

# The New Catering Buyer

## Catering Market Outlook



Technomic®



**Since 1966, we've produced  
in-depth research focused  
on the foodservice industry.**

We provide insights into consumer, industry and menu trends in the U.S., Canada and 23 countries around the world. Our team of experts helps leaders in the industry make complex business decisions, set strategy and stay ahead of the curve.

**-14%**  
**Business**  
**Catering**  
**2022 vs. 2019**

**-7%**  
**Social**  
**Catering**  
**2022 vs. 2019**

**2022-2025**  
**Forecast**  
**7.1% B2B**  
**8.4% Social**  
**(CAGR)**

## **Forecasted Sales Index (2025)**

**100 = 2019 Sales Levels**

Quick Service: 111

Fast Casual: 124

Full Service: 102

Caterers: 128

Supermarket: 114

Club Stores: 108

On-Site Cafeterias: 80



# Macro- changes impacting buying behavior



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**36%**  
**strongly**  
**prefer to**  
**watch new**  
**movie**  
**releases via**  
**streaming**

Source: Statista Report 2023  
Image Source: Shutterstock

**-\$3B**

**Box office revenue was  
forecasted to be below  
pre-pandemic levels**

**+20%**

**Box office growth first half  
of 2023 vs. 2022**



## Technomic's Take

# At-home entertainment creates informal catering opportunities

### Implication

Small informal house parties remain an elevated opportunity

These events have created gray areas between catering and standard delivery





**28%** of employees  
have hybrid schedules

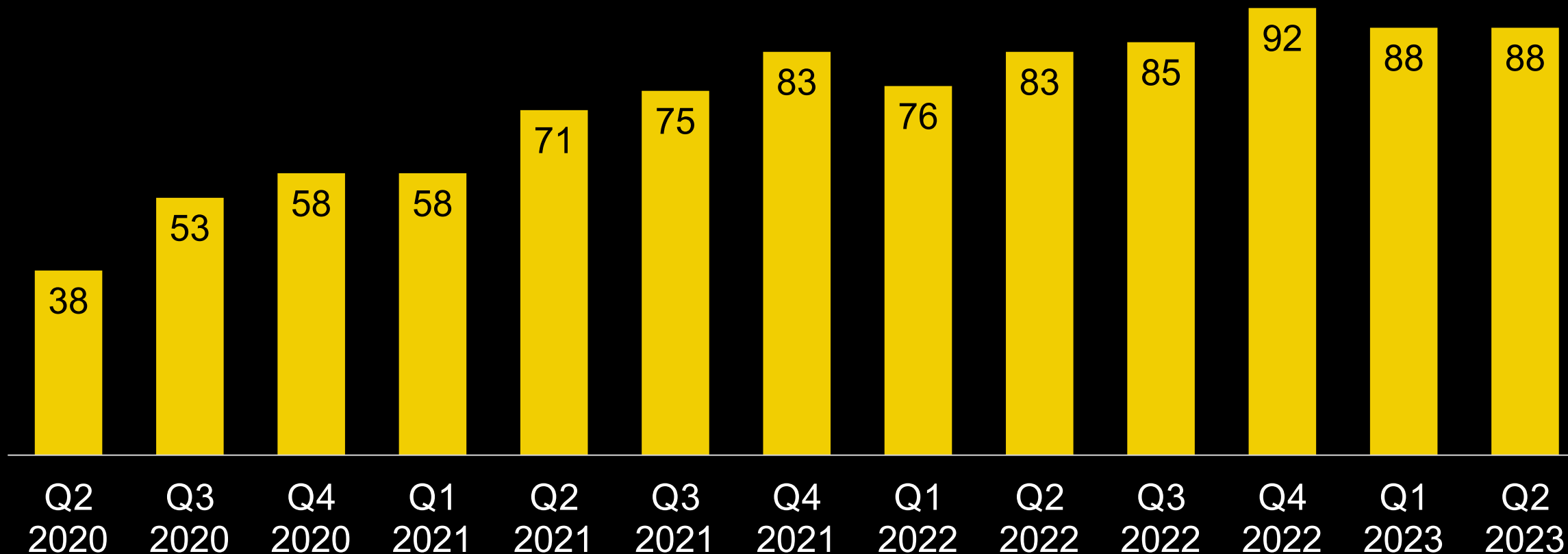
**50%** office occupancy

Source: Dinova/Technomic October 2023 State of the Business Diner Report  
Image Source: Shutterstock



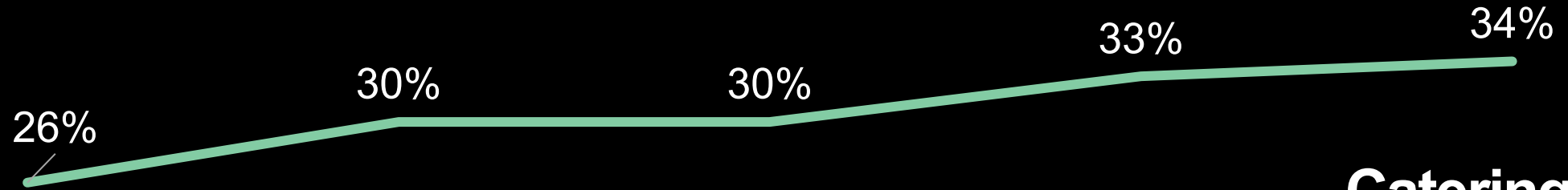
## BUSINESS DINING GROWTH (DINOVA BUSINESS DINING INDEX)

100 = \$ SALES COMPARED TO EQUIVALENT QUARTER IN 2019



Source: Dinova/Technomic October 2023 State of the Business Diner Report

## SHARE OF BUSINESS DINING DOLLARS USED FOR CATERING ORDERS



**Catering has  
increased its  
share of corporate  
food expenses**

2019

2020

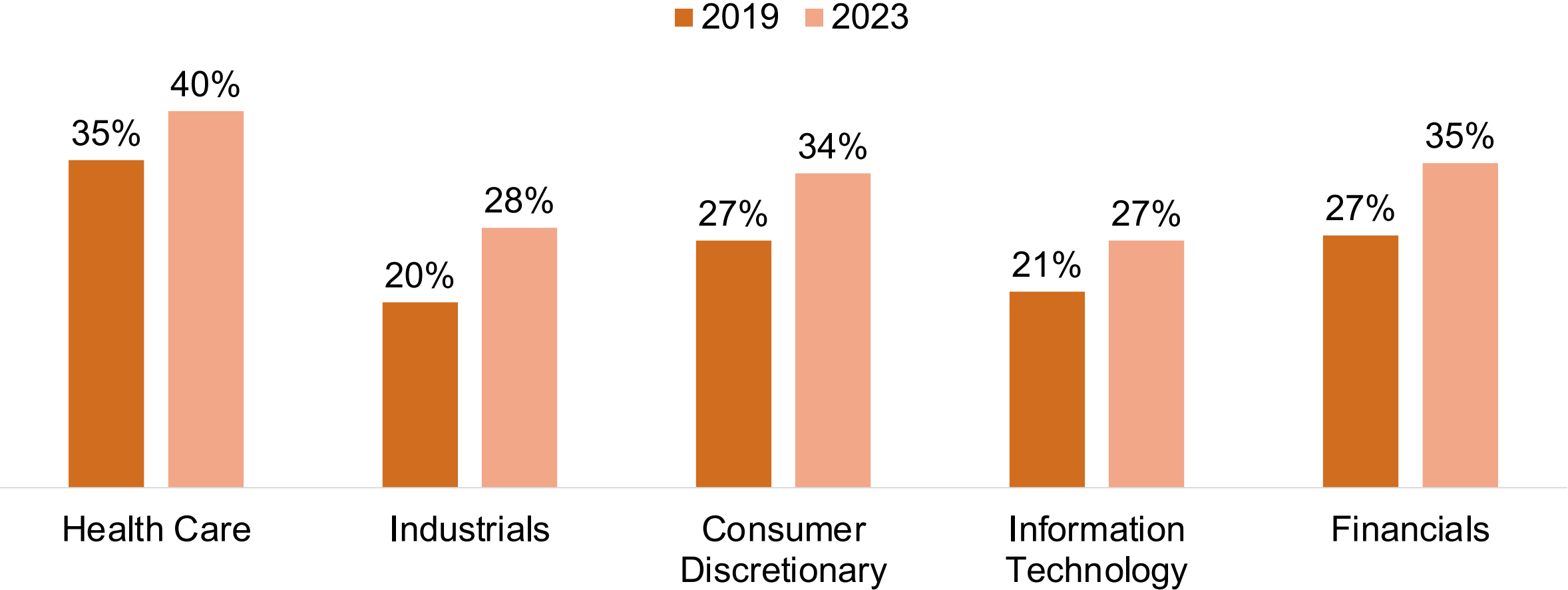
2021

2022

2023



# CATERING'S SHARE OF BUSINESS DINING DOLLARS BY INDUSTRY



Source: Dinova Business Dining Tracker

## Technomic's Take

# Hybrid-office arrangements changed business catering

### Implication

Share of corporate dining dollars have shifted in caterings favor

Food and beverage have become an incentive to come to the office





# 13%

# YOY increase in events volume



Source: Knowland October 2023  
Photo by Jonathan Maze



## Technomic's Take

# The return to live events is accelerating

### Implication

Special events and conventions have greater expectations re: social connections and experience

Expectations of a memorable experience are heightened

Photo by Jonathan Maze, Editor-in-Chief, Restaurant Business

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# Overview of buying behaviors

Image Source: Shutterstock

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## BUSINESS CATERING

**65%** of business caterers **placed orders weekly in 2022 vs. 41% in 2018**

## SOCIAL CATERING

**31%** of social caterers **placed orders weekly in 2022 vs. 21% in 2018**

Source: Technomic 2018 and 2022 Catering Multi Client Studies  
Image Source: Shutterstock

## DECISION DRIVERS

### Pre-Pandemic Value Equation

- Quality and flavor
- Ease of ordering
- Price
- Fit for event



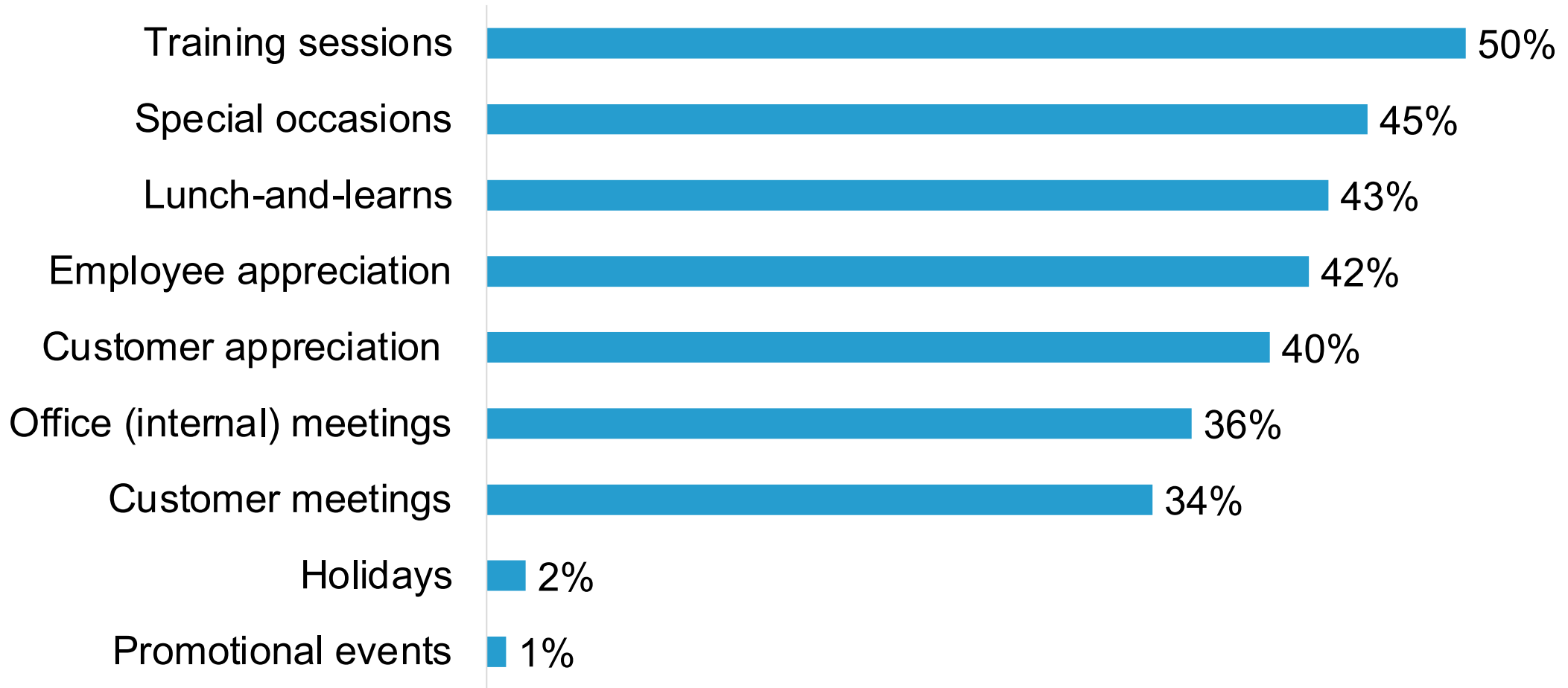
### New Considerations

- Online/app ordering
- Customizable to taste and dietary preference
- Healthy options



## BUSINESS CATERING OCCASIONS

% OF BUYERS ORDERING IN PAST YEAR

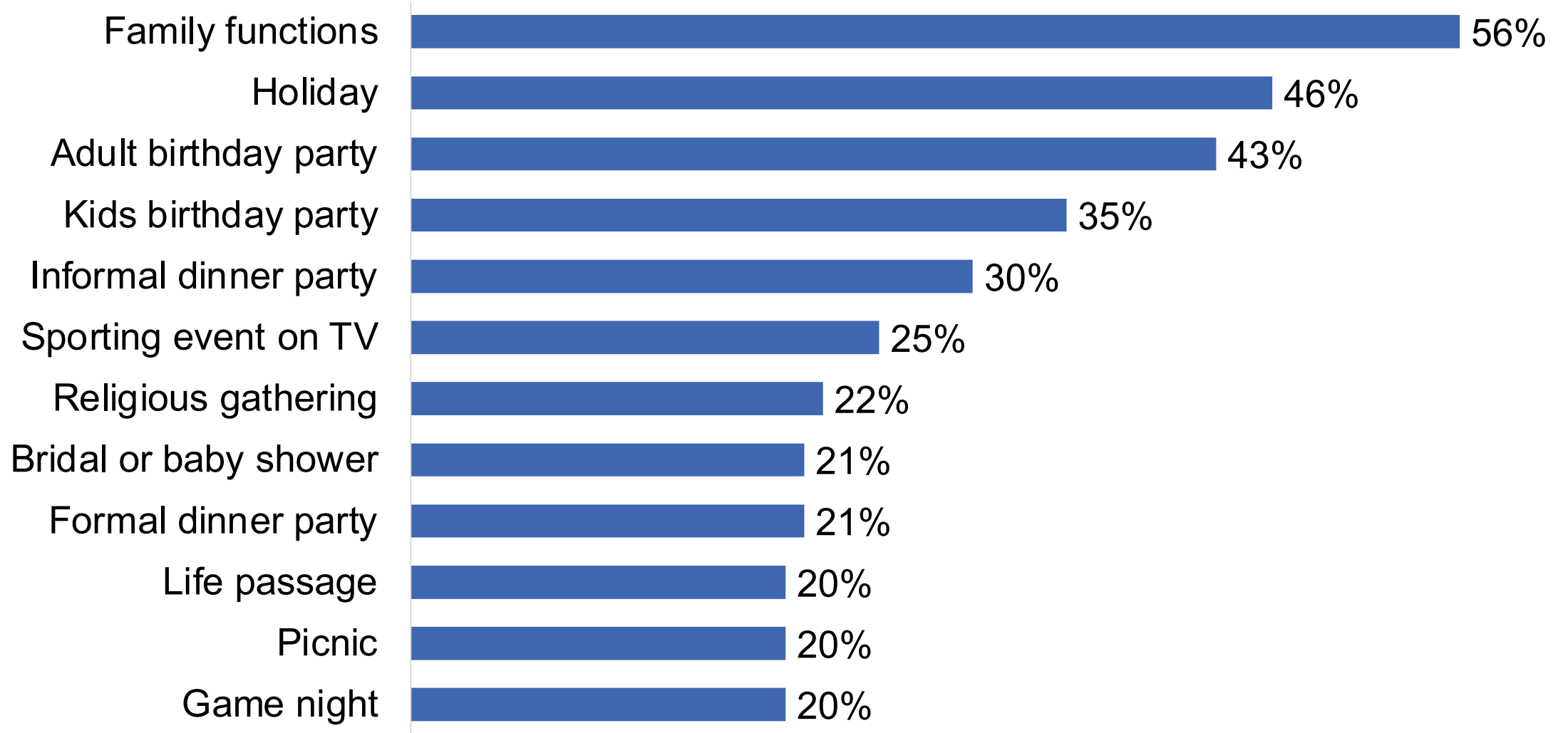


Source: Technomic 2018 and 2022 Catering Multi Client Studies



## **SOCIAL CATERING OCCASIONS**

**% OF BUYERS ORDERING IN PAST YEAR**



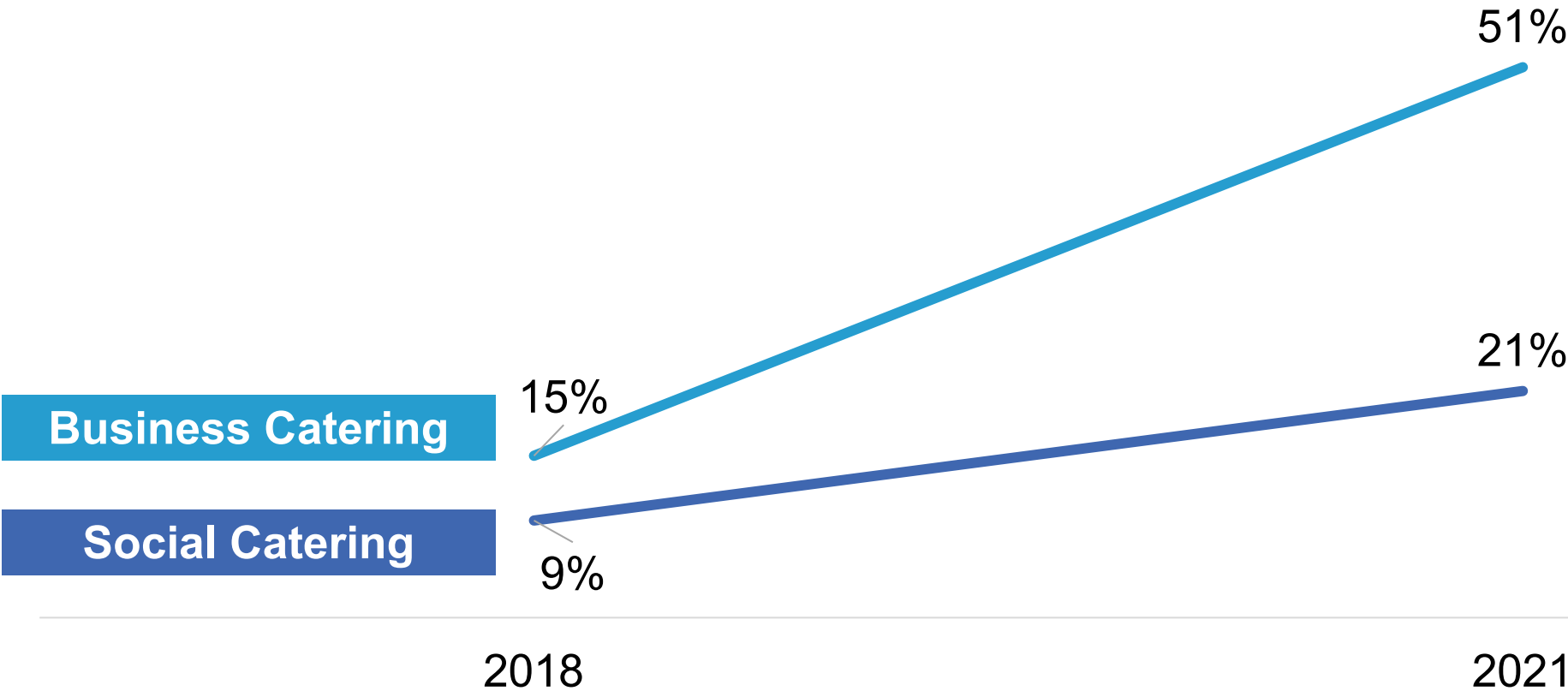
Source: Technomic 2018 and 2022 Catering Multi Client Studies

# Per-person Spending

BUSINESS CATERING		SOCIAL CATERING	
# of People	Per-Person Spend	# of People	Per-Person Spend
30	\$17	13.5	\$20
8-20	\$15	8-12	\$10-\$15
30-40	\$20	20+	\$20-\$33

Source: Technomic 2018 and 2022 Catering Multi Client Studies

# ORDER LEAD TIME PREFERENCES % 4 HOURS OR LESS

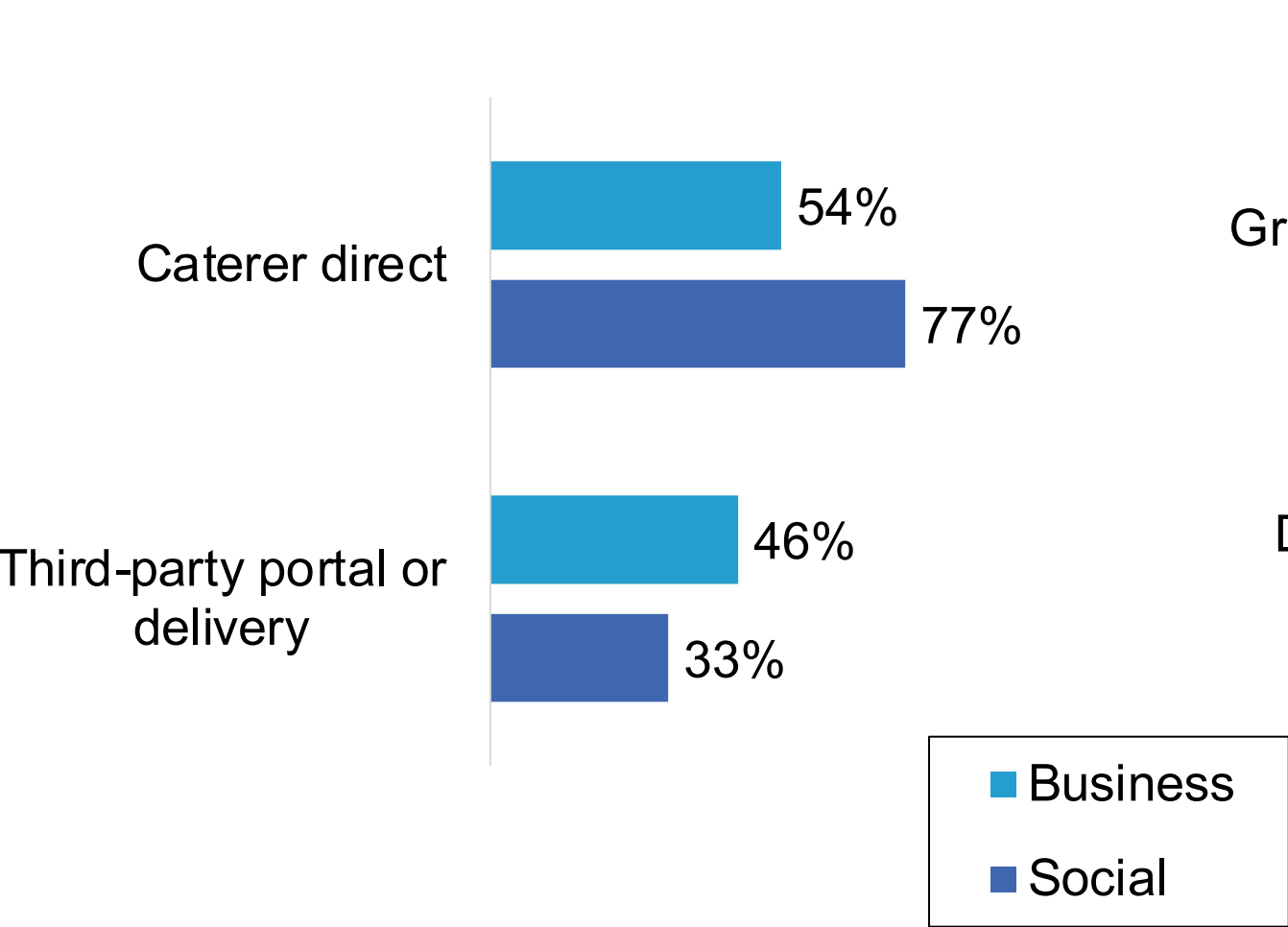


**The ordering  
process has  
sped up**

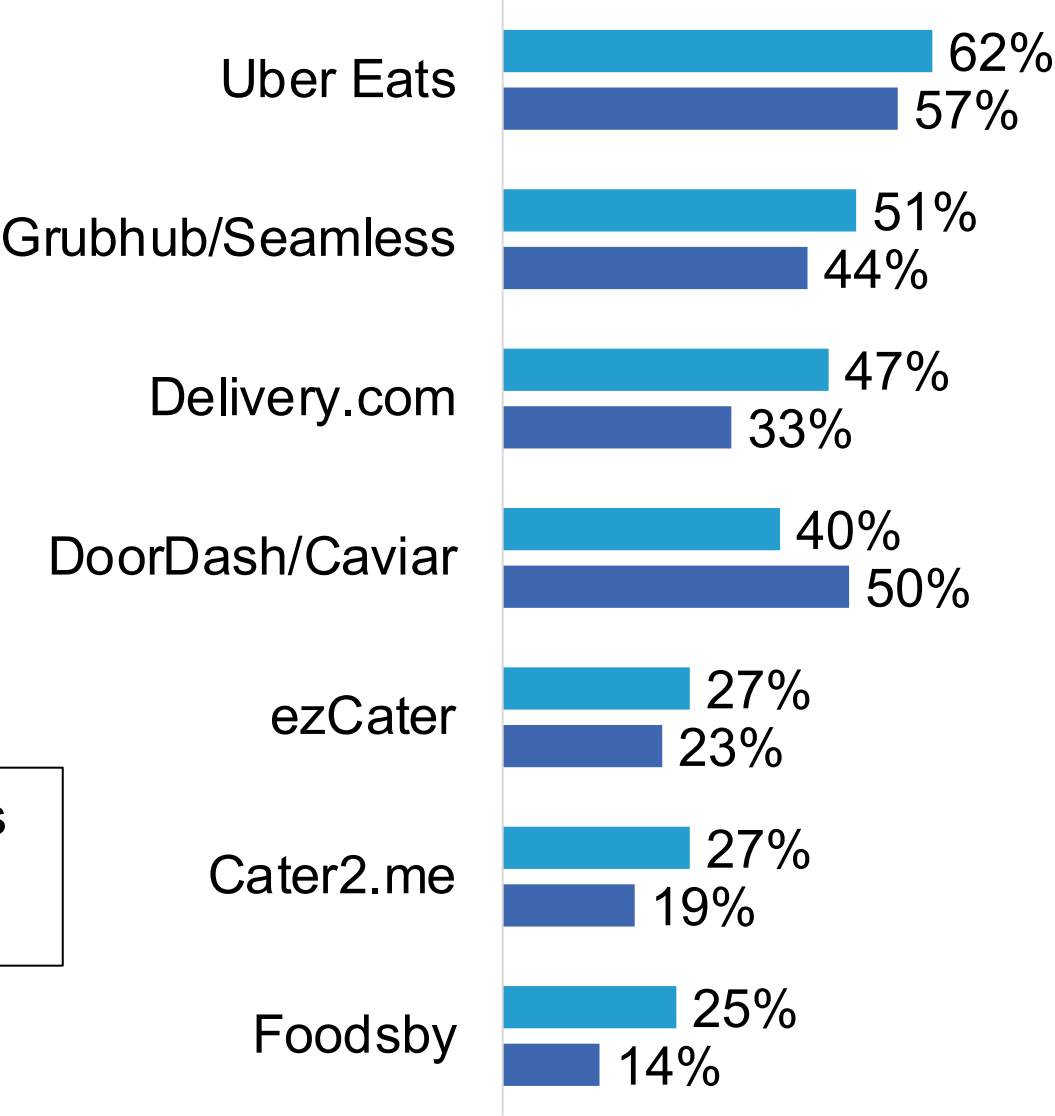
Source: Technomic 2018 and 2022 Catering Multi Client Studies



**% MOST PREFERRED ORDERING SOURCE**  
**CATERER DIRECT VS. THIRD PARTY**

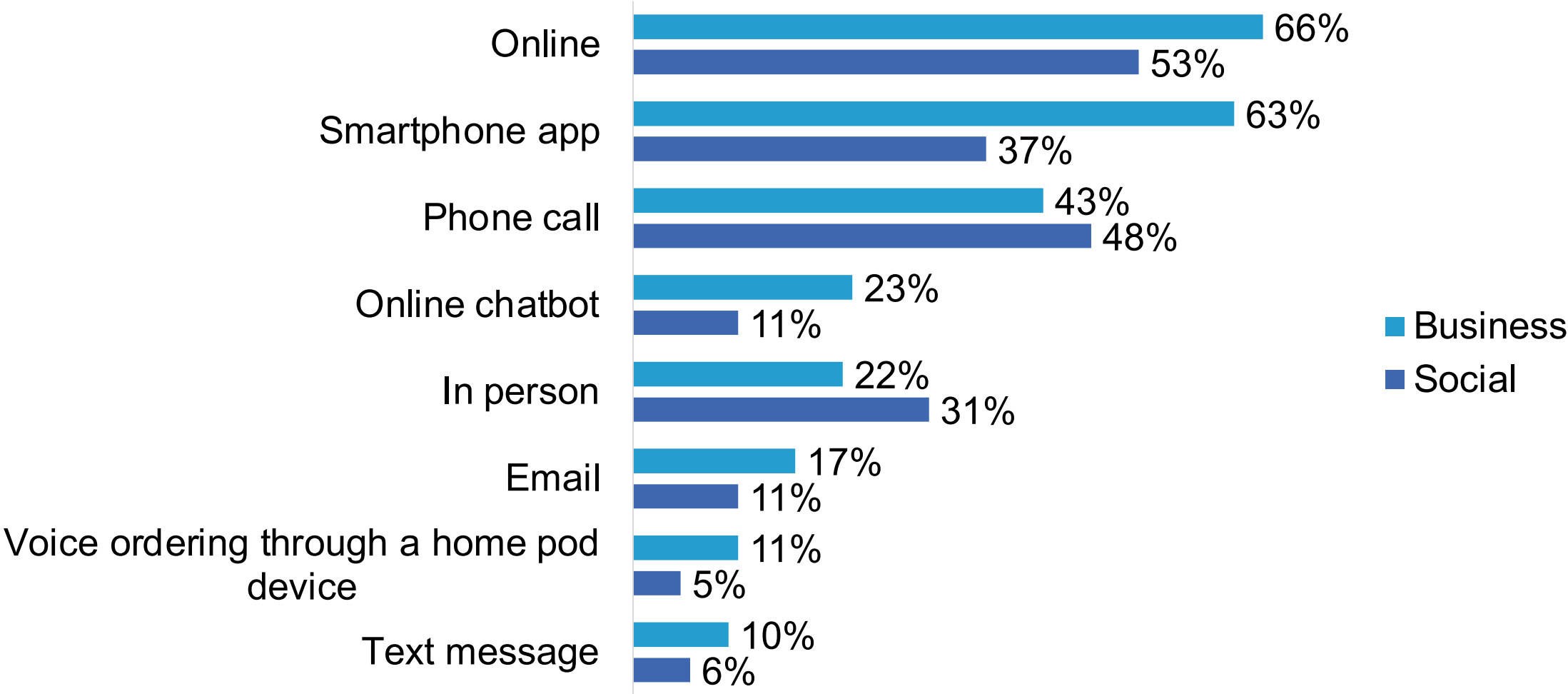


**TOP THIRD-PARTY COMPANY USAGE**



Source: Technomic 2022 Catering Multi Client Study

# ORDER METHOD (% MOST PREFERRED)



Source: Technomic 2022 Catering Multi Client Study

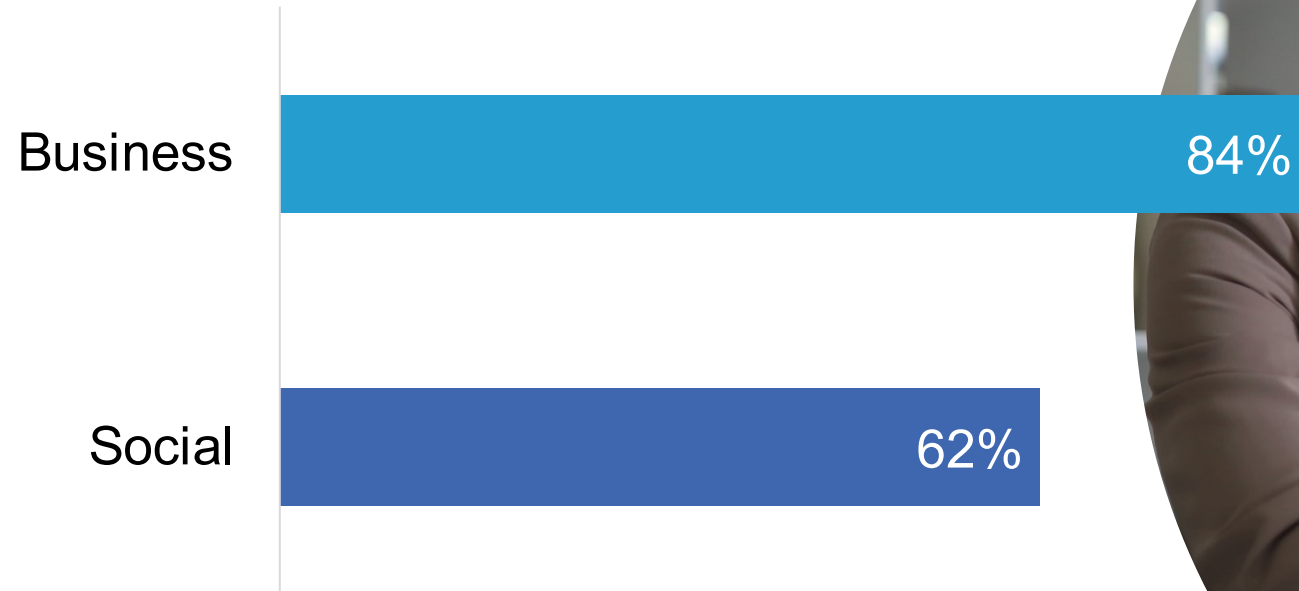


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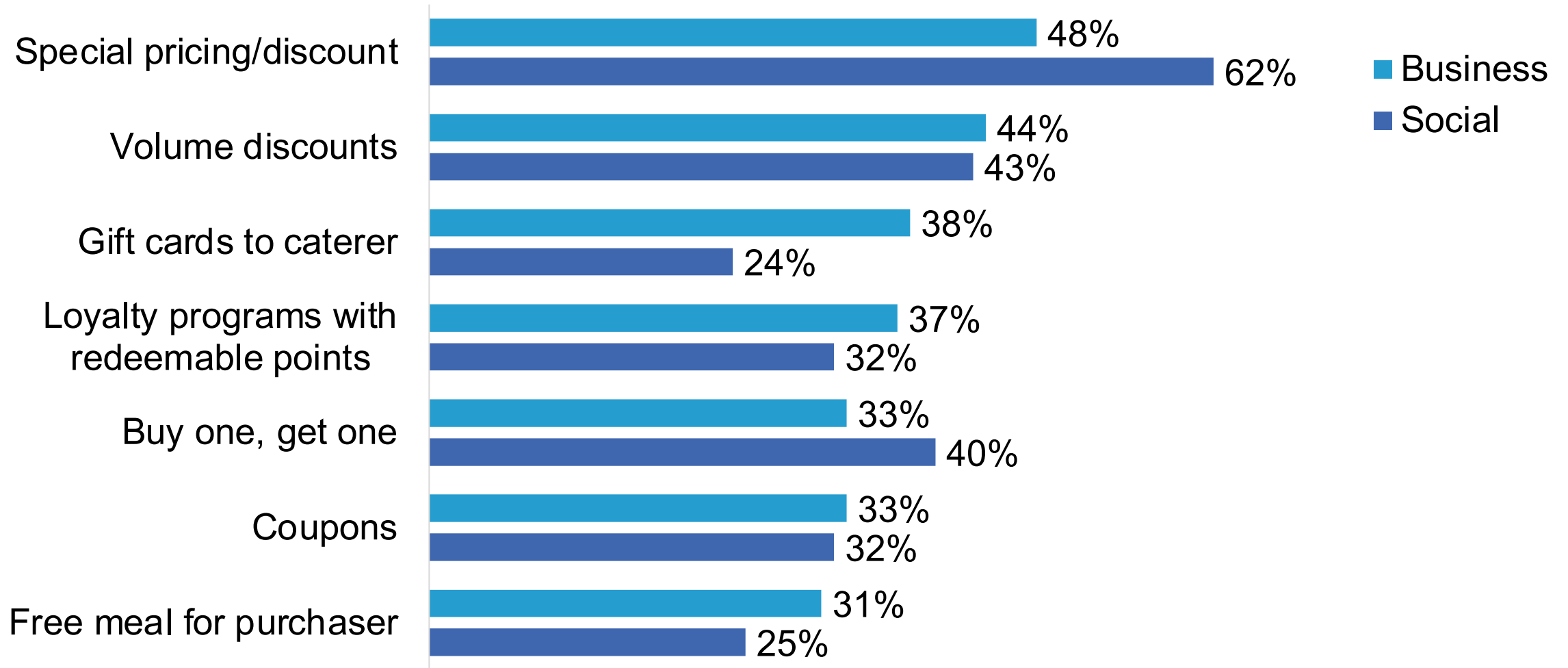


## WOULD USE A WEB OPTION THAT ALLOWS INDIVIDUAL ATTENDEES TO ADD THEIR OWN ORDER TO THE MENU



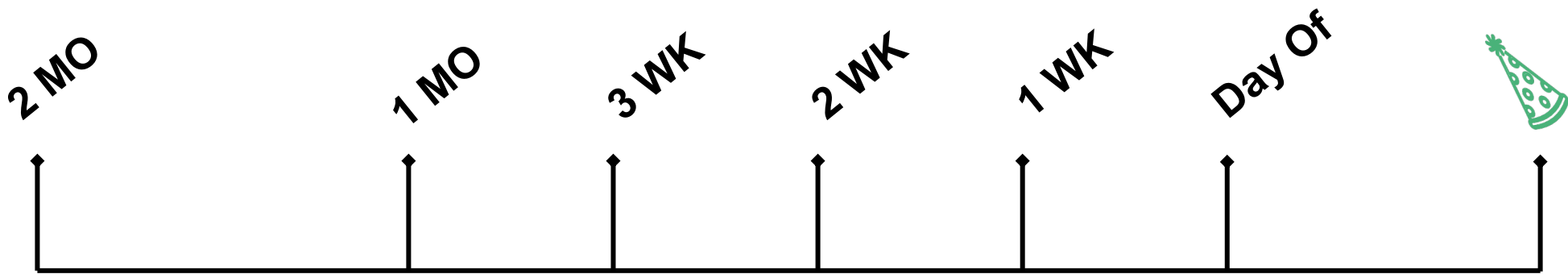
Source: Technomic 2022 Catering Multi Client Study  
Image Source: Shutterstock

## DRIVING LOYALTY (INCENTIVES THAT IMPACT WHERE TO BUY)



Source: Technomic 2022 Catering Multi Client Study

# BUYER PERSONAS



Spontaneous Entertainer



Casual Planner



Formal Planner

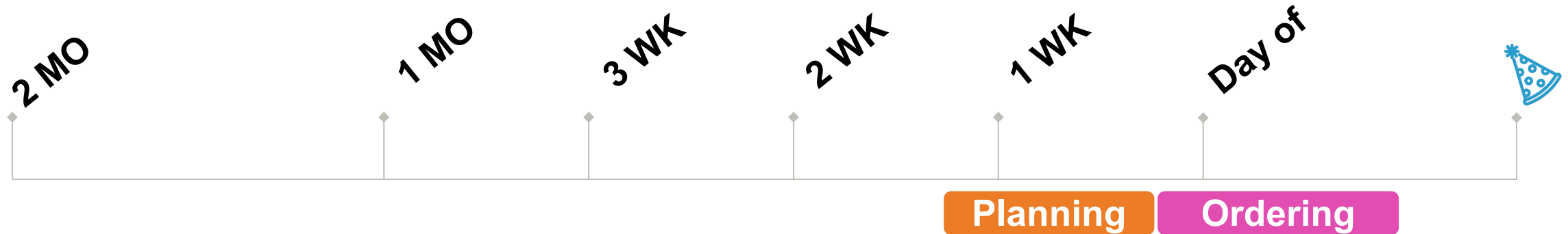


	Business	Social
Spontaneous	51%	21%
Casual	45%	51%
Formal	4%	28%

Source: Technomic 2022 Catering Multi Client Study



# Spontaneous Entertainer



## Types of Occasions

- Minor celebrations
- Gamedays
- TV watch parties
- Book club meetings
- **Team meetings**
- **Small customer meetings**

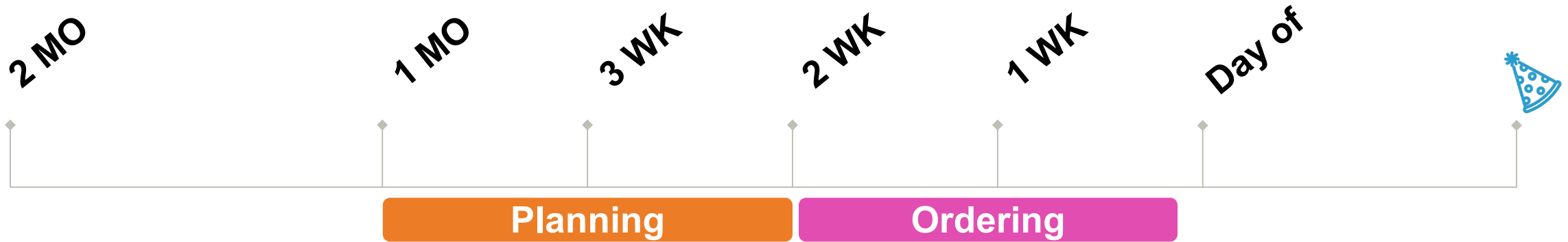
## Behaviors

- Often splits costs with others
- Hosts smaller-sized catered events (8-12 guests) every 1-2 months

## Preferences

- Wants to customize food selections;
- Prefers to order from restaurants because of the ease of ordering and brand affinities
- Online ordering is crucial to this group
- 3<sup>rd</sup> party apps are crucial

# Casual Planner



## Types of Occasions

- Family functions
- Holidays
- Child birthday parties
- Small reunions
- Block parties
- Watch parties
- Lunch and Learns
- Customer meetings

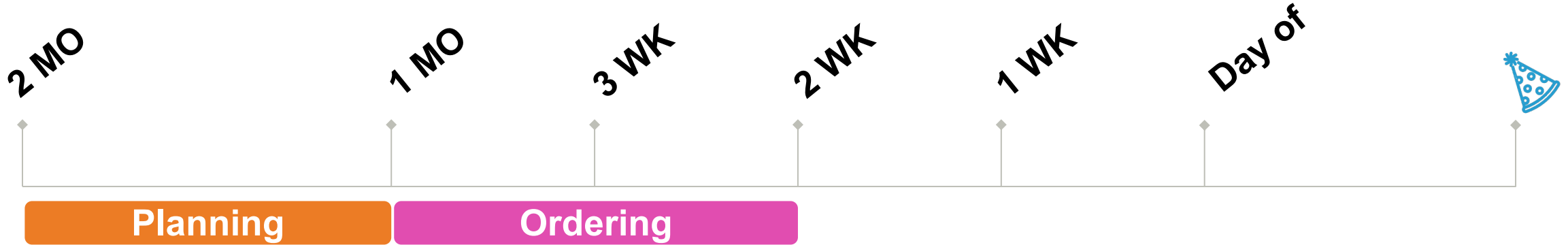
## Behaviors

- Orders catering to maximize limited time and energy, minimize stress, and allow the host to enjoy the event
- Covers costs to treat guests, within a budget
- Hosts medium-sized catered events (20-40 guests) every 3-4 months

## Preferences

- Likes to pick up the food in person
- Fills in by buying packaged beverages, snacks, and non-food items separately
- Willing to set up themselves, but requires instruction from catering service
- Prefers to order online, but will order over phone or in-person when trying a new catering service

# Formal Planner



## Types of Occasions

- Graduation parties
- Milestone birthday parties and anniversaries
- Large reunions
- Weddings
- **Conferences**
- **Company or large team parties**

## Behaviors

- Planning often outsourced
- Higher per person spending
- Price comparisons are formalized
- Venue rental and affiliated vendors factored into total spend
- **Budgets are set but flexible**
- **Go-Between – some business buyers are not the budget holder**

## Preferences

- Prefers that setup be handled by the caterer
- Outsourced planners will be the go-between
- Values selection/quality more than price
- White glove planning/end-to-end



# Final Thoughts

The catering market is still recovering

Business catering is lagging social catering due to hybrid work

Sales volume has shifted in favor of smaller, informal and spontaneous events

Digital ordering apps are enabling new ways to engage with buyers

Shorter ordering lead times are driven by these shifts

Presence in 3<sup>rd</sup>-Party platforms is now a must have to capture small, frequent occasions

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