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The State of Modular QSR Buildings in the U.S.

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Modular construction has entered a new era of prominence in the U.S. quick-service restaurant (QSR) sector. As of 2025, the landscape is evolving rapidly, with increasing numbers of chains exploring prefabricated and modular building techniques to address critical challenges such as labor shortages, project delays, rising construction costs, and shifting consumer demands.

This article explores the forces driving modular adoption in the QSR space, highlights key players and case examples, outlines benefits and limitations, and forecasts how modular construction is poised to reshape the fast-food industry.



Why Modular is Reshaping QSR Construction

Traditional brick-and-mortar construction is often time-consuming, expensive, and dependent on site conditions and weather. In contrast, modular construction takes place largely off-site in controlled factory environments. Units are built to precise specifications, transported to the final site, and installed in a fraction of the time required by conventional methods.

Speed-to-Market Advantage - For QSR brands, speed is everything. A faster build means earlier revenue, reduced soft costs, and the ability to capitalize on market opportunities before competitors. Modular builds typically cut construction timelines by 40% to 50%. In some cases, new locations can open in just 4 to 8 weeks.

Cost Predictability and Labor Savings - Modular solutions help mitigate cost overruns by centralizing labor and materials in off-site facilities. The approach reduces waste and improves supply chain efficiency. Labor shortages - especially acute in construction - are also less of a problem, as much of the skilled labor is located in manufacturing facilities.

Sustainability and Waste Reduction - Factory-built modular units benefit from standardized processes, which translate into higher precision and less waste. Many QSR brands are incorporating these sustainability gains into their broader ESG strategies, with LEED certification or net-zero carbon goals in mind.

Brands Leading the Modular Movement

Modular construction is no longer the domain of startups or experimental formats. Several of America's most recognizable QSR brands have begun deploying modular builds either as pilots or as part of national rollouts.

Chick-fil-A rolled out a modular remodel in Roswell, Georgia, that reduced site closure by nearly two months. The company is exploring more modular projects to speed up remodels and new builds in high-traffic markets.

Whataburger is working to pilot a 3,000-square-foot modular location in Arizona. Their goal: reduce development costs and test new market entries without committing to full brick-and-mortar builds.

Golden Chick launched its first fully modular restaurant in Saginaw, Texas. Built in just five weeks, the new location achieved 15% cost savings while preserving brand standards and layout consistency.

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Dutch Bros Coffee continues to use factory-built, 900 square foot drive-thru-only models that can be deployed in as little as six weeks. This aligns with the brand's rapid expansion model.

Other players include Taco Bell, Wendy's, Shake Shack, Starbucks, and Checkers & Rally's - all of which have piloted or scaled modular or hybrid modular stores in urban or drive-thru-focused locations.

These deployments are proving that modular is viable for both flagship formats and micro-footprint experiments.



Emerging Use Cases in the QSR Ecosystem

Modular construction isn't just about speed - it's enabling new types of restaurant experiences and real estate strategies. Among the most compelling applications:

1. Drive-thru-only prototypes that serve app-based customers with zero dining space.
2. Temporary pop-up stores that can be disassembled and relocated after a marketing campaign or trial period.
3. Airport or stadium concessions where access constraints favor prefabricated modules.
4. Urban infill sites with narrow footprints or zoning limitations.
5. College campuses or rural retail partnerships, where modular can serve dual food and community needs.

These models are more agile and aligned with current consumer trends - mobile ordering, delivery, convenience, and environmental consciousness.

Challenges and Considerations in Scaling Modular

Despite many advantages, modular construction is not a one-size-fits-all solution. QSR brands must navigate several important challenges:

1. Upfront Planning: Every module must be designed with precision. Late-stage design changes are costly and can disrupt the manufacturing schedule.
2. Local Code Compliance: Although factory-built, modules still require site-specific foundation work, permits, and inspections. Relationships with municipalities are essential.
3. Brand Perception: Some consumers and franchisees may view modular as lower quality unless the design and finishes are thoughtfully executed.

Looking Ahead: The Future of Modular QSRs in America

As QSR chains look to expand into nontraditional markets, reduce development risks, and test new service models, modular construction will play a growing role. Future developments may include:



1. Fully integrated digital-first modular kitchens optimized for delivery and ghost kitchen operations.
2. Franchise-ready modular packages with pre-approved plans and permitting templates.
3. Green-certified modular facilities using solar, battery storage, and high-efficiency mechanical systems.
4. Government initiatives supporting offsite construction, plus venture investment in prefab technology platforms, will further accelerate the shift.

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Conclusion

In 2025, modular construction is no longer experimental for QSRs - it's a strategic tool for speed, flexibility, and cost control. While not without its limitations, modular offers a compelling solution to many of the fast-food industry's most pressing growth and infrastructure challenges. For brands seeking to scale efficiently, respond to changing consumer habits, and reduce environmental impact, modular is becoming not just an option - but a competitive advantage.

Expect continued innovation, partnerships, and real estate disruption as modular QSR buildings become an established part of the American restaurant landscape.



Offsite Insights highlights the benefits and value of offsite construction. Valience provides complimentary consulting, planning assistance, and direct connections to best-in-class offsite builders, contractors, and experts nationwide. To learn more contact Randy Woodard, CEO – Valience, randy@valience.net or visit valience.net.

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