



FRESHO



Fresho UK Fruit & Veg Report 2026

AN INDUSTRY LOOK AT WHOLESALER TRENDS AND ORDER PATTERNS

Introduction

Welcome to Fresho's UK Fruit and Veg Report! This annual report provides a snapshot of the UK fruit and vegetable industry by breaking down key trends, challenges, and opportunities for wholesalers and hospitality outlets in 2026.

While we often see news stories and data-filled reports about farm production and performance in the hospitality industry, the critical role of wholesalers can remain in the shadows. This is why we create a yearly report to shine a light on this vital link in the supply chain, offering unprecedented visibility into the wholesale sector that connects producers with hospitality outlets across the UK.

This report is based on anonymised data from £1.8 billion worth of transactions processed annually through the Fresho platform, collected in December 2025. We've enriched these insights with valuable perspectives from local wholesalers and chefs who generously shared their time and expertise. By combining our data with industry insights, this report shows the landscape of fresh produce in the UK's hospitality industry, to help inform decision making in 2026.

INSIGHTS FROM:

Rushton's
the chefs' greengrocer

Executive Summary

In the face of rising business costs, the UK's fruit and veg wholesale industry has had to show resilience in 2025. Food inflation, energy bills, and National Insurance increases are eating into already tight margins. At the same time, consumer confidence has taken a hit in response to the cost-of-living crisis, with many households cutting back on optional spending.

The government's Autumn 2024 budget increased Employers' National Insurance Contributions from 13.8% to 15% from April 2025, and lowered the threshold for NI payments from £9,100 to £5,000 – and the hospitality industry has felt the impact.

Since April 2025, the Office for National Statistics shows the sector has shed 69,000 jobs, a reversal from the 18,000 roles created in the same period last year. London's unemployment has reached 6.5%, the highest in 11 years. According to analysis by the Morning Advertiser, there has been a 20% rise in hospitality insolvencies since January, with bars, restaurants, and hotels under extreme pressure.

Supply chain challenges continue. According to Defra data, UK vegetable production declined 4.9% to 2.2 million tonnes and fruit production dropped 12% to 585,000 tonnes in 2024. This has resulted in heavy reliance on imports, which now account for 47% of vegetables and 84% of fruit in the UK market.

Businesses are responding to these pressures pragmatically: sharpening procurement, adopting AI, consolidating through M&A, and tightening credit controls to manage risk better.

This report shows how the industry is adapting to position itself for stability and growth.

69,000 hospitality jobs lost since NI increases took effect in April 2025

Order Patterns and Customer Behaviour

THE PROFESSIONALISATION OF WHOLESALE OPERATIONS

While chef ordering patterns have remained consistent – with peaks in late afternoon and evening hours – wholesale operations have changed how they process orders.

Analysis of offline orders (those processed by wholesaler staff rather than placed directly online by chefs) reveals a dramatic operational shift. Between 2021 and 2025, the busiest block of the day moved from late night to morning hours. Morning processing (8am-2pm) increased from 25% to 36% of all orders, while late-night processing (8pm-2am) nearly halved from 44% to 25%.

	2021	2022	2023	2024	2025
ONLINE ORDERS (UK)					
Early morning processing: 2am-8am	0.76%	2.48%	2.95%	3.06%	1.87%
Morning processing: 8am-2pm	17.06%	23.33%	21.43%	22.68%	23.46%
Afternoon processing: 2pm-8pm	36.48%	42.42%	41.53%	41.46%	41.80%
Late night processing: 8pm-2am	45.71%	31.77%	34.09%	32.81%	32.86%
OFFLINE ORDERS (UK)					
Early morning processing: 2am-8am	5.84%	13.34%	15.28%	15.27%	15.00%
Morning processing: 8am-2pm	25.86%	29.54%	30.22%	30.36%	36.18%
Afternoon processing: 2pm-8pm	29.21%	26.23%	25.74%	26.14%	24.62%
Late night processing: 8pm-2am	44.07%	33.92%	32.15%	27.88%	25.01%

The business model where staff needed to work through the night to process orders and prepare deliveries is being replaced by concentrated activity during standard business hours. Morning through lunchtime is now the busiest processing window, not the night shift.

This shift likely reflects cost pressures placing more emphasis on efficiency during the regular work day. By reducing reliance on night-shift staffing, businesses are cutting costs while making the industry more appealing to a younger workforce. Early morning processing (2am-8am) has remained relatively flat, suggesting the essential pre-delivery work continues, but the bulk of order processing has moved into daylight hours.

This trend in the UK is mirrored with wholesalers in Australia.

Strategic Simplification

Hospitality outlets have been simplifying their orders steadily since 2022. For offline orders, the decline is pronounced: from 9.60 lines per order in 2022 to 7.72 in 2025 – a decrease of nearly 20%. This suggests that hospitality outlets are streamlining their purchasing decisions in response to cost pressure. However, order values have remained consistent despite fewer line items. Venues aren't buying less – they're buying smarter, consolidating orders around core products while maintaining spend levels.

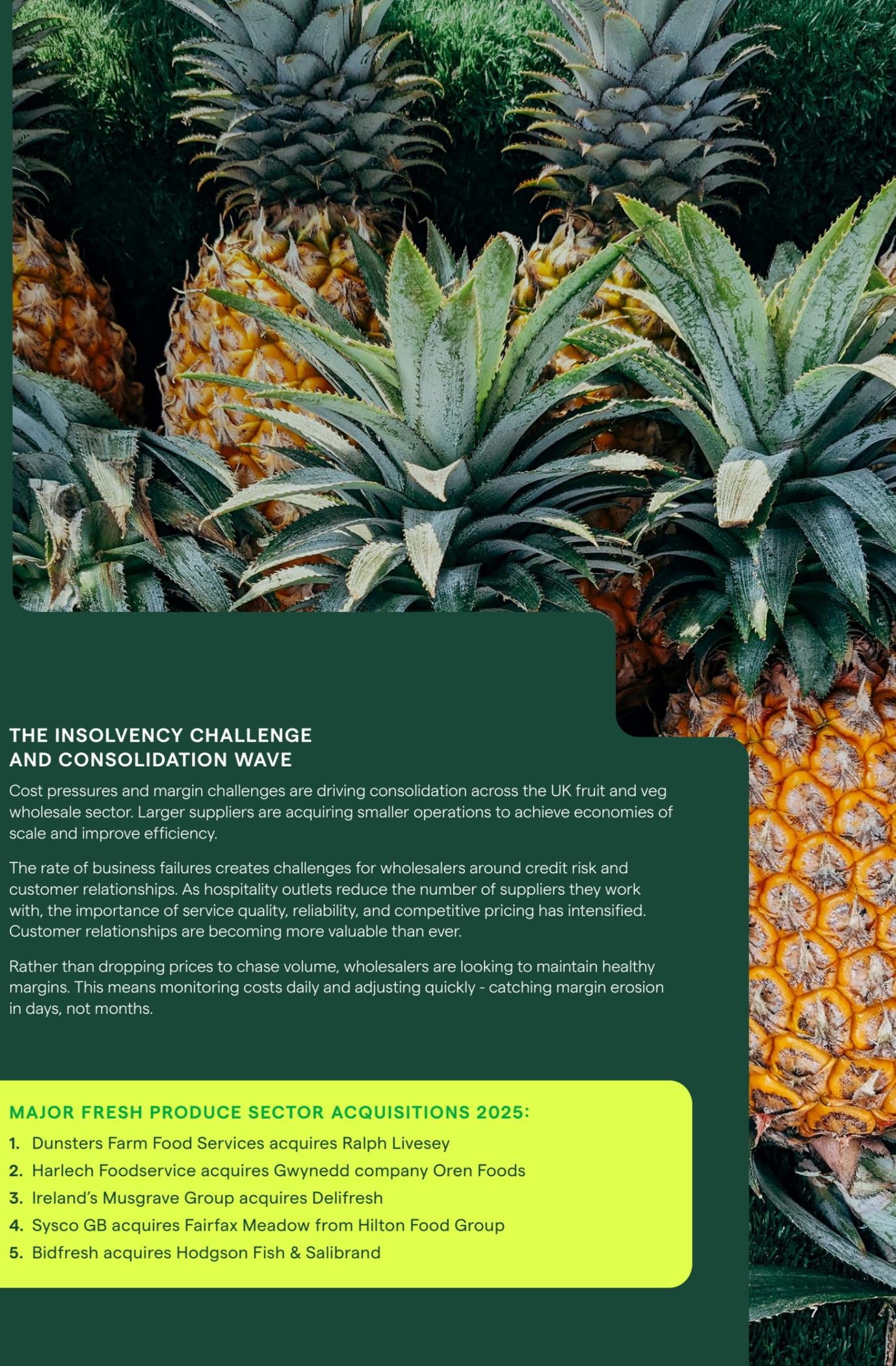
Average Lines per Order Trend UK & Ireland



Online orders – those placed directly by chefs through Fresho – are declining much more slowly, from 10.70 lines in 2022 to 10.38 in 2025. When chefs have visibility of full product catalogues and can browse at their own pace, they tend to order a wider range of products. This shows that the ease of digital ordering helps chefs increase and diversify their orders under pressure.

“Costs, whether you’re a restaurant or a supplier, are going up so keeping visibility and control over margins is more and more important”

— HUW BIRRELL, CO-FOUNDER, FRESHO



THE INSOLVENCY CHALLENGE AND CONSOLIDATION WAVE

Cost pressures and margin challenges are driving consolidation across the UK fruit and veg wholesale sector. Larger suppliers are acquiring smaller operations to achieve economies of scale and improve efficiency.

The rate of business failures creates challenges for wholesalers around credit risk and customer relationships. As hospitality outlets reduce the number of suppliers they work with, the importance of service quality, reliability, and competitive pricing has intensified. Customer relationships are becoming more valuable than ever.

Rather than dropping prices to chase volume, wholesalers are looking to maintain healthy margins. This means monitoring costs daily and adjusting quickly – catching margin erosion in days, not months.

MAJOR FRESH PRODUCE SECTOR ACQUISITIONS 2025:

1. Dunsters Farm Food Services acquires Ralph Livesey
2. Harlech Foodservice acquires Gwynedd company Oren Foods
3. Ireland’s Musgrave Group acquires Delifresh
4. Sysco GB acquires Fairfax Meadow from Hilton Food Group
5. Bidfresh acquires Hodgson Fish & Salibrand

Insights from the Industry

RUSHTON'S THE CHEFS' GREENGROCER: TURNING CHALLENGES INTO OPPORTUNITIES

Rob Burton of Rushton's in London's New Covent Garden Market has observed a general softening of customer spend caused by two main factors. Early in the year, hotels reported reservations being cancelled by American clients immediately after President Trump started imposing tariffs, with some hotels reporting lower percentages of American guests than expected. With fewer high-spending visitors coming to the UK, this impacted the hospitality sector generally.

The other reason is a general lack of consumer confidence affecting the whole economy. "People make conscious decisions not to spend on certain things, but I think the real damage is caused by subconscious decisions not to spend," Rob explains. "I think that can lead to more permanent changes in spending habits."

On the National Insurance increases, Rob's perspective is pragmatic: "Yes, it's impacted salaries and capital spend. As an industry, we'll get on with it, deal with it. Focus on the things that are within your control, turn the perceived problem into an opportunity."

Rob has observed wholesalers expanding their range beyond core offerings.

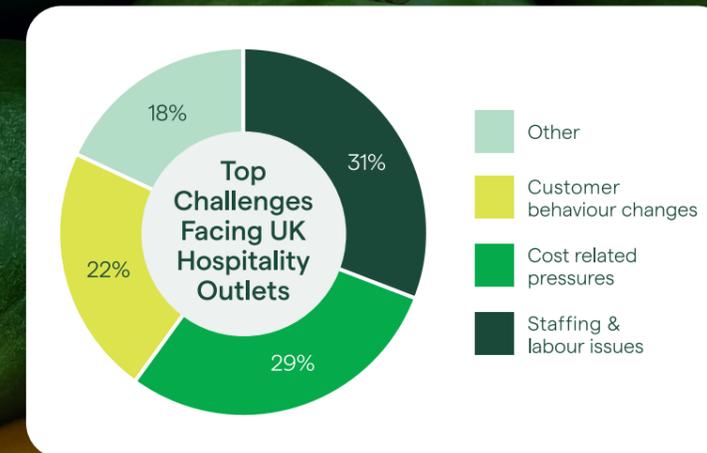
"This has been happening for many years, but it feels like the pace is increasing. At Rushtons, our range of chilled and ambient products increases year on year in response to customer requests and demand. That said, one needs to be very careful that you don't take your eye off the ball by trying to do too many things."

Looking ahead to 2026, Rob acknowledges the uncertainty.

"The negativity and general lack of confidence caused by the 2024 Budget and late timing of its release were a real issue; we all need clarity so we can make informed decisions." However, he remains confident. "You can't keep using external factors as a reason for not progressing a business. I'm very confident that Rushton's have a range of initiatives and plans to progress well during 2026."

Chef Perspectives

A 2025 survey of almost 2,500 chefs and venue managers using the Fresho platform show the pressures and priorities shaping the industry.

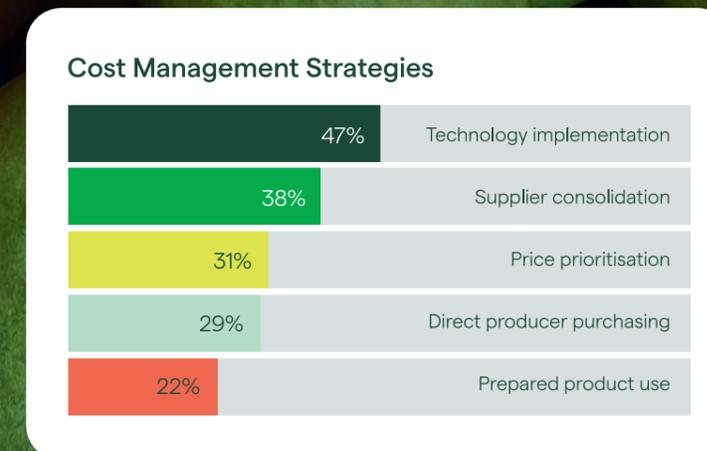
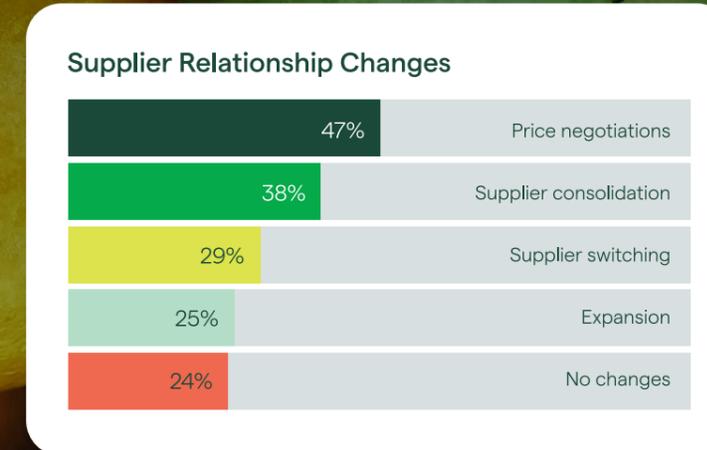


For UK hospitality businesses, staffing issues emerged as the primary challenge, followed by rising costs and changing customer behaviour.

Almost half of UK hospitality outlets have consolidated their supplier base over the past year, the highest proportion of any market surveyed. An additional 47% of hospitality outlets engaged in price negotiations, showing costs are a major challenge.

Technology implementation is the leading cost management strategy, with 47% of hospitality outlets investing in digital tools, followed by supplier consolidation (38%) and price prioritisation (31%).

UK hospitality outlets show strong interest in automation, particularly for supplier ordering (24% cited this as their top priority), followed by stock management and menu planning tools.



"More than ever in this climate, restaurants will favour suppliers they can count on to deliver great service at competitive prices."

— CHEF INSIGHTS REPORT 2025

Technology and Innovation

AI ORDER CAPTURE: FROM EXPERIMENT TO ESSENTIAL TOOL

In 2025, Artificial intelligence (AI) developed more real use cases with return on investment. AI-powered order capture technology has matured significantly in the UK wholesale market over the past year. What began as an experimental tool has become an efficiency driver for suppliers facing margin pressures.



HUW BIRRELL, FRESHO'S CO-FOUNDER, EXPLAINS:

"Fresho's AI order capture tool that converts voice messages, emails, and texts into orders has shown high accuracy and clear return on investment for suppliers. The efficiency that comes from directly integrating orders into systems without manual data entry is making a big difference."

AI addresses the labour-intensive process of manually transcribing orders from phone calls, text messages, and emails. By automating this process, suppliers can reduce staffing needs during peak ordering hours and minimise errors. Given National Insurance increases this year, the cost of employing order-taking staff has risen, so automation provides a way to maintain service levels while controlling costs.

However, wholesalers are not viewing AI and automation purely as cost-cutting tools. Rather, as customer retention and engagement tools that can help maintain order values and product mix even as hospitality outlets streamline their purchasing.

AI AS ASSISTANT, NOT REPLACEMENT

The best approach combines online ordering tools (which maintain order diversity and ease of use) with AI assistance (which improves efficiency for orders received through other channels). The goal isn't to eliminate human interaction, but to free staff from manual data entry so they can focus on customer relationships, product knowledge, and service.

However, wholesalers must be selective about tooling. With so many options available, it's critical to choose solutions that integrate with core systems rather than creating a proliferation of disconnected apps that just add complexity.

Steps for Success

The UK fruit and veg wholesale sector's challenges won't disappear in 2026. Businesses are finding ways to navigate these problems by:



CUSTOMER RELATIONSHIP FOCUS

As hospitality outlets consolidate supplier bases, the importance of service quality, reliability, and competitive pricing has intensified. The restaurants that survive will remember which suppliers supported them through difficult periods. Moving beyond transactional relationships to genuine partnerships creates loyalty that outlasts temporary price advantages.



OPERATIONAL EFFICIENCY THROUGH TECHNOLOGY

Wholesalers who invest in automation for routine tasks while maintaining human expertise for customer service and product knowledge are better positioned to manage costs.



SMART TECHNOLOGY SELECTION

The rise of AI and automation tools offers real benefits, but wholesalers must be strategic. Choose integrated solutions that solve specific problems rather than accumulating disconnected apps. Focus on AI use cases with clear returns – order capture, inventory management, customer engagement – that free staff to focus on relationship building and service.



SERVICE DIFFERENTIATION BEYOND PRICE

Restaurants value suppliers they can count on to deliver great service at competitive prices, not just the lowest prices. Reliability, product quality, and responsive service create competitive advantages that pure price competition cannot match.



STRATEGIC POSITIONING FOR CONSOLIDATION

The consolidation wave presents both threats and opportunities. Smaller suppliers may find it increasingly difficult to compete on economies of scale, while larger suppliers can use acquisitions to expand capacity and efficiency.



"For 2026, maintain a strong focus on margins. Increase sales, reduce costs, and sell smarter."

— HUW BIRRELL, CO-FOUNDER AT FRESHO

The logo for Fresho, featuring the word "FRESHO" in white, uppercase, sans-serif font on a green rectangular background. A small white horizontal line is positioned below the letter "O".

FRESHO

About Fresho

Fresho is a global order management platform that brings fresh food wholesalers closer to their customers. With our food industry background, we know that order processing can be stressful, time-consuming, and error-prone.

We solve the daily challenges that food wholesalers encounter. By converting your orders with AI into ready-to-pick sales orders, we take manual work off your plate. Manage your full order management operation in Fresho, end to end. That gives you time back to focus on customer relationships, the health of your business, and the other important things in life.

Get in touch at hello@fresho.com