



**Why corporate
cafeterias aren't
working —
and how they can
evolve to meet
today's needs**



Flexible food solutions are gaining ground

Annual operating costs that exceed \$1 million are common for the modern workplace cafeteria. However, with the emergence of hybrid and remote work models, evolving employee preferences, and inflating costs nationwide, today's workplaces are far from standard — and no longer satisfied with the status quo.

Workplace cafeterias — and the corporate dining experience as a whole — are undergoing a profound transformation. This report will explore how these changes are unfolding in real time, creating new opportunities for a future with more flexible workplace food solutions.

METHODOLOGY

To understand the evolution of workplace cafeterias, ezCater surveyed two key groups during the second quarter of 2024:

Cafeteria decision makers: 601 workplace leaders at companies with an on-site cafeteria and knowledge of workplace cafeteria operations

Employees: 601 people who work on-site at least one day per week and have access to an on-site cafeteria

Combined, these data sets allow us to take a broad view of current trends and visualize the potential future of workplace cafeterias.



When it comes to workplace cafeterias, the future is not “business as usual”

Hybrid workplaces are here to stay. According to an ezCater survey of non-remote employees, 50% are on-site five or more days per week, while 36% typically only work on-site three days a week or fewer. The changing workplace format is creating noticeable shifts in on-site corporate dining experiences.

With many employees only spending half (or less) of their time on-site each week, cafeterias as we know them are becoming less relevant — and the professionals in charge of operating and maintaining shared

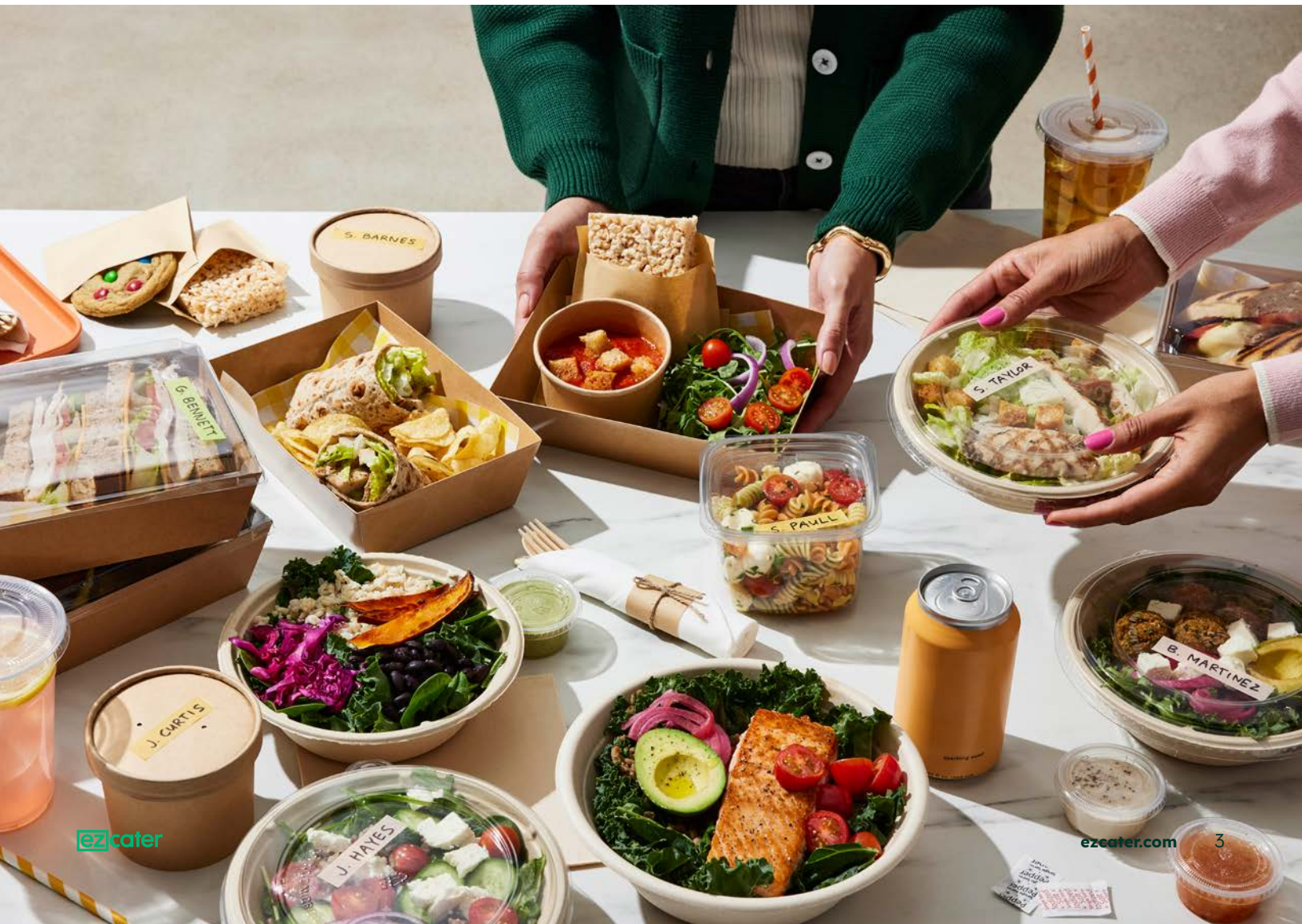
dining spaces are taking notice. In fact, 66% of leaders predict changes in the workplace cafeteria format, according to key decision makers surveyed by ezCater.

More than a quarter (26%) of decision makers think that corporate cafeterias will be decommissioned altogether in favor of alternative food and beverage solutions for the workplace, less than half (40%) anticipate investing in new or updated corporate cafeterias. But for many, a change is already underway.

Workplace cafeterias are ready for a revamp

26%

of decision makers think companies will decommission corporate cafeterias in favor of alternative solutions



What does the future look like? More flexibility — and more variety

Today's workplaces are increasingly fluid, with 20 people on-site one day and 200 the next. With in-person headcounts varying based on the day of the week, the majority of decision makers believe that the golden age of cafeterias is ready to be replaced by an era of flexibility.

Some cafeteria decision makers are interested in a complete overhaul: 62% believe that a flexible employee food option should replace the cafeteria in their workplace. Procurement professionals, in particular, are 55% more likely than average to prefer replacement.

Flexibility is top of mind

62%

of decision makers believe that a flexible employee food option should replace the cafeteria in their workplace

But what makes a workplace food solution more flexible? First, it's one that doesn't require a fixed location that can only be used to serve and eat food. In response to increased hybrid work arrangements, today's workplaces call for a more nimble use of shared spaces.

The other requirement for flexible food solutions is scalability. The vast majority of corporate leaders believe food options that can be scaled up — or down — to meet the needs of a hybrid workplace and fluctuating headcounts would be useful for their workplace.

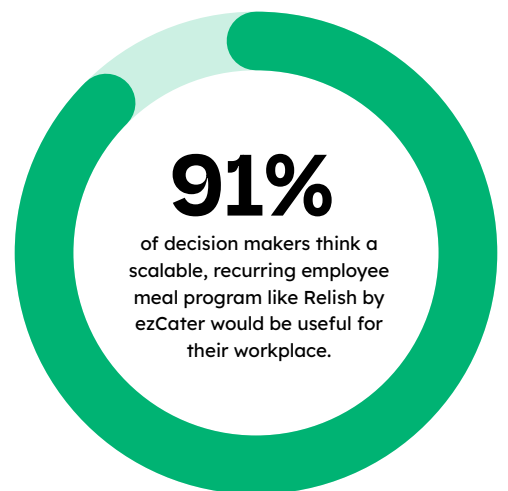
Imagine a future cafeteria that allows employees to order exactly what they want from a curated list of rotating menus from local restaurants, and then receive meals that are individually packaged, labeled, and delivered. The amount of food delivered could scale up or down as needed, with more variety for corporate dining experiences than ever before.



Workplaces have changed significantly in the last 5 years. In some industries, employees are only onsite a few days a week and their schedules vary. To accommodate this shift, many companies need a flexible, on-demand, and individualized food management solution, and one that helps them reduce their real estate footprint too.

Ashwin Raj

Chief Executive Officer, ezCater



Employees also crave more variety

Today's employees are hungry for more than what's available at a traditional workplace cafeteria. More than one-third (37%) with on-site cafeterias crave healthier food, and more than one-third (36%) would like access to grab-and-go options that allow them to dine "al desko."

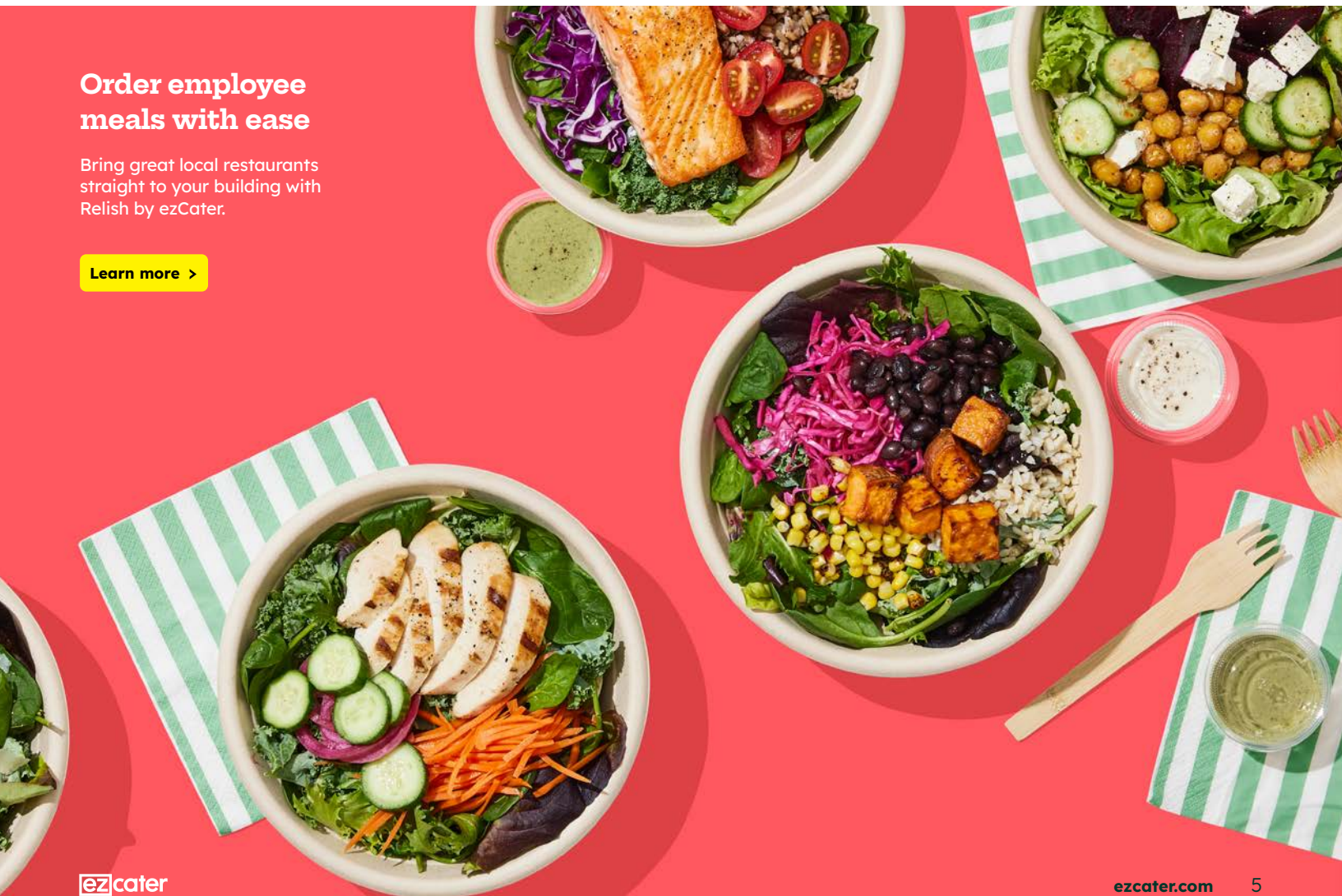
However, it's not just flexibility in how they eat — today's eaters want more flexibility in what they eat. Seven in 10 would rather have food from local restaurants delivered to their worksite than dine on workplace cafeteria food, with Gen Z employees 14% more likely to prefer this.

Locally delivered restaurant meals give employees far more variety in what they eat, no matter if they're in the office Tuesday to Thursday or five days a week. To provide the variety employees are seeking with the scalability employers require, many companies are complementing operations with flexible cafeteria alternatives, like [Relish by ezCater](#).

Order employee meals with ease

Bring great local restaurants straight to your building with Relish by ezCater.

[Learn more >](#)



SECTION 1

Workplace cafeterias are becoming harder for decision makers to justify



Employers consistently agree that free food ranks as one of the top five work perks in return on investment (ROI)*. So, why do most employers envision a future with alternatives to the workplace cafeteria? The answer: logistics.

Corporate cafeterias are costly to build and operate. Four in five (80%) of cafeteria decision makers report that the corporate cafeterias they manage take up at least 5,000 square feet. 40% report spending over \$1 million annually to operate and maintain their corporate cafeterias.

Hybrid environments are causing cafeterias to collect dust. Sure, 55% of decision makers feel that cafeterias are too costly to operate, but that's not the only

reason why they're becoming harder to justify. Another 39% think they're simply not used enough to validate the expense, and 61% of those in hybrid workplaces say the schedule makes it challenging to operate a corporate cafeteria (those in the C-suite were 25% more likely than average to say this).

Fluctuating headcounts are creating cafeteria food waste. Hybrid environments maintain varying headcounts day to day, making it difficult to estimate the required amount of food. As such, 50% of decision makers in hybrid working environments say cafeterias waste a lot of food.

Cafeterias are costly

78%

of decision makers expect cafeteria costs to rise year over year



SECTION 2

Employees love convenience, but want better food



The convenience vs. quality dilemma

Nearly 75% of employees identify the convenience of not having to venture off-site to find food for the day as one of their favorite things about their workplace cafeteria, with 68% loving that they

don't need to prepare food in advance. Unfortunately, that convenience often comes with a lot of tradeoffs.

3 in 10

workers say they only go to the cafeteria when they have no other choice

SURVEY DATA

Employees aren't satisfied with cafeterias

Top employee dislikes for corporate cafeterias:

Not enough variety

34%

Not enough healthy options

25%

Limited hours of operation

28%

Long lines or wait times

23%

Expensive

26%



Employers and workers have different opinions about cafeteria food quality

Despite the best efforts of cafeteria decision makers, workers are not seeing quality the same way as those trying to provide their dining options.

38% of decision makers consider their workplace cafeteria food as “excellent,” while only 10% of employees described their workplace food that way.

In reality, 44% consider the food quality as very poor to average. This disconnect could contribute to why decision makers are spending so much money on workplace cafeterias, yet many agree they're not frequented by employees enough to justify the expense.



Dietary needs pose distinct challenges

Aside from food quality, employees are seeking food variety in corporate dining experiences. The top complaint about corporate cafeterias was a lack of variety, and that dislike is only intensified when eaters have dietary restrictions that further limit their options.

For instance, one in 10 adults has a food allergy that leaves them unable to eat common ingredients like peanuts or shellfish, while others have Celiac disease and require

a gluten-free diet. There are also ethical and religious dietary needs, like vegetarian, vegan, halal, and kosher diets.

More than half of employees with dietary restrictions claim they find their workplace cafeteria options limiting. By and large, decision makers agree — 41% say that corporate cafeterias aren't dietary inclusive, with that number increasing by 15% in Western states.

Restaurant standards raise the bar for cafeteria food

When it comes to on-site food options, employees with cafeterias wish they had more variety and better-tasting food. This can explain why half of employees (50%) report regularly ordering takeout or delivery from a restaurant while at work, despite having a corporate cafeteria available.

75% of employees wish they had more tasty cafeteria options

76% wish they had a better variety of food options at work

80% say restaurant food is more exciting than cafeteria food

These findings fall in line with employees' opinion on cafeteria food quality, which 54% say is lower than what they get from a restaurant. Another 80% of employees say that restaurant food is more exciting than cafeteria food. In fact, 62% of hybrid workers agree that meals delivered from nearby restaurants would encourage them to work on-site more than cafeteria food.

Not to mention, with food from restaurants, employees can eat exactly what they want as opposed to a limited selection of cafeteria options. This is music to the ears of those with dietary restrictions, preferences, and plain old picky eaters, who find corporate cafeteria menus increasingly limiting.



Rising costs and hidden subsidies

Like countless consumer costs, cafeteria prices are on the rise nationwide. Among workers who dined in their corporate cafeteria both before and after COVID-19, 44% said costs are greater than before the pandemic — which is troublesome to the 91% who pay for at least some of their food.

ezCater research found that 88% of cafeterias are subsidized (fully or partially). Yet, only 40% of employees are aware of this subsidy, and 57% are still spending at least \$10 per meal. Unless companies spotlight current food subsidies, their employees might not even notice or appreciate it.

The impact of free food at work

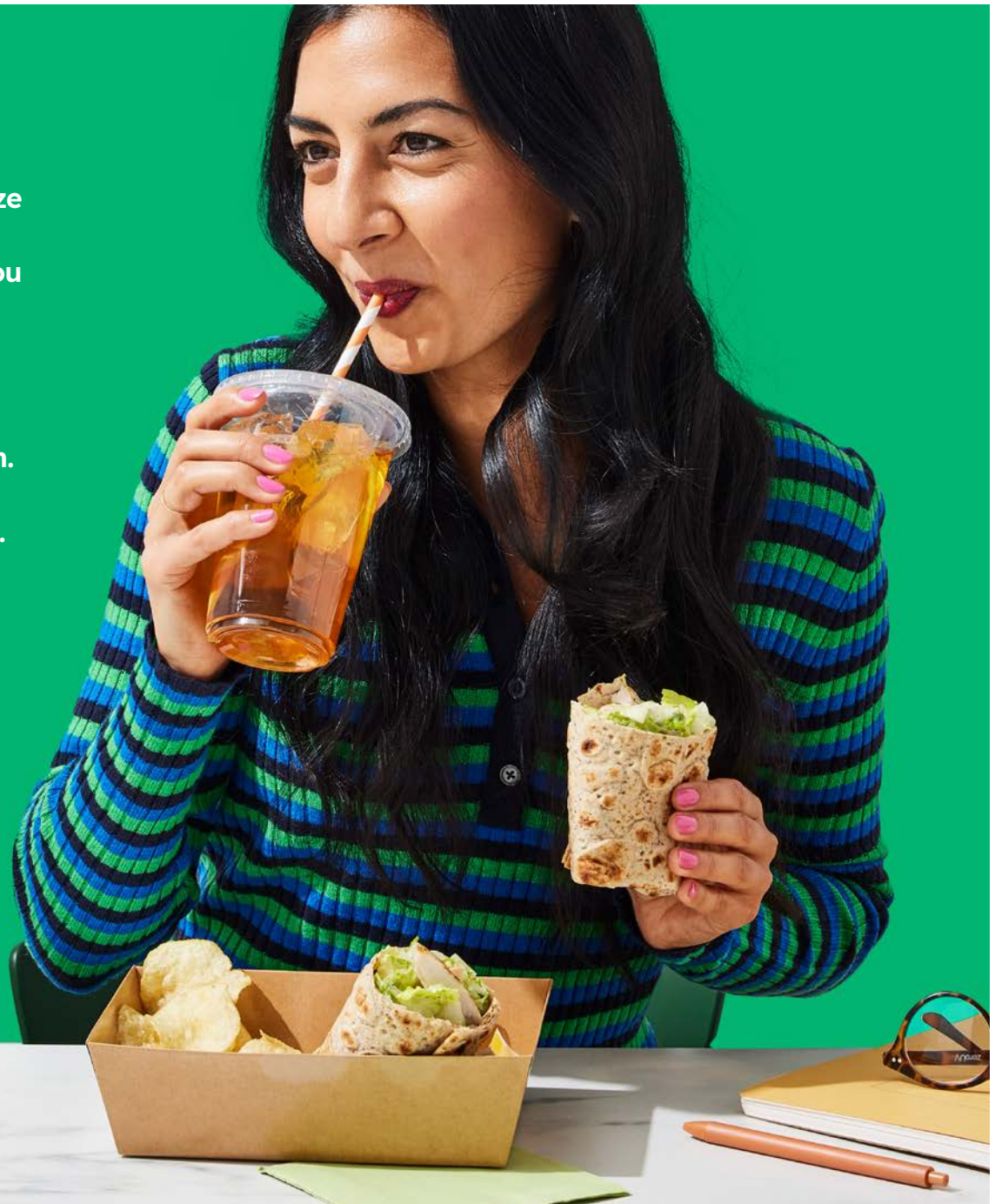
Feed them, and they will come. When food (cafeteria or otherwise) is free, hybrid workers will plan their on-site days accordingly — more than eight in 10 (81%) say that free

food actually incentivizes them to work on-site, and 71% of employees would alter their schedule to obtain free food.

Solution spotlight

Free or subsidized, it's easy to customize food spend with ezCater. Whether you want to cover all or part of employees' meals, simply adjust the subsidy amount using Relish. It's a win-win for everybody involved.

[Learn about Relish](#)



SECTION 3

Reimagined cafeterias of the future



New life for repurposed cafeteria space

ezCater survey respondents say they're responsible for cafeterias that span almost 10,000 square feet, on average.

When leaders reimagine cafeteria space in a new way, there are many possibilities,

including ones that could generate revenue for the business. From additional work space to subleasing some or all of the square footage, many modern workplaces would easily find new use for underused cafeterias.

2/3

would repurpose cafeteria space for revenue-generating or productivity-boosting uses

SURVEY DATA

Cafeteria today, a reimagined space tomorrow

How companies might reimagine corporate cafeteria space:

Alternative food and dining options

28%

Collaboration space

14%

Additional workspace

27%

Subleasing or eliminating the space

11%

Flexible space

15%



Greater cost savings with employee meal plans

When companies opt for flexible employee meal plans like [Relish by ezCater](#) instead of traditional cafeterias, they can save a substantial amount.

Meals are delivered straight to the workplace, feeding only the employees who sign up for a meal on a given day — and there are no overhead costs, such as cafeteria staff or equipment.

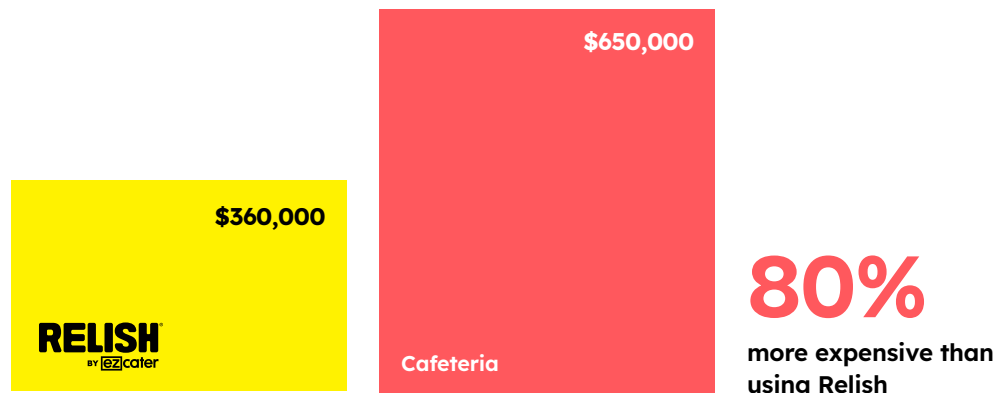
In fact, it can actually be more cost-effective to provide a \$15 daily subsidy per employee

for Relish than operating an on-site cafeteria that's not fully subsidized.

Here's an example: If a company feeds 100 employees five times per week, with a \$15 per employee stipend using Relish, that annual cost to employers is \$360,000. Decision makers surveyed by ezCater shared that the average annual cost of operating a cafeteria that feeds 100 employees is approximately \$650,000.

Cost to operate a cafeteria vs. Relish by ezCater

Annual cost comparison: Relish vs. cafeteria for feeding 100 employees



Customer spotlight

NorthPoint Development reduced employee meal expenses by 35%

NorthPoint Development is a Kansas City-based commercial real estate operating company that serves free daily lunches to 300+ employees across 10 office locations nationwide.

When NorthPoint moved its corporate headquarters, they had a choice: renovate an existing on-site cafeteria, or find a more flexible food solution for their hybrid workforce.

Enter [Relish by ezCater](#). Rather than taking on the expense and hassle of a cafeteria remodel, NorthPoint Development reimaged

corporate dining with flexible, diverse lunch options. With Relish, the team was able to replace family-style meals with individually packaged lunches, reducing monthly lunch expenses by nearly 35%.



When we moved into our new building, we looked into remodeling the existing cafeteria, but due to cost and overhead, it seemed more logical to continue on the path we were going. Finding Relish by ezCater saved us from having to renovate the space, hire staff, handle state licensing, and more... Everybody gets to choose their own meal. It's their decision.

Melissa Allinder

Office Operations Manager, NorthPoint Development



Flexible food solutions for a variety of workplace needs

Flexible food options help reshape the corporate dining experience, whether they serve as a complement to existing on-site cafeterias or as an alternative for those looking to repurpose cafeteria space.

Choosing a flexible, scalable service like [Relish by ezCater](#) lets companies cater to the needs of their workers without any limitations. They can provide boxed lunches for a big meeting, recurring breakfast deliveries, or even food from their favorite restaurant

to celebrate a team win, all without being tethered to the limitations of a traditional cafeteria.

Ordering with ezCater provides endless opportunities for both employers and employees to try something new — from restaurants that have honed their craft and provide award-winning dishes. You have over 100,000 restaurants to choose from and can filter for cuisine with just a few clicks.

Employees prefer

flexible options

70%

of employees would prefer a service where they could choose an individually packaged meal from a selection of local restaurants to be delivered to their worksite, rather than getting food from an on-site cafeteria





Future-proof your workplace cafeteria with ezCater

For many cafeteria decision makers, change has already started to take hold in workplace dining experiences, from the fluctuating headcounts powered by hybrid workforces to the flexibility in cuisines, dietary preferences, and repurposed dining spaces.

As we look forward to the new era of corporate cafeterias, you can future-proof your operations with scalable workplace food solutions like ezCater. Help create efficiencies, reduce costs, and provide employees with delicious meals, easier than ever before.

If you're ready to reimagine your corporate cafeteria, [connect with ezCater today.](#)