



SETTING THE TABLE FOR 2026

The restaurant industry enters 2026 building on the resilience and adaptability demonstrated in 2025. Despite persistent challenges—rising costs, softening traffic, and uneven consumer spending—restaurants remain a vital part of American life, driven by consumer appetite for flavor, convenience, and social connection. With a forecast of \$1.55T in sales and 15.8M restaurant employees this year, restaurants continue to have a significant impact on the U.S. economy.



STATE OF THE RESTAURANT INDUSTRY 2026

INDUSTRY OUTLOOK

The operating environment remains challenging.

Restaurant sales are projected to grow moderately in 2026, with real (inflation-adjusted) gains of 1.3%. Economic fundamentals, including employment and income growth, will likely support continued consumer spending.

Consumer resilience is being tested. 61% of adults consider dining out essential to their lifestyle, even with tighter budgets. Value offerings and loyalty programs will play a key role.

OPERATIONAL LANDSCAPE

The focus is on innovative solutions. Elevated costs and margin pressures persist, with 42% of operators saying they weren't profitable in 2025. Operators are responding with creativity and technology to deliver value and enhance experiences.

Technology is a game changer. Digital ordering, automation, and data analytics are streamlining operations and improving efficiency. Technology opportunities in off-premises and customer service are getting the highest levels of investment.

Beverage innovation. With 83% of operators citing drinks as a traffic driver, creative beverage programs can lead to growth.

WORKFORCE & TALENT

Employment growth continues. The industry remains the nation's second-largest private employer, with employment projected to reach 15.8M in 2026. Operators are committed to building a skilled, adaptable workforce through training and technology.

Restaurants shape careers. Two-thirds of adults have worked in restaurants, which means more people have learned skills, earned paychecks, and built careers in restaurants than any other sector, highlighting the industry's role in individual career growth.

CONSUMER TRENDS & MENU INNOVATION

Hunger drives curiosity. Diners view restaurants as the best place to discover new foods and beverages. Operators should capitalize on this with tasting events and innovative, global menus.

What's hot in 2026? Expect modern twists on familiar favorites—smashed burgers, Caribbean curry bowls, protein-forward meals—and a surge in beverage innovations, with 83% of operators citing drinks as a traffic driver.

→ **Download the full report, available at Restaurant.org.**