



FoodByUs Index End Of Year Report

Empowering hospitality: From kitchen to boardroom, data-driven decisions served fresh.

February 2026



Introduction

We tracked 30,000+ monthly transactions tracking Australia's \$70 billion industry in real-time.

2025 revealed a fundamental shift in foodservice economics. While headline inflation metrics suggested stabilisation, the independent foodservice sector—representing two-thirds of Australia's hospitality market—experienced unprecedented category divergence. Alcohol costs surged 44% while meat pricing remained stable at +2.6%. Baked goods operators faced a 12.2% cost crisis even as global cereal prices fell 6.9%, and eggs and oil came off their highs but flour jumped significantly.

For manufacturers, distributors, and investors, these disparities signal more than inflationary pressure. They reveal structural shifts in demand, procurement behaviour, and margin sustainability across Australia's most price-sensitive operator segment.

Built from 30,000+ monthly procurement transactions with millions of line items, the FoodByUs Index tracks actual wholesale purchasing across 2,000+ independent restaurants, cafes, pubs, and catering operations. This transactional data provides visibility into a market segment that traditionally operates below the radar of corporate foodservice reporting and broad economic indicators.

Where commodity indices track global supply, and CPI measures consumer behaviour, the FBU Index reveals what independent operators

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Why this matters:

The independent sector moves differently than chains. They can't hedge commodity risk or leverage corporate purchasing power. When costs spike, they adjust menus, switch suppliers, or stop buying. When prices moderate, they're first to capitalise.

These behavioural shifts are leading indicators for the broader market. The FoodByUs Index tracks these patterns in to provide actionable market intelligence for strategic planning, investment decisions, product development, and policy assessment.

What this report provides:

A comprehensive analysis of 2025's foodservice procurement landscape, category-by-category inflation drivers, operator behaviour patterns, and forward-looking indicators for 2026. This isn't market speculation—it's market reality, captured at the transaction level.

The independent foodservice sector is Australia's hospitality backbone. Understanding how it responds to cost pressure, policy changes, and market conditions is essential for anyone operating in this ecosystem.

FoodByUs Inflation

Food inflation tracks how much more operators pay for the same ingredients over time. Unlike the Consumer Price Index that measures household shopping baskets, the FBU Index captures the specific cost pressures hitting commercial kitchens—from wholesale meat prices to bulk cooking oils.

When floods wipe out lettuce crops or energy costs spike freight charges, these impacts hit venue budgets immediately. A 30% jump in egg prices doesn't just mean adjusting one menu item—it can reshape entire profit margins for operators running tight food cost percentages.

The factors driving price increases include:

- Weather disruptions affecting growing regions
- Transport and energy cost fluctuations
- Supply chain bottlenecks
- Labour shortages in production & logistics

For most venues, food costs represent 28–35% of revenue. Even modest ingredient price increases compound quickly when you're ordering by the case, not the kilo. The FBU Index tracks these wholesale price movements as they happen, giving operators early visibility into cost pressures before they hit monthly supplier invoices.

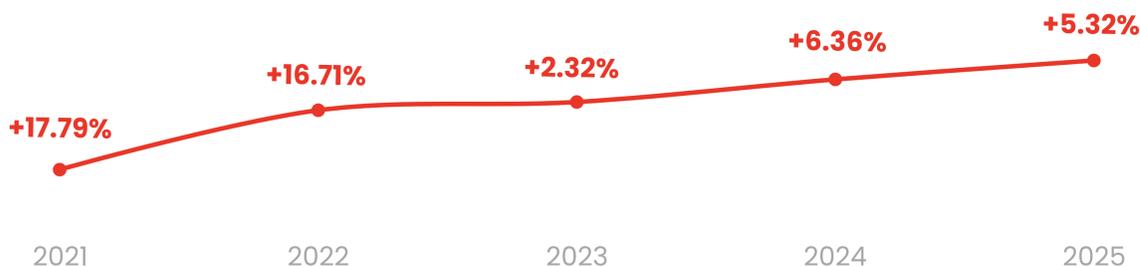
Real-time ingredient intelligence beats reactive menu repricing every time.

Overall inflation by month



% inflation of all products on FoodByUs (monthly)

Overall inflation by financial year



% inflation of all products on FoodByUs (financial years)

Our FBU Index of food service inflation finished up +5.32% for the year.

December's Spike & What January Revealed

December 2025 broke the pattern. Overall foodservice inflation hit 7.99% in a single month—the highest tracked all year. Nearly every category surged: dry goods up 11.64%, alcohol up 13.57%, baked goods up 7.7%, even meat and poultry climbed 5.91%.

The timing aligned with peak festive ordering, but the magnitude raised questions. Was this temporary seasonal pressure or something more structural?

January data provided immediate answers. Real-time transaction tracking, captured as operators placed their first orders of the new year, showed prices falling across every category: dry goods down 8.88%, baked goods

down 5.42%, alcohol down 10.79%. The December spike was correcting.

But not completely. Most categories settled 2-3 percentage points above their pre-December baseline. Operators got relief, but they didn't get December back. What looked like seasonal volatility left a permanent residue.

The gap between December's surge and January's correction highlights why transaction-level data matters. Official statistics report what already happened. Real-time procurement data shows what's happening now and where costs are actually settling, before the next invoice cycle begins.

Category Inflation for 2025

 Alcohol **+55.3% ↑**

 Baked Goods **+15.3% ↑**

 Dairy & Eggs **+4.5% ↑**

 Fruit & Veg **+4.2% ↑**

 Seafood **+2.5% ↑**

 Meat & Poultry **+2.9% ↑**

 Pantry **+2.4% ↑**

% inflation of all products on FoodByUs by category (since January 2025)

January 2026 Category figures

 Alcohol **-10.79 ↓**

 Baked Goods **-5.42 ↓**

 Dairy & Eggs **-3.38 ↓**

 Fruit & Veg **-3.51 ↓**

 Seafood **-3.78 ↓**

 Meat & Poultry **-4.11 ↓**

 Pantry **-8.88 ↓**

% inflation of all products on FoodByUs by category (from December 2025 - January 2026)

Category Inflation, month on month for 2025

Alcohol inflation by month



% inflation of alcohol on FoodByUs (monthly)

Baked Goods inflation by month



% inflation of baked goods on FoodByUs (monthly)

Dairy & Eggs inflation by month



% inflation of dairy & eggs on FoodByUs (monthly)

Dry Goods/Pantry inflation by month



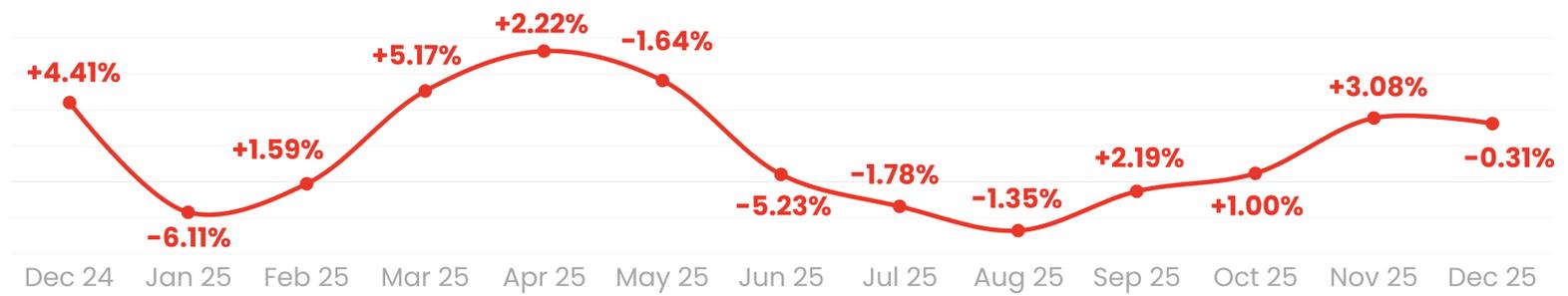
% inflation of dry goods/pantry on FoodByUs (monthly)

Fruit & Veg by month



% inflation of fruit & veg on FoodByUs (monthly)

Seafood inflation by month



% inflation of seafood on FoodByUs (monthly)

Meat & Poultry inflation by month



% inflation of meat & poultry on FoodByUs (monthly)

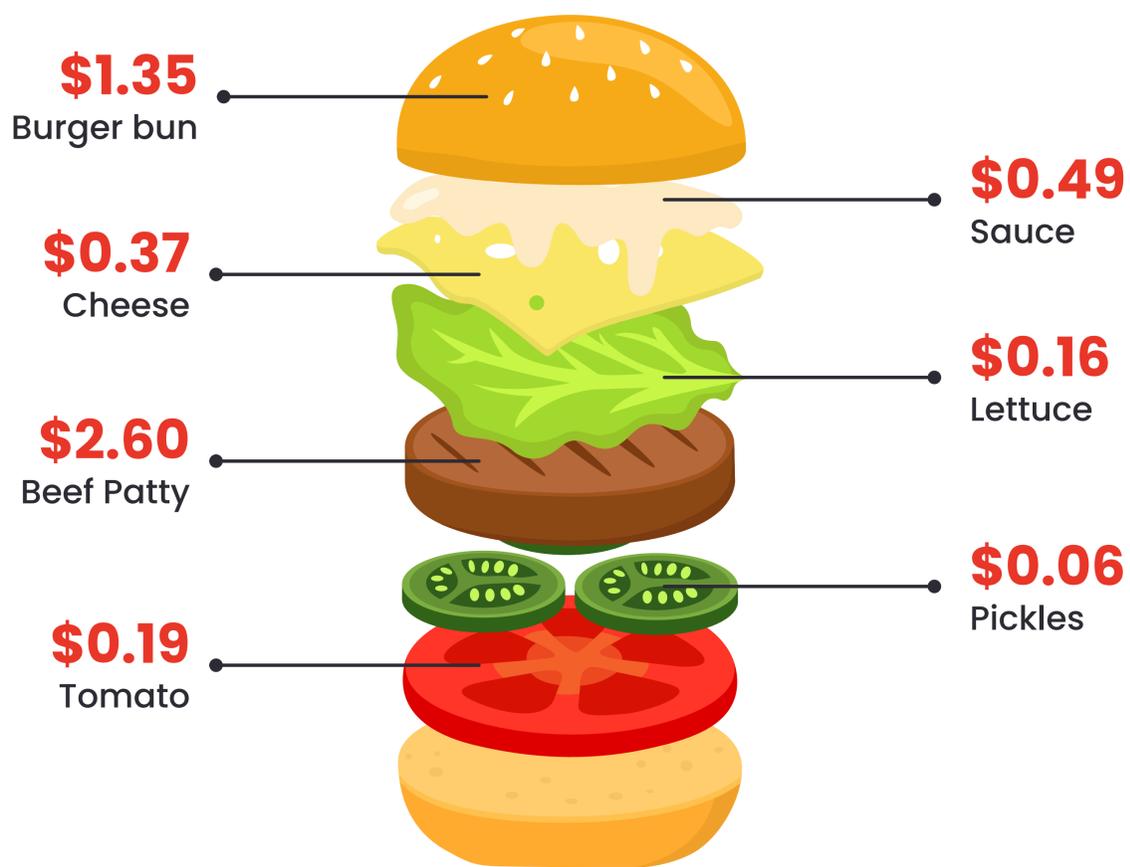
FoodByUs Finds

What do the ingredients for an average pub burger cost?

At current wholesale pricing, a standard pub-style burger costs approximately \$5.22 per serve in raw ingredients.

The beef patty represents the largest proportion of cost at 50% (\$2.60), followed by the bun (26%) and cheese (7%). Fresh produce and condiments contribute a smaller share individually, but combined account for 17% of total input costs. As a result, movements in meat and bakery pricing have the most significant impact on overall margin performance.

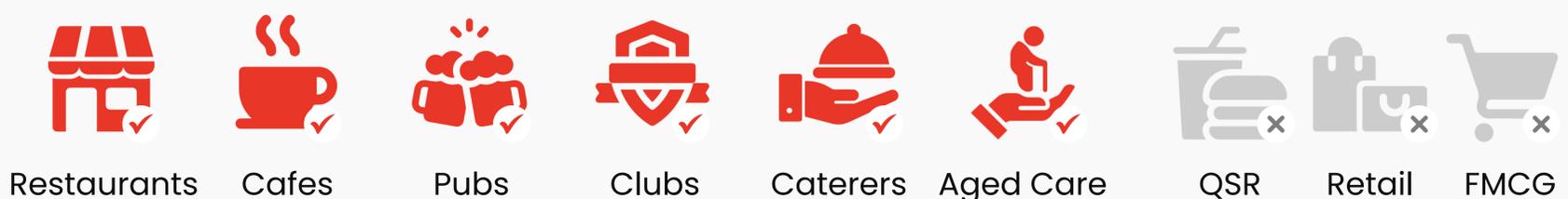
Burger Index



price of ingredients used to make a pub burger (as of February 2026)

Our Data Footprint

FoodByUs is data driven at the core. We categorise, consolidate and measure purchasing activity from foodservice venues with product level detail. Our data footprint does not include QSR, retail or FMCG.



FoodByUs is Australia's #1 wholesale food ordering software that goes beyond simple ordering. Our platform offers a comprehensive solution for multi-venue operators and individual operators through to multi site groups looking to manage their business profitability strategically.

Our platform provides:

- Simple ordering from any distributor across all categories
- Advanced menu costing tools
- Seamless accounting integrations
- Point of sale integrations
- Real-time procurement management

With a growing network of 3000 suppliers and processing over 30,000 carts monthly, we're transforming how foodservice businesses approach purchasing and financial planning.

Founded in 2017 by the co-founders of Menulog, our team brings deep expertise in technology, data, and the intricate dynamics of the food service industry.

Our customised data snapshots deliver transparent, unbiased, live transactional data from the independent food service market.

We're not just tracking trends; we're revolutionising food service procurement. Our software is designed to help businesses stay ahead of market fluctuations, optimise operations, and drive profitability.

Stay tuned for more insights from the FBU Index and discover how our cutting-edge procurement software can transform your business.

Want to learn more?

For more information about our data & insights and marketing products please contact:

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