

Learn about the Food Truck industry and find information on starting a mobile food business. Don't forget you can receive free or low-cost training and free professional business advice, from [your local Small Business Development Center](#)!

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Food Truck Business Pandemic Impact & Recovery

The [food service industry](#) has encountered major issues during the pandemic due to shutdowns, staffing shortages and supply chain issues. However, some of the issues bypassed food trucks making them an [alternative for diners](#) when the restaurants were shut down.

Global supply chain shortages have led to an increase in prices of food. According to an article from [Global Trade](#), restaurants implemented changes to their menus due to high food costs. Shortage of essential foods like grain due to geopolitical climate, Ukraine and Russia combined produce 28% of world's grain, caused an increase of grain and wheat prices by 48%. Operators are having a hard time finding affordable suppliers. Though [menu prices](#) are

increasing, the price hikes are still lower than the increase in the price of groceries.

Due to pandemic shutdowns offices were also closed leading to adoption of remote work style. With the [World Health Organization](#) announcing officially the end of the public health emergency, many companies are pushing for return to offices or hybrid work styles. A [LinkedIn labor study](#) reported a decline in job posts for remote work; however, these attracted more than half of the applications. According to a [Forbes article](#), experts anticipate that there will be 36 million people working remotely in 2025, a rise of 417%. Food truck operators should be wary of shifts in the work modality in order to maximize their revenue.

Consumers not being able to go out caused online ordering and takeout services to gain momentum. According to [McKinsey & Company](#), the popularity of delivery service increased by 8% during the pandemic. The highest impact on the delivery sector was from Millennials and Gen Z since they prefer convenience of prepared meals. According to [Chef's Store](#) some of the emerging trends in the food industry are mobile meals direct to consumers and catering options. The mobility of the food trucks lets them relocate and position where the customers are located. Food trucks have also been gaining popularity with event catering from block parties to weddings and corporate events.

For information regarding safety measures and COVID information check the following resources:

- [SBDCNet's COVID-19 Small Business Resources](#)
- [SBDCNet's COVID-19 Industry Resources](#)
- [National Food Truck Association: COVID-19 Assistance](#)
- [How the Coronavirus Pandemic is Affecting the Food Truck Industry](#)
- [Food Halls and Trucks Feel the COVID-19 Burn](#)

Food Truck Business Overview & Trends

NAICS Code: 722330; SIC Code: 5963

The following Mobile Food Services Industry summary is from [First Research](#) which also sells

a full version of this report.

- “Companies in this industry prepare meals and snacks for immediate consumption from motorized vehicles or nonmotorized carts, such as food trucks, ice cream trucks, mobile concession stands, and hot dog carts. No major companies dominate the industry.
- Street foods represent a significant part of urban food consumption for millions of low-and-middle-income consumers in urban areas on a daily basis, according to the Food and Agriculture Organization (FAO) of the United Nations. Street food selling provides a regular source of income for millions of people in developing countries.
- The US mobile food services industry includes about 5,200 establishments (single-location companies and branches of multi-location companies) with combined annual revenue of about \$1.2 billion.
- Competitive Landscape: Demand is driven by consumer tastes, personal income, and local demographics. The profitability of individual companies depends on [location selection](#), food quality, and effective marketing. Large companies have advantages in name recognition and economies of scale in food and equipment purchasing. Small companies can compete effectively by specializing in unique food products and leveraging relationships with local suppliers. The industry is highly fragmented: the top 50 companies account for about 20% of revenue.
- Mobile food service operators compete with traditional brick-and-mortar restaurants and specialty eateries, as well as grocery and convenience stores that sell snacks and other prepared food items.
- Products, Operations & Technology: Sales of meals, snacks, and beverages from mobile food outlets account for the bulk of industry revenue.”

This Street Stalls & Kiosks market research report summary is from [Euromonitor](#), which also sells a full version of this report.

- Digitization has been a great opportunity during the pandemic. It increased flexibility of food providers, improved their ability to accept payments of any kind and added convenience to their services. Digitization also improved the ability to be where the customers are, with mobility of food trucks they are able to go to the customers at event location or block parties.
- Change in Work Location has shifted eating habits of consumers. Remote and hybrid

work styles left food trucks without a substantial chunk of their revenue from lunch time rush. Though the work force is getting back into the office there are still plenty of people who work in some type of remote format. Tourism is bringing a positive outlook for the food service market with influx of foreign revenue. Food truck owners need to consider additional factors when [selecting a location](#) to sell their food identifying more tourist friendly locations.

- Pandemic shutdowns helped lawmakers look at urban and suburban regulations regarding businesses from a different perspective, most of which were outdated. There is a positive outlook on future changes in legislation that might aid the work of mobile food service.

Mobile Food Customer Demographics

Major customer segments for Food Trucks are reported by IBISWorld, which offers a full version of the report for purchase [here](#).

- Annual revenue is approximately \$1.5 billion dollars nationwide, with their key target market being middle-class millennials who value the convenience aspects of the industry and have an increasing disposable income.
- IBISWorld segments these customers by age and include consumers under the age of 24 (13.5%), consumers between the ages of 25 to 44 (38.3%), consumers between the ages of 45 to 54 (21.7%) and consumers aged 55 and above (26.5%).
- Key target market segments are also active users of social media, where they can learn

about food options and where the truck may be located on a given day.

- Recently the amount of revenue coming from Older and Aging Consumers has increased.

Additional information on mobile food customers can also be found in a variety of additional resources and publications, including:

- [Mobile Cuisine: Target Market](#)
- [ToastTab: Marketing](#)
- [Food Truck Marketing Plan](#) – Food Truck Operator

Food Truck Startup Costs

According to an analysis by [The Balance Small Business](#), the startup costs for a food truck can start as low as \$50,000, to as high as \$170,000 depending on the quality of truck you purchase, the amount of upgrades needed to bring it to a restaurant quality workspace, and the quality you wish to have in your appliances.

Additional startup costs can be found at:

- [Cost to Start a Food Truck](#)

New Food Truck with Cooking Equipment installed by a Builder: \$80,000 – \$175,000

Used Food Truck with Cooking Equipment Installed by Builder: \$50,000 – \$80,000

- [Breakdown of Food Truck Operation Costs](#)

Cost of Truck and Equipment: \$25,000 – \$100,000, Initial Product Inventory: \$1,000 – \$2,000, and Permits and Licenses: \$100 – \$500;
Total Low End: \$28,100, Total High End: \$114,100

- [Costs to Start a Food Truck](#)

Cost of buying a Food Truck: \$50,000 to \$200,000
Cost of Fuel: \$250-\$500 monthly

- [How to Start a Food Truck](#)

Total startup costs range from \$40,000–\$200,000. Food Truck cost: \$5,000–\$125,000, Generator cost: \$1,500–\$10,000, Cost of Utensils and Paper Goods: \$500–\$2,000

- [Online Ordering](#) – considerations for food truck owners to make the right choice for online ordering

- [Setting Up a Delivery Service](#) – article on implementing a food delivery component into your food truck business model using third party providers

Food Truck Business Plans

- [Food Truck Business Plan](#)
- [How to Write a Food Truck Business Plan - Download Template](#)
- [Components of a Food Truck Business Plan](#)
- [How to Start a Food Truck Business Plan](#)
- [Template for a Food Truck Business](#)
- [Food Truck Business Plan Template](#)

Food Truck Business Associations

Trade associations often are excellent sources of information on an industry. There are many associations at the state and local level, so be sure to check for associations in your area. These businesses tend to have hyper-local associations such as city chapters for downtown food trucks. Here are some relevant food truck industry associations:

- [National Food Truck Association - NFTA](#)
- [Food Truck Associations of America](#)
- [National Restaurant Association](#)

Mobile Food Business Regulations

The section is intended to provide a general awareness of food truck regulations and agencies to consider when starting your business. Check with your state and municipality for rules and regulations that may impact the business in your area. Most mobile food regulations will be at the local or state level rather than the national level, so make sure to reach out to your local authorities for information on local requirements.

- [Licenses and Permits Food Trucks Need](#) - 5 licenses and permits needed
- [Food Truck Nation](#) - Information on regulations and costs
- [Types Of Licenses And Permits Required To Operate](#)
- [Licenses You Need](#)

- [Permits & License](#) - List of permits needed to operate a food truck

Food Truck Publications

- [Food Truckr](#)
- [Food Truck Empire](#)
- [Food Truck Operator](#)
- [Mobile Cuisine](#)
- [Mobile Food News](#)

Mobile Food Business Employment Trends

Understanding trends in your industry is important when opening a mobile food business. Here is a labor market summary report from the Bureau of Labor statistics focused on [Food and Beverage Serving and Related Workers Market Conditions](#)

Quick Facts: Food and Beverage Serving and Related Workers	
2021 Median Pay	\$25,980 per year \$12.49 per hour
Typical Entry-Level Education	No formal educational credential
Work Experience in a Related Occupation	None
On-the-job Training	Short-term on-the-job training
Number of Jobs, 2021	4,146,000
Job Outlook, 2021-31	9% (Faster than average)
Employment Change, 2021-31	372,900

- “Work Environment: Food and beverage serving and related workers are employed in restaurants, schools, and other dining places. Work shifts often include early mornings, late evenings, weekends, and holidays. Part-time work is common.
- Job Outlook: Overall employment of food and beverage serving and related workers is projected to grow 9 percent from 2021 to 2031, faster than the average for all occupations.
About 955,100 openings for food and beverage serving and related workers are projected each year, on average, over the decade. Many of those openings are expected to result from the need to replace workers who transfer to different occupations or exit the labor force, such as to retire.
- Pay: The median hourly wage for food and beverage serving and related workers was \$12.49 in May 2021.”

Additional Resources

Already in business or thinking about starting your own small business? Check out our various small business resources:

- View more business reports here: [Small Business Snapshots](#)
- View small business help topics here: [Small Business Information Center](#)
- View industry-specific research here: [Market Research Links](#)
- View our small business cybersecurity resources here: [Cybersecurity](#)
- View our pandemic business resources here: [COVID-19 Publications](#)

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