



# A study of the Australian Foodservice Market: how Australians have their onions

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# Introduction

A market research study has provided key insights around the consumption of onions within the foodservice industry.

Commencing in 2019, the project *The Australian Foodservice Market for Avocados, Mushrooms & Onions (MT18002)* conducted by Food Industry Foresight, aimed to determine total market size for onions within commercial and institutional foodservice channels.

The study analysed volume, value and product type to help provide detailed insights, key trends and opportunities into the foodservice market for onions.



# The Australian Foodservice Market

The Australian foodservice market is the fastest changing food market, fluctuating in market size.

Australian's are inclined to eat out, with more than eight billion meals served in the Australian foodservice market every year. At the end of 2018, 77% of all Australians aged 14 years and older ate out at least once per month.

Onions are seen as a very versatile ingredient, used across all three main meals in most foodservice channels. They are used widely across many cuisines, giving them an advantage in the Australian foodservice market due to the diversity of cuisines on offer in Australia.





# The research and results

The research was based on qualitative interviews, a quantitative survey and primary collected data, and sought to better understand onions' place within the Australian foodservice market.

**Between 80 – 100% of lunch and dinner meals served by restaurants, hotels/motels, clubs and pubs/taverns include onions.**

**Between 80 – 100% of lunch meals served by cafés, Quick Service Restaurant (QSR) independents, function caterers, hospitals, aged care, schools and long day care centres include onions.**

The use of onions in foodservice industry breakfast menus was low across the board but saw some growth due to the growing tendency for Australians to eat out for breakfast. **The research found that 50% of cafés include onions in their breakfast menus**, reflecting the segment growth.

**The most prevalent primary source of supply for onions among commercial and institutional foodservice operators is specialist distributors/wholesalers, accounting for 54% of the total market. Supermarkets are the most important supplier of onions for close to a third of all institutional operators at 29%.**

**Supermarkets are also the dominant secondary source of supply for onions for both commercial and institutional sectors, with commercial channels relying solely on supermarkets as a secondary source at 42%.**

When looking at the popularity of organic onions among foodservice operators, **research showed that the majority of both commercial and institutional chefs and cooks don't prefer organic onions and recognise no difference between organic and non-organic**, especially considering the cost of buying organic.

**Across both commercial and institutional operators, flavour and their use as a base ingredient were the most heavily-weighted reasons for including onions on menus, along with onions being more of a staple ingredient as opposed to a hero ingredient when used in a meal.**



# Conclusion

Overall, onions are prominent in the Australian foodservice market, proving their versatility across foodservice channels, included in menus across all three main meal segments - breakfast, lunch and dinner. While heavily included in lunch and dinner menus, onions are increasing in popularity as the breakfast market quickly grows, and are included in a range of foodservice industry breakfast menus both commercially and institutionally. They're considered an important staple ingredient and are a competitive product due to Australia's diverse range of cuisines on offer.

