

UK Wholesale Online Report 2023

March 2023



ONLINE ORDERING HAS INCREASED IN FREQUENCY

Frequency of online ordering has increased as operators and retailers become more accustomed to using the digital channel. The pandemic exacerbated the growth of online purchasing, with the cost of living crisis further exacerbating online behaviours to save time and costs.

Average purchase frequency of users ordering online from wholesalers per month



Wholesaler platforms should be **optimised to aid** retailers and foodservice operators to **shop efficiently** and to clearly view the **best prices**.

Suppliers should work with wholesalers to ensure that **NPD and promotions** are **disrupting shopper digital journeys** with more opportunity in the digital channel.

THERE IS A DIGITAL FOCUS TO SUPPORT CUSTOMERS (1 OF 2)

Wholesalers and suppliers across the market are launching e-commerce platforms and initiatives to support customers battling rising costs and other market challenges facing foodservice and retail.



Arla Foods UK launched a digital platform called **Arla Pro**, offering digital services to help foodservice customers manage operations including **recipe inspiration**, **ingredient information** and **key trending products**.



SANDWICHES

The food-to-go market is worth an estimated £21.7bn, and sandwiches are the most popular product within the category, accounting for a 57% share of the market. Salads, in second place, make up only 10%. Coffee shops, cafés and sandwich retailers all increased their share of visits in 2019 before the COVID pandemic, boosted by growing appreciation for lower prices and value for money^{1,2}

#1 food-to-go lunch item ¹	#1 out of home lunch dish ²	#2 food-to-go snack item ¹
#1 out of home snack item ²	#1 food-to-go breakfast item ¹	#1 out of home breakfast dish ²

SCAN HERE  To download the LURPAK* Sandwich Guide Or visit arlapro.co.uk

TRENDS INFORMATION



Sandwiches are upgrading, in the year to January 2019, the average price of sandwiches increased 2.6%, in fact they have been increasing for years³



The experience economy is booming, 2/3s of customers want hospitality venues to deliver 'an experience they can't replicate at home', so by offering big, colourful sandwiches with a 'wow' factor to ensure you stay ahead of the curve. These also create 'instagramable' moments, encouraging customers to share their experience online⁴

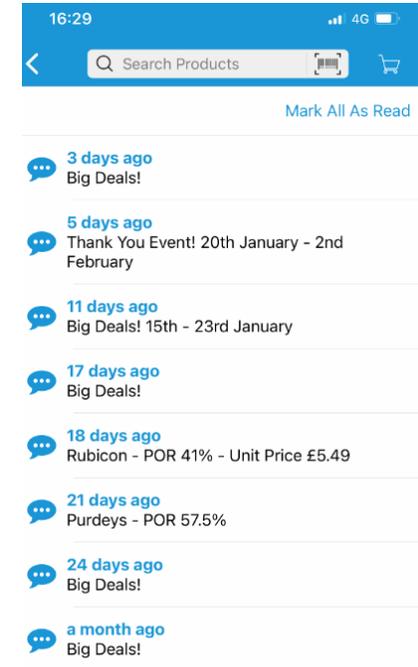
Sustainability, health and provenance are the three biggest food and drink trends of the last 5 years, and sandwich retailers have seen the largest increase in customer satisfaction for ethical practices. Farm-to-fork traceability/sustainability and natural products are increasingly important for consumers⁵



Channel



Sources: ¹ MCA HIM Food To Go Market Report 2019 ² MCA UK Eating Out Market Report 2019 ³ MCA HIM UK Food to Go Market Report 2020 ⁴ KAM Media - The New Normal, The Post Corona Consumer - April 2020

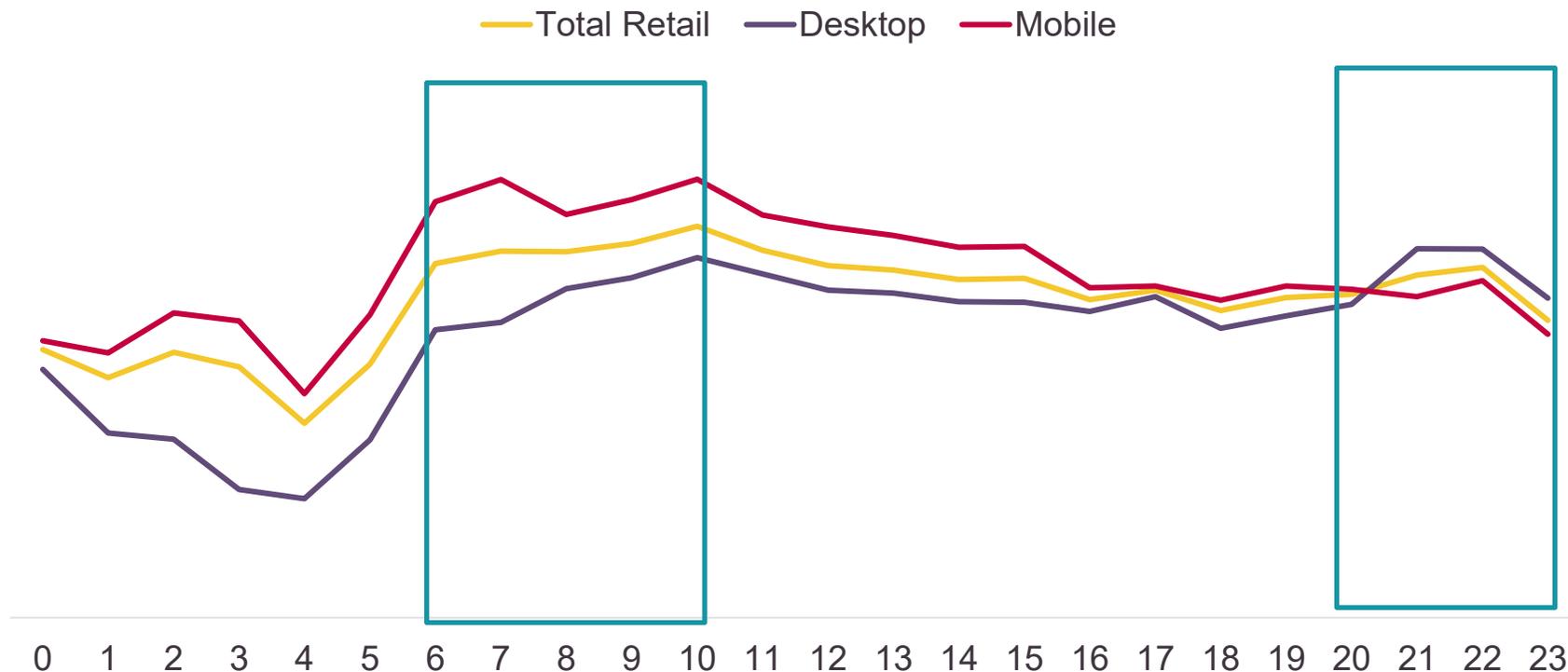


Bestway's app features notifications for special offers and promotions

MOBILE ACTIVITY PEAKS IN THE MORNING

Retail conversion rate for mobile peaks in the morning, whereas the conversion rate for desktop peaks outside of trading hours.

Retail: Add to Basket Rate, by hour of the day



Are media activations optimised to reach retailers throughout peak times of the day?

Source: Lumina Intelligence Wholesale Online Report, March 2023

TARGETED ADVERTS CAN DISRUPT & BOOST ENGAGEMENT

Targeted adverts can allow wholesalers to use new features to extract the most from e-commerce platforms. They are a great way to present customers with adverts that reflect their particular ordering history, buying patterns and interests.

Cut through Generic Noise

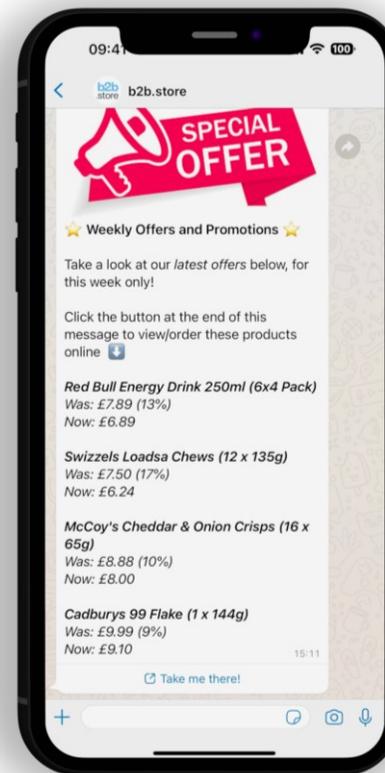
They can be a useful way to cut through the noise of generic digital adverts, serving personalised content that customers are more likely to see and engage with.

Retargeting Campaigns

To remind customers of products they have already shown an interest in and creating multiple 'touch points' to tip customers into buying mode.

Brand Awareness

Targeted adverts are used primarily to establish or increase brand awareness.

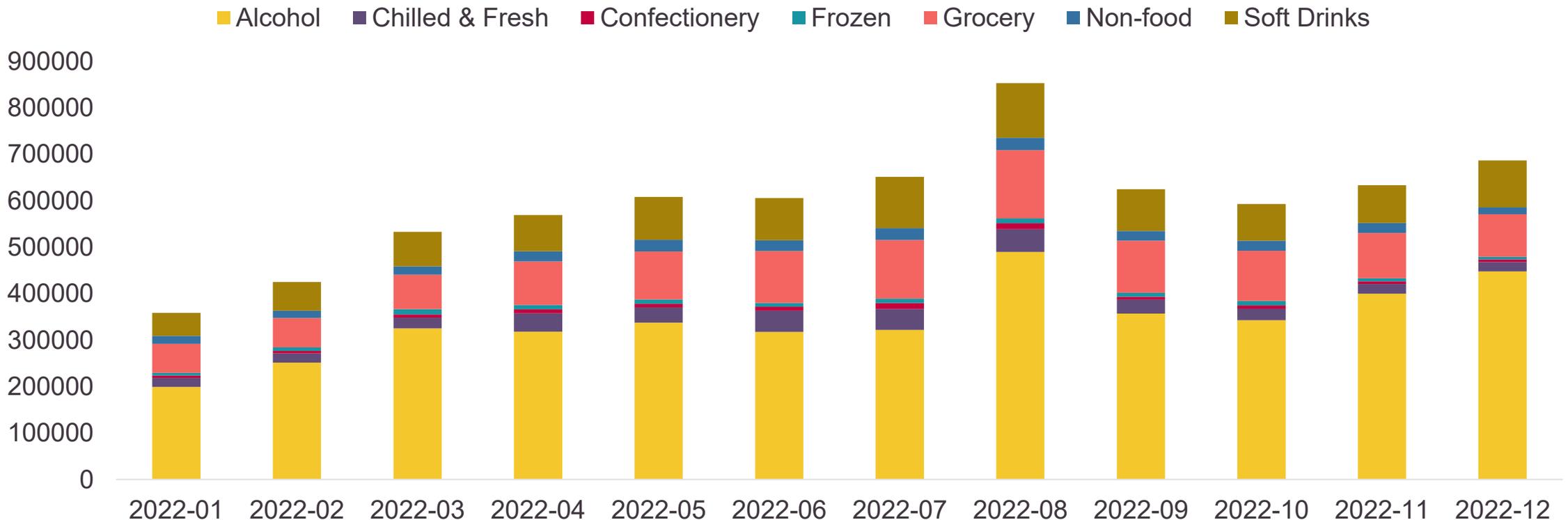


WhatsApp can be utilised to **deliver targeted adverts** to specific customers based on historic purchases.

SEASONALITY REVEALS CATEGORY SPECIFIC OPPORTUNITIES

Seasonality is key in the foodservice sector, revealed different opportunities for specific categories. Encouragingly, app sales in core categories increased across 2022 highlighting that more volumes are going through mobile. A peak in August driven by alcohol highlights the importance for alcohol suppliers to be featured across apps.

Foodservice: App category sales in 2022



Source: Lumina Intelligence Wholesale Online Report, March 2023

FULL REPORT TABLE OF CONTENTS

Executive Summary

Wholesale Online Landscape

Driving forces for e-commerce growth in 2023

Cost Pressures impacting the channel

Online Ordering Frequency

Digital Focus to support customers

Frequency and basket spend

Open banking possibilities

Social media to ease barriers and boost efficiency

Disrupting Shopper Journeys

Case Study: Bestway Launches WhatsApp Channel

Personalisation to add value & boost loyalty

Strategies to increase average order value

Disrupting the Shopper Journey

Online sessions overview

Push notifications and personalised ads

FULL REPORT TABLE OF CONTENTS

Device-specific strategy

Suppliers Utilising digital on NPD

“Open” websites to new prospects

Banners on websites

Push notifications

A guide on how to boost conversion rates

Calls to action effectiveness

One-tap ordering

Case Study: SUGRO Boosts engagement with WhatsApp

Weekly activity analysis for desktop and mobile

Day-part activity analysis

Targeted adverts

WhatsApp for Supplier advertising

Digital brochures: costs and sustainability potential

The power of digital for content sharing

Automated marketing



FULL REPORT TABLE OF CONTENTS

A/B testing as an optimising tool

A/B testing example in action

Case Study: SUGRO UK & PEPSICO Collaborate

Boosting Efficiencies

WhatsApp for boosting Reordering Efficiency

Search Function overview

Case Study: Taxonomy for dietary requirements

Case Study: Brakes supports with Digital Content

Drinks category search overview

Optimising search results

Key points to consider for internal search

Opportunity to enhance list function on apps

JJ Foodservice launches list function

Category Learnings

Adjusting the digital strategy based on seasonality

Opportunities for alcohol in early Summer and soft drinks in January

FULL REPORT TABLE OF CONTENTS

Optimising category advice to drive efficiency and engagement on web

Opportunity for more confectionery and soft drink sales

Social media strategy for NPD and promotions

WhatsApp: category content to boost Interaction

Case study: category advice information

Supplier's optimisation of category advice on websites

Best-in-class in category advice

Best-in-class in offering support services

Best-in-class in menu support & dietary suggestions

Best-in-class customer & segment support

Best-in-class in legislation information

The Future of Wholesale Online

Technological advancements for Services

Use of digitisation in Wholesale for greater sharing of data

WhatsApp functionality moulding the future of e-commerce services

Key trends impacting the wholesale online market

FULL REPORT TABLE OF CONTENTS

Increase Interconnectivity & best practise sharing

Augmented reality (AR)

Technology and data driving personalisation

Appendix

Methodology

Glossary of terms



The experts in
market and
consumer insight
across the food,
drink and nutrition
markets

Deep actionable
insights, powered
by the world's best
analytics
technology

Every measure of
consumer and
shopper
behaviour, from
planning a shop to
choosing where to
eat or drink

Part of William
Reed, providing
inspiration, insight
and connections to
power the global
food & drink
industry

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