

Bite-size foodservice insights that will leave you craving more

Eat UP



Inflation: How it will affect you and how to beat it

75% of operators are experience signs of inflation and rising prices.

Most operators expect inflation to last to 2023 and beyond.



Due to inflation, consumers are cutting back. Restaurant meals are the first place that consumers cut back.

On average, food prices have increased by 7.9% over the last year, although food at home has increased more than food away from home, 8.7% vs 6.8% respectively.

QSR and Fast Casual operators have increased menu prices the most at 6.6%. Fine Dining is increasing the least at 4%.

Over 50% of menu items at QSR and Fast Casual have experienced price increases, mainly the entrée items. For operators, beef and uncooked protein have experienced the highest inflation in raw material prices, while vegetables, cheese and dairy have remained relatively flat.

Inflation can differ regionally, affecting bigger urban areas with growing employment

Cities like Phoenix and Atlanta are experience higher inflation, with gains in employment, while cities like NY and LA, are expecting lower inflation, with declining employment.

How to beat inflation

Innovate on menu items

Use this opportunity to experiment with menu items to create additional value



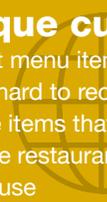
Bring back the combo meals and value items

Inflation is here to stay, offer selective deal-based menu items.



Global flavors and unique cuisines

Try out menu items or flavors that's hard to recreate at home. Create items that draws people into the restaurant and out of the house



Sources: Five in Focus: Post-COVID Inflation | Dataessential ReportPro
Webinar: Inflation | Dataessential
Youtube Webinar: The Simply Smarter Webinar: S4EP - The Inflation Webinar

We're here to help!

Just call your Cargill or Key Impact representative or email Cargill_Foodservice@cargill.com.

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