



OAXACA THE MELTING CHEESE POWERING DOUBLE-DIGIT GROWTH IS OUTPACING MOZZARELLA

By Arturo Nava

Oaxaca cheese has moved into the spotlight as one of the fastest-growing melting cheeses in the US, combining premium performance with standout growth that far exceeds traditional staples. From November 2024 to November 2025, Oaxaca dollar sales climbed 13.4%, more than three times the 3.9% dollar growth posted by mozzarella over the same period, underscoring how quickly consumers and retailers are embracing this authentic Hispanic melter

Oaxaca's Functional And Culinary Advantage

Oaxaca is a pasta filata cheese like mozzarella, but it offers a richer, buttery, creamy flavor and a dramatic stringy pull that heightens the eating experience in hot dishes.

Chefs rely on its clean, elastic melt and ability to hold stretch without excessive oiling off, making it ideal for quesadillas, quesabirria, fundidos, stuffed appetizers, pizzas, flatbreads, and baked pastas where cheese performance is critical. Because Oaxaca behaves very similarly to mozzarella in ovens and on griddles, kitchens can swap it into existing recipes without changing bake times, equipment, or labor routines.

This lets operators upgrade flavor, presentation, and menu storytelling with minimal operational risk, particularly in high-volume fast-casual and QSR environments that need reliability as much as differentiation





Feature Comparison: Oaxaca vs. Mozzarella

Attribute	Oaxaca Cheese Advantage	Mozzarella Baseline
Melt & stretch	Clean, elastic melt with dramatic stringy pull ideal for quesadillas, fundidos, stuffed appetizers, pizzas, and flatbreads	Strong overall melt and stretch, especially on pizza, but generally less visually dramatic in many non-pizza builds.
Flavor & authenticity	Mild yet more pronounced buttery, creamy flavor tied directly to regional Mexican culinary traditions and authenticity trends.	Very mild, neutral flavor suitable for many dishes but with less inherent regional or cultural story
Consumer trend alignment	Part of fast-growing Hispanic/specialty cheese segment and rising Oaxaca menu and snack innovation mentions.	Large, established category with steady but more moderate growth; widely used and expected, especially in Italian applications.
Menu & recipe versatility	Works across quesadillas, tacos, nachos, pizzas, flatbreads, burgers, sandwiches, breakfast items, and baked entrées while adding a signature twist.	Core cheese for pizza and many Italian dishes; versatile but often perceived as the standard option rather than a differentiating feature.
Pricing & margin potential	Can be positioned as authentic, specialty, or regional Mexican, supporting premium pricing, paid upgrades, and stronger gross margins.	Highly price-competitive and frequently commoditized, particularly in shreds and private label, constraining margin expansion.
Growth in dollar sales	+13.4% dollar sales Nov 2024–Nov 2025, reflecting rapid consumer and operator adoption.	+3.9% dollar sales Nov 2024–Nov 2025, solid but far slower growth than Oaxaca over the same period.

This comparison shows that Oaxaca delivers everything operators expect from a melting cheese while adding trend, story, and economics that are difficult to replicate with mozzarella alone

Demand Momentum: Oaxaca As A Growth Engine

Hispanic cheese production as a whole has delivered 12 consecutive record years and more than doubled since 2010, with recent data showing a 3.7% increase in 2024 alone.





The latest Circana topline data confirm just how quickly Oaxaca is moving: dollar sales for Oaxaca grew 13.4% from November 2024 to November 2025, compared with 3.9% dollar growth for mozzarella during the same period. That gap highlights Oaxaca's role as a high-velocity, on-trend specialty cheese inside a category where many legacy varieties are expanding more modestly.

Consumer Preferences: Authentic, Experiential, Discoverable

Consumers are seeking regional Mexican flavors, authentic ingredients, and “upgraded comfort foods,” which positions Oaxaca squarely in the path of demand.

Its mild yet characterful profile and strong origin story give it more narrative power than standard mozzarella, making it easy for operators and brands to feature Oaxaca in menu copy, POS, and packaging

At retail, shoppers increasingly treat the Hispanic/specialty set as a discovery zone, and Oaxaca fits this role as a versatile melting cheese that feels both approachable and new. Social-media-friendly applications—quesabirria, gooey fundidos, loaded nachos, Oaxaca-topped flatbreads and pizzas—reinforce interest, as highly visual cheese-pull moments encourage trial at home and in restaurants

Economics For Restaurants: Premiumization Without Complexity

For restaurants, Oaxaca offers a practical path to premiumization and differentiation without adding complexity to the back of house.





By substituting Oaxaca for mozzarella or using Oaxaca–Mozzarella blends, operators can:

- ❖ Build signature platforms: Pizzas, flatbreads, burgers, sandwiches, breakfast items, and baked entrées “with Oaxaca cheese” or “with Oaxaca blend” stand out more than those described simply as “with mozzarella,” yet use similar prep methods and equipment.
- ❖ Capture higher check averages: As an authentic, regional Mexican cheese with specialty credentials, Oaxaca justifies modest upcharges and feature pricing, improving contribution margins even when ingredient costs track closely with a traditional Italian-style program.

Economics For Retailers: Turning Space Into Growth

Retailers gain a powerful lever for space productivity by leaning into Oaxaca. Hispanic cheese output has climbed steadily for more than a decade, and expanding Oaxaca distribution allows retailers to mirror this sustained consumer demand within their sets.[]

With Oaxaca’s dollar sales rising 13.4% year over year versus 3.9% for mozzarella, retailers have a clear argument for giving Oaxaca more prominent shelf and promotional support: it rides the core cheese occasions where mozzarella is strong, but brings higher growth, stronger storytelling, and specialty credentials that refresh the set.





Sources:

2025.11_Circana-Monthly-Top-Line-Cheese_11-30-2025.xlsx
<https://agristuff.com/dairy-in-dustry/oaxaca-cheese-stretch-melt-and-best-mexican-dishes/>
<https://www.wisconsincheese.com/about-cheese/oaxaca-cheese>
<https://www.webstaurantstore.com/article/1070/types-of-mexican-cheeses.html>
<https://www.sciencedirect.com/science/article/pii/S0022030215001228>
<https://www.eatmex.mx/en/blog/mexican-food-trends-2025-whats-cooking-in-mexico/>
<https://www.restaurant-hospitality.com/consumer-trends/flavor-of-the-week-oaxaca-cheese-the-mexican-cheese-taking-men-us-by-storm>
<https://www.tasteofhome.com/article/what-is-oaxaca-cheese/>
<https://cheesereporter.com/column/2025/06/17/a-nice-year-of-growth-for-other-cheese-varieties/>
<https://www.dairyreporter.com/Article/2025/07/22/us-cheese-trends-2025-specialty-varieties-surge-as-american-cheese-slumps/>
<https://hcmakers.com/cheese-snack-trends/>
<https://www.marketreportanalytics.com/reports/fresh-mozzarella-cheese-249432>
<https://harddesign.com/industry-news/natural-cheese-growth-reflects-shifting-consumer-preferences/>
<https://www.innovamarketinsights.com/trends/mexican-food-trends-consumer-insights-and-preferences/>
<https://www.dairyprocessing.com/articles/3350-consumer-demand-growing-for-cotija-other-mexican-cheeses>
<https://elrestaurante.com/digital-issues/welcome-to-the-mayjune-2024-issue-of-el-restaurante/hispanic-cheese-continues-its-climb/>
<https://www.foodingredientsfirst.com/news/mexican-cheese-market-trends.html>
<https://www.dairyfoods.com/articles/94909-hispanic-cheeses-present-opportunities-challenges>