	\$50	\$52	\$54	3.8%	0.3%
RETAIL HOSTS	\$116	\$121	\$129	\$130	\$131	\$138	\$144	5.0%	1.5%
RECREATION AND SPORTS	\$25	\$32	\$39	\$46	\$50	\$53	\$55	5.0%	1.5%
SCHOOLS AND COLLEGES	\$66	\$64	\$79	\$79	\$81	\$84	\$88	4.0%	0.5%
ALL OTHER FOODSERVICE ESTABLISHMENTS	\$17	\$17	\$22	\$26	\$27	\$28	\$30	5.2%	1.7%
TOTAL	\$851	\$1,060	\$1,224	\$1,343	\$1,412	\$1,477	\$1,547	4.8%	1.3%

Source: National Restaurant Association • Notes: Columns may not add up precisely due to rounding. Percent change calculations are based on unrounded data and may not match calculations based on rounded sales data

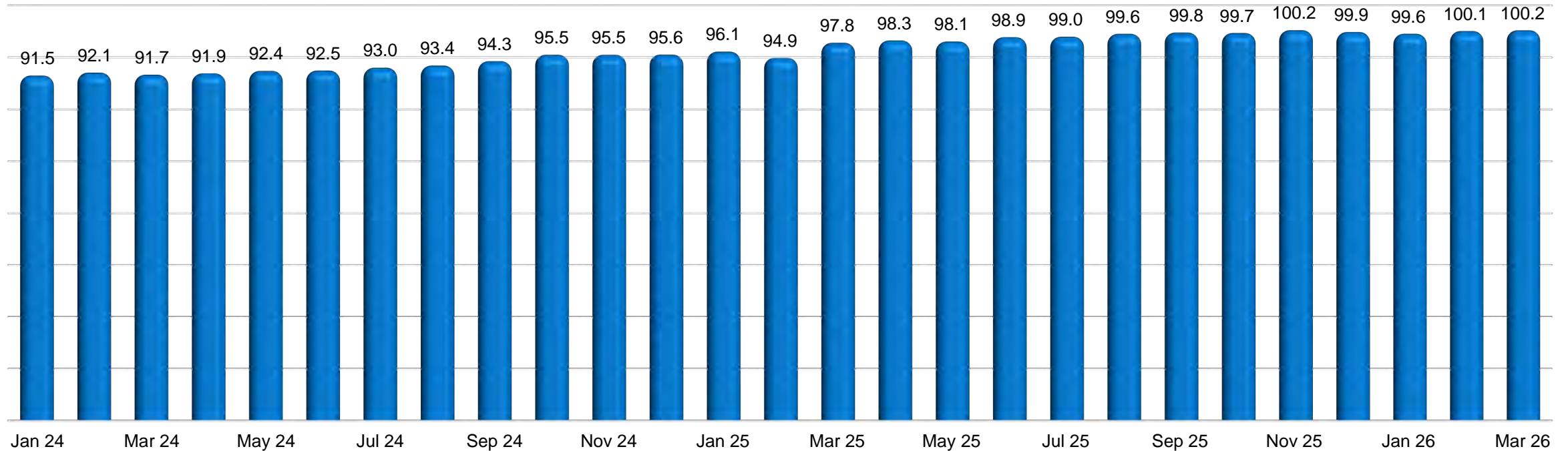
Personal Consumption Expenditures, Foodservices and Accommodations

January 2025 – March 2026, Monthly Percentage Change, Seasonally Adjusted



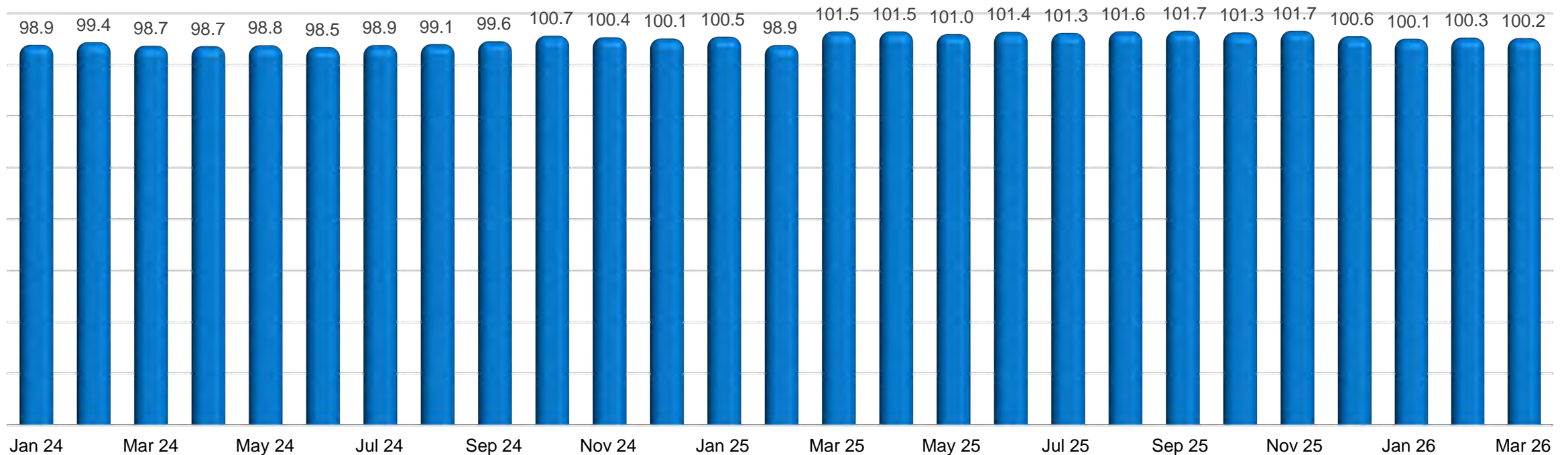
Restaurant Sales Rebounded in February and March, Up 2.4% YOY

Seasonally-adjusted Monthly Sales at Eating and Drinking Places (in billions)



Real Restaurant Sales Down 1.3% Year-Over-Year in March

Inflation-adjusted Monthly Sales at Eating and Drinking Places (in billions of March 2026 dollars)



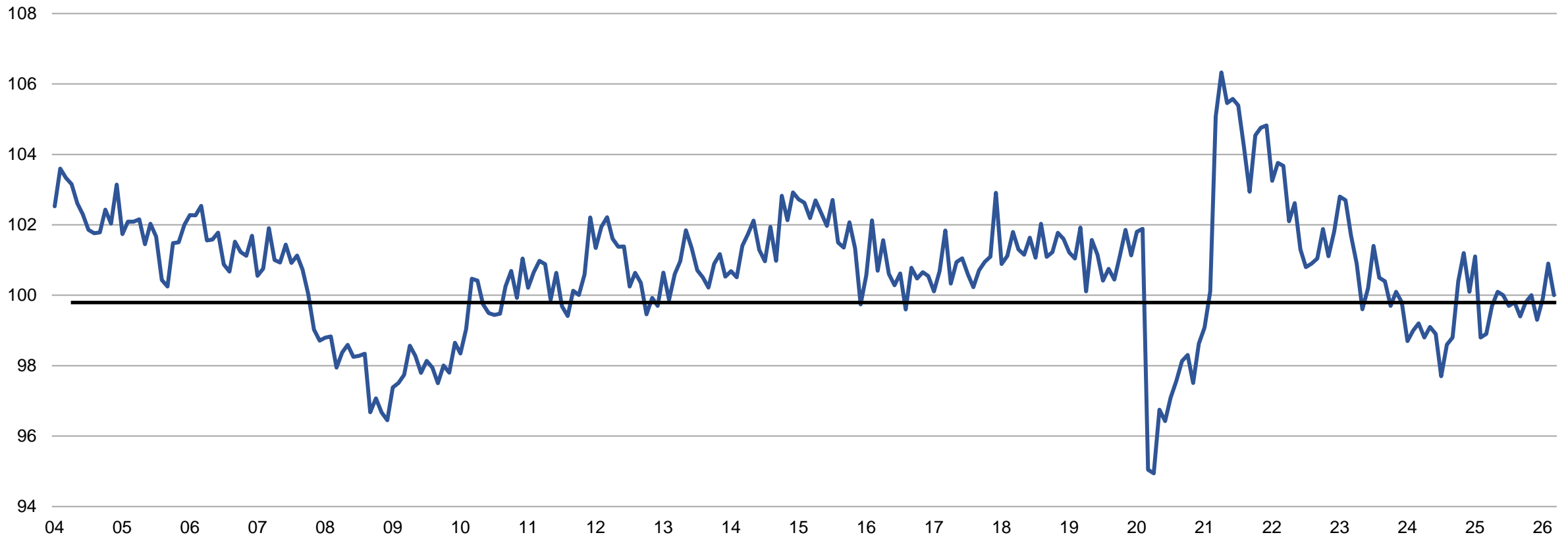
Restaurant Operators Said the Economy Was the Top Challenge Facing Their Business in April

Top challenges facing restaurant operators

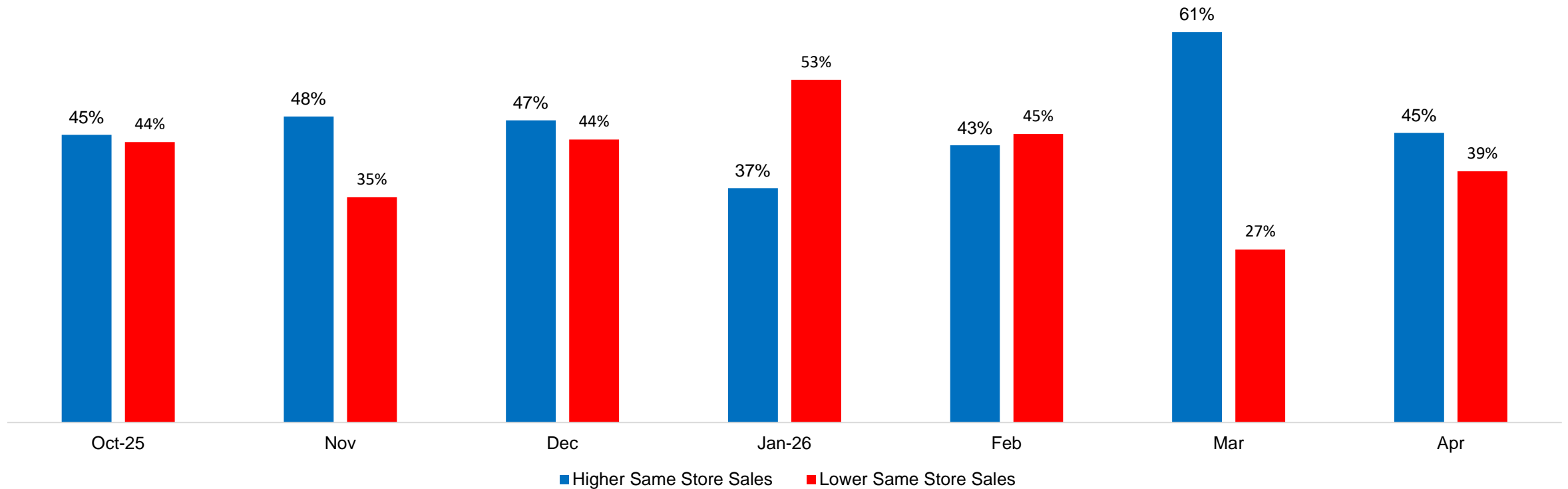
<u>April 2024</u>		<u>April 2025</u>		<u>April 2026</u>	
Recruiting Employees	34%	The Economy	22%	The Economy	22%
Sales Volume	21	Sales Volume	22	Labor Costs	18
The Economy	18	Labor Costs	20	Sales Volume	17
Labor Costs	11	Recruiting Employees	16	Food Costs	16
Government	7	Food Costs	11	Recruiting Employees	14

Restaurant Performance Index

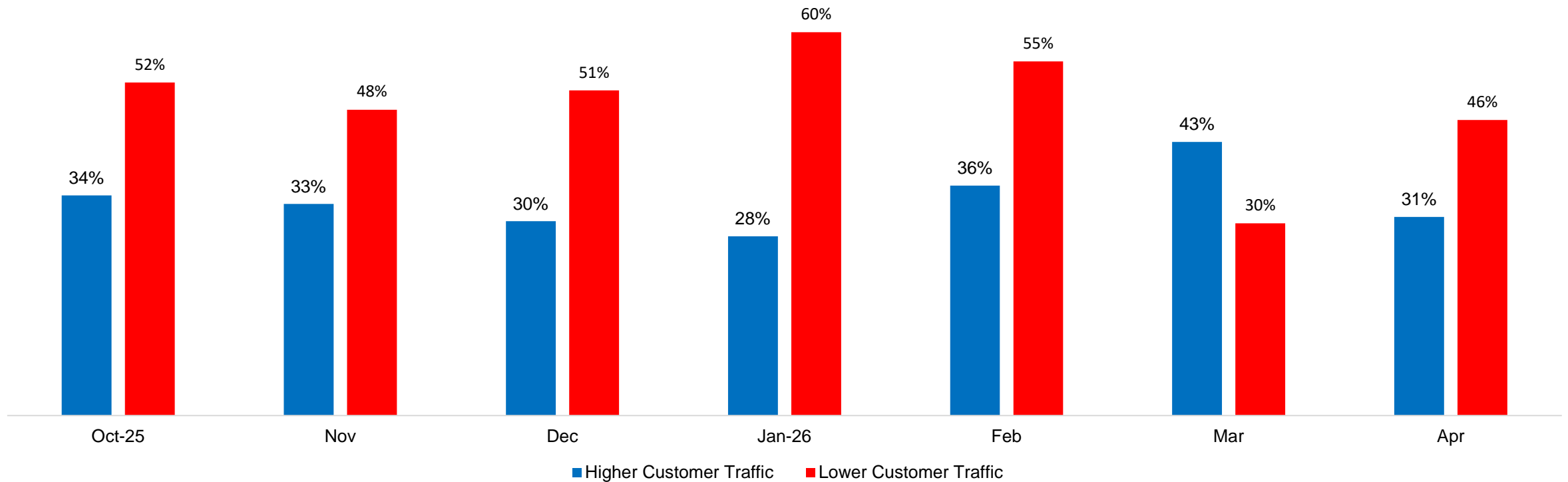
Values Above 100 = Expansion, Values Below 100 = Contraction



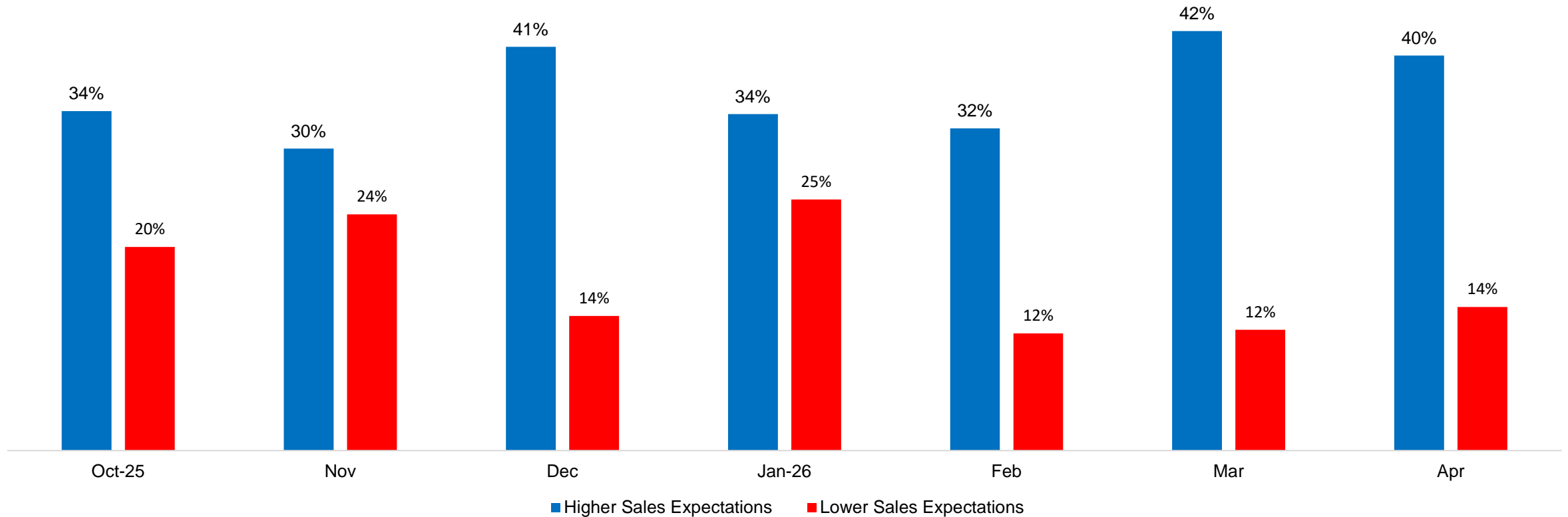
Restaurant Operators' Same Store Sales from the Previous Month



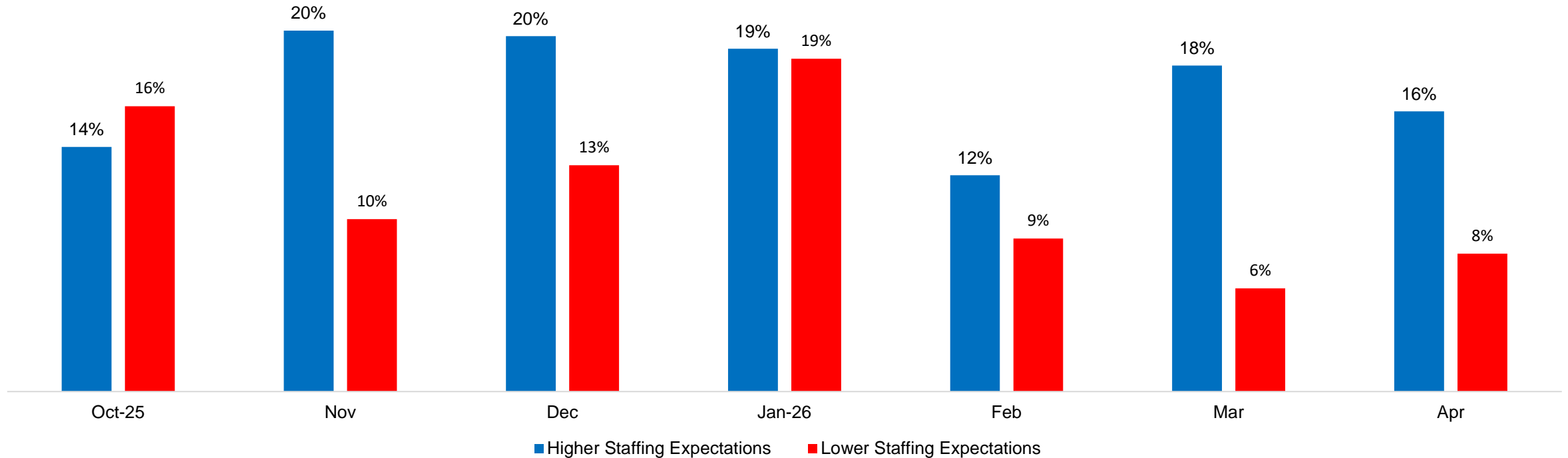
Restaurant Operators' Customer Traffic from the Previous Month



Restaurant Operators' Outlook for Sales in the Next Six Months

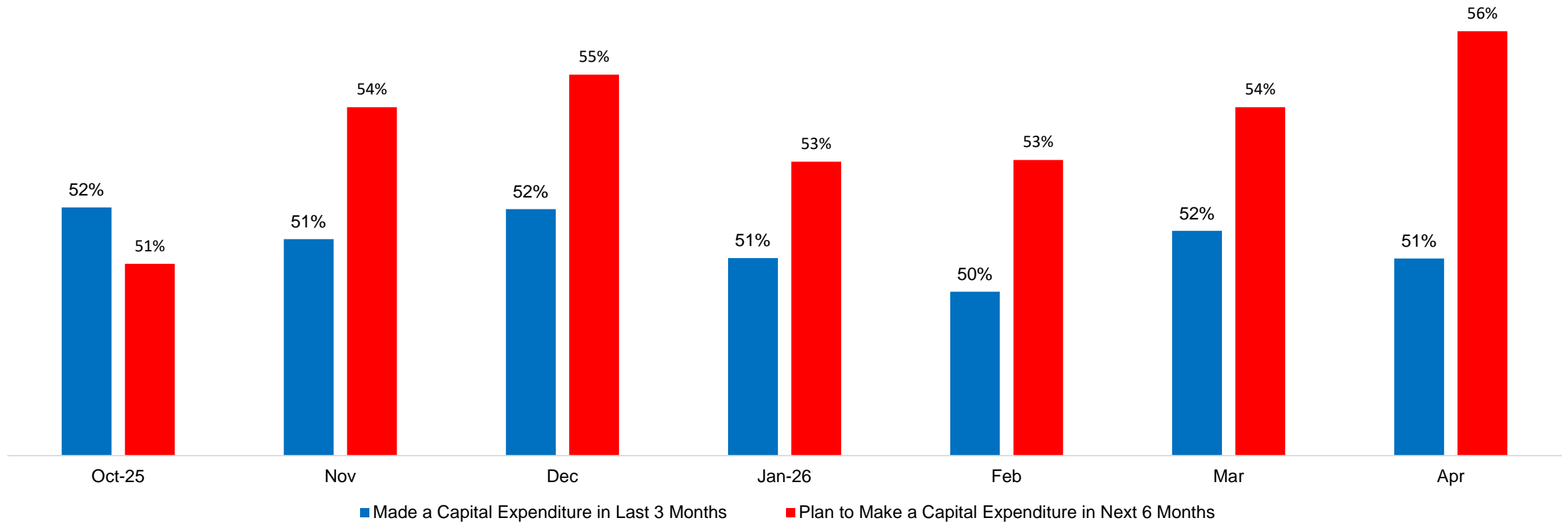


Restaurant Operators' Outlook for Staffing in the Next Six Months



Restaurant Operators' Capital Expenditures Activity

Made in Last 3 Months & Planned for Next 6 Months



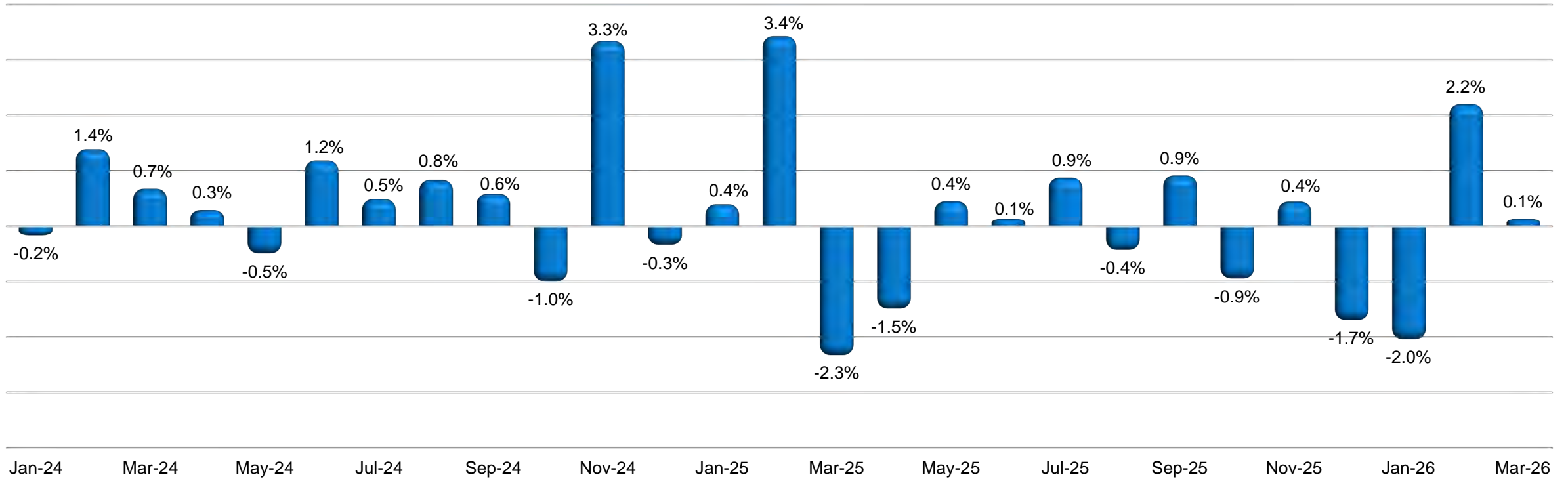
Growth in Menu Versus Grocery Prices

Annual Growth in Consumer Price Index – Food Away From Home vs. Food At Home



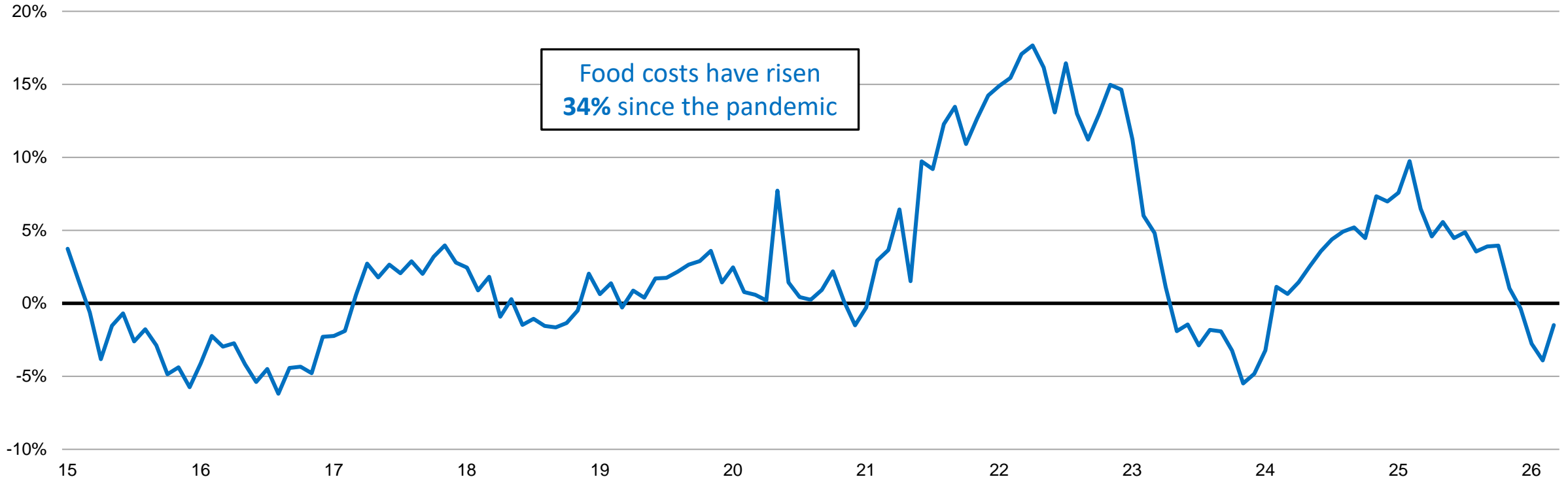
Monthly Change in Wholesale Food Prices

January 2024 to March 2026, Seasonally Adjusted



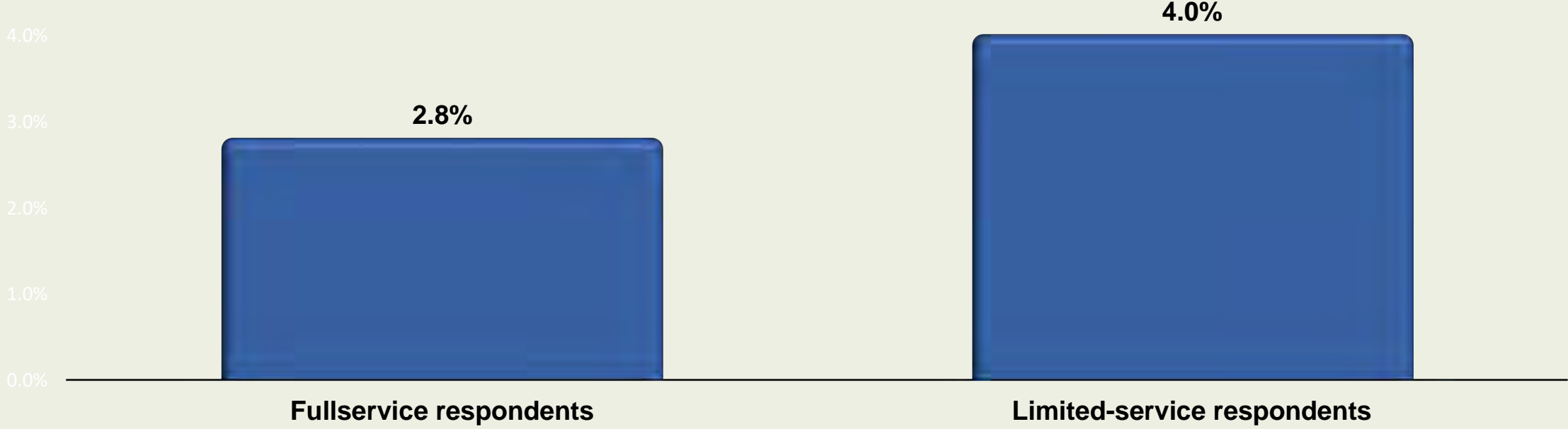
Year-Over-Year Change in Wholesale Food Prices

January 2005 to March 2026, Seasonally Adjusted



Profit Margin

Income Before Taxes as a Percentage of Sales in 2024*



*All amounts are medians

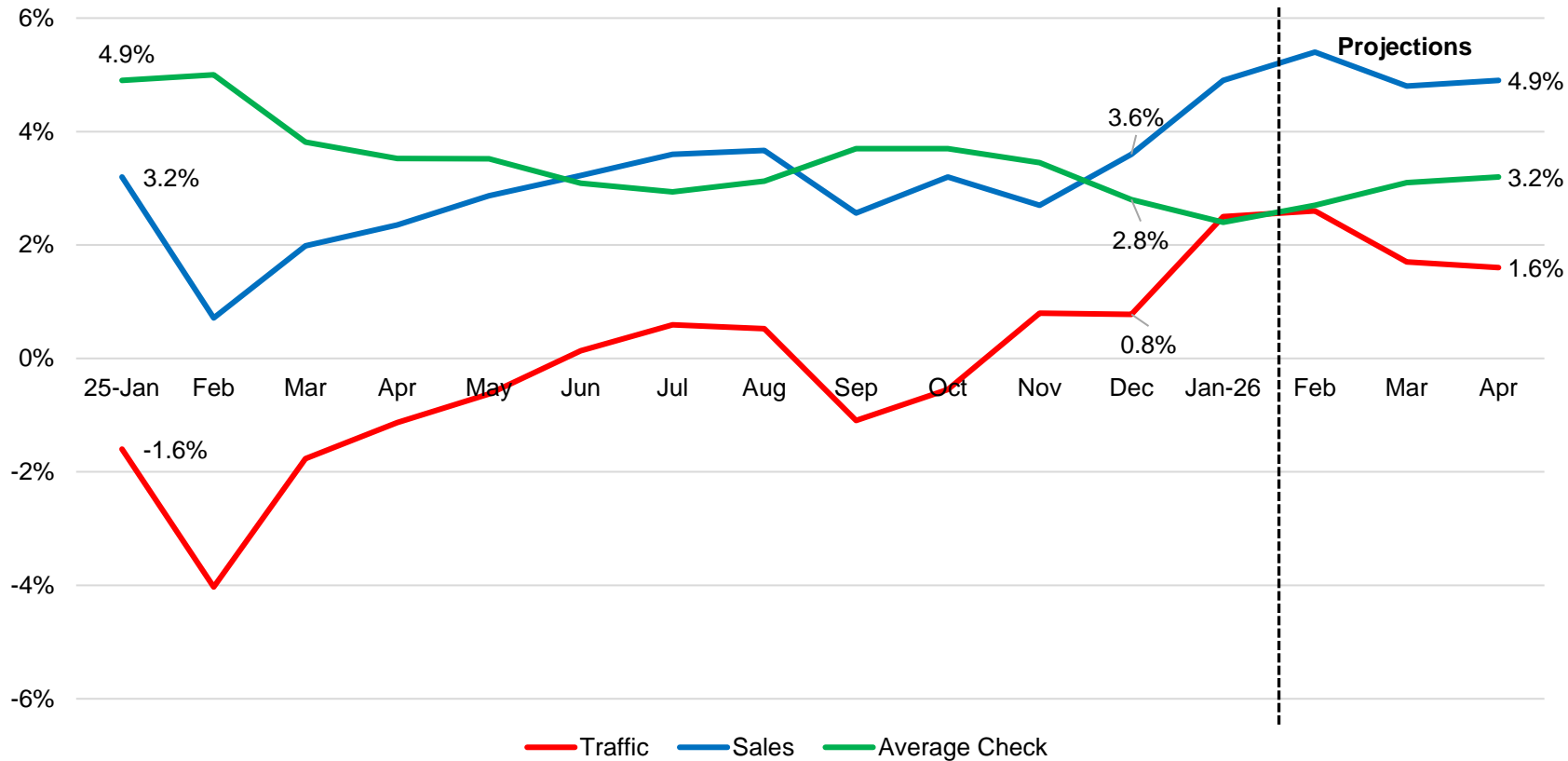
Traffic and Sales Growth by Restaurant Segment

Year-Over-Year Growth Rates, including Projections

Segment	Sales				Traffic			
	January 2026	February 2026 (p)	March 2026 (p)	Apr 2026 (p)	January 2026	February 2026 (p)	March 2026 (p)	Apr 2026 (p)
Quick Service	5.6%	6.1%	5.0%	5.1%	2.9%	2.9%	1.7%	1.6%
Fast Casual	5.1%	5.9%	6.2%	6.3%	2.1%	2.6%	2.9%	3.0%
Casual Dining	3.7%	3.1%	4.0%	3.4%	-0.1%	-0.8%	0.5%	-0.2%
Midscale	-1.2%	0.1%	-1.4%	0.9%	-5.2%	-4.2%	-5.4%	-3.2%
Fine Dining	5.3%	3.8%	7.1%	6.0%	3.6%	2.1%	5.3%	4.7%
Total	4.9%	5.4%	4.8%	4.9%	0.8%	1.3%	1.7%	1.1%

Traffic, Sales, and Average Check Growth for All Restaurants

Year-Over-Year Growth Rates, including Projections



% YOY Change	Traffic	Sales	Average Check
2025	-0.8%	2.8%	3.6%
2024	-0.8%	3.2%	4.0%
2023	2.3%	7.7%	5.4%
2022	1.5%	8.5%	7.0%
2021	10.3%	18.4%	8.3%
Cumulative 2019-2025	2.0%	35.9%	33.9%

Off-Premises Share of Total Customer Traffic

Off-Premises Category	Fullservice Restaurants		Limited-Service Restaurants	
	2019	2025	2019	2025
Total Off-Premises	12.1%	35.4%	74.1%	89.9%
Takeout	6.0%	25.2%	32.4%	43.6%
Drive-Thru	0.1%	0.7%	36.7%	33.9%
Delivery	5.8%	9.6%	5.0%	12.4%

**HOW OFTEN CONSUMERS ORDER DELIVERY,
TAKEOUT OR DRIVE-THRU FROM RESTAURANTS,
COFFEE SHOPS, SNACK PLACES OR DELIS**

FREQUENCY	DELIVERY	TAKEOUT	DRIVE-THRU
MULTIPLE TIMES A DAY	2%	2%	2%
DAILY	5%	5%	5%
SEVERAL TIMES A WEEK	17%	22%	18%
ONCE A WEEK	13%	18%	17%
AT LEAST ONCE A WEEK	37%	47%	42%
SEVERAL TIMES A MONTH	14%	20%	19%
ONCE A MONTH	10%	11%	11%
ONCE EVERY FEW MONTHS	10%	10%	11%
ONCE OR TWICE A YEAR	8%	5%	7%
NEVER	22%	7%	9%

Source: National Restaurant Association • Base: All adults
Note: Columns may not sum precisely due to rounding.

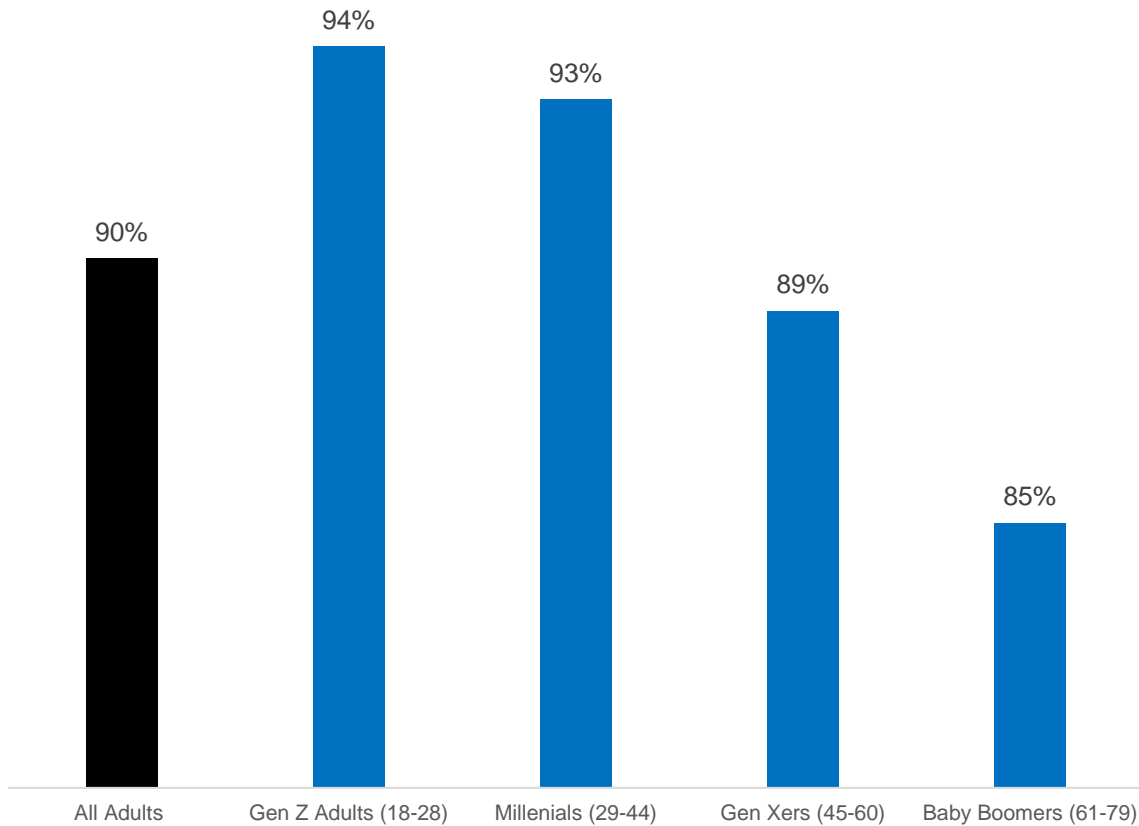
% OF CONSUMERS WHO SAY THE FOLLOWING OFF-PREMISES ACTIVITIES ARE AN **ESSENTIAL PART OF THEIR LIFESTYLE**

OFF-PREMISES OCCASION	ALL ADULTS	GEN Z ADULTS (18-28)	MILLENNIALS (29-44)	GEN XERS (45-60)	BABY BOOMERS (61-79)	URBAN CONSUMERS	SUBURBAN CONSUMERS	RURAL CONSUMERS
ORDERING TAKEOUT FOOD OR BEVERAGES	51%	67%	64%	50%	34%	61%	48%	43%
ORDERING FOOD OR BEVERAGES FROM A DRIVE-THRU	51%	57%	62%	55%	38%	58%	48%	48%
ORDERING FOOD OR BEVERAGES FOR DELIVERY	41%	59%	61%	40%	14%	52%	39%	29%

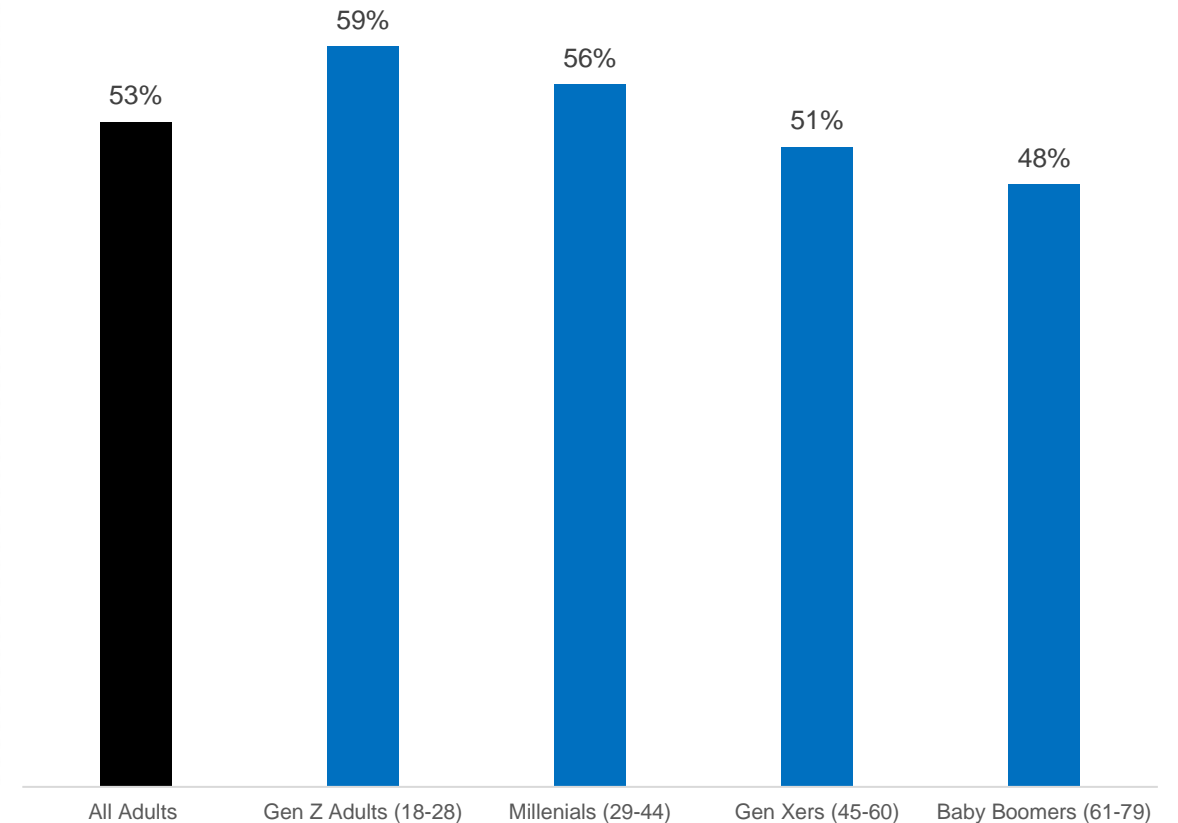
Source: National Restaurant Association • Base: All adults

Consumers want more off-premises food options, and most are willing to pay extra for upgraded packaging

*% of off-premises customers who say they would be **likely to order a greater variety of food items for takeout or delivery**, if the restaurant used packaging that helps the food maintain the same temperature, taste and quality as when it is served in the re*



*% of off-premises customers who say they would be **willing to pay a little more for these takeout and delivery orders** than they would in the restaurant, to cover the cost of the upgraded packaging*



Maintaining temperature, reducing wait time and better food quality topped customers' list of improvements

Areas in which customers would most like restaurants that offer takeout to improve

	All Adults	Gen Z Adults (18-28)	Millennials (29-44)	Gen Xers (45-60)	Baby Boomers (61-79)
Maintain the proper temperature of the food	40%	40%	38%	36%	46%
Reduce the wait time to receive the order	39%	42%	40%	39%	36%
Improve the quality of the food	38%	47%	42%	31%	34%
Increase the variety of food options for takeout	35%	22%	35%	35%	40%
Make it easier to customize orders	33%	33%	28%	37%	35%
Improve the accuracy of orders	33%	27%	37%	39%	28%
Make it more convenient to get in and out of the restaurant	31%	31%	27%	31%	35%
Make it easier to order and pay for the food	25%	30%	29%	26%	16%
Improve the packaging that contains the food	19%	21%	15%	17%	24%

There are very similar numbers for **carry-out orders**, as well.

If the packaging was improved so that the food had the same temperature, taste and quality as when it is served in the restaurant, how likely would you be to orders each item for delivery?

% of customers who say they were very or somewhat likely to order each item for delivery

	Type of Community				Home Ownership		Marital Status	
	Total	Urban	Suburban	Rural	Own	Rent	Married	Not Married
Hamburgers/cheeseburgers	81%	84%	81%	77%	78%	86%	77%	84%
French fries	76%	80%	76%	74%	70%	83%	73%	79%
Pasta	76%	81%	76%	71%	75%	77%	75%	77%
Salads	71%	74%	72%	65%	67%	75%	75%	69%
Steak	66%	73%	66%	58%	59%	72%	60%	70%
Ice cream or frozen desserts	59%	72%	56%	51%	50%	70%	53%	63%
Shrimp	51%	60%	48%	47%	46%	57%	49%	53%
Fish filets such as cod, catfish, sea bass or tilapia	47%	60%	41%	43%	44%	51%	43%	50%
Salmon	42%	49%	41%	34%	39%	46%	39%	44%
Egg dishes	40%	49%	38%	36%	37%	42%	40%	41%
Lobster	35%	43%	34%	30%	31%	40%	30%	39%
Tuna	35%	43%	31%	32%	31%	39%	31%	37%
Calamari	28%	37%	28%	19%	26%	31%	26%	29%

**STATE OF THE
RESTAURANT INDUSTRY
2026**

QUESTIONS?

Chad Moutray, Ph.D., CBE

*Senior Vice President, Research & Knowledge,
and Chief Economist*

@chadmoutray

www.restaurant.org