2026

The Canadian State of Restaurants Report

TouchBistro

INTRODUCTION

Canadian restaurants have their own story to tell – and it's time they got the spotlight.

For years, the restaurant industry conversation has centered on the U.S. market. But Canada's full service restaurant landscape operates with its own dynamics: different cost structures, distinct regional challenges, unique customer behaviours, and a regulatory environment that shapes everything from labour costs to alcohol pricing. Canadian operators deserve insights built for their reality, not adapted from somewhere else.

This inaugural Canadian State of Restaurants Report does exactly that. Based on a survey of 600 Canadian full service restaurant operators conducted in late 2025, it captures what actually happened over the past year: where operators succeeded, where they struggled, and how they adapted to a year defined by both opportunity and pressure.

The findings reveal an industry navigating complexity with remarkable resilience. Profit margins are strong at 10.4% despite rising costs. Traffic grew by 34% on average as the return-to-office movement brought customers back. Technology investments paid off with measurable efficiency gains. And perhaps most telling: 82% of operators remained optimistic about the future, backing it up with real growth plans.

However, this story isn't uniform across the country – where an operator runs their restaurant significantly impacts their experience. Vancouver operators are 80% more likely to seek financing than Calgary operators. Calgary operators cite attracting new customers as their top growth obstacle, while Toronto operators navigate different competitive pressures. These aren't minor variations – they're fundamental differences that require different strategies.

The pages ahead tell the story of an industry that's evolving on its own terms.

Contents

Summary of Key Findings

79% seen an increase in restaurant visits this past year	**Return-to-office brings diners back.** Weekday traffic is growing, not just weekend crowds.
94% are spending more on labour costs compared to last year	**Labour costs climb.** Operators turn to technology and cross-training to manage rising expenses.
71% have raised menu prices in the past year	**Price increases offset rising costs.** Operators also add local ingredients to reduce future tariff exposure.
74% seen an increase in takeout/delivery sales compared to last year	**Off-premise sales keep growing.** Larger restaurants are particularly well-positioned to capture this channel.
80% of operators say their restaurant has a website	**Digital presence becomes essential**. Discovery starts online – viewable menus are now table stakes.
79% feel positive about the use of AI in restaurants	**AI sentiment is positive**. Operators embrace AI to drive back of house efficiencies and streamline operations.

1

Financial Health

Canadian operators delivered strong financial results in 2025 – healthy profit margins, growing traffic, and widespread optimism – despite rising costs and debt pressures.

34%

is the average increase in visits operators saw in the past year

FINANCIAL HEALTH

Profit Margins and Traffic Are Soaring

Canadian restaurants hit some solid financial numbers in 2025, with an average profit margin of 10.4%. That's an impressive margin, especially considering everything else going up in price.

But here's where it gets interesting: not all cities performed the same. Calgary and Vancouver operators edged slightly ahead in profitability (10.5% and 10.6% respectively), while Toronto came in at 10.1%. These differences might seem small, but they tell a story about how different markets handle cost pressures.

The venue type breakdown is even more telling. Brasseries, bistros, and cafés crush it with an average of an 11.2% margin and a 40% jump in customer visits – the highest traffic increase of any venue type. Meanwhile, bars and grills struggled more. Why? Tariff-related price hikes on imported wines and spirits hit beverage-focused spots particularly hard.

Speaking of traffic – this is the real win. Over three-quarters (79%) of operators saw more customers walking through their doors in 2025, with an average increase of 34%. What's driving this increase? The return-to-office movement. Monday morning coffee crowds are back, lunchtime is busy again, and mid-week dinner traffic is strengthening. Operators are no longer counting on Friday and the weekends to pay the bills.

79%

of restaurants saw more customers in 2025

Average Profit Margin by City

10.4% Canadian Average	10.1% Toronto (including GTA)
10.5% Calgary	10.6% Vancouver

Average Profit Margin by Venue Type

11.2% Brasserie/bistro/café	9.8% Bar/grill
10.4% Fine dining	10% Family style

Average Percentage Increase in Visits by Venue Type

34% Canadian Average

40% Brasserie/bistro/café

27% Bar/grill

34% Fine dining

31% Family style

OPERATOR SPOTLIGHT

"We think of dinner as the experience itself, not just the meal. That mindset allows us to stay nimble – whether that's launching a live music program to attract date-night and celebratory crowds, or embracing cultural moments like the Blue Jays playoff run by rethinking our space and menu for the night. Thoughtful programming has helped us drive more consistent weekend traffic without compromising our identity."

Mary
Alo Group, Toronto, ON

FINANCIAL HEALTH

Debt Levels Mirror Today's High-Cost Operating Landscape

While healthy profit margins tell one part of the story, debt tells another. Nearly three quarters (73%) of operators are carrying debt, with an average balance of $57,661. For most operations running at current revenue levels, that's manageable. But here's where location really matters.

Additionally, 45% of operators took out loans or applied for financing in the past year. The regional split being 54% of Vancouver operators applied for financing, compared to just 30% in Calgary. That's an 80% difference, likely driven by Vancouver operators' higher food costs from tariffs, compounded by the city's already sky-high real estate prices and cost of living.

The types of financing vary too. Nationally, bank loans (41%) are the most popular, followed by business lines of credit (34%). While Toronto and Calgary operators are in line with the national consensus, Vancouver operators lean more heavily on business lines of credits (47%).

Here's what this all means: restaurants are operating efficiently day-to-day (the proof is in the profit margin numbers) but many operators are working in markets where growth and even maintenance to stay afloat require external capital. Taking on debt isn't unusual, and in expensive markets like Vancouver, operators seeking financing are actually in the majority.

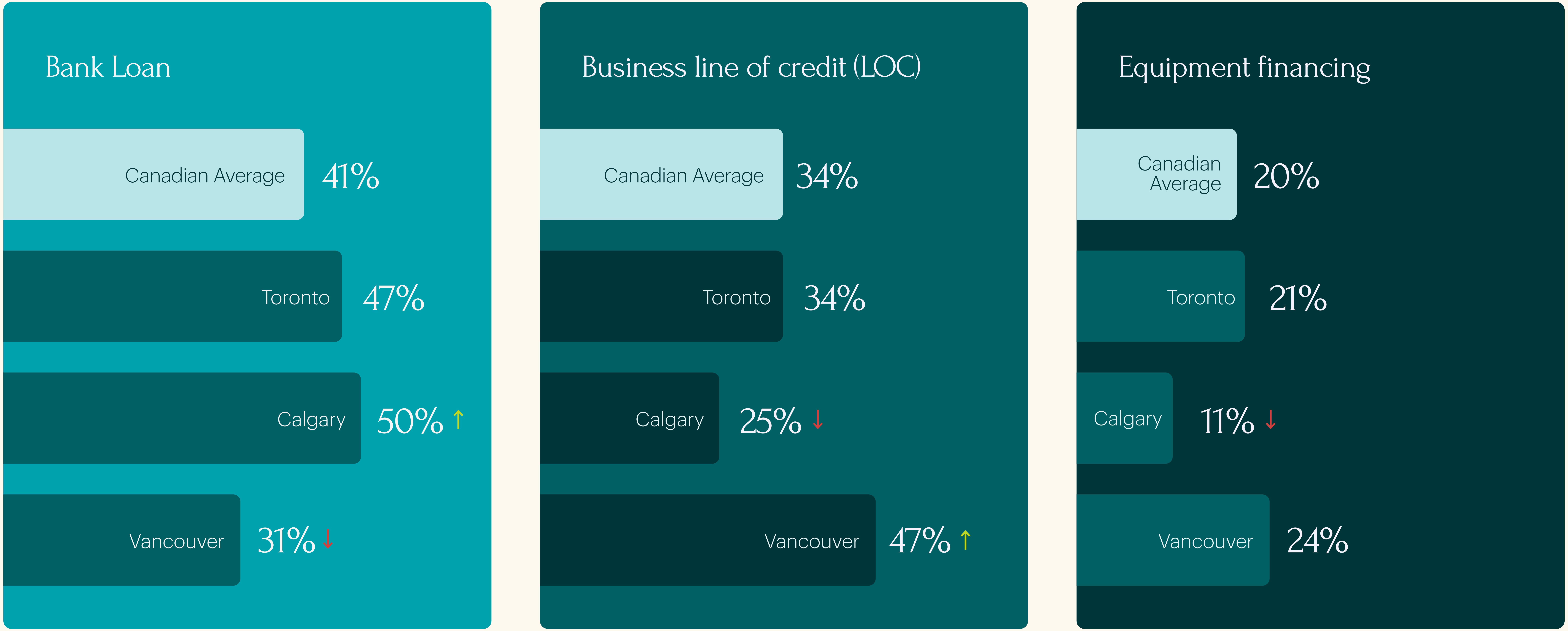
73%

of FSRs carry debt

$57,661

average debt carried

Type of Loan or Financing Taken Out in the Past Year



FINANCIAL HEALTH

The Top Financial Concern: Food Costs

Speaking of high costs, the food cost crisis was prevalent nationwide. Nearly one-third (29%) of operators said food and inventory costs were their single biggest financial strain.

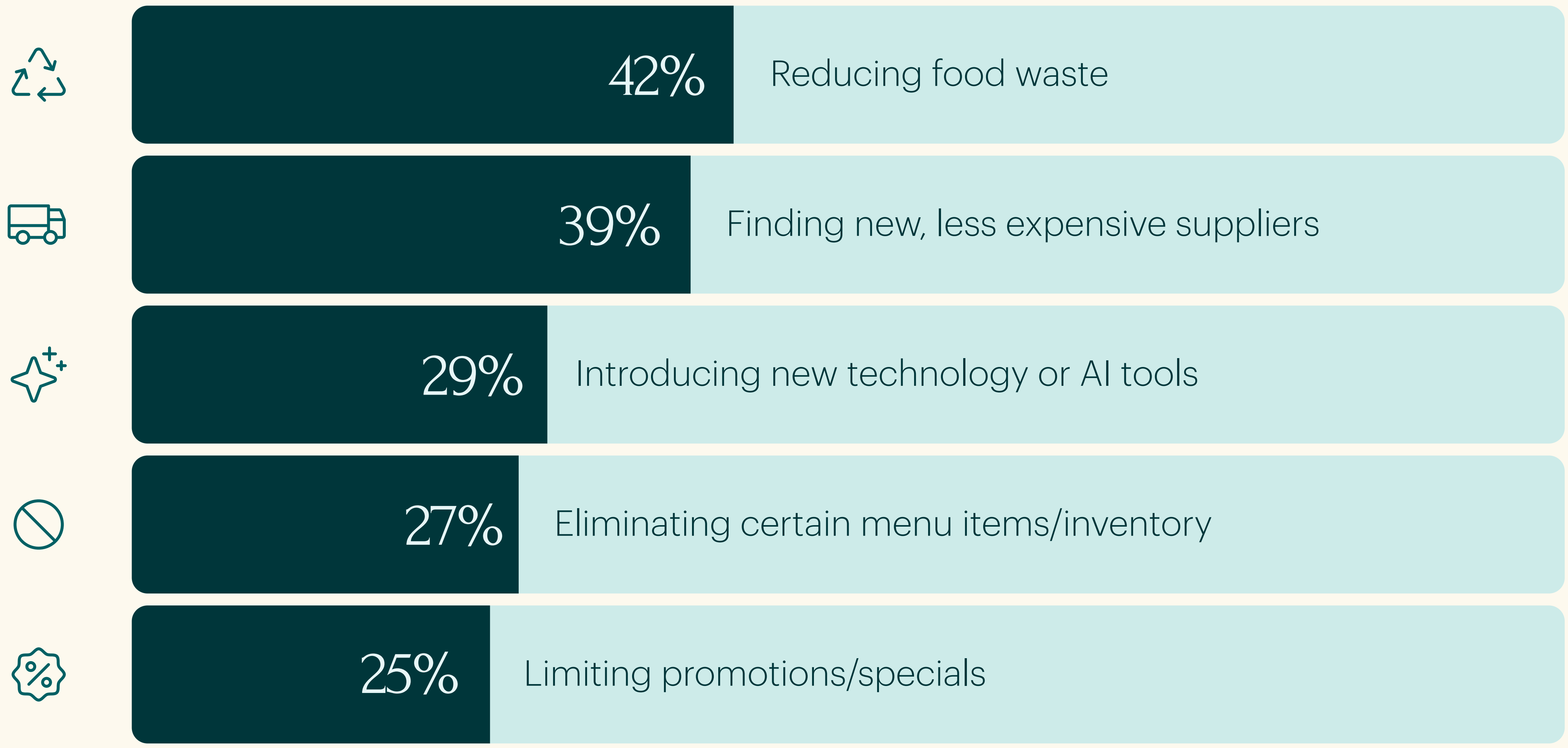
The impact varied significantly by venue type, revealing how different operational models can amplify or buffer cost pressures. For example, bars and grills felt the most acute pain – 40% cited food and beverage costs as their top challenge, driven largely by recent tariff increases on imported wines and spirits that hit beverage-focused establishments particularly hard. While fine dining (26%) and brasseries/bistros/cafés (23%) showed more resilience, suggesting that menu adaptability and sourcing strategies can meaningfully protect margins even when costs rise.

But here's the thing – most operators didn't just sit there and take it. They fought back on two fronts: cutting waste and growing revenue. This dual approach of cutting waste while investing in growth, shows Canadian operators aren't just playing defense. They're actively working to come out stronger.

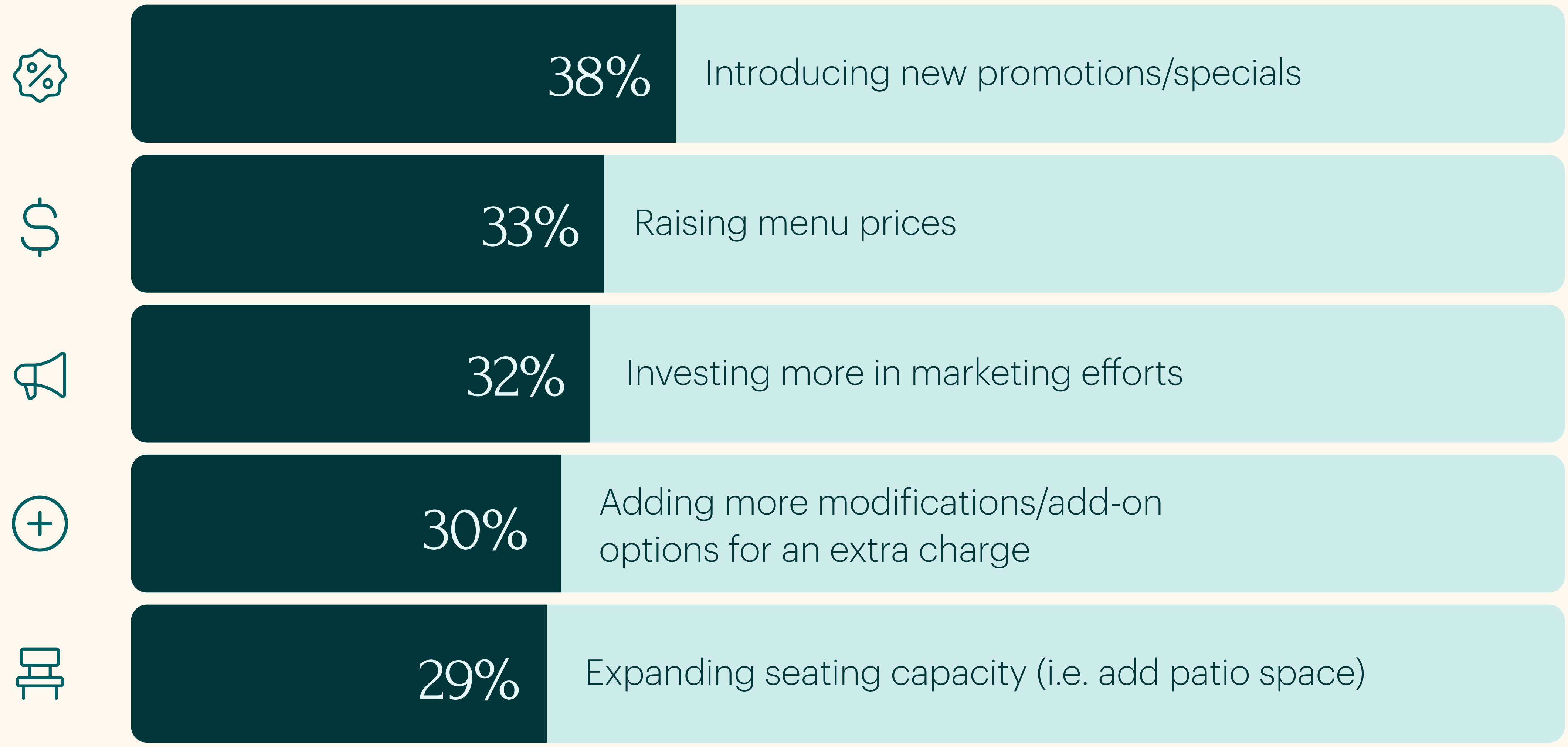
Greatest Sources of Financial Strain in the Past 12 Months by Venue Type

	Canadian Average	Brasserie/ bistro/café	Bar/grill	Fine dining	Family style
Food/inventory costs	29%	23%	40% ↑	26%	33%
Rent	16%	16%	15%	21%	13%
Labour costs	15%	14%	10%	20%	14%
Decreased flow of customers	10%	15%	12%	5%	7%
High interest rates	10%	9%	11%	10%	12%

Top Steps Taken to Reduce Expenses



Top Steps Taken to Increase Revenue



SURVEY RESPONDENT

"Shipping and delivery fees for food and supplies have increased significantly. We've consolidated orders, sourced more from local suppliers, and adjusted menu offerings based on availability."

— Area Manager, Brasserie/Bistro/Café, Edmonton

FINANCIAL HEALTH

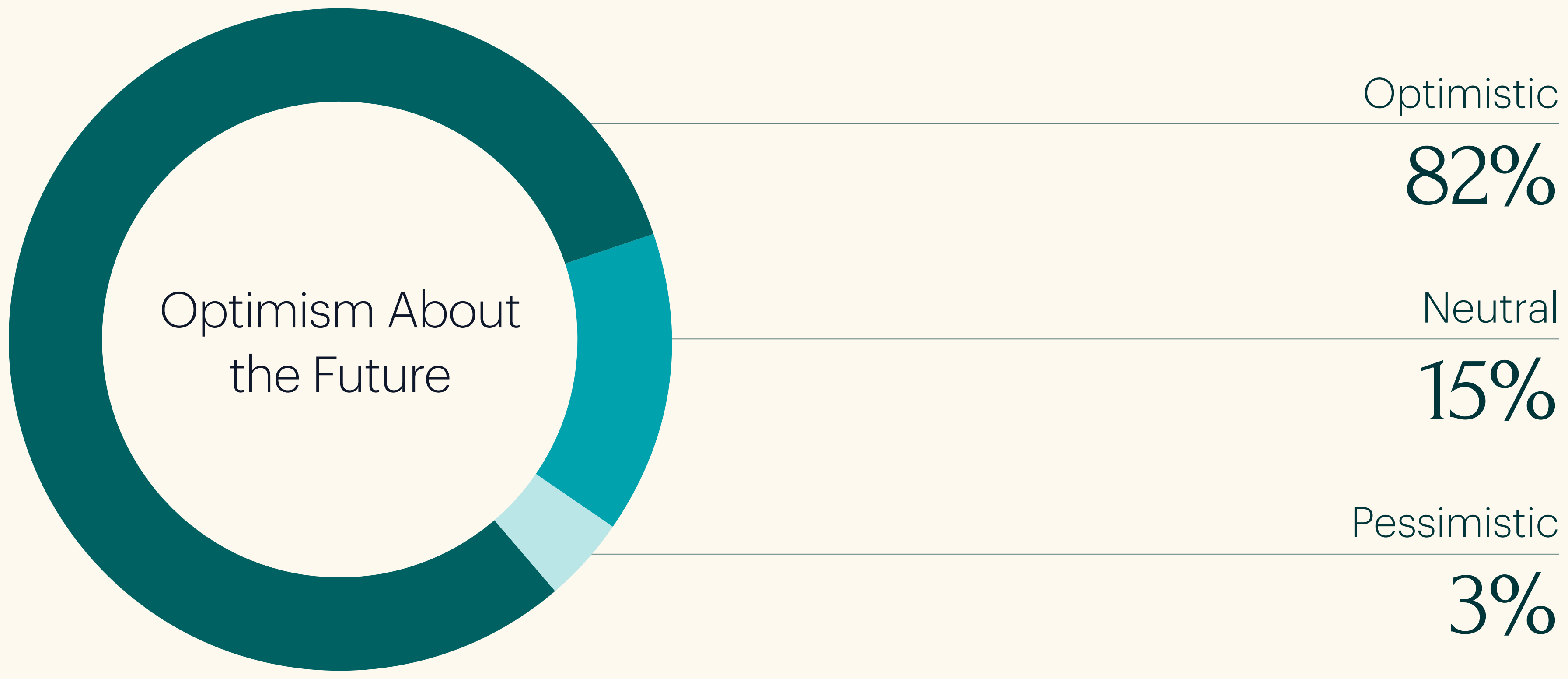
Optimism Holds Despite Rising Costs

In a year defined by rising costs and operational pressure, the majority of operators are still looking ahead with confidence. 82% of operators said they are optimistic about their restaurant's future and nearly one-third describe themselves as very optimistic.

And this isn't blind hope. Operators are backing it up with real expansion plans. 46% are planning to participate in local events like food festivals. 39% are adding catering services, with the same proportion also offering private event capabilities. These shifts make sense when looking at customer behaviour – many are dining in larger groups and looking for experiences. Operators are meeting them where they are.

Of course, there's no underestimating the challenges ahead. Food costs are still the top obstacle to growth (20%), followed by economic uncertainty (15%), attracting new customers (14%), and rent (12%). And these challenges look different depending on location. For example, Calgary operators struggle most with attracting customers (20%) in comparison to Toronto operators (10%) – suggesting more fierce competition in a city that's less dense.

The bottom line: operators didn't just survive 2025. They're building more diverse revenue streams, investing in growth, and positioning themselves for whatever comes next.



Top Obstacles to Business Growth

	Canadian Average	Toronto (Including GTA)	Calgary	Vancouver
Food costs	20%	21%	17%	17%
Economic Uncertainty	15%	18%	12%	12%
Attracting new customers	14%	10%	20%	16%
Rent	12%	14%	8%	15%

Top Expansion Plans for the Coming Year

46%
Participate in local events

39%
Add catering services

39%
Add private events

OPERATOR SPOTLIGHT

"Rising food, inventory, and labour costs have put pressure on our bottom line, even as customer visits increased over the past year. We'll get creative with our suppliers and the products we source to help maintain food prices, and take a more intentional approach to premium offerings for special days and events. We will also continue to invest in our team amid an uncertain economy."

Trevor
DaiLo, Toronto, ON

Our Takeaways

Canadian operators prove to be resilient despite tough external factors, but the ones that can quickly adapt by finding ways to creatively cut costs and boost revenue will land on top.

- **Introduce specials during high traffic periods to boost visibility**
  Offer weekday breakfast and lunch promotions to capture the return-to-office crowd.

- **Use a dual-approach to combat high food costs**
  Look beyond menu price increases by reducing food waste and driving revenue with strategic specials.

- **Meet diners where they are**
  Lean into the shift of guests choosing to dine in larger groups and seeking out experiences by participating in local events.

2

Staffing & Labour

Labour costs skyrocketed in 2025. Operators responded by boosting productivity and introducing technology to help lean teams work more efficiently.

94%

of operators spent more on labour costs this year

Labour Costs Reach New Heights

Rising labour costs remain one of the most significant challenges facing Canadian restaurants. Nearly half of operators (44%) said overall labour costs are their biggest staffing challenge, followed by minimum wage increases (37%). The numbers tell the story: virtually all operators (94%) are spending more on labour compared to 2024, with 46% seeing increases between 21-50%. That's a massive year-over-year jump.

What's spiking labour costs? Two things:

- Restaurant staff are pushing for higher pay to keep up with rising costs and trying to meet ends meet. Minimum wage increases in several provinces compounded this pressure. For example, operators in markets with higher minimum wages, like Vancouver at $17.85/hour, face a fundamentally different cost reality than those in markets like Calgary, where rates have remained unchanged since October 2018 and sit at $15.00/hour.

- Workers are willing to leave the restaurant industry entirely for better pay. Operators aren't just competing with other restaurants for talent – they're competing with other industries that offer more predictable hours and similar money.

And then there's the training costs: $3,370 on average to train a new employee. That means every time someone quits, operators aren't just losing their skills and institutional knowledge – they're taking a significant financial hit.

33%

is the average increase in labour costs compared to 2024

46%

of operators are spending 21-50% more on labour costs compared to 2024

Biggest Staffing Challenges Operators Faced in the Past Year

44%
Overall labour costs

37%
Minimum wage increases

34%
Scheduling challenges

32%
Staff shortages (trouble finding staff)

31%
Staff turnover (trouble retaining staff)

STAFFING & LABOUR

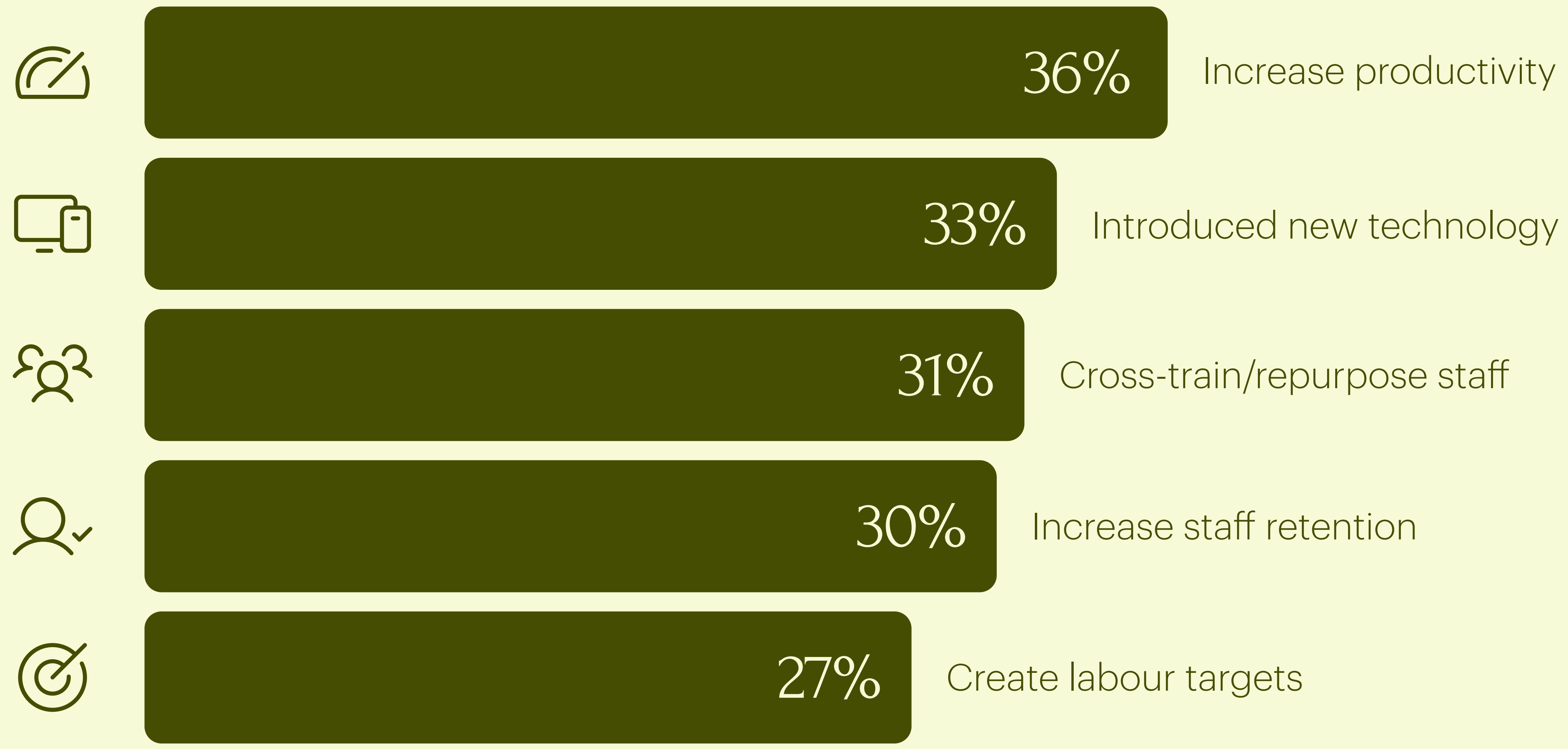
Technology Deployed to Offset Staffing Pressures

Instead of cutting staff to reduce labour costs, operators are leaning on their existing labour force to increase their operational efficiency. This strategy is showing up in three approaches: making individual staff more productive (36%), bringing in efficient technology (33%), and cross-training staff to handle multiple roles (31%).

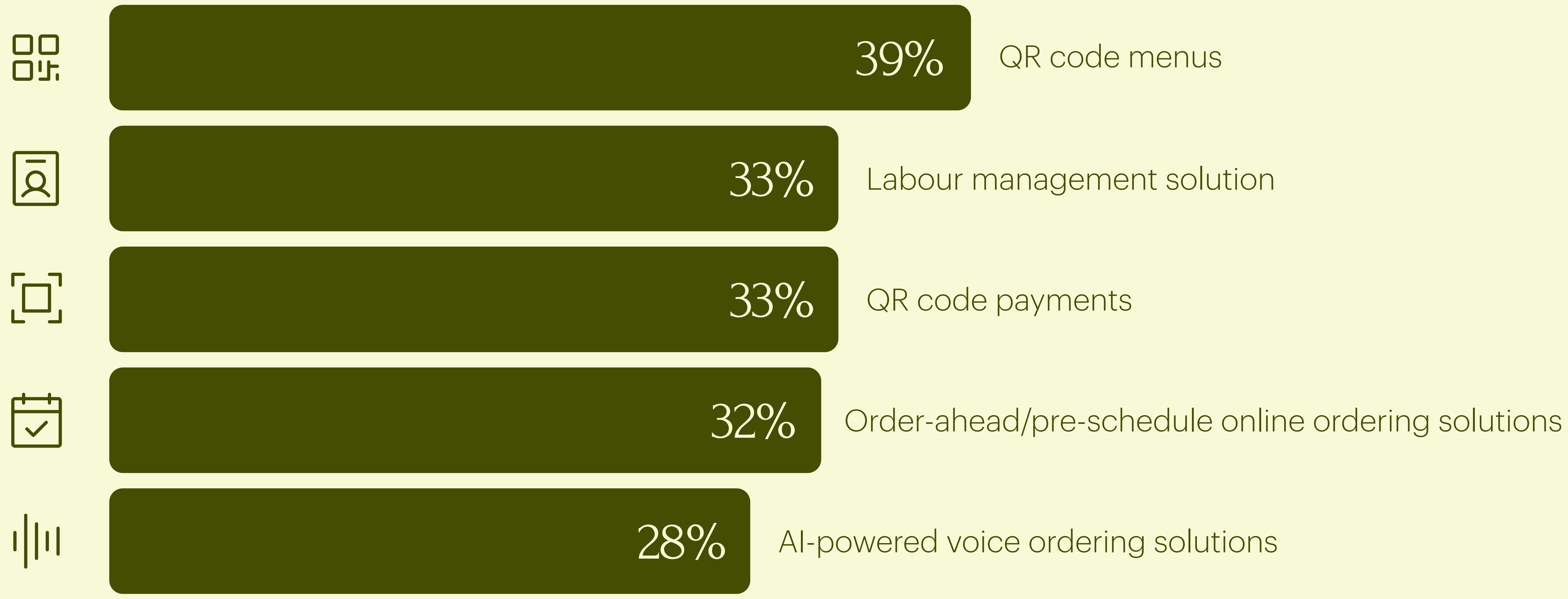
On the technology front, operators have kept pandemic-era tools that actually worked – QR code menus (39%) and QR payments (33%) – because they free up staff from routine tasks. But restaurants are also getting more sophisticated: one-third are using labour management solutions that optimize scheduling, track overtime, and forecast staffing needs based on traffic patterns.

Is it paying off? The numbers say yes. Operators aren't just throwing money at technology and hoping it works. They're strategically deploying tools that let them operate efficiently without burning out their teams.

Top Strategies to Reduce Labour Costs



Top Tech Implemented to Alleviate Labour Concerns



SURVEY RESPONDENT

"The labour challenges my restaurant has faced in 2025 has been staffing shortages which has slowed service and forced us to reduce some menu items. We've addressed labour challenges by cross training staff, offering flexible schedules, and increasing wages to retain employees."

— General Manager, Family Style, Toronto

Full Service Restaurant Staff Shortages Persist Across the Country

Staff shortages remain a persistent challenge for full service restaurants nationwide. Nearly four in five operators (79%) report ongoing staff shortages. On average, restaurants are short 5.3 staff members, creating added strain on existing teams and making it harder to maintain consistent service and quality.

For the operators facing staff shortages, the most in-demand positions are servers (38%) – the people who directly impact whether guests have a good experience. After that, its back of house roles: dishwashers (33%) and prep cooks (31%). When restaurants can't find both front and back of house staff, there are bottlenecks throughout the entire operation.

Then there's turnover. The average rate is 28%, but it varies significantly by venue type. For example, brasseries/bistros/cafes face the highest turnover at 32% – likely because these operations offer less wage growth potential than fine dining (26%), and the fast-paced environment can accelerate burnout.

As for the top reasons employees leave, they're consistent nationwide: seeking higher wages (43%), competition from other restaurants (39%), competition from other industries (36%), and needing more hours (34%).

While technology can help, it can't solve this alone. Keeping good people requires competitive pay, opportunities to grow, and a workplace culture that makes them want to stay – especially considering they are too feeling the pressure of inflation and economic uncertainty.

5.3

Average number of positions operators are short

28%

Average turnover rate

Top Reasons Employees Leave

SURVEY RESPONDENT

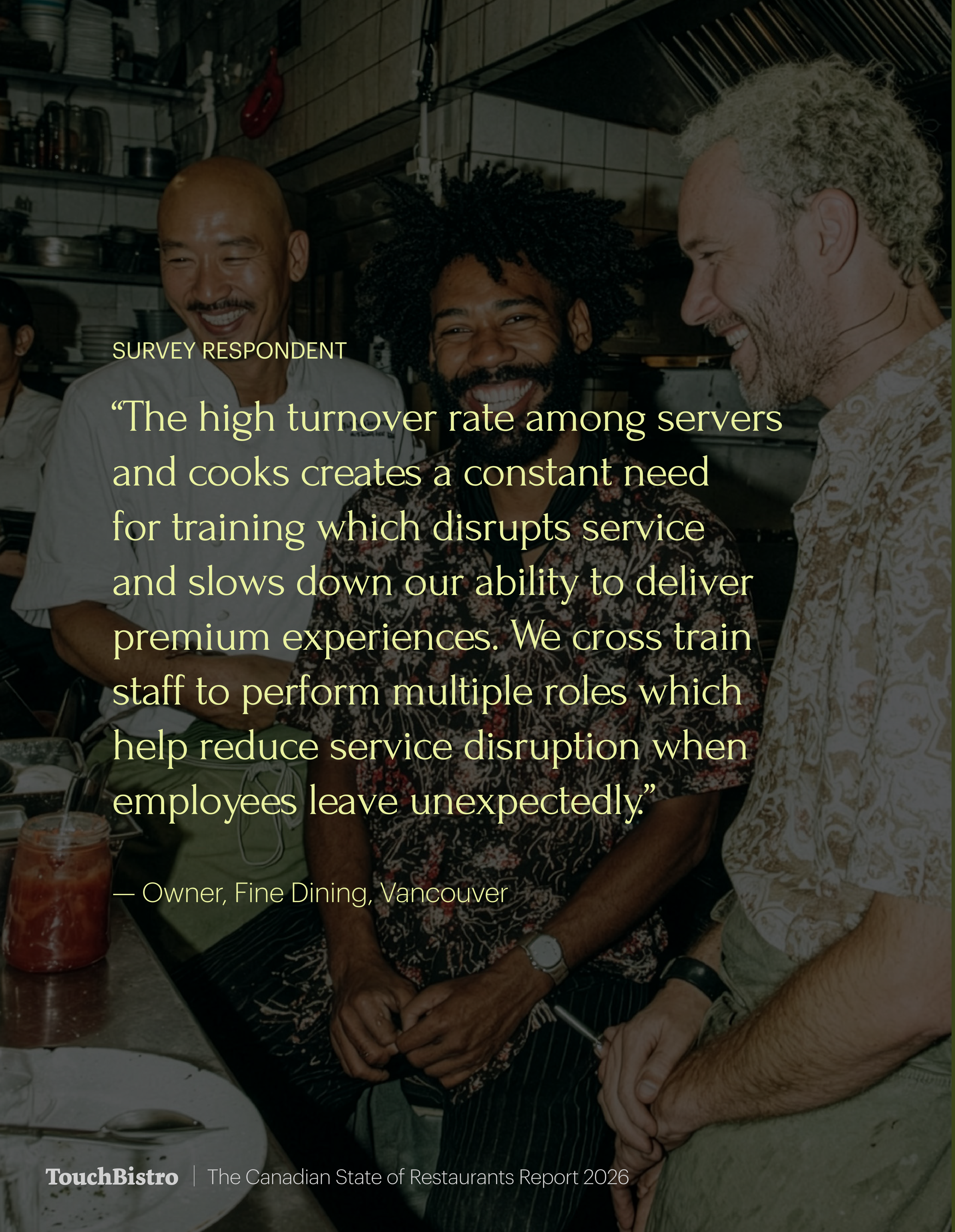
“Hiring experienced staff is a challenge, and retaining them is harder due to the competition from other restaurants and the expected higher wages from staff is unsustainable.”

— General Manager, Bar/Grill, Vancouver

OPERATOR SPOTLIGHT

“Rising labour and food costs have forced us to be more intentional about how we operate, from hours to pricing. Bringing on a front of house manager who also oversees office operations has given us more hands-on oversight, helping us make smarter, more informed decisions day to day.”

Jessica
Valley Pearl Oysters, Tyne Valley, PEI



SURVEY RESPONDENT

"The high turnover rate among servers and cooks creates a constant need for training which disrupts service and slows down our ability to deliver premium experiences. We cross train staff to perform multiple roles which help reduce service disruption when employees leave unexpectedly."

— Owner, Fine Dining, Vancouver

Our Takeaways

The labour crisis shows no signs of easing, but operators who prioritize their staff will be able to streamline operations and run more efficiently.

- **Tech solutions to alleviate staffing pressures**
  Introduce new technology, like QR code menus and payments to support your team to improve workflows.

- **Implement a labour management solution**
  Having a labour management tool allows you to focus on strategic planning and more accurate staffing to reduce unplanned overtime and burnout.

- **Retain rather than retrain**
  Restaurants should take care of their staff through offering competitive pay with opportunities to grow to avoid training net-new staff, especially given high training costs.

3

Inventory & Menu Management

Tariffs drove menu price increases, but smart operators are also building resilient supply chains through local sourcing and strategic menu engineering.

79%

say tariffs and trade restrictions contributed to inventory challenges

INVENTORY & MENU MANAGEMENT

Tariffs Add Fuel to Already High Food Costs and Inflation

Rising food costs are creating real pressure for restaurant operators across Canada. Nearly half of operators (45%) said rising food costs and inflation was their biggest inventory challenge in 2025. Bars and grills (57%) have been especially impacted, largely due to tariff-related price hikes on alcoholic beverages.

Tariffs have hit the industry hard. The vast majority (79%) say tariffs and trade restrictions contributed to their restaurants' inventory challenges this past year. How much more are restaurants spending? 37% more on average, with around one half (51%) spending between 21-50% more.

The impact varied somewhat by market. Operators in major urban centers like Toronto and Vancouver that rely heavily on imported specialty ingredients – wines, spirits, exotic produce, specialty proteins – faced higher cost pressures. These markets also tend to carry wider beverage assortments and more diverse menus, increasing their exposure to tariffs.

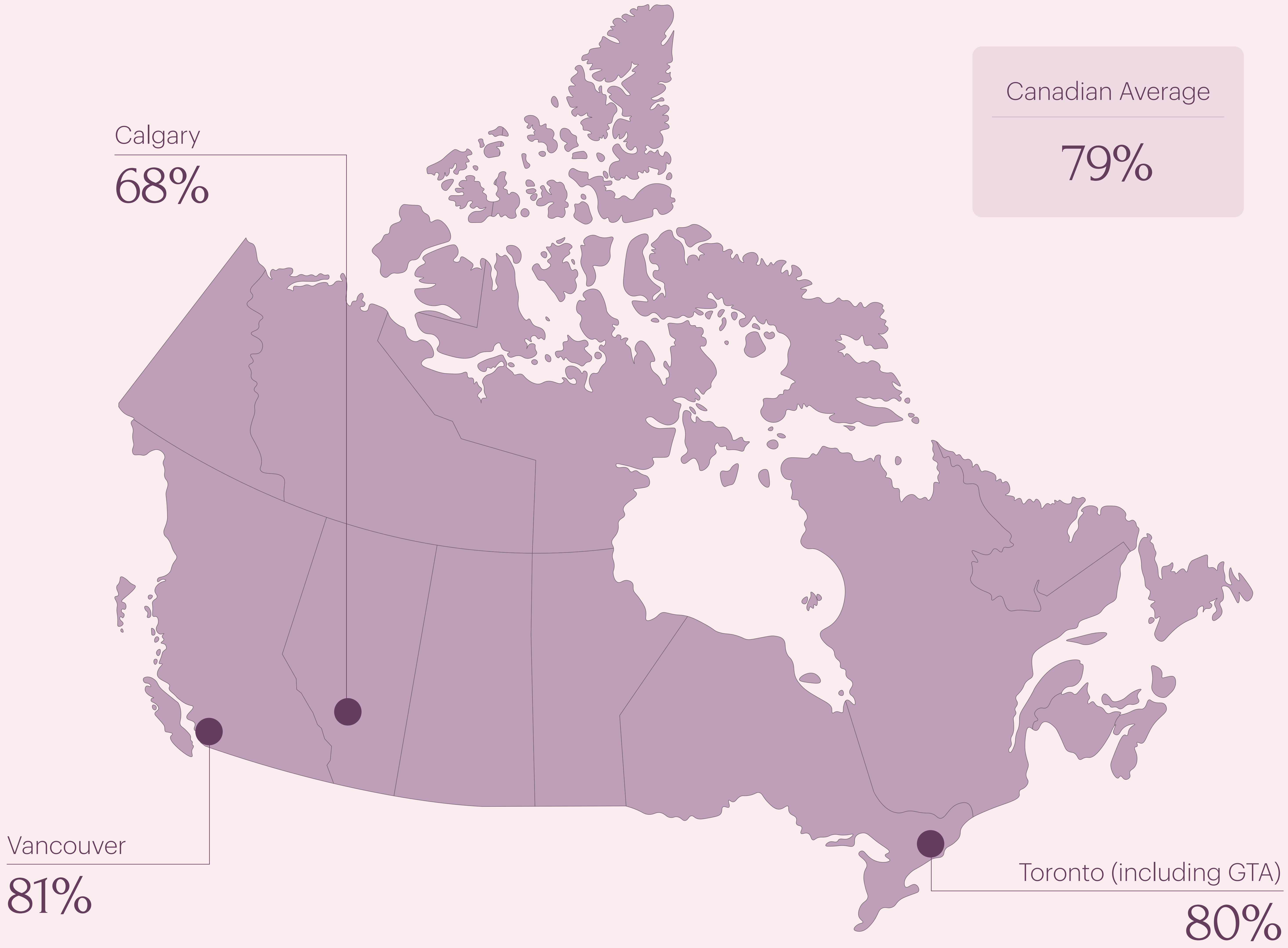
37%

is the average operators are spending more on food costs compared to last year

Biggest Inventory Challenges The Past Year

	Canadian Average	Brasserie/ bistro/café	Bar/grill	Fine dining	Family style
Rising food costs and inflation	45%	30%	57% ↑	47%	48%
Food waste	21%	18%	21%	25%	21%
Supply and ingredient shortages	17%	27%	10% ↓	13%	16%
Vendor management	14%	24% ↑	10%	10%	11%
None	3%	1%	2%	5%	4%

Impact of Tariffs and Trade Restrictions on Inventory Challenges by City



SURVEY RESPONDENT

"The biggest money problem for my restaurant in the last year has been the rising cost of food, mostly because of tariffs. Some dishes on our menu have been changed or taken off because the key ingredients became too expensive."

— President/CEO, Fine Dining, Calgary

INVENTORY & MENU MANAGEMENT

Raising Menu Prices to Stay Afloat

Tariff pressures pushed Canadian operators to pass higher food costs on to customers. A whopping 71% raised menu prices by an average of 13% – accepting the risk of customer pushback in order to offset rising financial pressure. This approach was especially common among fine-dining operators (78%) who needed to maintain quality standards while managing high operating costs.

But menu price increases weren't the only lever operators pulled. Many also adjusted portion sizes or limited the number of ingredients in each dish to help balance rising costs. While these steps can provide short-term relief, operators recognize they're not a sustainable long-term strategy. That's why 43% plan to add more locally sourced ingredients over the next six months – reducing tariff exposure and building longer-term supply chain resilience.

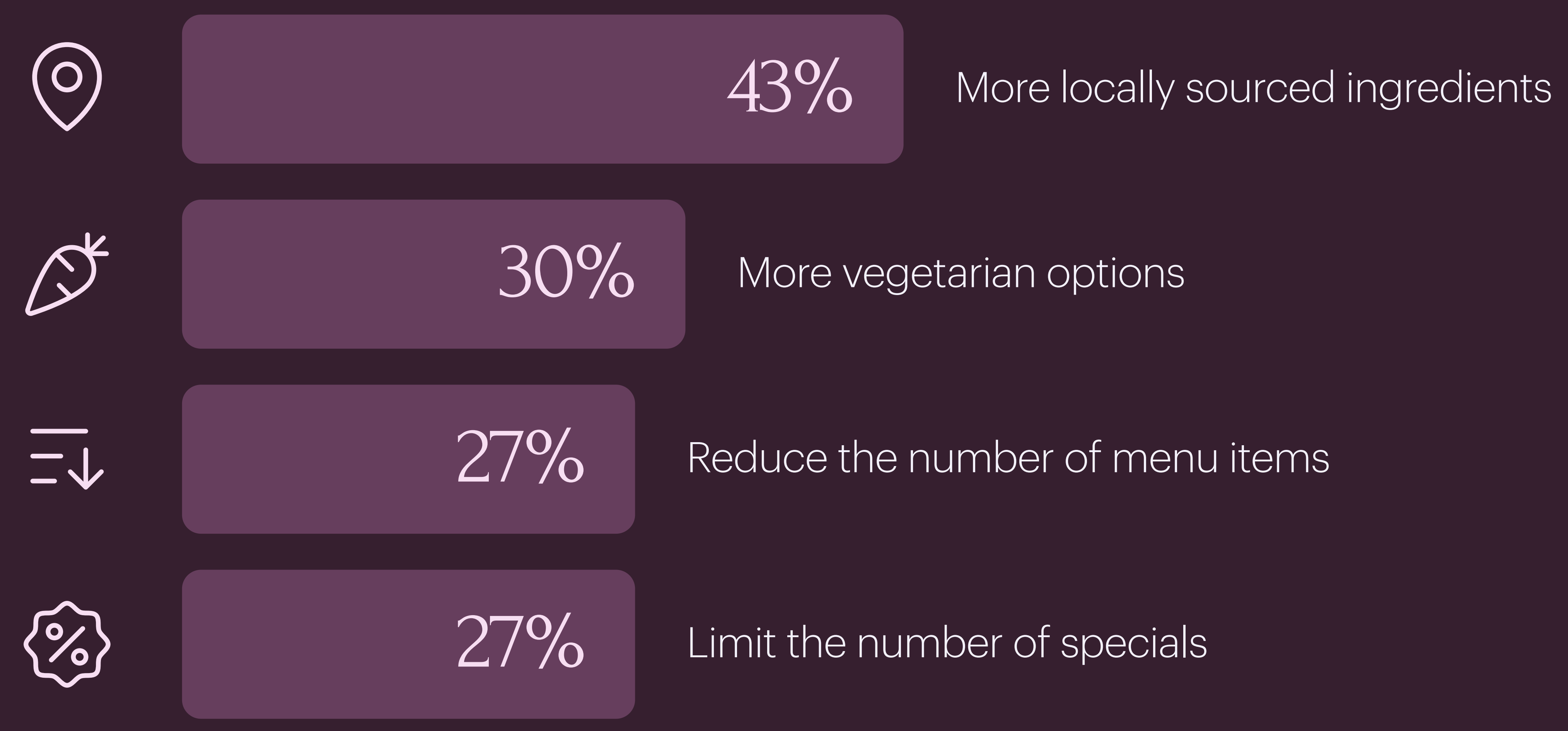
71%
raised menu prices in the past year

13%
average price increase

Percentage of Operators Who Increased Menu Prices in the Past Year

Canadian Average	Brasserie/bistro/café	Bar/grill	Fine dining	Family style
71%	60%	75%	78%	71%

Top Planned Menu Changes (Next 6 Months)



OPERATOR SPOTLIGHT

“Rising food costs, especially for proteins like beef, have forced us to rethink menu pricing – adjusting cuts, modifying ingredients, and selectively absorbing costs to protect the guest experience.”

Symon
Grizzly Paw Brewing Company, Canmore, AB

SURVEY RESPONDENT

“The biggest financial strain over the past year has been the rising cost of food and ingredients, especially meat, dairy, and fresh produce. The rising costs have forced us to adjust portion sizes, simplify the menu, and increase prices slightly to stay afloat.”

— General Manager, Fine Dining, Toronto

Our Takeaways

With tariffs heavily impacting the majority of restaurants inventory and food costs, operators who embrace smarter menu engineering tactics without simply relying on raising prices will thrive in 2026.

- **Build a more resilient supply chain**
  Seek out locally sourced ingredient substitutes to combat high food or alcohol costs brought on by tariffs and trade restrictions.

- **Focus on strategic menu engineering**
  Increase prices on items with stronger margins or where customers expect higher pricing like specialty dishes, especially if you operate a fine-dining establishment.

- **Intentional menu innovation**
  Focus on rotating seasonal specials using sustainable ingredients while keeping fan favourites.

4

Takeout & Delivery

Off-premise sales surged, with operators working to maintain food quality during transport and balance online orders with dine-in service.

74%

of operators saw takeout/delivery sales increase

TAKEOUT & DELIVERY

Takeout and Delivery Sales Soar

Canadian diners are ordering takeout and delivery in record numbers. 74% of operators saw takeout and delivery sales increase in the past year, growing 32% on average. The trend is even more pronounced for larger venues: restaurants seating 120+ guests saw off-premise sales jump by 38% on average – suggesting bigger venues are particularly well-positioned to capitalize on this channel.

Online ordering solutions are fueling this growth. Operators saw an 18% increase on average in overall sales after implementing online ordering, with 28% seeing increases between 21 and 30%. That's a significant revenue impact from a single operational change.

But growth in the off-premise channel comes with its own set of challenges. Maintaining quality (i.e. keeping orders hot) is the top concern. After that, operators struggle to balance online orders with in-venue orders, and dealing with slow or unreliable delivery drivers.

The top challenge varies by venue type. While bars and grills track closely with national concerns, fine dining operators worry most about balancing online orders with in-venue orders – revealing the tension between protecting the premium dine-in experience while capturing off-premise revenue.

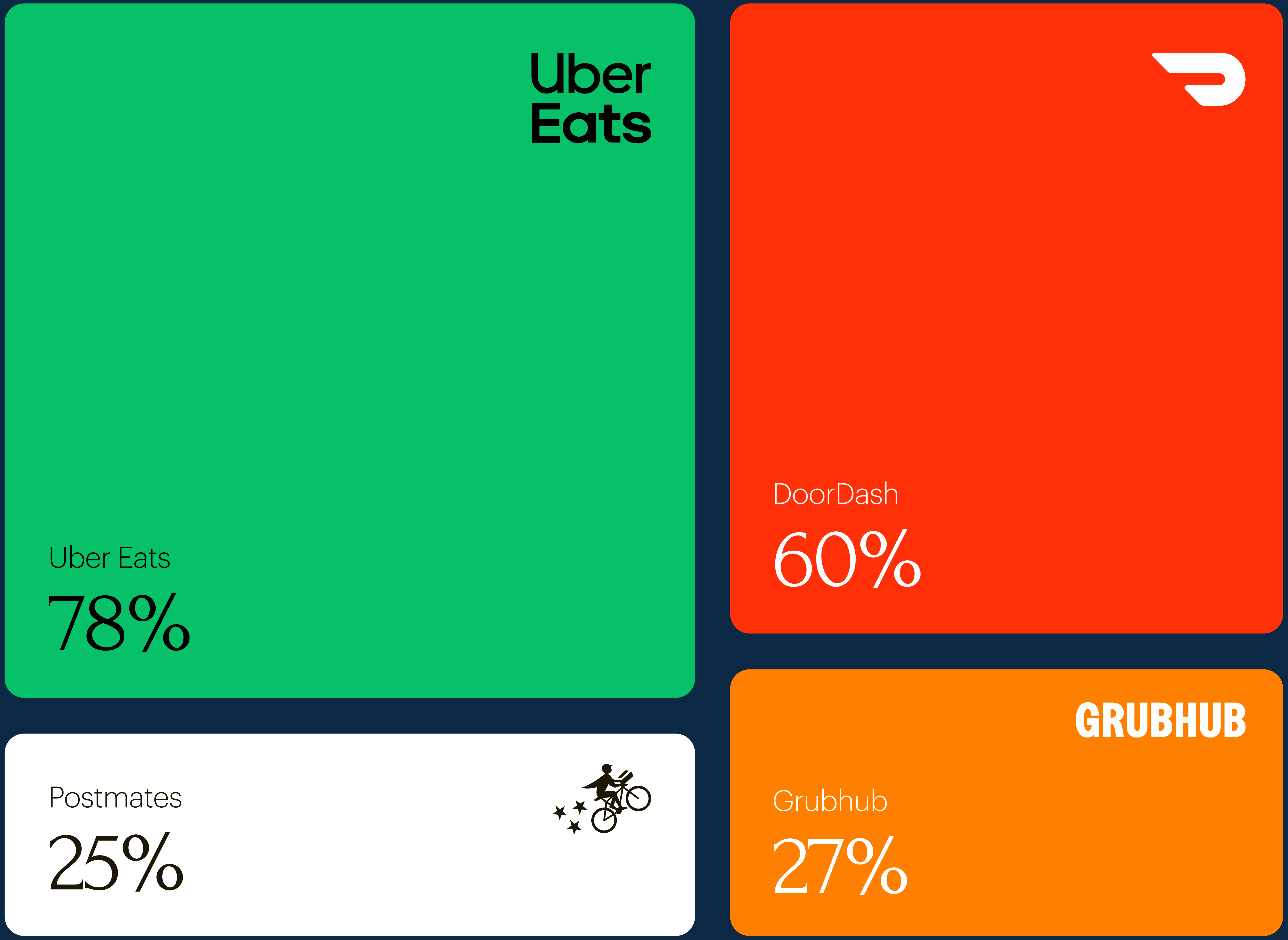
32%

average sales increase in the off-premise channel

18%

average increase in overall sales volume after implementing online ordering

Online Ordering Platform Usage



*Other apps accounted for 4%

TAKEOUT & DELIVERY

Multiple Platforms Drive Off-Premise Growth

With takeout and delivery sales growing, Canadian restaurants have embraced online ordering solutions to support the channel. On average operators use 2.7 ordering solutions, with nearly half (47%) using a mix of first and third-party platforms.

When it comes to first-party solutions, DoorDash Online Ordering is a clear favourite with more than half using the platform. On the third-party side, Uber Eats leads with 78% usage, followed by DoorDash (60%) and Grubhub (27%).

So how are operators choosing which platforms to use? Cost/fees (24%) and reliability (24%) tie for the top spot. But priorities shift by venue type. Brasseries, bistros, and cafés prioritize POS integration (29%) – they need ordering systems that talk seamlessly to their existing tech stack. On the other hand, bars and grills are working with tighter margins, which leads them to prioritize lower-cost solutions (31%).

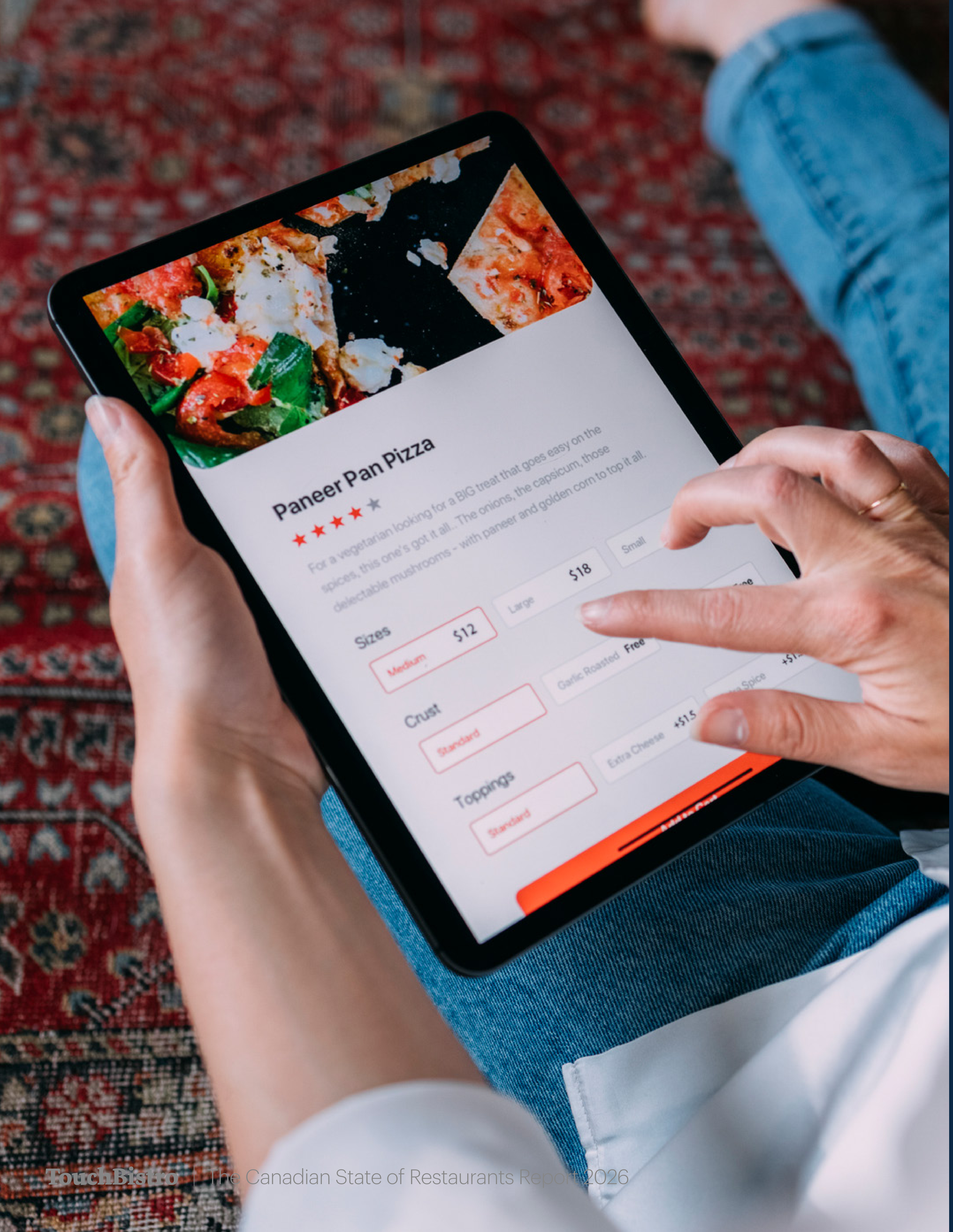
Biggest Considerations When Choosing an Online Ordering Solution

	Total	Brasserie/ bistro/café	Bar/grill	Fine dining	Family style
Cost/fees	24%	15%	31% ↑	20%	32% ↑
Reliability	24%	29%	22%	25%	19%
Delivery Options	19%	13%	22%	22%	23%
Ability to integrate into POS	18%	29% ↑	10% ↓	18%	13%
Popularity in their area	14%	15%	15%	15%	13%

OPERATOR SPOTLIGHT

"Online ordering has become critical for our business. As a high-volume restaurant, takeout and delivery now account for about 40% of our sales. Having orders come in digitally has saved us significant time – roughly an hour on weekdays and several hours on weekends – while also improving order and delivery accuracy. That efficiency has made online ordering essential to how we operate."

Darcy
Wild Ginger, Penticton, BC



Our Takeaways

Off-premise remains a strong revenue driver for restaurants, but operators who ensure it doesn't take up their entire focus are the ones who will thrive across all fronts (both dine-in and takeout and delivery).

Prioritize reliability over lower fees

While lower fees may be tempting at first, focus on reliability to avoid lost sales and dissatisfied customers in the long-run.

Balance both channels

Dine-in customers often bring in a larger proportion of sales overall so don't neglect them entirely to keep up with your takeout and delivery orders. Take advantage of tech to manage both well.

One-size doesn't fit all

Some menu items travel better than others. Build a specific off-premise menu rather than offering your entire dine-in selection.

5

Marketing & Loyalty

Loyalty programs vary by venue type, but online presence is universal, with operators active on Facebook, Instagram, and TikTok.

48%

of operators offer a restaurant loyalty program

Loyalty Program Adoption Varies by Venue Type

Despite rising costs, many operators are using loyalty programs to attract new customers and engage regulars. Nearly half (48%) offer a restaurant loyalty program, though adoption varies significantly by venue type.

Brasseries, bistros, and cafés lead the way with 68% offering loyalty programs, likely because these operations thrive on frequency. Morning coffee routines create perfect conditions for loyalty rewards. Bars and grills lag behind at 36%, which makes sense: social gatherings with friends are less routine-driven than daily coffee stops, making loyalty programs harder to apply consistently.

Among operators with loyalty programs, engagement is strong. 51% report that diners engage regularly – suggesting that loyalty programs still play an effective role in marketing to Canadian diners, especially as customers have become more cost-conscious and are constantly seeking value.

Personalization is also a priority. Nearly six in ten operators (59%) use their marketing channels to send personalized offers. The most common approaches? Offers based on dietary preferences (50%), followed by location based offers (49%) and past purchase history (44%).

51%
of diners engage with a restaurant loyalty program regularly

59%
send personalized offers

Offers a Loyalty Program

Canadian Average	Brasserie/ bistro/café	Bar/grill	Fine dining	Family style
48%	68% ↑	36% ↓	40%	44%

Offers a Loyalty Program

Offers based on dietary preferences	50%
Offers based on current location	49%
Offers based on past purchase history	44%
Offers based on personal details (i.e. birthdays)	44%
Offers based on partners/brands	42%

Online and Social Media Presence: Table Stakes for Canadian Restaurants

An online presence isn't optional anymore – it's essential. The vast majority (80%) of operators have a restaurant website, and among those with websites, nearly all (97%) allow guests to view the menu online. Making it easy for potential customers to see what a restaurant offers before they visit has become standard practice.

Social media usage is even more universal: 96% of operators are active on at least one social media platform. Facebook and Instagram take the cake, each used by 73% of operators. But TikTok is gaining traction fast with 53% of operators now using the platform, recognizing its growing importance for restaurant discovery and reaching younger diners.

Platform preferences vary by venue type, revealing how different restaurant types reach their audiences. Bars and grills favor Instagram (82%) over Facebook (71%), likely because the visual platform better showcases drinks, atmosphere, and social experiences. Brasseries, bistros, and cafés are all-in on TikTok (77%) – far above the national average – capitalizing on the platform's strength in showcasing quick visits, coffee culture, and casual dining moments. Whereas fine dining operations stick with more established platforms, using Instagram (81%) and Facebook (76%) to highlight plated dishes and upscale experiences.

The takeaway? Platform strategy should match venue type and target audience, not just follow generic best practices.

81%

of operators have a restaurant website

98%

of operators allow menu viewing on their website

Social Media Platforms Used

	Canadian Average	Brasserie/ bistro/café	Bar/grill	Fine dining	Family style
Facebook	73%	71%	71%	76%	74%
Instagram	73%	53% ↓	82% ↑	81% ↑	78%
TikTok	53%	77% ↑	42% ↓	45%	42% ↓
Snapchat	29%	29%	19% ↓	34%	30%
Twitter (X)	40%	47% ↑	32%	37%	39%

OPERATOR SPOTLIGHT

"For us, loyalty starts with consistency. Guests come back because they know what to expect — the same quality, service, and experience every time. That consistency comes from our people. When our team feels supported, they deliver the reliability and care that guests notice. We also make sure our loyalty program is easy to use and genuinely rewarding, so it feels worthwhile for customers, not out of reach."

Carly
Blue Water Sushi, Smithers, BC

Our Takeaways

While the decision to adopt a loyalty program depends on their target audience, every operator should show up where diners discover restaurants – online.

- **Loyalty programs can be advantageous.**
  Offer one if your restaurant offerings are built around daily routines and frequent visits.

- **Level the playing field online**
  Don't risk going unnoticed by the many diners who start their restaurant discovery journey online and join the 80% of operators who already have a website.

- **Focus on Instagram and TikTok**
  Continue to use Facebook, but don't neglect the many diners that use Instagram and TikTok for research discovery.

6

Technology

Technology investment remains strong despite rising costs, with operators switching POS systems, planning increased tech spending, and embracing AI for back of house efficiency.

68%

plan to spend more on technology in the next 6 months

TECHNOLOGY

POS Systems: Game Changer or Costly Investment?

Implementing a POS system is non-negotiable when operating a restaurant. In fact, 95% of operators use a POS system with the same proportion using the same one across all locations – signaling operators not only value technology as the backbone of their operations, but consistency as well.

Operators aren't settling for just any POS. This is proven with more than half (51%) of operators having either purchased or switched POS systems in the past year. What differs is which venue types are making these changes. Brasseries, bistros, and cafés led the pack with 74% either purchasing a new POS or switching, whereas only 35% of bars and grills did the same.

For those who did make the jump, features and functionality (60%) drove the decision, followed by technical issues with the current provider (53%).

So why haven't more operators switched? Concerns about implementation complexity, service disruptions, and training time hold some back. The reality is that these challenges vary widely. Some operators experience smoother transitions with minimal disruption, while others face temporary pain points – often depending on provider support, system design, and how well the new POS integrates with existing workflows, which can lead to slower service, frustrated staff, and missed orders. This explains why affordability, system reliability, and ease of use top the list of considerations.

For operators weighing a switch, the calculation comes down to this: does the long-term gain justify the short-term disruption?

95%
use the same POS system at all locations

72%
use a POS-integrated payments solution

Purchased or Switched POS Systems in The Past Year

	Purchased a new POS system	Switched POS systems	No change
Brasserie/bistro/café	43% ↑	31% ↑	26% ↓
Bar/grill	21% ↓	14%	64% ↑
Fine dining	29%	12% ↓	59%
Family style	32%	17%	50%
Total	32%	19%	48%

SURVEY RESPONDENT

"We plan to add more features to our POS system to make operations run more smoothly."

— General Manager, Fine Dining, Toronto

Top Motivating Factors for Switching POS Systems

Features and functionality

60%

Technical issues

53%

Lack of customer support

46%

Top Factors When Choosing a New POS System

Price/affordability

38%

System reliability

36%

Ease of use

34%

TECHNOLOGY

Strategic Automation Wins

Similar to implementing POS systems, operators turn to automation if it improves their operations, rather than creating more chaos for staff members. Online ordering leads the pack as the top task automated, especially in higher dense regions managing higher order volume, followed by sending orders to the kitchen and invoicing.

Automation certainly came with benefits, as nearly half of those who automated tasks reported time savings and faster service. And while operators acknowledge the benefits of automation, the financial burden, especially with mounting food and labour costs, were the main hurdle preventing operators from fully backing their restaurants with automation.

Top Tasks that Operators Have Automated

62%
Online ordering

58%
Kitchen ordering routing

57%
Invoicing

55%
Payroll

52%
Email marketing

Top Benefits of Automation

Saved time	48%
Faster service	47%
More productive staff	42%
Saved money	38%
Happier customers	38%

Top Barriers to Automation

Ongoing expense	33%
High upfront costs	31%
Concerned with system reliability	26%
Technology seems too complicated	25%
Concerned with POS integration	24%

TECHNOLOGY

Technology Holds Strong Despite Rising Expenses

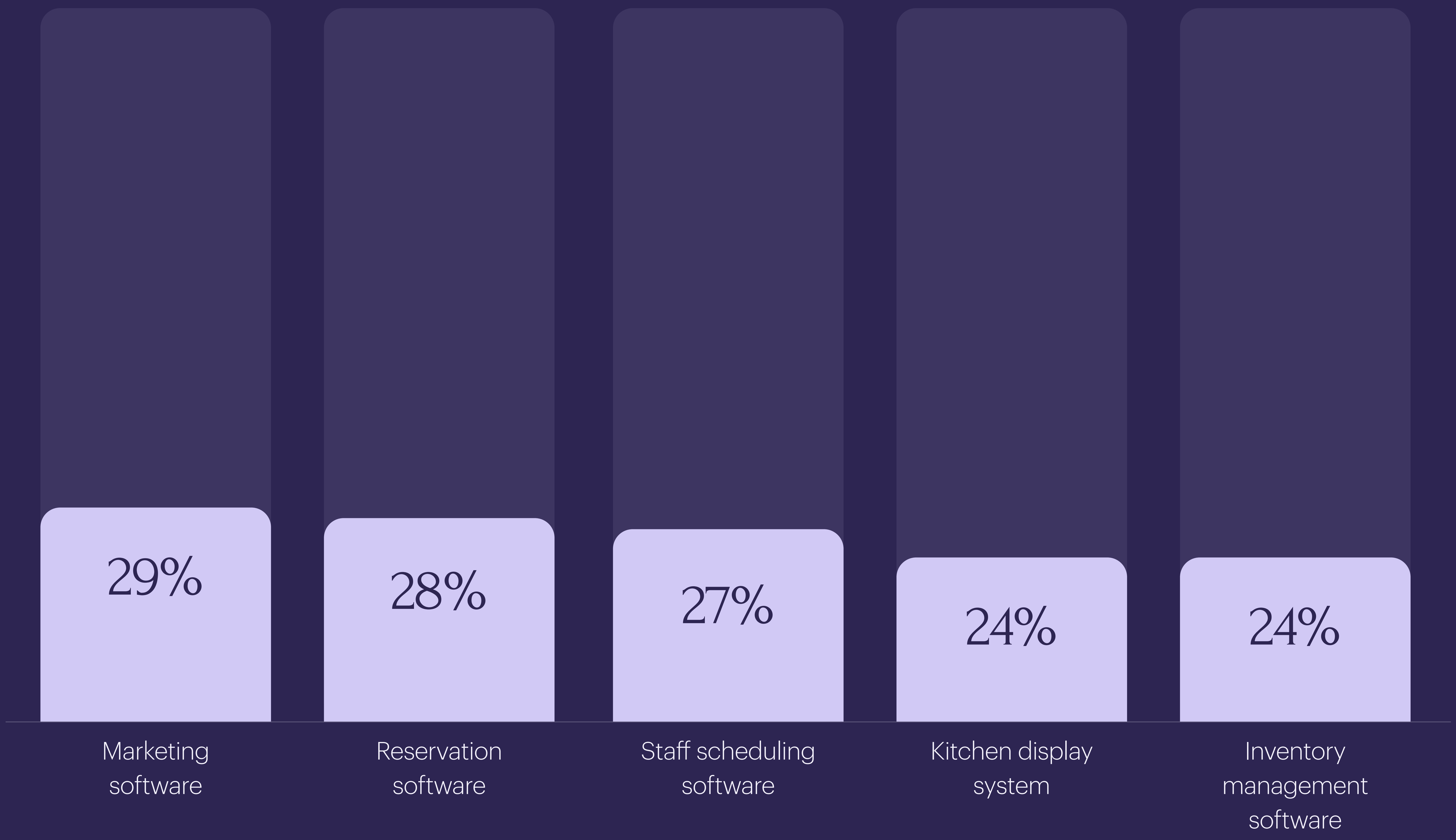
Even amidst rising costs, operators haven't stopped spending on technology. Canadian full service restaurants currently spend on average $195 per month on technology – with the spend jumping to $200 for restaurants seating 120+ guests. In fact, an impressive 68% of operators plan to spend more in this category in the next 6 months.

The top planned investment, though not by a wide margin, is reservation software. Operators see reservations as critical to both guest experience and operational efficiency – streamlining table management, reducing no-shows, and optimizing turn times. Among operators already using a reservations tool, OpenTable, Eat App, and TouchBistro Dine are the top choices.

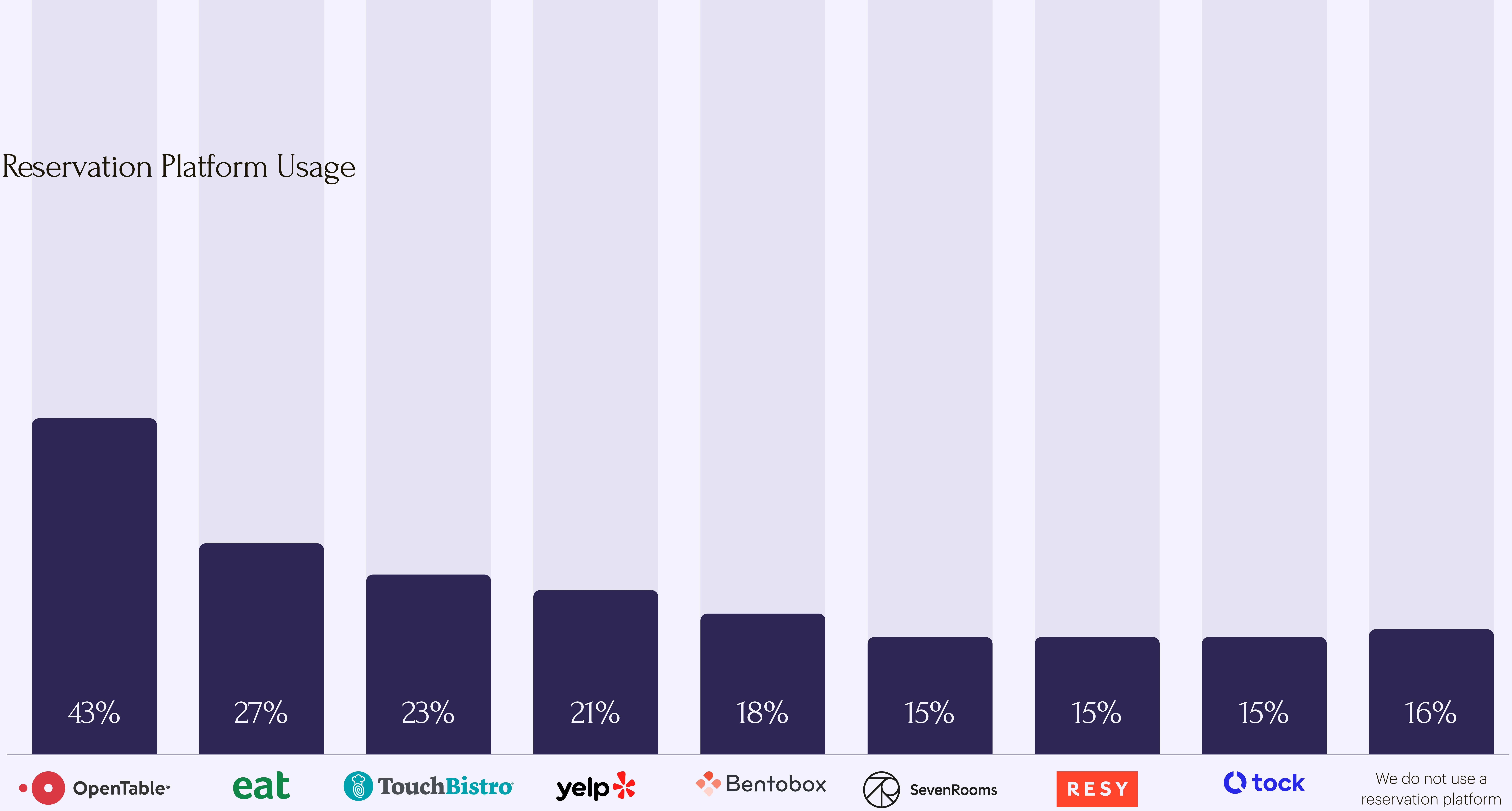
$195/mo

average monthly technology spend

Top Planned Investments Among Those Who Intend to Spend More on Technology



Reservation Platform Usage



*Other platforms accounted for 1%

SURVEY RESPONDENT

“The reservation system and digital point of sales technology helps in improving efficiency, reducing waiting times, and enhancing overall guest satisfaction.”

— Owner, Fine Dining, Vancouver

TECHNOLOGY

AI Takes Charge Behind the Scenes

The majority (79%) of operators feel positively about AI, with this being especially true for those that operate brasseries, bistros, and cafés – nearly all are enthusiastic about using AI in restaurants. Bars and grills show lower levels of enthusiasm, as guest experiences in these venues tend to rely more heavily on direct, in-person interaction.

While overall operators have positive sentiments towards AI, they're being intentional about where it shows up. AI reservation bookings lead the way (31%), followed closely by inventory management, staff scheduling, and menu optimization – suggesting that operators see greater value in using AI for back of house efficiency gains. This also aligns with the broader trend across hospitality: while AI optimizes efficiencies for restaurants behind the scenes, human connection remains the heart of the front of house experience for guests.

79%
feel positive about AI

83%
use some form of AI

Current Use of AI Solutions

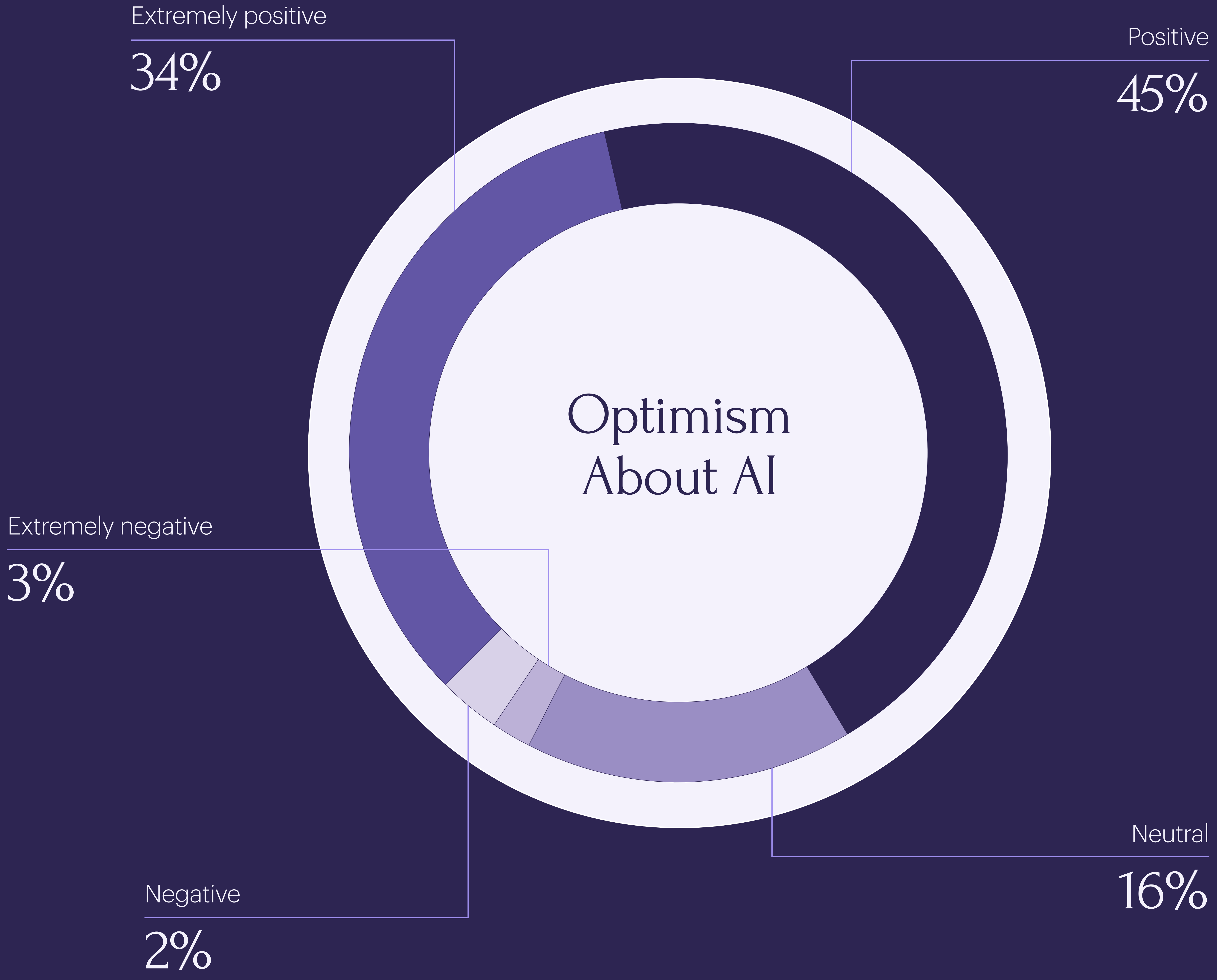
AI reservations/booking
31%

AI inventory management
30%

AI staff scheduling
29%

AI menu optimization
29%

AI content creation for marketing purposes
27%



SURVEY RESPONDENT

“I look forward to further leveraging AI-driven analytics.”

— General Manager, Brasserie/Bistro/Café, Saskatoon

OPERATOR SPOTLIGHT

"As operational pressures continue to grow, we're planning to increase our investment in restaurant technology this year, with a focus on exploring cooking technology like smart ovens to support greater consistency and efficiency in the kitchen."

Guillermina
Bacan, Toronto, ON

Our Takeaways

Canadian operators learned that technology can improve restaurant operations, but if it isn't carefully vetted or doesn't match their needs, it can create more problems than it solves.

- **Choose a POS system that delivers long-term value**
  A reliable and easy-to-use POS system can save you money, reduce headaches, and improve efficiency over time.
- **Strategically automate tasks**
  Despite high upfront costs and ongoing expenses, choosing to automate tasks, like online ordering can help save time and improve service speed.
- **Let AI work behind the scenes**
  Reservations/booking, inventory management, and staff scheduling can benefit from using AI while front of house tasks can still benefit from human interaction.

Top 5 Trends for 2026

2026 will be defined by operators who adapt to challenges and seize opportunities.

Here are the five trends shaping the year ahead.

TouchBistro

Technology That Empowers Staff

Labour costs are climbing and staff shortages remain widespread, but the operators who'll thrive are deploying technology strategically – not to replace staff, but to help lean teams work more efficiently. Invest in tools that reduce friction: labour management systems, QR code payments, and integrated ordering platforms that streamline operations without adding complexity.

Menus Built for Flexibility

Tariffs and ingredient price swings proved that rigid menus are a liability. The most successful operators adapted quickly – sourcing local ingredients, protecting menu favourites, and creating dishes that work with alternative ingredients when costs spike. Use integrated POS and inventory data to track ingredient costs in real-time and build menus with substitutable components so you can pivot without compromising guest experience.

Off-Premise Deserves Its Own Strategy

Takeout and delivery sales continue growing, proving this channel isn't going anywhere, but treating it as an afterthought won't work. The best operators are building off-premise specific strategies: travel-optimized packaging, dedicated menus, and technology that balances both channels without compromising either. Treat off-premise as its own business and ensure your kitchen can handle dual channels during peak times.

Digital Discovery Drives Traffic

Digital presence is now table stakes. Diners are discovering restaurants online before they ever walk through the door, and operators who show up with engaging content on Facebook, Instagram, and TikTok are capturing attention in an increasingly crowded market. Invest in content that showcases your food, atmosphere, and personality – post consistently, engage with your community, and make sure your menu is easily viewable online.

Smarter Tech Investments, Not More Tech

Operators are getting deliberate about technology spending. Rather than adding tools because they're trendy, successful operators are asking: does this solve a real operational problem? Does it integrate with our existing systems? Will it actually make our team's lives easier? Vet new technology carefully and look for integrated solutions that solve multiple problems rather than single-purpose tools that create more work for your team.

CONCLUSION

Canadian full service restaurant operators faced their own set of unique challenges and wins in 2025.

Rising food costs influenced by tariffs and ongoing labour pressures strained budgets. But instead of retreating, operators adapted. They deployed technology to manage labour costs, invested in their digital presence to attract new customers, and made strategic menu changes to protect margins. These weren't defensive moves, they were deliberate strategies to come out stronger.

The results speak for themselves: strong profit margins, growing foot traffic, and increased takeout and delivery sales. With 82% remaining optimistic about the future, Canadian operators aren't just surviving, they're building businesses positioned for whatever comes next.

This is an industry evolving on its own terms, shaped by the realities of operating in Canada and driven by the commitment to deliver exceptional guest experiences, no matter what.

ABOUT TOUCHBISTRO

TouchBistro

Tackle 2026 & Beyond with TouchBistro

TouchBistro is an all-in-one POS and restaurant management system that makes running a restaurant easier. Providing the most essential front of house, back of house, and customer engagement solutions on one easy-to-use platform, TouchBistro helps restaurateurs streamline and simplify their operations, increase sales, and deliver a great guest experience.

Exclusively Designed for Restaurants

TouchBistro was born out of a mission to make running a restaurant easier and continues to provide solutions exclusively for restaurant businesses.

Easy to Learn, Easy to Use

Intuitive software makes TouchBistro easy to learn and even easier to use.

Round-the-Clock Support

Get up and running quickly with TouchBistro's one-box POS solution and enjoy the peace of mind of 24/7 support, available 365 days of the year.

To find out if TouchBistro is the right fit for your restaurant, get in touch today.

LEARN MORE >

Methodology

We partnered with research firm Maru/Matchbox again this year to survey 600 full service restaurant owners, presidents, and area/general managers across Canada with an added focus on three key cities: Toronto, Vancouver, and Calgary. Drawing on insights from TouchBistro customers and anonymous survey respondents, the report captures both detailed individual experiences and broader industry sentiment. Our research was conducted from October 2 to October 25, 2025.

Location

Hamilton: 3%
Niagara Region: 1%
Toronto (including GTA): 41%
Saskatoon: 6%
Regina: 3%
Winnipeg: 4%
Calgary: 15%
Edmonton: 4%
Vancouver: 19%
Whistler: 1%
Victoria: 3%

Years in the Industry

1-5 years: 34%
6-10 years: 43%
11-15 years: 14%
Over 15 years: 9%

Type of Restaurant

Brasserie, bistro, or café: 27%
Bar and grill: 18%
Fine dining: 28%
Family style: 37%

Number of Locations

Just 1 location: 32%
2-4 locations: 51%
5-10 locations: 14%
More than 10 locations: 3%

Size of Restaurant

<20 seats: 5%
21-40 seats: 36%
41-80 seats: 43%
81-120 seats: 14%
120+ seats: 2%

Ownership

Independent: 80%
Part of a restaurant group: 20%

Dining Options Offered

Indoor dining/dining room: 98%
Patio/outdoor dining: 82%
Delivery: 80%
Takeout/curbside pickup: 84%

Annual Revenue

<$1M: 22%
$1M-2M: 52%
$2M+: 26%

Current Role

Owner: 19%
President/CEO: 17%
General Manager: 46%
Area Manager: 18%

2026

The Canadian State of Restaurants Report

TouchBistro®