



**TOP 5 TRENDS
IN CATERING
LAST-MILE
DELIVERY IN 2025**



KEY HIGHLIGHTS



Trend #1

CATERING BUSINESS IS GROWING

The catering market is projected to grow by **\$388B** by 2028, creating opportunities for restaurants that get delivery right >>



Trend #2

CATERING DELIVERY TRACKING IS A MUST

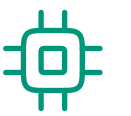
93% of customers are more likely to order from restaurants offering real-time tracking, making it essential >>



Trend #3

OPERATIONAL EXCELLENCE THROUGH TECH

Caterers with reliable service and consistent on-time deliveries see a **48%** increase in orders >>



Trend #4

OPERATORS INVEST IN DELIVERY MANAGEMENT

46% of operators are investing in delivery management systems in 2024, **+22%** from 2023 >>



Trend #5

POWER OF A UNIFIED DELIVERY PLATFORM

Combining in-house and third-party delivery on one platform lets restaurants customize fulfillment and scale reliably >>



FEATURING CASE STUDIES WITH

ILLEGAL★PETE'S



P.F. CHANG'S

Portillo's



Trend #1

CATERING BUSINESS IS GROWING

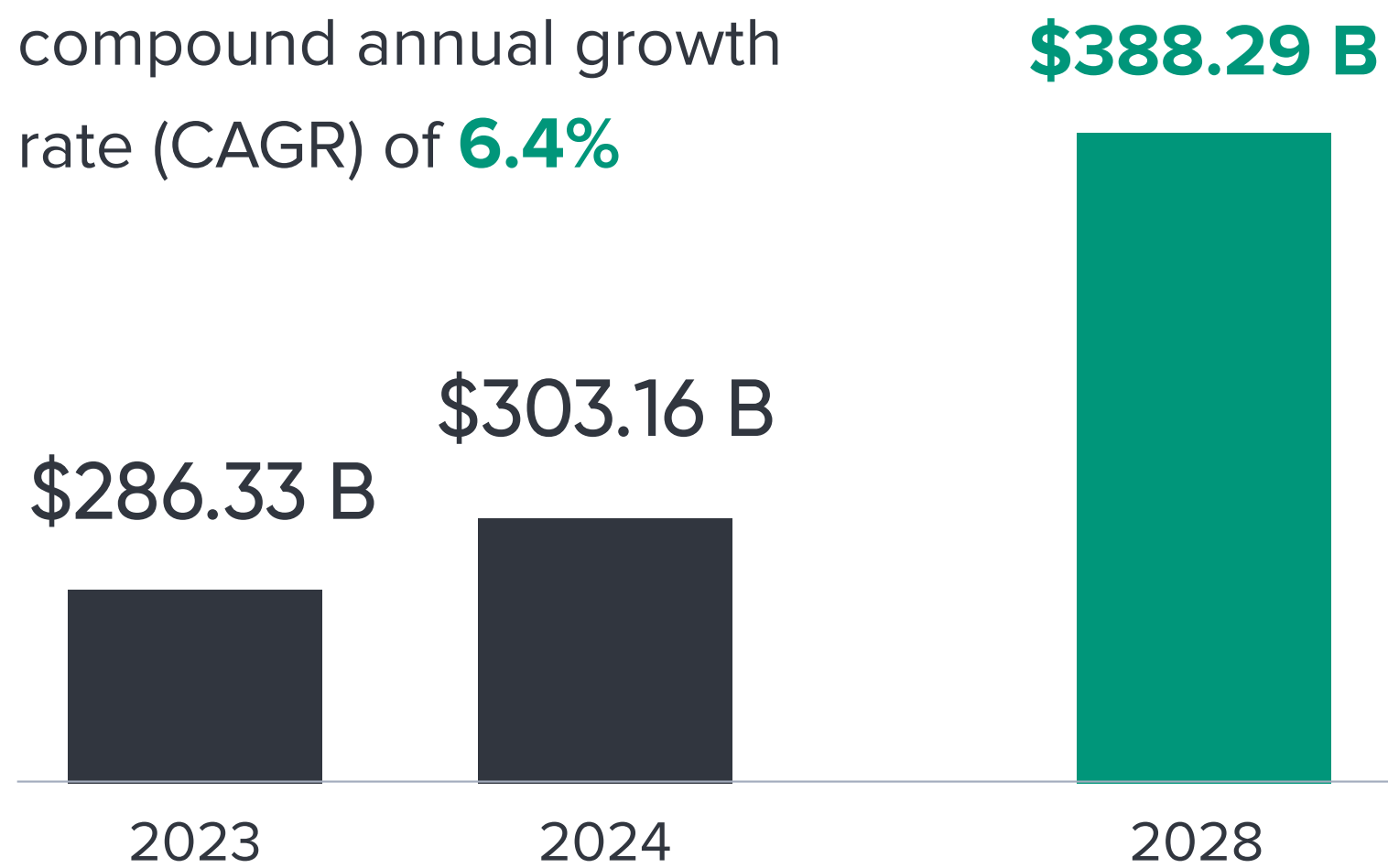


The catering services and food contractors market size has grown strongly in recent years.

60% of orderers plan to spend more in 2025 than in 2024**



compound annual growth rate (CAGR) of **6.4%**



CATERING ORDERS ARE MORE PROFITABLE



Catering orders generate higher profits than regular orders, thanks to larger ticket sizes and better tips. This makes catering a powerful strategy for increasing revenue and maximizing profitability.

RESTAURANTS WITH CATERING PROGRAMS GROW FASTER

- 3.3%** Industry total sales growth for restaurants and bars
- 5.1%** Restaurants with catering programs sales growth
- 43%** of workplace orderers have a recurring meal program in place (+17% from last year)

Average catering order: **\$420** vs average \$40

Average tip on catering orders: **\$45** vs \$3.5

Average customer tips **12%**

Profit margin for catering: **17-25%**

Profit margin average: **6-12%**

CATERING IN THE WORKPLACE

Office catering is growing as a key workplace perk, offering restaurants a big chance to boost their B2B sales. As more companies invest in quality meals for staff satisfaction, restaurants can seize this opportunity to enter the corporate catering market and become preferred suppliers.



57% of employees say that free or subsidized food is the perk they appreciate the most at work

65% of employees plan their visits to the office based on whether the food will be served that day



28% of companies increased their catering budgets compared to pre-pandemic levels



CATERING AS A GROWTH CHANNEL



Catering isn't just about serving food; it's a unique promotional opportunity for restaurants to expand their brand and attract individual customers.

5 TACTICS TO TURN CATERING INTO PERSONAL VISITS

- Give out coupons or special deals with catering orders for employees to use when they come in by themselves.
- Add small tastes of your best or newest dishes to catering orders to get employees excited to visit your restaurant.
- Create a special discount that changes monthly, just for employees from companies you've catered to.
- Gather email addresses at catering events to send out news about cool deals and new dishes, making sure it's for personal visits.
- Start a program where employees get a discount or a freebie for bringing friends or family to your restaurant.

25 Average group size for a catering order. It means that your brand gets exposed to 25 people with every order

70% of employees ordered from a restaurant in their personal lives after first trying it at work (**+49%** from 2023)

The youngest workers are most likely to try these new eateries during non-work hours:

Gen Z **52%** | Millennials **55%**

CATERING DONE RIGHT: 930% INCREASE IN TIPS



Illegal Pete's is a Colorado-based group of quick-service, fast-casual "Mission Style" burrito restaurants inspired by burritos popularized in San Francisco in the 1960s and 1970s.

Illegal Pete's provides catering services using in-house drivers and has been doing so since 2001. Last year, the brand implemented Olo to power its online ordering and Cartwheel to enhance delivery management.

	3 MONTHS BEFORE SWITCHING TO OLO & CARTWHEEL	3 MONTHS AFTER SWITCHING TO OLO & CARTWHEEL
Orders	379	565 (+49% ▲)
Orders with tips	24 (6%)	482 (+85% ▲)
Average order value	\$477.20	\$530.90 (+11% ▲)
Average delivery fee	\$47.72	\$53.09 (+11% ▲)
Average tip	\$5.51	\$56.80* (+930% ▲)

*Doesn't include cash tips



JESSE THEILMAN
Catering Manager
at Illegal Pete's

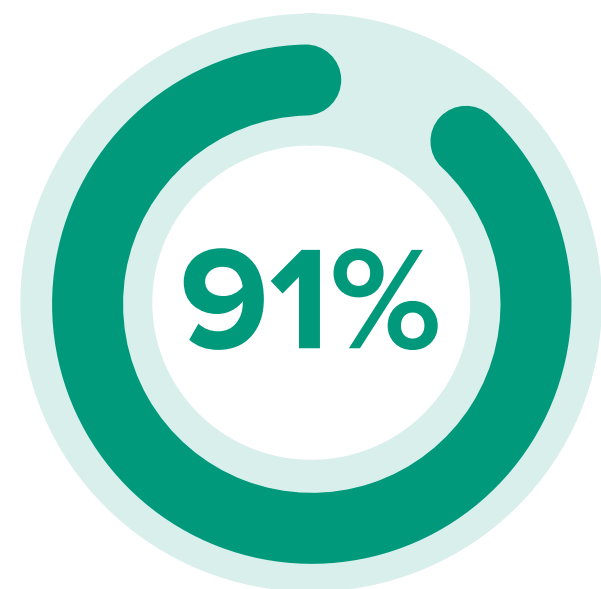
Our number of sales increased, the order value increased, delivery fees increased, and our tips increased across the board once we turned the portal on for the customers. We consider Cartwheel to be a critical piece in being able to put catering online through OLO. For us, one could not exist without the other as we have all in-house deliveries on our catering orders.

Trend #2

CATERING DELIVERY TRACKING IS A MUST



In catering, one mistake can affect a whole group and damage your reputation. Real-time delivery tracking helps avoid this. With **93%** of consumers expecting tracking, offering it builds trust, eases concerns, and boosts satisfaction—driving repeat business and word-of-mouth.



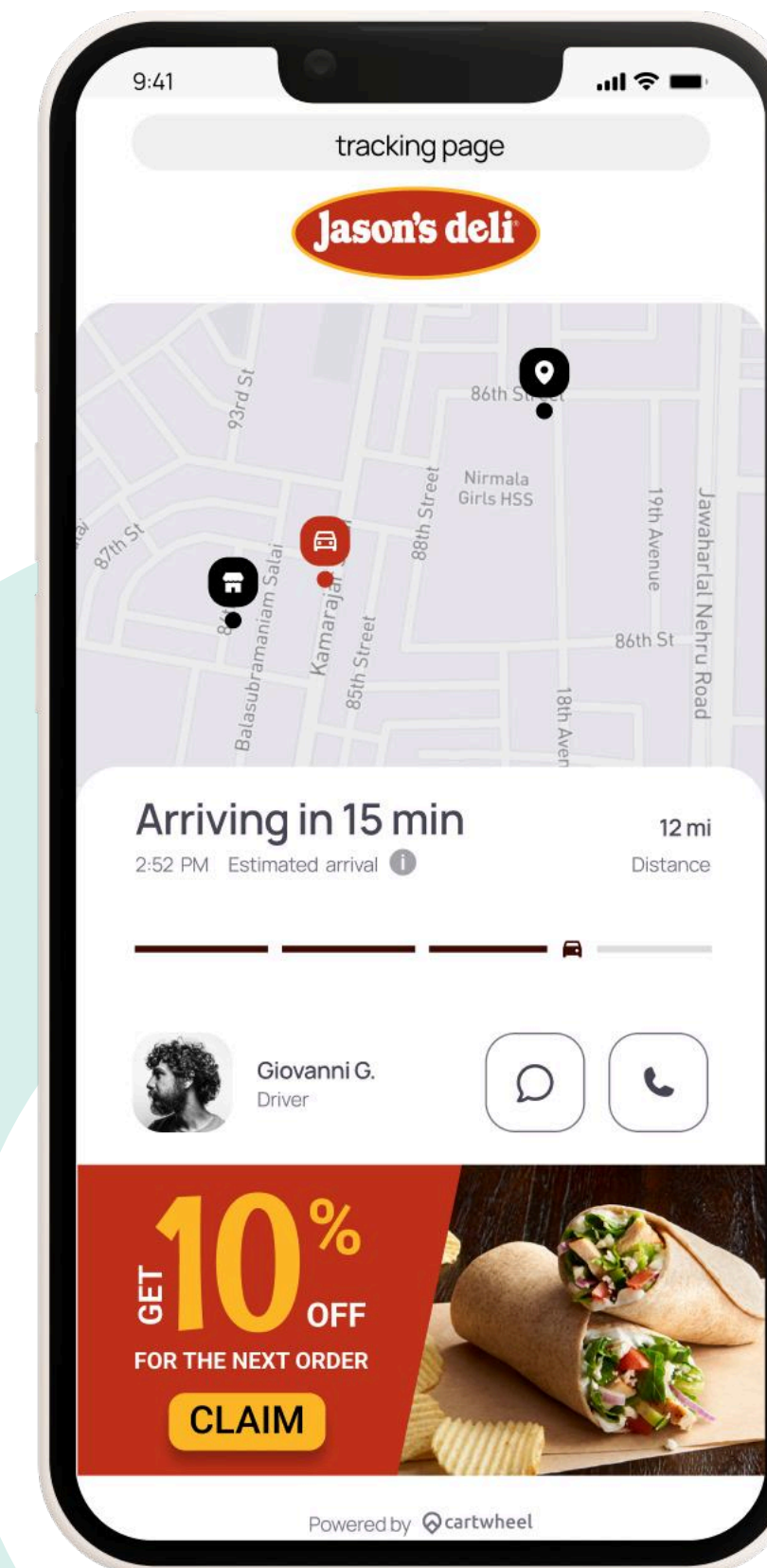
feel less stress when delivery tracking updates are available



feel more confident when placing an order knowing they'll get delivery tracking updates



would like to have delivery tracking updates for all of their catering orders



CATERING DELIVERY TRACKING IS A MUST



DELIVERY TRACKING HELPS KEEP RESTAURANT STAFF OFF THE PHONES

77% of orderers don't contact a restaurant when the restaurant provides tracking

ORDERS DELIVERED BY RESTAURANTS WITH TRACKING RECEIVE:

66% less compensation paid per order

24% fewer inbound customer service calls



AUTOMATING DELIVERY AT SCALE



Jason's Deli, known for its focus on customer happiness and quality service, partnered with Cartwheel, the enterprise delivery management platform, to optimize delivery across its **242** corporate and franchise locations.

THE SOLUTION

- Full automation of delivery workflows
- Integration with Olo for online ordering
- Support for in-house, hybrid, and third-party delivery models
- Use of the Cartwheel Driver App for in-house driver management
- AI-powered auto-dispatch to optimize routing and delivery times

KEY RESULTS



Increased on-time deliveries leading to more repeat orders



Driver rating exceeds 4.7



Streamlined operations and reduced workload

By implementing Cartwheel, we've streamlined our operations, reduced the load on team members, and enhanced our ability to ensure the best, most efficient customer service across all ordering channels.



AMY SCHUSTER

Vice President of IT
at Jason's Deli



With more restaurants entering the catering space, competition is growing, and technology is the key to standing out. In a crowded market, operators that offer reliable, professional delivery experiences have a clear edge.

Consistency is key, whether you're fulfilling orders through your own channels or on third-party marketplaces. Customers notice, and so do platforms.

For example, on ezCater, restaurants with strong on-time performance can earn a "Reliability Rockstar" badge, which can lead to increased visibility and up to 48% more orders. But even outside of marketplaces, consistent, on-time delivery builds trust, boosts satisfaction, and drives repeat business.

The foundation of that consistency is tech-driven tools for driver management, automated dispatch, and real-time tracking. By ensuring orders arrive on time every time, you strengthen your brand reputation and gain a competitive edge in a crowded catering landscape.



48%

growth in orders went to Reliability Rockstar restaurants on ezCater in 2024

DRIVE REPEAT ORDERS



Long-standing mutual customer of ezCater and Cartwheel, P.F. Chang's, implemented driver management, which increased customer satisfaction and drove repeat orders.



Improved customer satisfaction with holistic delivery experience



Significantly reduced time and manual errors in cross-managing catering channels



Increased repeat orders with real-time order updates



Boosted driver satisfaction, retention, and recruitment



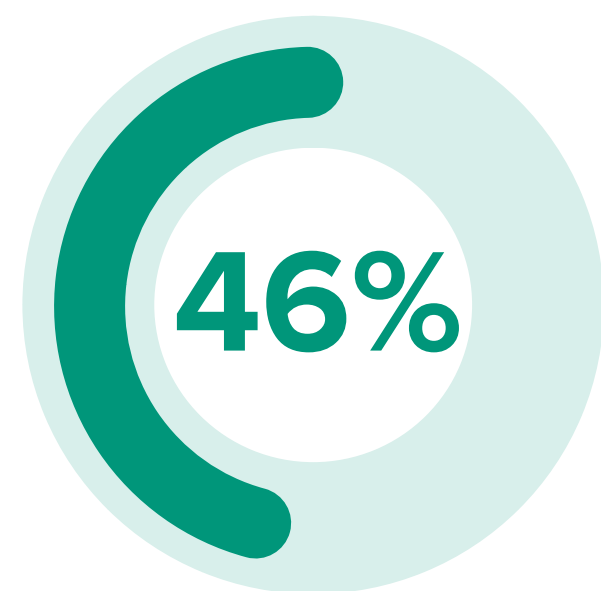
Trend #4 OPERATORS INVEST IN DELIVERY MANAGEMENT



As catering grows, so do expectations. It is no longer just about getting food delivered. Restaurants are expected to provide reliability, transparency, and a smooth guest experience.

In a competitive market, delivery management is a real advantage. The right tools help operators stay in control, balance in-house and third-party drivers, and build consistency that drives repeat business.

The bottom line: **delivery management is key** to staying competitive, and more restaurants are making it a priority.



of operators are investing in delivery management systems in 2024, **+22%** from 2023

IN-HOUSE DELIVERY MANAGEMENT



CHALLENGE:

While improving online ordering, Portillo's realized third-party delivery made quality control complicated.

SOLUTION:

Portillo's launched a catering self-delivery program powered by Cartwheel's Driver management.

Cartwheel allowed us to adjust our order volume to driver availability, eliminating the worry of having enough drivers to maintain delivery quality.

RESULTS:



Consistent boost to revenue



Improvement in customer satisfaction



Substantial retention of delivery business



DINO NORTHWAY

Senior Manager,
Off-Premise Dining

POWER OF A UNIFIED DELIVERY PLATFORM



Today's restaurants and catering services often juggle multiple delivery channels, managing in-house drivers, third-party providers, and various ordering platforms. Cartwheel's Hybrid Delivery™ model brings everything together into one unified solution, making it easy to manage all catering deliveries from a single place.

This model allows operators to prioritize high-value catering orders with the care they deserve by using in-house teams when it matters most. At the same time, it offers the flexibility to tap into third-party fleets for added reach and scalability. Whether you need a personalized delivery experience or efficient overflow support, Hybrid Delivery™ helps strike the right balance, all through one platform.

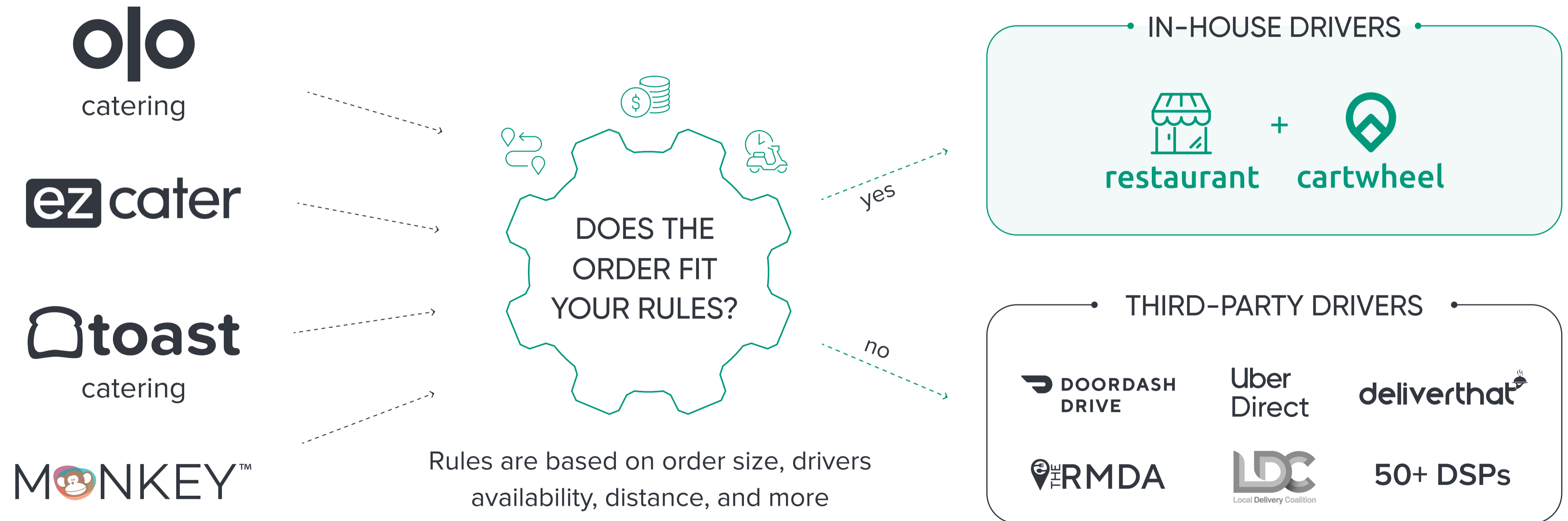
Hybrid Delivery lets you customize delivery rules to keep high-value orders in-house—ensuring quality, customer satisfaction, and repeat business. Set orders over \$200 for in-house delivery, outsource those beyond 10 miles, or tailor the setup to fit your business needs.



UNIFIED CATERING DELIVERY PLATFORM



Delivering catering orders in-house provides control over the entire process, guarantees a superior customer experience, and brings higher tips. If in-house isn't an option, Cartwheel has partnered with trusted delivery providers for competitive rates.



TIPPING STRATEGY IS A KEY TO SUCCESS



Tipping may seem like a small detail, but in catering delivery, it has a major impact on your operation. When tips go only to drivers, kitchen staff can feel overlooked and hurt morale and retention. If tips are too low, drivers may reject orders entirely, causing costly delays. And if your system lacks transparency, confusion at checkout can frustrate customers.

As catering delivery becomes more complex, restaurants need clear, fair, and tech-enabled tipping strategies. A smart tipping model helps prevent order rejection, supports team satisfaction, and ensures a smooth customer experience. Whether you're using in-house drivers, third-party providers, or both, tipping isn't just about fairness, it's about operational success.



TIPPING MODELS FOR CATERING DELIVERY



100% TO DRIVERS

Simple and commonly used for third-party fulfillment. But without a share for kitchen staff, frustration builds—leading to internal friction and turnover.

SEPARATE SERVICE CHARGE & GRATUITY

Creates clarity for both staff and customers. Tips go to drivers, while a service charge supports the kitchen team. However, it can add complexity at checkout.

SINGLE GRATUITY WITH INTERNAL SPLIT

Keeps checkout clean while sharing tips behind the scenes. Requires solid communication and tech support to manage splitting accurately.

MODEL

100% to Driver

Separate Service Charge & Tip

Single Tip, Shared Internally

PROS

Simple, works for third-party

Full transparency

Clean UX

CONS

Frustrates kitchen team

Checkout complexity

Requires strong backend tech

BUILD-YOUR-OWN HYBRID DELIVERY™



Potbelly wanted to upgrade their online ordering, but found delivery to be a dealbreaker. With Cartwheel, they secured a seamless, cost-effective solution for smooth operations and a better customer experience.

KEY HIGHLIGHTS



Faster delivery experience

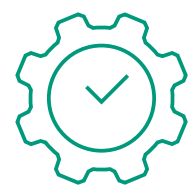


Improvement in overall customer satisfaction



Increased delivery efficiency

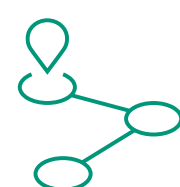
HYBRID DELIVERY RULES ARE BASED ON



Time of day



Order size



Delivery radius



Driver availability



Order throttling



Delivery polygons

With Cartwheel, our delivery program is as customizable as our menu. Potbelly is now able to offer faster, more efficient delivery from more than 400 locations nationwide.



SAM MARTINEZ

Business Systems Manager at Potbelly

INCREASE REPEAT CATERING ORDERS WITH CARTWHEEL

Cartwheel is designed to streamline catering delivery and enhance the customer experience.

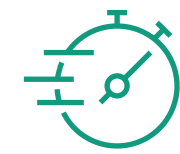
AI-powered auto-dispatch and in-house driver management tools

Hybrid Delivery capabilities, blending in-house and third-party fulfillment

Third-party delivery management across 50+ DSPs

Real-time delivery tracking to enhance the customer experience

[TALK TO THE TEAM](#)



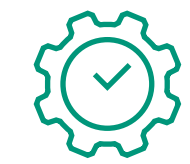
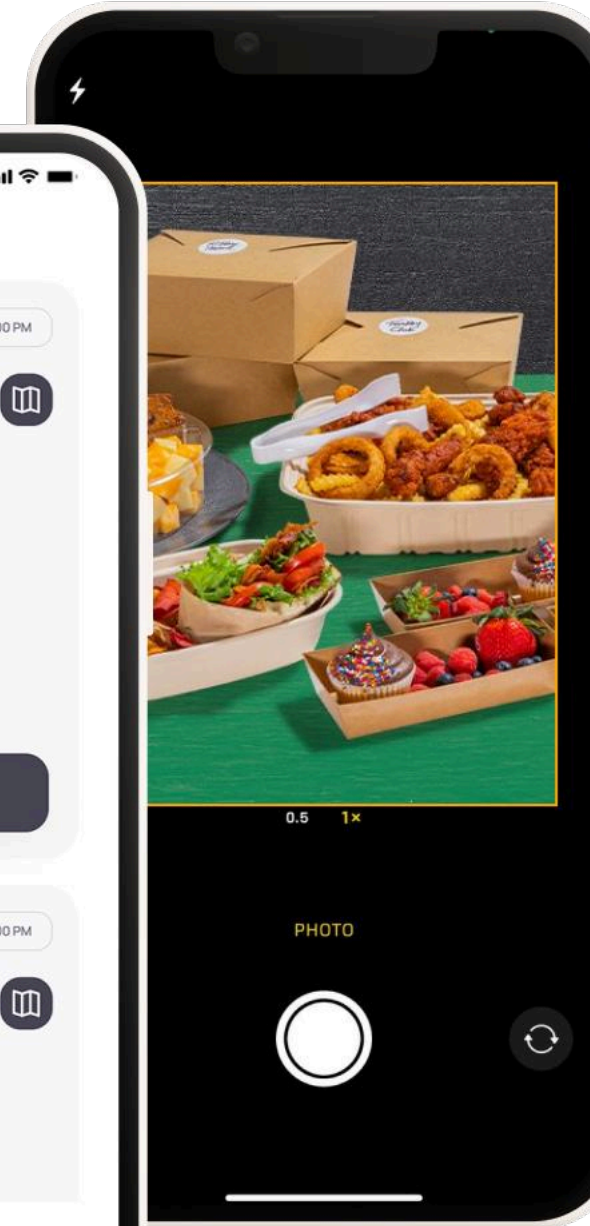
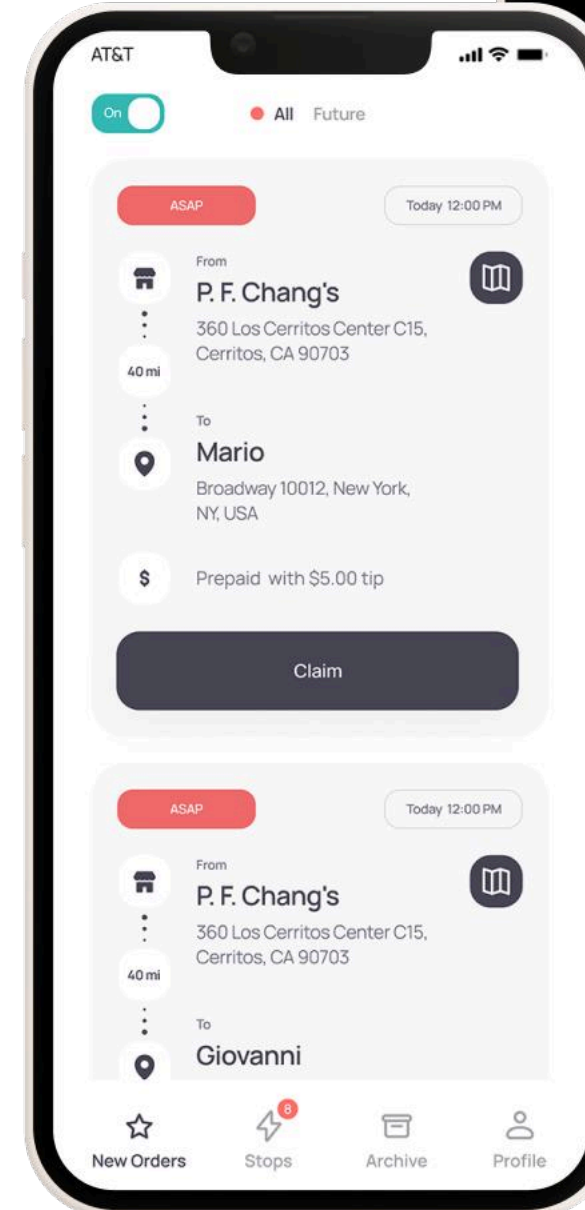
Order status updates



Image capture



Signature capture



Pre-scheduled delivery



Pre-delivery order checklist



Driver interaction

Loved by Drivers



4.6 Ratings



ABOUT THE AUTHOR



ALEX VASILKIN

Co-Founder & CEO
at Cartwheel

As a business leader and entrepreneur with over ten years in the delivery space, Alex has a passion for transformative technology that fuels business success. At Cartwheel, Alex is responsible for the strategic vision and day-to-day operations that drive Cartwheel's growth.

Prior to founding Cartwheel, Alex launched a restaurant with celebrity chef Govind Armstrong (quickly becoming the top delivery restaurant on GrubHub in LA) and founded delivery service Gourmet Runner (serving hundreds of restaurants in Los Angeles.)

CHECK OUT ALEX'S OPINION PIECES ON CATERING DELIVERY

OPERATIONS
4 ways hybrid catering technology can enhance your restaurant business

The time is now to optimize your catering services

Alex Vasilkin | Mar 10, 2023

[READ THE ARTICLE](#)

Catering
Maximize holiday catering: 4 delivery solutions that protect profits

Alex Vasilkin, co-founder and CEO of Cartwheel, describes how restaurants can maximize holiday catering profits while ensuring every dish arrives party-ready.

Photo: Adobe

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CARTWHEEL IS THE SOLUTION



Cartwheel is a state-of-the-art delivery management software for in-house, third-party and Hybrid Delivery™ for catering.

Find out more about how Cartwheel can help you maximize delivery profits, improve brand reputation and cut delivery costs.



[BOOK A MEETING](#)

WWW.TRYCARTWHEEL.COM

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