



EXECUTIVE INSIGHTS

The End of Price-Led Growth: The 2026 Restaurant Playbook

Rebuilding the guest value equation to win traffic and frequency

Price-led growth has run its course






Price increases are no longer driving restaurant growth, and in many cases, they are now suppressing it. In 2026, comparable-sales (comps) performance has shifted back to traffic and frequency, forcing operators to rebuild the guest value equation from the ground up.

The National Restaurant Association expects only 1.3% real sales growth in 2026. Black Box data shows traffic remained negative in both December 2025 and January 2026. The industry continues to grow nominally, but the easy levers are largely gone.

In this environment, pricing is no longer a dependable engine of top-line growth. In some cases, it may now be weighing on traffic and, by extension, comps. Yet the market is not moving in lockstep. A growing set of restaurant brands is outperforming despite the same macro conditions. That widening spread suggests the next phase of comps growth will be driven less by market tailwinds and more by how effectively each brand rebuilds its value equation, especially when serving middle- and lower-income consumers (see Figure 1).

Figure 1

The backdrop explains pressure but not the spread in performance

Signal	What the data shows	Why it matters for 2026 comps
 Industry growth	\$1.55 trillion in U.S. restaurant sales forecast for 2026; expected real sales growth is just 1.3%.	The market is still growing nominally, but there is little room to rely on a rising-tide demand story.
 Traffic pressure	Black Box reported December 2025 comps at -1.0% and traffic at -3.3%; January comps improved to +1.0%, but traffic remained negative at -1.1%.	Traffic remains fragile. Operators need to earn frequency rather than assume it.
 Value sensitivity	Circana found value-menu traffic was up 1% while overall chain traffic fell 1%; 54% of households with income below \$75K said better prices would increase visits.	Value remains essential, especially for middle- and lower-income households, but it must be visible and credible.
 Off-premises demand drivers	Nearly 75% of all restaurant traffic now happens off-premises, and 8 in 10 delivery, takeout and drive-thru customers say value deals resonate.	Convenience remains essential, but off-premises occasions still hinge on visible value, speed, accuracy and loyalty.
 Competitive set	Placer.ai argues restaurants increasingly compete with grocers, convenience stores, warehouse clubs and dollar stores, not only peer chains.	The value comparison is broader than restaurant vs. restaurant; brands need a sharper reason for consumers to choose them.

Note: comps=comparable sales

Source: National Restaurant Association, "2026 State of the Restaurant Industry" and "2025 Off-Premises Restaurant Trends"; Black Box Intelligence, "January 2026 Restaurant Industry Trends"; Circana, "Value Menus Drive Restaurant Traffic Growth Despite Crowded Market"; Placer.ai, "The 2026 Fight for Value, Precision, and the Middle-Income Consumer"

The shift: From pricing power to value clarity

This is not a market that can be powered solely by affluent diners. The value equation has to work for households with total income below \$75,000. Circana found that 54% of those households would visit restaurants more often for better prices, but value is rarely defined by price alone.

What is emerging instead is a more disciplined form of consumer behavior. Guests are still willing to spend but only when the food, experience and convenience clearly justify the bill. In that sense, value is less an abstract concept than a simple judgment: Was this worth it?

That judgment is shaped by a combination of factors: confidence in portion size and quality, the ease and speed of the experience, and how clearly the offering stands up against alternatives. What looks like a "flight to quality" is often a flight away from "just good enough." Consumers will trade up when the value is evident and trade down quickly when it is not.

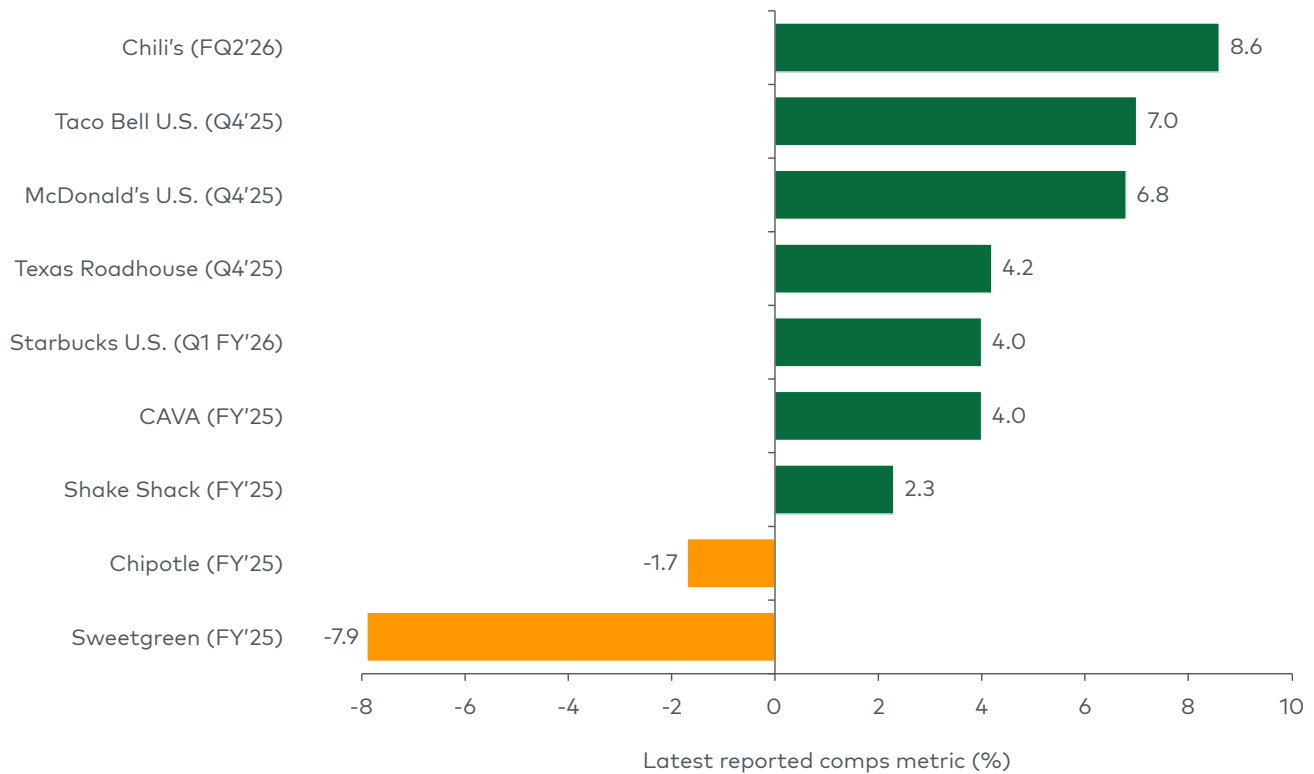
Differential performance suggests strategy is overtaking sector tailwinds

The spread in reported results is striking. Chili’s, McDonald’s, Taco Bell, Starbucks, Texas Roadhouse and CAVA are all posting strong comps growth, while others have seen traffic-driven declines (see Figure 2).

These brands operate in different segments and serve different customer bases, yet they are exposed to the same macro backdrop. The lesson is not that one segment is structurally advantaged. It is that brands with a clearer and more credible consumer proposition are separating from the field.

At a high level, the distinction is becoming easier to observe. The strongest performers are making value legible through price architecture, product quality, experience and execution, while weaker performers are relying on positioning or pricing that customers no longer find sufficient on its own.

Figure 2
Selected concepts show widening dispersion in comps performance



Note: Periods are not perfectly aligned — the figure uses each brand's latest publicly reported comps metric to illustrate the magnitude of performance dispersion, not strict like-for-like benchmarking; comps=comparable sales

Source: Brinker International, Yum! Brands, McDonald's, Texas Roadhouse, Starbucks, CAVA Group, Shake Shack, Chipotle Mexican Grill and Sweetgreen company releases and earnings materials

The new restaurant value equation

Based on current performance patterns, six moves are emerging among outperforming brands. Together, they form a more complete definition of value — one that is experienced, not simply priced.

1. Start earning preference, don't just offer low price

Value has to be immediately legible to the guest. The objective is not to be the cheapest option on the block; it is to feel like the smartest purchase. Chili's resurgence has been built not on indiscriminate discounting but on a combination of competitive pricing, sharper communication, menu clarity and improved operations. Taco Bell's value architecture similarly establishes a clear entry point while preserving brand distinctiveness. These brands are not just winning one quarter but quarter after quarter, earning customer preference.

"Customer value is not a cheaper sandwich. It is total confidence that the meal, the experience and the convenience made it worth the spend."

— Abigail Pringle, Former President, U.S., The Wendy's Company

2. Deliver value they can see, taste and trust

What looks like a flight to quality is less about premiumization for its own sake than about reducing valueless complexity. Our work suggests that consumers who said dining out was not worth the money most often pointed to food quality and portion size. Brands must conduct disciplined menu simplification. The best operators don't approach this as cost-cutting but rather as a disciplined review of their value creation equation across three lenses: the customer, operations and economics.

Chili's continues to benefit from a highly satisfying dine-in experience enabled by its menu simplification and accessible pricing. CAVA is capturing share with bold flavors, customization and a health-forward proposition that still feels attainable. Shake Shack continues to position around high-quality food, warm hospitality and value. By contrast, premium price positioning without equally visible product or experience advantages is becoming harder to sustain.

As Abigail Pringle, Former President, U.S., The Wendy's Company, puts it, "The guest wants better value and an experience they can consistently trust. Every menu item must earn its place by delighting the customer, strengthening the brand and justifying its operational cost."

3. Make AI guest-visible and employee-valuable

The most productive applications of artificial intelligence (AI) are increasingly those that customers can feel directly. Voice ordering, improved accuracy, more relevant offers and smoother service recovery all contribute to a better and more consistent experience. In that sense, the return on AI is not just labor efficiency but also improved traffic and customer satisfaction through reduced friction. Leveraging AI in the back of the house (inventory, staffing, scheduling, forecasting) seamlessly creates more opportunity for the restaurant general manager (GM) and crew to focus on the guest experience and simplify the historically arduous and manual work of restaurant operations.

"AI first and foremost should be designed to take friction out of the customer visit and enable the GM and restaurant team to focus on the guest experience. As a result, you will drive sales and improve labor efficiency."

— Abigail Pringle

4. Frequency is a loyalty and data problem

Loyalty has become too important to treat as a digital coupon book. Leading brands are investing heavily in loyalty ecosystems and data to enable personalization. McDonald's generated nearly \$37 billion in systemwide sales with loyalty members in 2025 and ended the year with nearly 210 million 90-day active members globally. Starbucks' 35.5 million active U.S. members reflect a program built not just around discounts but also around utility, tiering and more meaningful redemption. The strongest programs create habit, relevance and identity. The weakest ones simply train customers to wait for the next offer.

"The strongest loyalty programs increase revenue and customer visits by fostering an emotional connection to the brand and creating relational value, not just transactional discounts. The weakest ones teach customers to wait for the next coupon."

— Abigail Pringle

5. Operational excellence is a growth strategy, not a secondary consideration

Operational excellence is once again a top-line issue. In this environment, execution is not just about cost control — it is a primary driver of repeat visits. Black Box found that limited-service restaurants with no GM turnover in 2025 saw a 1.0-point traffic lift and a 22-point reduction in hourly churn. Additionally, pickup is gaining while delivery weakens, which makes order accuracy, pickup flow and the handoff experience more important than ever. Chipotle's own "Recipe for Growth" underscores the point by centering more accurate and more efficient execution as a path back to transaction growth.

A clean dining room, an accurate order, a calm pickup shelf and a faster and more reliable drive-thru are no longer back-of-house details. They are increasingly part of the brand promise and impactful experience.

6. Compete with precision for the right occasion

The competitive set has widened. Restaurants are increasingly competing not only with each other but also with grocers, convenience stores, warehouse clubs and other food retail formats that can provide for the same eating occasion.

This makes precision critical. Winning brands are clear about the occasion they serve – the daypart, the need state, the customer segment – and build their proposition accordingly. Broad, undifferentiated traffic strategies are becoming less effective in a more fragmented competitive landscape (see Figure 3).

Figure 3

Emerging growth concepts show the market still rewards sharp positioning

Concept/dataset	Growth signal	What it suggests
NRN/Technomic "100 Under 100"	Double-digit unit growth posted by every brand in the 2025 ranking; top 500 unit growth just 1.6% in 2024.	Even in a muted demand environment, distinctive concepts can still expand quickly.
Naya	Unit growth of 36.4% in 2024; total sales of \$41.1 million.	Mediterranean fast casual is winning with a clear cuisine story, a modern format and strong everyday relevance.
Nick the Greek	Sales up 30.5% to \$108 million in 2024; unit growth of 19.1%.	A focused, easy-to-understand proposition can scale when quality, flavor and accessibility align.
Biscuit Belly	Unit growth of 40% in 2024.	Daypart specialization still works when the occasion is distinctive and operationally executable.
7 Brew	More than 280 stands opened in 2025 for total of more than 600 locations nationwide by year-end.	Small-format convenience, energy and customization remain powerful top-line drivers when the proposition is unmistakable.

Note: NRN=Nation’s Restaurant News

Source: Nation’s Restaurant News/Technomic, “2025 100 Under 100”; NRN profiles of Naya, Nick the Greek and Biscuit Belly; 7 Brew company release via Business Wire

Closing perspective

The implication is not that growth has disappeared. It is that growth has become more selective. The industry may continue to point to consumer pressure, but the widening gap between winners and laggards suggests a more important shift.

2026 is a strategy test.

The next phase of comps outperformance will come from brands that can translate value into something the guest can see, taste and feel without eroding economics. This will require sharper menu architecture, clearer product signals, technology that improves the experience, loyalty that builds habit, consistent execution and tighter occasion targeting.

Concepts that rebuild the full value equation for their guests can still take share. This is even more critical among lower-income-focused concepts. Restaurants that rely on pricing alone are likely to find that the lever has lost much of its force. Winning brands will deliver value that customers can immediately recognize and choose again and again.

Note: This *Executive Insights* was written in collaboration with operator perspectives from Abigail Pringle.

For more information, please [contact us](#).

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Abigail Pringle

Abigail Pringle is a global executive with 30 years of experience leading growth, brand transformation, and operational excellence. Most recently, Abigail served as President, U.S. for The Wendy's Company, overseeing the company's \$12B U.S. business. Previously, as President, International, she grew brand love across more than 30 markets, doubling sales to nearly \$2B. As Chief Development Officer, she oversaw the company's real estate business and played a central role in modernizing the brand through reimagining and transforming the franchise system. Abigail began her career at Accenture and currently serves as a senior advisor on the L.E.K. Consumer Executive Network, the Advisory Board of Dupler Office and the Board of Trustees of Denison University.

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