

Foodservice Coffee and Tea - US - 2022

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This report looks at the following areas:

- Impact of inflation on the foodservice coffee and tea market
- Consumers' growing preference for cold coffee beverages
- Coffee shops and the metaverse/web3
- Foodservice coffee and tea menu trends

The foodservice coffee and tea market has leapt from the proverbial frying pan and into the fire. Consumers returned to coffee shops as COVID fears dissipated, but rising inflation and high gas prices create new challenges chains must overcome. 38% of consumers say they would make coffee drinks at home instead of ordering away from home if coffee prices increased.

Rising inflation will threaten foodservice coffee and tea sales, particularly at FSRs, as consumers cut back on discretionary expenditures. However, shifting market conditions also create opportunities for certain foodservice coffee segments. QSRs and c-stores can leverage their association with value and position themselves as affordable alternatives to traditional coffee shops. Brands can address increased consumer stress levels and market coffee/tea beverages as personal treats that offer consumers relief during this period of increased economic uncertainty.

The competitive threat of home beverages makes new drink innovation as important as ever before; chains must create new unique drinks that will draw in consumers. The development of new cold coffee beverages remains a key area of opportunity for all foodservice coffee outlets. Gen Z consumers are significantly more likely to order cold over hot coffee drinks and consumers as a whole perceive cold coffee drinks as refreshing, tasty treats—craft premium flavored cold coffee drinks that provide consumers with the energy and refreshment needed to tackle daily challenges.



“While the rise of remote work due to COVID-19 will shift market dynamics, remote workers remain steadfast AFH coffee and tea customers. However, rising inflation will create new challenges for foodservice coffee/tea outlets as price-sensitive consumers will source their own beverages from home.”
– Caleb Bryant, Associate Director of Food and Drink Reports

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