

# UK Food To Go Market Report 2022

March 2022



# FOOD TO GO MARKET DEVELOPMENTS: LEGISLATION

Food to go market suppliers and operators are facing several economic and legislative challenges as government support is altered.

## Government support

- The rent moratorium, currently protecting commercial tenants from evictions due to unpaid rent is to be phased out in April 2022.

## Business costs

- The National Minimum Wage will increase by +6.6% from April 2022, following three increases from 2019, putting more pressure on operators already feeling the financial strain.
- The government announced in the Spring budget that the current 12% VAT rate will be increased back up to its original 20% from April 2022.

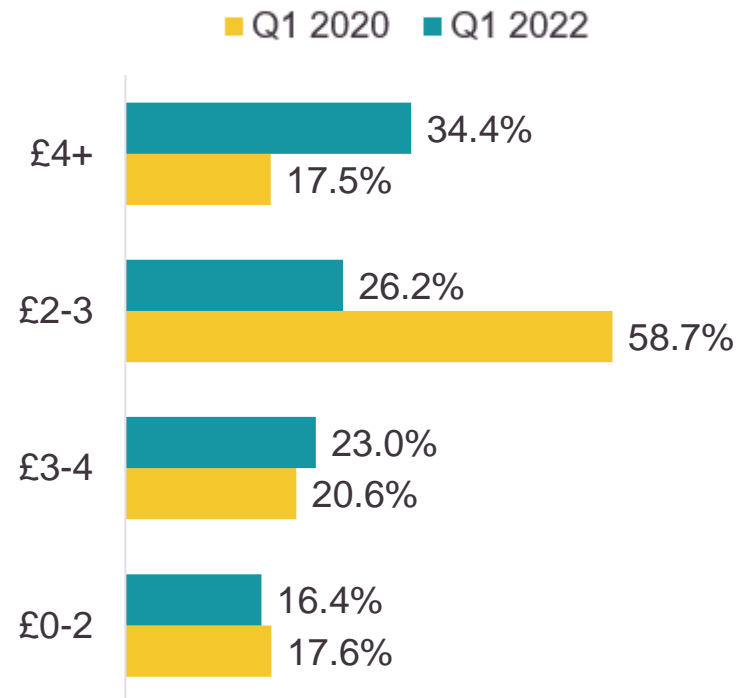
## Obesity Legislation

- **Mandatory calorie labelling** at the point of sale for businesses with over 250 employees will come into force from **April 2022**.
- The legislation covers **non-prepacked food or drinks** for immediate consumption, including restaurants, fast food, cafés, pubs and more.
- The government has confirmed that proposed legislation which would see a ban on **HFSS products** being placed at store entrances, aisle ends or within two metres of a till in stores over 2,000 square feet, will come into force from **October 2022**.
- This proposal is especially relevant to the food to go market with snacking occasions in convenience stores making up a notable proportion of the industry.

# PREMIUM PRODUCTS LEAD FOOD TO GO NPD

Brands have nearly doubled new offerings over £4 since 2020. Items with a higher price point tend to be lighter; nine out of the top ten most expensive new items feature healthy ingredients, and four out of the top ten are vegan, focusing on driving higher spend per head.

## Share of New Products by Price, Q1 2022 vs Q1 2020



Vegan Xalmon Harmony Set, Wasabi, (£9.25)

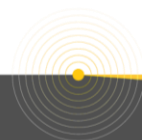


Meatless Meatball & Feta Hot Rice Bowl, Pret A Manger, (£6.25)



Rainbow Salad, Leon, (£6.95)

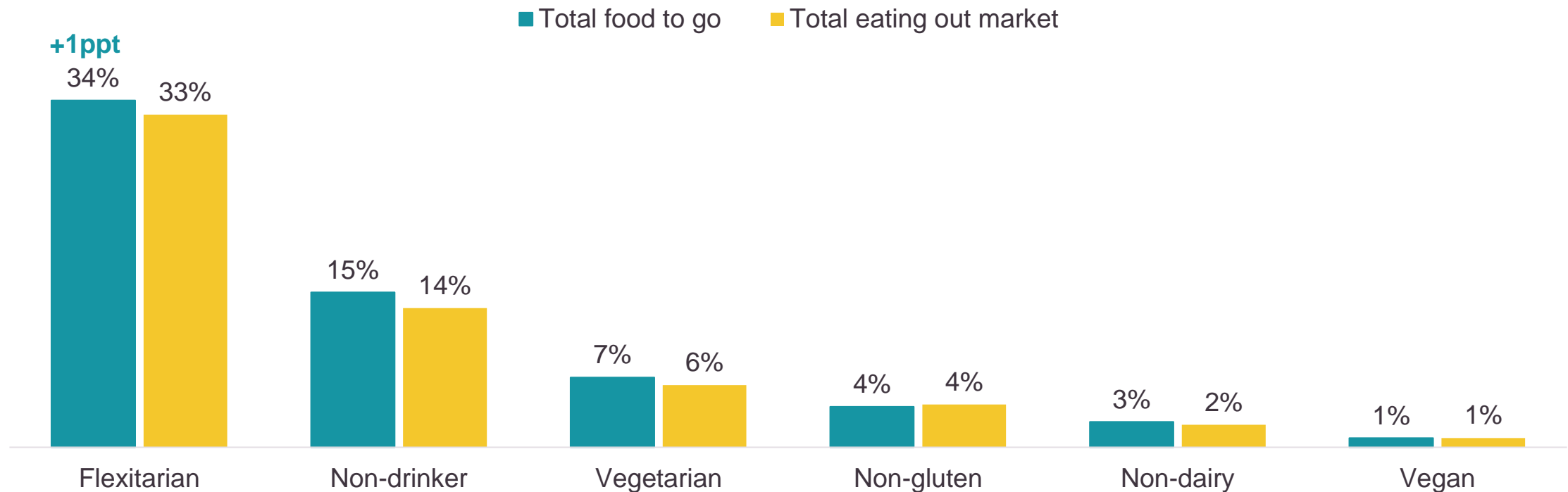
Source: Lumina Intelligence, March 2022



# FTG CONSUMERS OVER-INDEX IN DIETARY REQUIREMENTS

Over a third (34%) of food to go consumers describe themselves as flexitarian, and this has increased by +1ppts in the 12 WE 30.01.22. Food to go consumers are also more likely to be non-drinkers, vegetarian and non-dairy, highlighting the importance of operators catering to these needs across new product development and proposition.

Dietary requirements of total food to go vs total eating out market consumers, 12 WE 30.01.22 vs 12 WE 07.11.21



Source: Lumina Intelligence Eating & Drinking Out Panel, 12 WE 30.01.22

# FOOD TO GO CONSUMERS OVER INDEX IN HEALTH VALUES

Food to go consumers are **+6%** more likely to align with health-led values than the average eating and drinking out consumer. Operators across the breadth of the market are continuing to focus health messaging around key elements including vitamins, plant-based items and fruit and vegetable components.



## Health Conscious

- Focuses on a balanced and nutritious diet
- Has an active lifestyle

Food to go consumers  
**+6%** more likely to  
align with health-led  
values

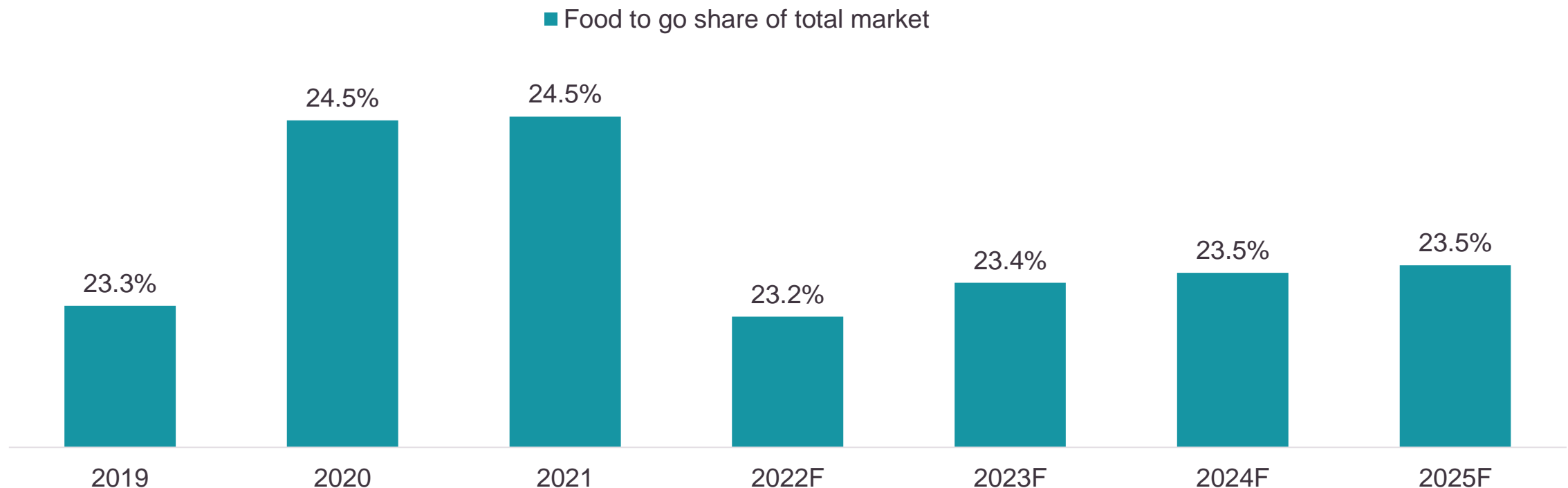
Leon is targeting health-conscious home workers with the launch of a range of "plant-rich" soups and salads into Sainsbury's. They are vegan and gluten-free, weigh in at under 300 calories and provide two of the five a day.



Independent lunch-focused operator, with messaging around protein and vegetables.

# FOOD TO GO SHARE OF TOTAL MARKET EXPECTED TO GROW

Food to go is expected to hold a **23.5% total market share in 2025F**. Whilst food to go share of the total eating out was inflated in 2020 and 2021, the market is expected to continue its pre-pandemic trend of growing its share of the total eating out a market from 2022-25. Key drivers of food to go including physical expansion, day-part availability and more transient lifestyles are expected to endure.



Source: Lumina Intelligence, March 2022

# FULL REPORT TABLE OF CONTENTS

Executive summary

Market Insight

Coronavirus: 2021 impact on foodservice operators and UK food to go market

GFK Consumer Confidence, February 2022

UK eating out market landscape, 2022F

UK food to go market landscape, 2022F

UK food to go market value, with percentage growth, 2016-2022F

UK food to go market outlet growth rate, with absolute outlet numbers, 2016-2022F

Food to go turnover by key channels, 2019-2022F

Channel share of food to go market, 2016-2022F

Food to go market share of total eating out market, 2016-2022F

Food to go market developments: Legislation

Food to go market drivers, 2022

Food to go market inhibitors, 2022

Factors impacting food to go: Travel

Growth in number of visits to the UK, compared to the same quarter in 2019

# TABLE OF CONTENTS

## Competitive landscape – Operator analysis

- Examples of food to go operators realigning to consumer needs
- Examples of operators targeting hybrid workers with lunch solutions
- Examples of operators eyeing IPO prospects to fuel expansion
- Top 10 brands by food to go turnover
- Top 10 FTG brands, UK turnover market share, 2021
- Food to go share of sales, split by leading food to go brands
- Outlet growth amongst the leading food to go brands
- Outlet growth amongst top UK convenience fascias
- Outlet growth amongst top 5 fast food brands
- Outlet growth amongst top 5 contemporary fast food brands
- Outlet growth amongst top 5 coffee shop brands

## Competitive landscape – NPD analysis

- Share of new products by day-part, Q1 2022 vs Q1 2020
- Share of new products by price, Q1 2022 vs Q1 2020
- Share of new products by product type, Q1 2022
- Incidence of new products, by trends, Q1 2022



# TABLE OF CONTENTS

## Competitive landscape – NPD analysis cont.

Share of new products, by dietary requirements, Q1 2022

Examples of new FTG products expanding into vegan fish alternatives

Share of new drinks by type, Q1 2022

Share of new drinks by price, Q1 2022

Share of new drinks by dietary requirement, Q1 2022

Examples of new drinks being polarised between healthy or indulgent

## Competitive landscape – Price analysis

Cappuccino prices from top FTG brands, Q1 2020 vs Q1 2022

Meal deal prices from top FTG brands, Q1 2020 vs Q1 2022

## Consumer insight

Food to go penetration, visit frequency and average spend

Penetration - % of consumers who have had an eating/drinking out occasions in the past 7 days

Food to go share of total eating out market occasions

Food to go share of total eating out market occasions, by day-part

Frequency of total eating out vs food to go occasions, by day-part, 12 WE 30.01.22 vs 12 WE 07.11.21

Food and drink average spend per occasion by day-part, 12 WE 30.01.22 with % change vs previous 12 WE

Day-part split of total FTG vs total eating out market occasions, 12 WE 30.01.22 vs 12 WE 07.11.21

# TABLE OF CONTENTS

## Consumer Insight cont.

Sub-channel share of food to go occasions

Sub-channel share of food to go occasions, by day-parts

Food to go consumers versus total eating out: Age, gender and psychographics

Share of food to go occasions by region

Food to go consumers, split by living arrangements

Dietary requirements of total food to go vs total eating out market consumers, 12 WE 30.01.22 vs 12 WE 07.11.21

Brand share of food to go occasions

Consumer reasons for purchasing food to go

Food to go missions by daypart – Breakfast

Food to go missions by daypart – Lunch

Food to go missions by daypart - Dinner

Food to go missions by daypart – Snack

Food to go missions by daypart – Drink

Food to go occasions: Reason for choosing an establishment (Top 10)

Food to go occasions: Reason for choosing an establishment by day-part (Top 10)

Eating out and food to go satisfaction ratings

Overall FTG satisfaction over time

# TABLE OF CONTENTS

## Consumer Insight cont.

- Food to go market: Food or drinks consumed
- Top 10 most popular food items consumed
- Top 10 food items consumed by daypart – Breakfast
- Top 10 food items consumed by daypart – Lunch
- Top 10 food items consumed by daypart – Dinner
- Top 10 food items consumed by daypart – Snack
- Total food to go drinks consumed, drink only occasions
- Top 10 drinks consumed by daypart – Breakfast, drink only food to go occasions
- Top 10 drinks consumed by daypart – Lunch, drink only food to go occasions
- Top 10 drinks consumed by daypart – Snack, drink only food to go occasions

## Growth opportunities

- The eight mega trends shaping the market
- The most important long term consumer trends impacting the industry
- Examples of digital solutions and partnerships driving convenience within FTG
- Proportion of dishes on menus that are advertised as customisable
- The importance of quality within FTG
- The importance of health within FTG

# TABLE OF CONTENTS

## Growth opportunities cont.

- The impact of the pandemic on attitudes towards health
- Food to go occasions dominated by indulgent products
- The impact of recessionary periods on the treat mission
- Consumer attitudes and expectations towards sustainability
- Sustainability – trend in action
- The impact of rising costs on value scrutiny

## Future outlook

- GDP, consumer spending, CPI and average earnings, 2019-2025F
- UK food to go market value, with percentage growth, 2019-2025F
- UK food to go market outlet growth rate, with absolute outlet numbers, 2019-2025F
- Food to go market value by channel, 2019-2025F
- Channel share of food to go market, 2019-2025F
- Top 10 food to go channels ranked by absolute growth in £ millions, 2022F-2025F
- Food to go share of total market, 2019-2025F
- Food to go market drivers, 2022F-2025F
- Food to go market inhibitors, 2022F-2025F
- Future food to go driver: EV-focused forecourts

# Get in touch

For further information about this report please contact:

[Holly.franklin@lumina-intelligence.com](mailto:Holly.franklin@lumina-intelligence.com) or

[Visit our website](#)

