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What US consumers want from restaurants in 2026

A new McKinsey analysis shows how cost consciousness, shifting tastes, and channel choices are reshaping the US restaurant landscape in the year ahead.

This article is a collaborative effort by Ben Mathews and Katharine Mattox, with Amanda Krasnov, Jacob Marcus, Katie Pierce, and Lauren Smith, representing views from McKinsey's Retail Practice.

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After years of steady gains, the US restaurant sector may be reaching a turning point. Although food away from home now accounts for more than half of US food and beverage spending, growth is plateauing as persistent inflation, tariffs, and economic uncertainty are forcing diners to rethink the value of every restaurant visit.

A new McKinsey analysis, drawing on insights from our McKinsey Consumer Behavior Hub and ConsumerWise survey, confirms that value and pricing remain at the forefront of consumers' minds—but are not the only factors reshaping demand (see sidebar, "About the research"). Health considerations, channel shifts, and generational preferences are all influencing how and where diners choose to spend, creating both risks and opportunities for restaurant operators.

In the following charts, we explore how US consumers feel about their dining experiences, where they intend to shift their spending, and what restaurant players across categories can do to regain momentum.

Value and pricing remain at the forefront of consumers' minds—but are not the only factors reshaping demand.

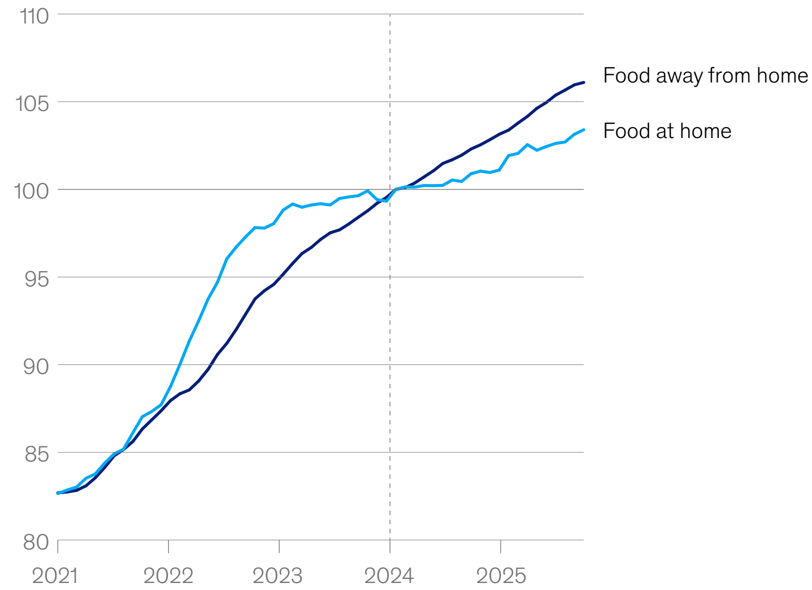
About the research

This research combines proprietary transaction data and consumer survey insights. Using McKinsey's Consumer Behavior Hub, which captures year-over-year changes in spend and transactions across more than 18 markets, we analyzed the top 20 limited- and full-service restaurant chains and the top ten menu types by sales. These insights were complemented by McKinsey's ConsumerWise Consumer Community Survey of roughly 900 US consumers, fielded in August 2025, to understand both recent behavior and forward-looking intent. Survey responses were weighted to reflect the US population, with adjustments for underrepresented age groups. Together, these sources provide a comprehensive view of how consumer dining patterns are shifting and where restaurants can respond.

Over the last two years, US food inflation has diverged. Restaurant and takeout costs climbed faster than grocery prices, which started to level off after sharp increases in 2022. According to the US Consumer Price Index, “food away from home” rose about 6 percent from January 2024 to September 2025, driven by rising labor, rent, and ingredient costs. Meanwhile, “food at home” rose only around 3 percent over the same period. If the gap widens, consumers may perceive there to be less value in dining out relative to the cost of doing so—putting added pressure on restaurants that are already grappling with higher costs and shifting demand.

The cost of dining out in the United States has risen faster than the cost of eating food at home.

Consumer price index for food in urban US, index (100 = Jan 2024)



Source: FRED, Federal Reserve Bank of St. Louis, accessed November 2025; McKinsey analysis

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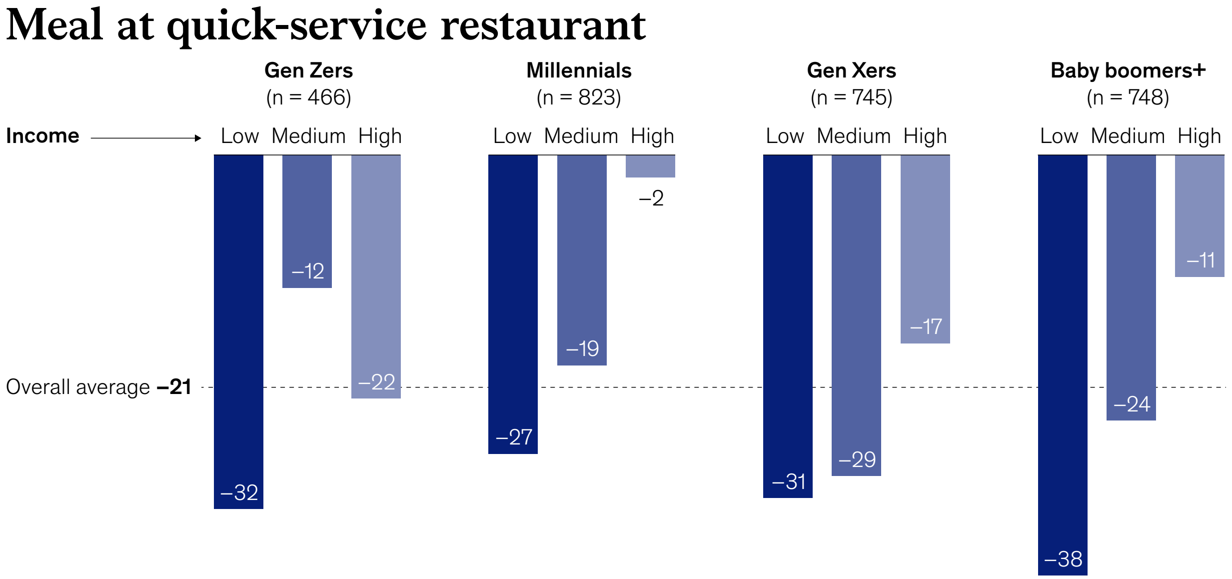
Gen X and baby boomers showed the sharpest pullback in dining and food delivery spending. Low- and middle-income households in these groups cut back most across quick-service, sit-down, and delivery categories, signaling that these consumers are most acutely affected by today's economic pressures.

Older generations in the United States express the greatest pullback in intent to spend on meals away from home in the next three months.

Net intent to spend on meals away from home in next 3 months, by income, % of respondents[1]



[1]Gen Zers: aged 18–26; millennials: aged 27–42; Gen Xers: aged 43–58; and baby boomers+: baby boomers and members of silent generation, aged ≥59. Low income: <$50,000 annually; medium income = $50,000–$100,000 annually; high income: >$100,000 annually.
Source: McKinsey ConsumerWise Sentiment Survey of 4,013 participants, Q3 2025

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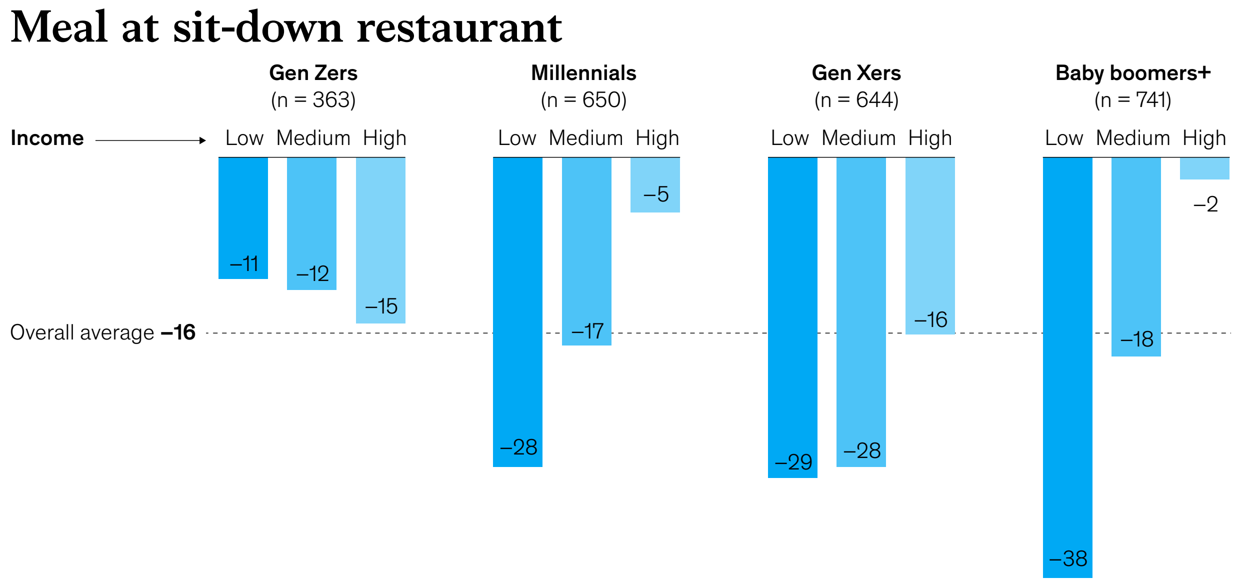
By contrast, high-income baby boomers remained somewhat resilient, maintaining a preference for full-service restaurants (FSR) over limited-service restaurants (LSR) and delivery.[1] Millennials—especially those with higher incomes—were least likely to pull back on restaurant spending. Gen Z consumers prioritized meals at sit-down restaurants more than other kinds of food experiences and more than older age groups. This could be because they prefer to treat dining out as an opportunity to socialize (rather than to order a meal to eat alone).

Older generations in the United States express the greatest pullback in intent to spend on restaurants in the next three months.

Net intent to spend on meals away from home in next 3 months, by income, % of respondents[1]



[1]Gen Zers: aged 18–26; millennials: aged 27–42; Gen Xers: aged 43–58; and baby boomers+: baby boomers and members of silent generation, aged ≥59. Low income: <$50,000 annually; medium income = $50,000–$100,000 annually; high income: >$100,000 annually.
Source: McKinsey ConsumerWise Sentiment Survey of 4,013 participants, Q3 2025

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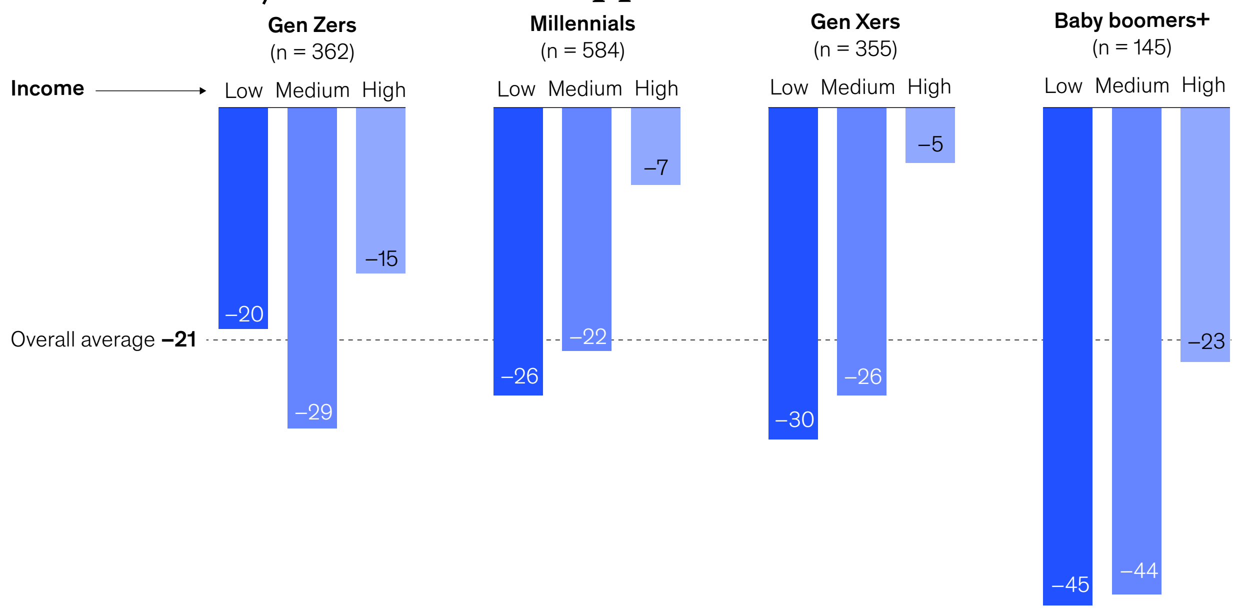
[1] Limited-service restaurants include quick-service and fast-casual formats, where customers order and pay before eating, with limited or no table service. Full-service restaurants are sit-down dining venues where customers are served at the table by waitstaff, typically offering broader menus and higher price points.

For restaurants, these trends point to a divergence across generations in dining behavior: Older diners are tightening their wallets, while younger and higher-income consumers are still willing to spend, though across differing channels.

Older generations in the United States express the greatest pullback in intent to spend on meals away from home in the next three months.

Net intent to spend on meals away from home in next 3 months, by income, % of respondents[1]

Food delivery ordered from app



[1]Gen Zers: aged 18–26; millennials: aged 27–42; Gen Xers: aged 43–58; and baby boomers+: baby boomers and members of silent generation, aged ≥59. Low income: <$50,000 annually; medium income = $50,000–$100,000 annually; high income: >$100,000 annually.
Source: McKinsey ConsumerWise Sentiment Survey of 4,013 participants, Q3 2025

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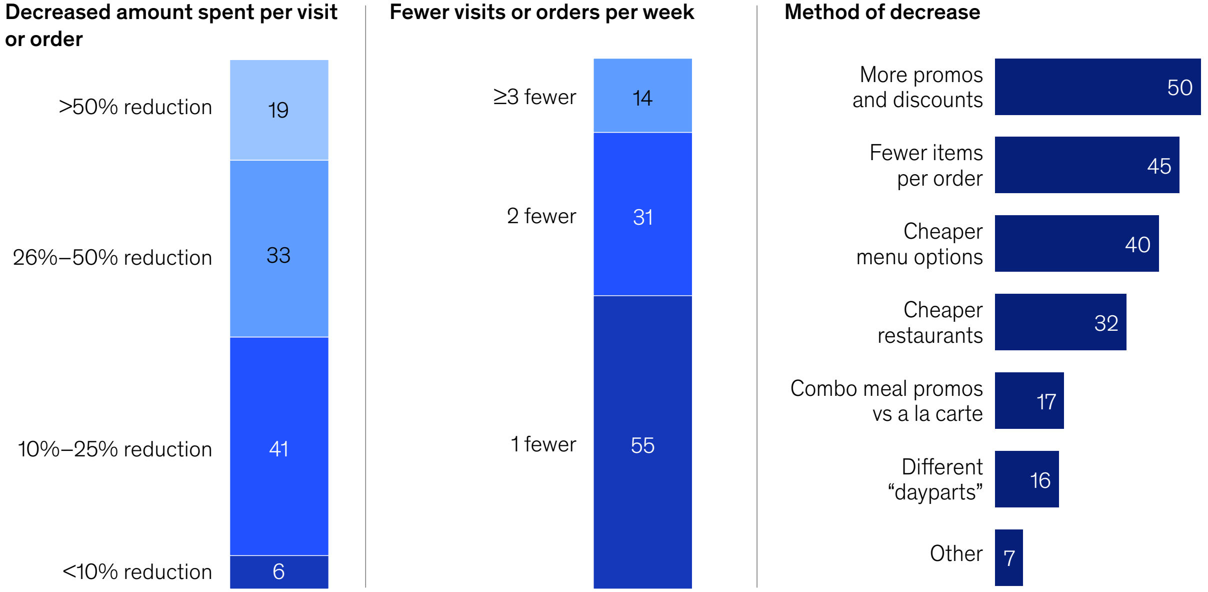
Among US consumers who said they plan on reducing their restaurant spending, most intend to cut back on both how much they spend per visit (nearly three-quarters said they would decrease their spending by up to half) and how often they dine out. That said, most consumers preferred to trade down within their restaurant of choice (either by using more promotions or by ordering fewer or cheaper items) rather than to switch to a cheaper restaurant.

US consumers plan to cut back on restaurant spending through a combination of fewer visits and a decrease in the amount spent.

US consumers' planned changes in spending on restaurant visits and deliveries, % of respondents[1]



[1]Figures may not sum to 100%, based on rounding. Based on responses from 882 consumers surveyed Aug 20, 2025, with data weighted based on US population and additional adjustments in 18–24 and ≥65 age ranges to account for lower-than-expected sample sizes. Decreased amount spent per visit or order based on responses from 8% who say they would decrease spending through spending per visit or order and from 46% who say they would decrease spending through a combination of number of visits and spending per visit or order. Fewer visits or orders per week and method of decrease based on responses from consumers who say their dining spending has decreased in past 3 months or would decrease in next 3 months, with responses from 46% who say they would decrease spending through spending per visit or order and from 46% who say they would decrease spending through a combination of number of visits and spending per visit or order. Respondents could select multiple methods of decrease.
Source: McKinsey ConsumerWise Sentiment Survey of 4,013 participants, Q3 2025

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Among consumers who said dining out “wasn’t worth the money,” most were disappointed in food quality and portion size following a recent visit. This was particularly true among Gen Zers, 73 percent of whom ranked food quality in their top three reasons for disappointment in a recent restaurant visit (versus 57 percent of diners overall). More LSR diners than FSR diners said they care about portion size, whereas more FSR diners said they care about their restaurant experience.

Poor food quality and small portion sizes are the top drivers of lower value perception of restaurants by US consumers.

Main disappointment drivers for US consumers following recent restaurant visit,[1] % of respondents

[1]Based on responses from 882 consumers surveyed Aug 20, 2025, with data weighted based on US population and additional adjustments in 18–24 and ≥65 age ranges to account for lower-than-expected sample sizes. Responses from consumers who say they have decreased spending on restaurants in past 3 months or plan to decrease spending on restaurants in next 3 months; respondents could select multiple drivers.
Source: McKinsey ConsumerWise Sentiment Survey of 4,013 participants, Q3 2025

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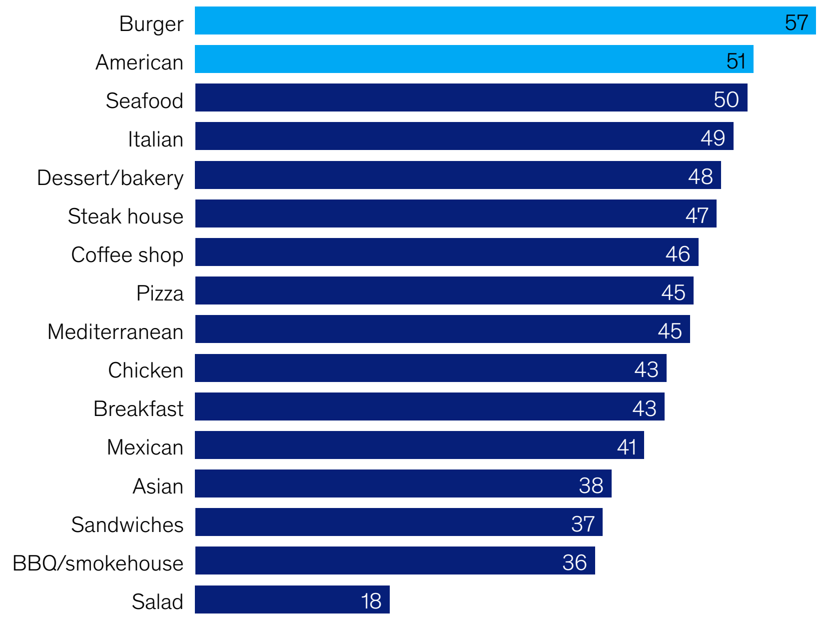
When we asked consumers which types of cuisines they would decrease their spending on, the greatest share of respondents said burgers (57 percent), followed by American food (51 percent) and seafood (50 percent). Meanwhile, only 18 percent said they would reduce their spending on salads. This could indicate that consumers see certain food options as an investment in their health and are less willing to cut these options from their budgets.

In our global wellness survey, more consumers reported following a nutritionist-led weight management program or using a meal program last year than in the previous year. The same kind of health-focused behavior emerging in at-home food spending could also appear in decision-making in restaurants, though, to be sure, dining out is often seen as a treat, so consumers may say they want to eat healthier but still order less-healthy options.

Restaurants offering burgers and American cuisine may be hit hardest by decreased US consumer spending.

Share of US consumers decreasing spending on cuisine type, % of respondents[1]



Note: <10% of respondents selected smoothie or juice, vegan, vegetarian, or street-food-centric cuisines.
[1]Based on responses from 882 consumers surveyed Aug 20, 2025, with data weighted based on US population and additional adjustments in 18–24 and ≥65 age ranges to account for lower-than-expected sample sizes. Responses from consumers who say they have decreased spending on restaurants in past 3 months or plan to decrease spending on restaurants in next 3 months; respondents could select multiple cuisine types.
Source: McKinsey ConsumerWise Sentiment Survey of 4,013 participants, Q3 2025

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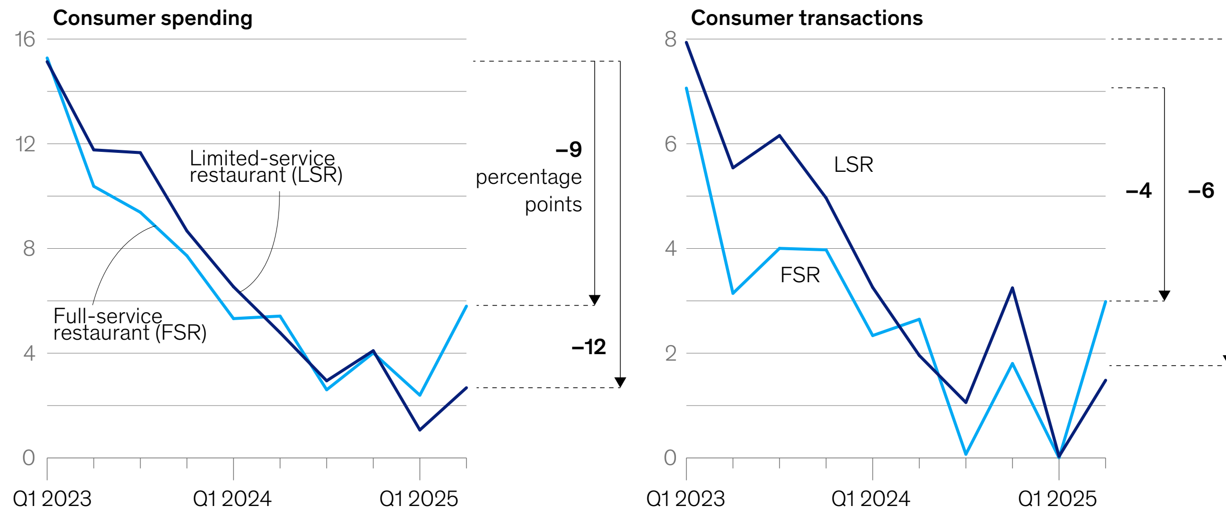
While the LSR market in the United States is bigger than the FSR market, FSRs led transaction growth in 2025. This is striking not only because FSRs have underperformed compared with LSRs since the pandemic but also because their growth coincides with a prolonged period of low consumer confidence (during periods of economic uncertainty, the FSR market tends to shrink).

Despite the momentum in FSRs, spending growth in both FSRs and LSRs has declined at roughly twice the rate of transaction growth in the last two years. This indicates that diners are still showing up to restaurants, but when they do, they're trading down—whether at an FSR or LSR. The challenge for restaurant operators will be to balance affordability with margin protection.

Full-service-restaurant growth is outpacing limited-service-restaurant growth in the US, despite the latter's lower prices and market dominance.

Change in annual US consumer spending on and transactions for restaurants, % (quarter over quarter)[1]



[1]Top 40 limited-service and full-service restaurants based on Technomic 2025 sales data.
Source: *Top 1,500 chain restaurant performance intelligence,* Technomic, Aug 13, 2025; ConsumerWise by McKinsey

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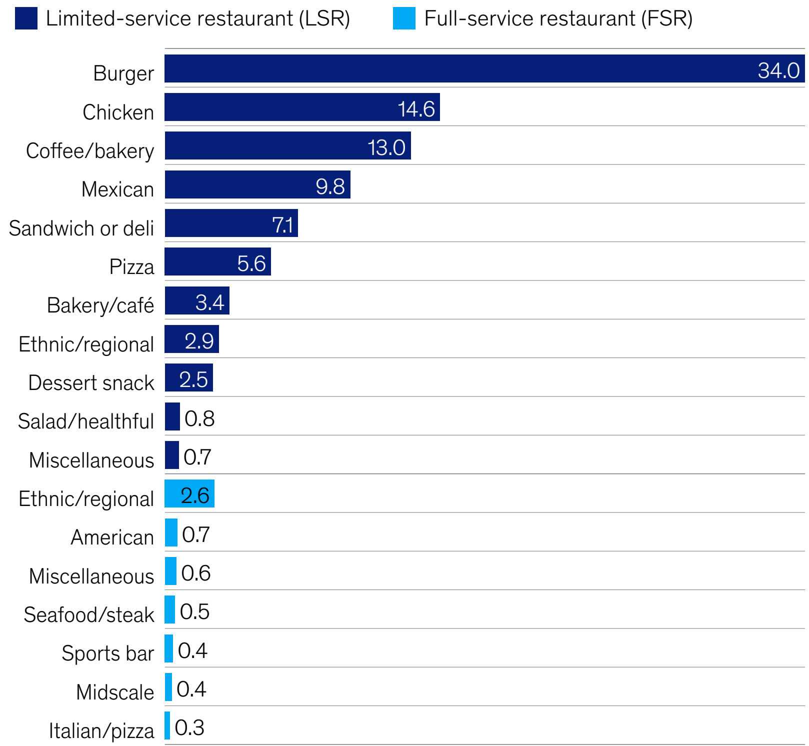
Consumers visited burger and coffee chains less often and purchased fewer items per visit. Yet, spending per unit increased year over year, as restaurants have continued to increase prices in part to offset rising costs from commodity pressures and tariffs.

One bright spot among LSRs is Mexican restaurants, where purchase frequency increased the most on a year-over-year basis and the number of items purchased decreased less than other types of LSRs. This could be because Mexican LSRs are seen as better value for money, and the players that have done best in the past year have focused on offering greater convenience for diners and driving operational innovation (for example, by redesigning stores with dual drive-throughs to prioritize mobile orders, and rolling out AI-driven tools to streamline staffing and kitchen operations).

Price increases may be driving traffic declines for US burger and coffee limited-service restaurants.

US restaurant sales in 2024–25, by channel, %



Year-over-year change, %

	Purchase frequency	Units per trip	Spending per unit
Burger	–2	–4	7
Chicken	0	–2	1
Coffee/bakery	–3	–1	3
Mexican	4	–1	5
Sandwich or deli	–2	–1	5
Pizza	4	–6	6
Bakery/café	3	–2	2
Ethnic/regional	3	–3	4
Dessert snack	3	–2	5
Salad/healthful	2	0	2
Miscellaneous	7	3	4
Ethnic/regional	–3	–4	–1
American	10	–4	7
Miscellaneous	5	–4	2
Seafood/steak	–1	–1	–4
Sports bar	18	2	–1
Midscale	0	–1	0
Italian/pizza	10	2	1

Source: Numerator OmniPanel, Market Track, accessed Nov 2025; McKinsey analysis

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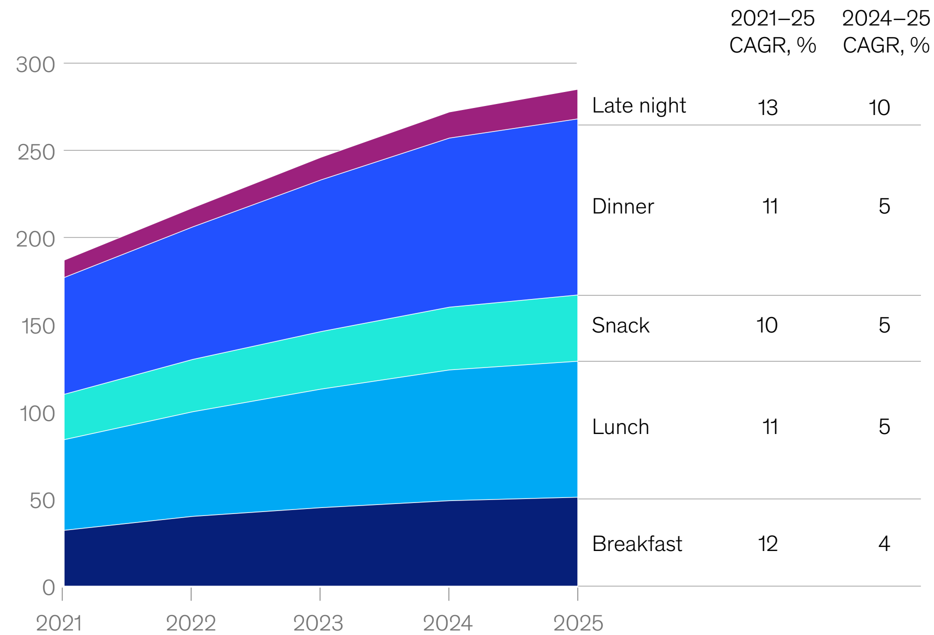
Late-night dining is emerging as the standout growth story in LSRs, with sales climbing more than 10 percent annually since 2021, outpacing every other “daypart.” While dinner and lunch remain the industry’s core revenue drivers, their momentum has cooled as consumers moderate overall spending.

The sharpest shift, however, is happening at breakfast, once the hottest growth area for restaurant operators. In both FSRs and LSRs, breakfast-spending growth now lags behind all other dayparts. When consumers feel their budgets are pinched, they tend to cut back on breakfast spending, since it is often seen as a more discretionary dining category. In response, some restaurants are rethinking how to maximize real estate and staffing by exploring dual-branded formats that extend their appeal across multiple dayparts. Breakfast LSRs are increasingly experimenting with smaller portions at lower price points and introducing drinkable breakfast options, such as protein-enhanced caffeine drinks.

Spending at US limited-service restaurants continues to grow by at least 10 percent a year for late nights but has decelerated for other ‘dayparts.’

US limited-service-restaurant sales in 2021–25, by ‘daypart,’[1] $ billion



[1]Breakfast: 5:00 a.m.–10:59 a.m.; lunch: 11:00 a.m–1:59 p.m.; snack: 2:00 p.m–3:59 p.m.; dinner: 4:00 p.m–8:59 p.m.; late night: 9:00 p.m–4:59 a.m.
Source: Numerator OmniPanel, Market Track, accessed Nov 2025; McKinsey analysis

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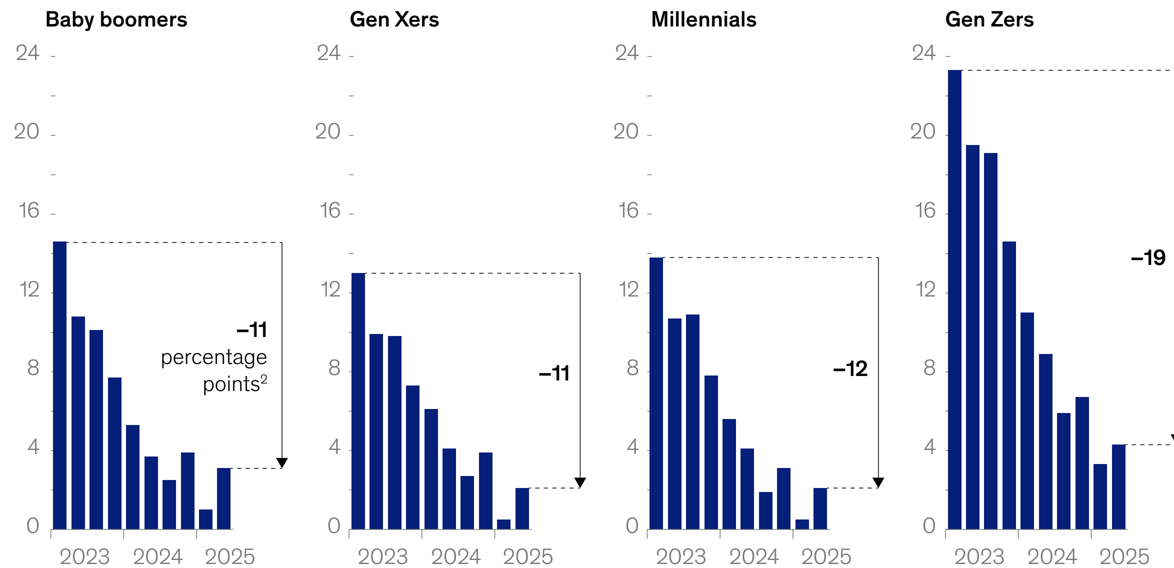
Even as their incomes rise, Gen Z's spending growth at LSRs has slowed sharply—down 19 percentage points over the past two years, compared with an 11- to 12-point drop for older age groups. This is counterintuitive: LSRs' affordability, customization, and digital convenience are typically well aligned with Gen Z preferences and budgets. Instead, LSRs are losing traction with a demographic that should be fueling their growth. At the same time, Gen Zers seem less willing to trim their spending at FSRs, even as they pull back on LSRs.

Gen Z spending at US limited-service restaurants has dropped more than that of any other age group.

Change in US limited-service-restaurant consumer spending in 2023–25, % (year over year)[1]



[1]Top 20 restaurants based on Technomic 2025 sales data.
[2]Percentage point change between Q1 2023 and Q2 2025.
Source: *Top 1,500 chain restaurant performance intelligence,* Technomic, Aug 2025; ConsumerWise by McKinsey

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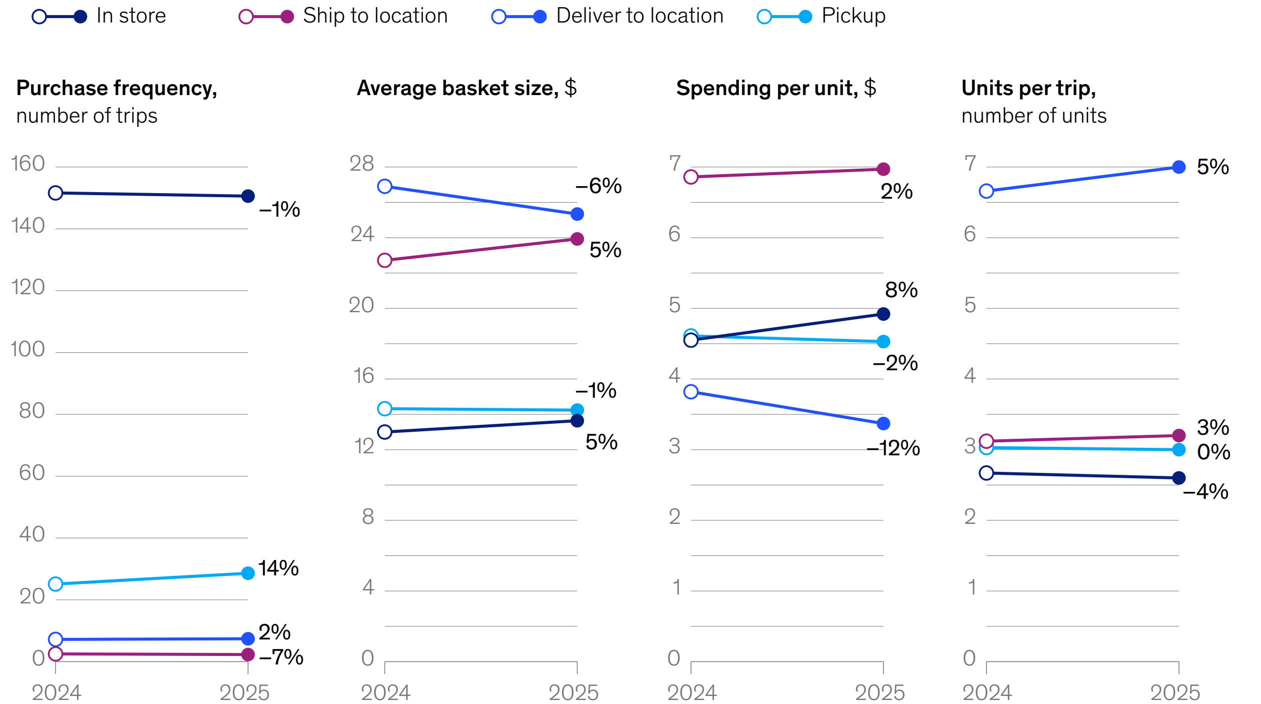
Consumers are shifting how they access LSRs. In the last year, pickup orders grew 14 percent in frequency while maintaining relatively stable basket sizes. By contrast, food delivery is showing cracks under pricing pressure: average basket value for delivery fell 6 percent and spend per unit dropped 12 percent. In-store LSR dining remains stable, with mid-single-digit growth in average basket size and spend per unit.

As value-conscious consumers gravitate toward pickup channels, which preserve convenience but minimize costs, some operators are investing in app-based ordering, streamlining pickup options, and creating targeted promotions. At the same time, leading restaurants are exercising more discipline in delivery, where margins are thinner and consumer willingness to spend is waning.

Balancing cost considerations and convenience, US consumers are increasingly opting to pick up their restaurant orders.

US limited-service-restaurant basket in 2024–25, by dining type[1]



[1]Ship to location: order shipped to buyer in a package; deliver to location: order delivered via a service; pickup: order picked up in or at store.
Source: Numerator OmniPanel, Market Track, accessed Nov 2025; McKinsey analysis

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While restaurants are under intense margin and cost pressure, there is considerable variability across the sector. Looking ahead to 2026, leaders aiming to sharpen value, adapt to consumer shifts, and sustain momentum could consider a few focused actions. They might refine price architecture and loyalty propositions as part of a broader revenue growth management approach to reinforce value perception, while leaning into growth areas such as protein-forward menus, late-night dining, and affordable entry options that keep diners engaged. Personalization will be another frontier, as AI helps tailor offers to generational preferences and deepen brand connection.

At the same time, creating the capacity to reinvest will be critical. Restaurant operators can unlock this capacity through sourcing optimization, design-to-value initiatives, and the deployment of AI and digital agents that enhance efficiency across supply chains and store operations. Increasingly, AI will play a role across the entire value chain—from forecasting demand and optimizing pricing to informing menu design and elevating the customer experience—serving as both a productivity driver and a growth enabler. These levers not only strengthen resilience but also free resources to reinvest in quality, experience, and innovation.

Ultimately, while value perception may be top of mind for diners, it won't be the only thing operators need to address to win in the year ahead. Success will hinge on understanding where consumers are trading down versus splurging, what they want to eat, and how they want to get it—and on translating those insights into targeted actions that build loyalty and redefine the dining experience. Every seat filled, order placed, and meal served will matter more than ever.

AI will play a role across the entire value chain, serving as both a productivity driver and a growth enabler.

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