Food Service – Stats and Facts

DID YOU KNOW?

The United States are the largest market worldwide in terms of consumer restaurant spending. In 2016, almost one quarter of consumer spending in the industry was attributable to the U.S. market. Food and drink sales in the United States have grown from 379 billion U.S. dollars in the year 2000 to almost 800 billion U.S. dollars in 2017. This is also reflected in the number of restaurants and other food and drink establishments in the United States. In the fall of 2017, the total U.S. restaurant count reached around 647 thousand units.

The food service sector includes catering services, coffee & snack shops, food delivery providers and others. The restaurant sector, on the other hand, is comprised mainly of independent or chain full-service and limited-service restaurants (FSRs & LSRs). FSRs are establishments primarily focused on providing food services to patrons who order and are served while seated and pay after eating. In 2016, total FSR sales in the United States amounted to around 300 billion U.S. dollars. LSRs on the other hand are restaurants where patrons generally order at a cash register or select items from a food bar and pay before they eat. In 2017, limited-service restaurant sales totaled more than 230 billion U.S. dollars. Food delivery is also a popular segment of the industry, especially pizza delivery services, on which U.S. consumers spent around 10 billion U.S. dollars in 2016.

McDonald’s is the most valuable restaurant chain company both worldwide and in the United States. In 2017, the company had a brand value of almost 100 billion U.S. dollars – more than double its closest competitor, Starbucks. Comparatively, the leading FSR restaurants are far behind the 36.4 billion dollars’ worth of sales McDonald’s achieved in 2016. The top chain in terms of sales being Applebee’s, bringing in a total of 4.4 billion dollars in 2016 with its competitor Olive Garden coming in at a

close second with 3.9 billion dollars. In the food delivery segment Domino’s Pizza is the industry leader, with more than 5 billion U.S. dollars in sales in the United States alone.

A snapshot of jobs, wages, and opportunities in the Restaurants & Food Services Industry Group. Waiters & waitresses are the most common position, but the Restaurants & Food Services Industry Group employs a relatively high number of Food service managers, compared to other industries.

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The Bureau of Labor Statistics estimates that there were 11.9M people employed in the Restaurants & Food Services Industry Group in 2018.

According to ACS estimates, the number of people employed in the Restaurants & Food Services Industry Group has been growing at a rate of 0.288%, , from 9.65M people in 2017 to 9.68M people in 2018.

The following graphic shows the share of employment in Restaurants & Food Services by various occupations according to ACS estimates. Waiters & waitresses represent the largest share of positions held in Restaurants & Food Services at 21.1%, followed by Cooks with 17.7% and Food service managers with 8.95%.

Restaurant Industry Facts

- $899 billion: Restaurant industry’s projected sales in 2020
- 1 million+: Restaurant locations in the United States

- 6 million: Restaurant industry employees
- 6 million: New restaurant jobs created by 2030
- 9 in 10 restaurant managers started in entry-level positions
- 8 in 10 restaurant owners started their industry careers in entry-level positions
- 9 in 10 restaurants have fewer than 50 employees
- 7 in 10 restaurants are single-unit operations
- Restaurants employ more minority managers than any other industry
- 63% of consumers would rather spend on an experience than purchase an item
- The number of middle-class jobs ($45K-$75K) in the restaurant industry grew 84% between 2010 and 2018, more than 3 times faster than in the overall economy.

The market size, measured by revenue, of the Food Service Contractors industry is $44.9bn in 2020.

The market size of the Food Service Contractors industry is expected to decline -9.5% in 2020.

The food industry is one of the most important industries around the world. Different from the grocery industry, food industry specialists provide people with prepared foods or ready-to-eat items that they can take with them or have served to them. It is one of the biggest industries in terms of employment around the world.

Food Service Industry Statistics

More than 10 million people are employed by the food industry in the United States alone.

Let’s face it: without food, there is no life. People can grow their own foods at home and many do thanks to a homesteading type of lifestyle, but for the average person, they need to purchase foods that are grown by others commercially. Because of this need, there is a massive market for products and the food service industry will always be in existence.

Three Fast Facts About the Food Service Industry

1. Total revenues generated by the food service industry in 2012, the last year information has been reported, was over $7.6 trillion.
2. The total value of all food service assets around the world is estimated to be at $1.3 trillion.
3. 50% of the fish that is eaten daily by the global population is raised because of efforts of the food service industry.

Takeaway: As food resources continue to be needed in an ever-expanding way, the food service industry has continued to step up to the plate to provide people with alternatives that they need in order to survive. Where else can you get over 1,000 calories of nutritional input for less than $2? Outside of the food service industry, it just can’t be feasibly done for a profit. Because of this, more people who live in poverty have a chance to grow and thrive.

Other Facts to Consider About This Industry

1. Sales at food service industry locations is up 3.2% over the previous year as of the time of this writing.
2. The unemployment rate within this industry is higher than average at 10.2% as of February 2014.
3. The largest sector of employment in this industry is waitstaff, accounting for over 2 million jobs in the US alone.
4. The average salary of a non-management employee in the food service industry is about $11 per hour, including tips.
5. Being represented by a union in this industry equates to a jump in wages of nearly 25%.
6. There are over 589,000 food service industry locations generating revenues in the United States alone. On average, this means the typical employment location has just 4 employees.
7. Packaged food accounts for $2.1 trillion in global revenues annually.

8. There has been a 1.5% change in restaurant industry sales in the United States.

Takeaway: Unfortunately the food service industry survives on some very tight margins for the average provider. Although there are plenty of individuals who can make seven figure salaries thanks to this industry, the average worker within the field takes home less than $20,000 per year while working full-time. This discrepancy in pay has many calling for changes to compensation structures, with a movement on the West Coast growing to pay food service industry workers $15 per hour. Will this create change? Will food service industry revenues continue to increase? Only time will tell.

Foodservice outlets are facilities that serve meals and snacks for immediate consumption on site (food away from home). Commercial foodservice establishments accounted for the bulk of food-away-from-home expenditures. This category includes full-service restaurants, fast food outlets, caterers, some cafeterias, and other places that prepare, serve, and sell food to the general public for a profit.

ERS research examines:

- the size of the growing foodservice market,
- the major market segments such as fast food and full-service outlets, and
- recent issues in the foodservice industry such as diet quality and nutrition labeling.

The food system, including food service and food retailing supplied $1.24 trillion worth of food in 2010 in the US, $594 billion of which was supplied by food service facilities, defined by the USDA as any place which prepares food for immediate consumption on site, including locations that are not primarily engaged in dispensing meals such as recreational facilities and retail stores. Full-service and Fast-food restaurants account for 77% of all foodservice sales, with full-service restaurants accounting for just slightly more than fast food in 2010. The shifts in the market shares between fast food and full-service restaurants to market demand changes the offerings of both foods

and services of both types of restaurants.

According to the National Restaurant Association a growing trend among US consumers for the foodservice industry is global cuisine with 66% of US consumers eating more widely in 2015 than in 2010, 80% of consumers eating ‘ethnic’ cuisines at least once a month, and 29% trying a new ‘ethnic’ cuisine within the last year.

The Foodservice distributor market size is as of 2015 $231 billion in the US; the national broadline market is controlled by US Foods and Sysco which combined have 60-70% share of the market and were blocked from merging by the FTC for reasons of market power.

KEEP IN MIND

The foodservice landscape is shifting around the globe. The supply chain is evolving, consumer needs and tastes are changing, the channels offering foodservice are plentiful, and technology is enabling convenience and service at the speed of light. Whether you’re a foodservice distributor, manufacturer, or operator, navigating the new landscape can be a challenge—but that’s where we come in. We’ve been tracking every aspect of the industry for more than 40 years, from sizing gaps and opportunities, to assessing your market share, to determining what operators actually buy, and tracking consumer purchasing trends over time.

Food service (US English) or **catering industry** (British English) defines those businesses, institutions, and companies responsible for any meal prepared outside the home. This industry includes restaurants, school and hospital cafeterias, catering operations, and many other formats.

The companies that supply foodservice operators are called foodservice distributors. Foodservice distributors sell goods like small wares (kitchen utensils) and foods. Some companies manufacture products in both consumer and foodservice versions. The consumer version usually comes in individual-sized packages with elaborate label design for retail sale. The foodservice version is packaged in a much larger industrial size and often lacks the colorful label designs of the consumer

version.

Food and beverage serving and related workers typically do the following:

- Greet customers and answer their questions about menu items and specials
- Take food or drink orders from customers
- Relay customers’ orders to other kitchen staff
- Prepare food and drink orders, such as sandwiches, salads, and coffee
- Accept payments and balance receipts
- Serve food and drinks to customers at a counter, at a stand, or in a hotel room
- Clean assigned work areas, dining tables, or serving counters
- Replenish and stock service stations, cabinets, and tables
- Set tables or prepare food trays for new customers

Food and beverage serving and related workers are the front line of customer service in restaurants, cafeterias, and other food service establishments. Depending on the establishment, they take customers’ food and drink orders and serve food and beverages.

Most work as part of a team, helping coworkers to improve workflow and customer service. The job titles of food and beverage serving and related workers vary with where they work and what they do.

The following are examples of types of food and beverage serving and related workers:

Combined food preparation and serving workers, including fast food, are employed primarily by fast-food and fast-casual restaurants. They take food and beverage orders, prepare or retrieve items when ready, fill cups with beverages, and accept customers’ payments. They also heat food items and make salads and sandwiches.

Counter attendants take orders and serve food over a counter in snack bars, cafeterias, movie theaters, and coffee shops. They fill cups with coffee, soda, and other beverages, and may prepare

fountain specialties, such as milkshakes and ice cream sundaes. Counter attendants take carryout orders from diners and wrap or place items in containers. They clean counters, prepare itemized bills, and accept customers' payments.

Dining room and cafeteria attendants and bartender helpers—sometimes collectively referred to as bus staff—help waiters, waitresses, and bartenders by cleaning and setting tables, removing dirty dishes, and keeping serving areas stocked with supplies. They also may help waiters and waitresses by bringing meals out of the kitchen, distributing dishes to diners, filling water glasses, and delivering condiments. **Cafeteria attendants** stock serving tables with food trays, dishes, and silverware. They sometimes carry trays to dining tables for customers. **Bartender helpers** keep bar equipment clean and glasses washed.

Food servers, nonrestaurant, serve food to customers outside of a restaurant environment. Many deliver room service meals in hotels or meals to hospital rooms. Some act as carhops, bringing orders to customers in parked cars.

Hosts and hostesses greet customers and manage reservations and waiting lists. They may direct customers to coatrooms, restrooms, or a waiting area until their table is ready. Hosts and hostesses provide menus after seating guests.

How to Become a Food and Beverage Serving or Related Worker

Food and beverage and related workers need customer service skills.

Most food and beverage service workers receive short-term on-the-job training. There are no formal educational requirements.

Most states require workers, such as nonrestaurant servers, who serve alcoholic beverages to be 18 years of age or older.

Education

There are no formal education requirements for becoming a food and beverage serving worker.

Training

Most workers learn through on-the-job training, usually lasting several weeks. Training includes basic customer service, kitchen safety, safe food-handling procedures, and good sanitation habits.

Some employers, particularly those in fast-food restaurants, teach new workers with the use of self-study programs, online programs, audiovisual presentations, or instructional booklets that explain food preparation and service procedures. However, most food and beverage serving and related workers learn duties by watching and working with more experienced workers.

Some full-service restaurants provide new dining room employees with classroom training sessions that alternate with periods of on-the-job work experience. The training communicates the operating philosophy of the restaurant, helps new employees establish a personal rapport with other staff, teaches employees formal serving techniques, and instills a desire in the staff to work as a team.

Some nonrestaurant servers and bartender helpers who work in establishments where alcohol is served may need training on state and local laws concerning the sale of alcoholic beverages. Some states, counties, and cities mandate such training, which typically lasts a few hours and can be taken online or in-person.

Advancement

Advancement opportunities are limited to those who remain on the job for a long time. However, some dining room and cafeteria attendants and bartender helpers may advance to waiter, waitress, or bartender positions as they learn the basics of serving food or preparing drinks.

Important Qualities

Communication skills. Food and beverage serving and related workers must listen carefully to their customers’ orders and relay them correctly to the kitchen staff so that the orders are prepared to the customers’ request.

Customer-service skills. Food service establishments rely on good food and customer service to keep customers and succeed in a competitive industry. As a result, workers should be courteous and be able to attend to customers’ requests.

Physical stamina. Food and beverage serving and related workers spend most of their work time standing, carrying heavy trays, cleaning work areas, and attending to customers’ needs.

Physical strength. Food and beverage serving and related workers need to be able to lift and carry stock and equipment that can weigh up to 50 pounds.