Lumina Intelligence

November 2023

Lumina Intelligence UK Restaurant Market Report

Brochure

Executive Summary

The Lumina Intelligence Restaurant 2023 is a necessity for those looking to navigate the 2024 landscape.

It includes market sizing and forecasts to 2025, up to date consumer behaviour insight and analysis of the current restaurant competitive landscape providing a holistic source of intelligence on this channel for suppliers, operators, service providers and investors alike.

Our unique comprehensive report helps our clients understand the scope of the restaurant channel and how best to navigate the forth coming opportunities and challenges in the market. It is a must-have for any who operate in or supply the restaurant channel.

Source: Lumina Intelligence, November 2023

Methodology

Eating & Drinking Out Panel

Lumina Intelligence's UK Eating & Drinking Out Panel tracks the behaviour of 1,500 nationally-representative consumers each week, building up to a sample of 78,000 every year, across all eating out channels and day-parts (including snacking)

2020-2023

Market Sizing & Operator Data Index

Market sizing data tracking the performance of hospitality and grocery operators, based on turnover and outlet numbers

Extracts from Operator Data Index and wider synthesis with total Eating Out market sizing

Lumina Intelligence Operator Data Index tracks and forecasts outlet and turnover information for over 400 brands across the eating out market

2017-2026F

Menu Tracker

Lumina Intelligence's Menu Tracker tool tracking menu data from operators across the Eating Out market

Branded restaurant operator menus analysed in the report

Spring/Summer 2022-2023

Secondary external sources

Lumina Intelligence also uses external sources including desk research, GFK Consumer Confidence Index and EY Item Club economic indicators

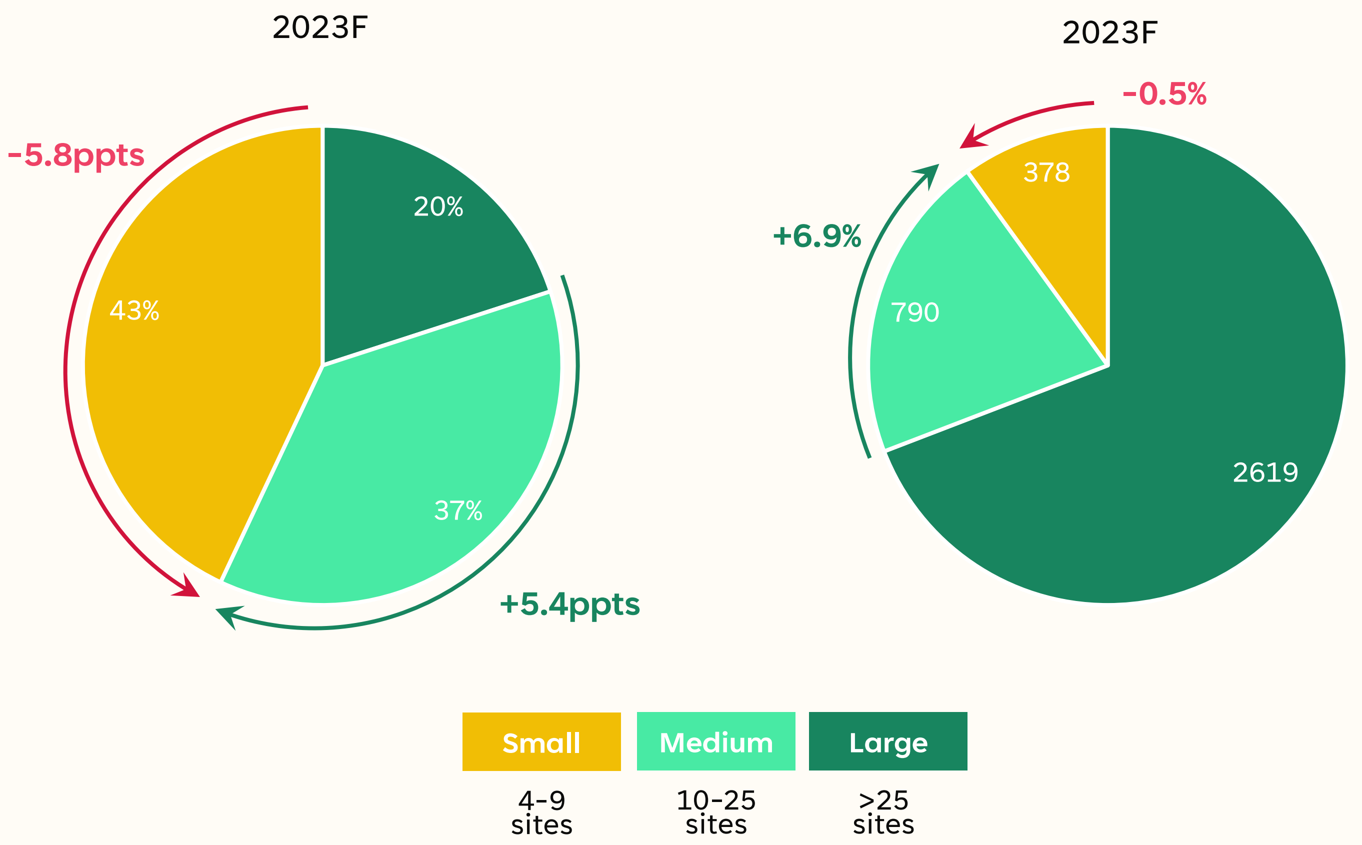
Sample Slides

Medium brands are growing estates

36.7% of branded restaurants have estates sized between 10-25 outlets, up from 31.3% in 2022. Medium sized estates have benefitted from their ability to adapt their proposition to align with changing consumer demands. Medium brands are expected to grow outlets by +6.9% in 2023 driven by previously smaller operators including Marugame Udon, Banana Tree and Rudy's Pizza increasing their estate sizes over the past year through conversions and franchising, supported by strong financial backing.

Estate size distribution, 2023F

Average percentage growth of estate size categories, 2023F



Source: Lumina Intelligence, November 2023

Culinary collaborations boost visibility

Operators including Fat Hippo, Pizza Pilgrims and Hawkmoor are incorporating cross-brand partnerships into their strategic growth plans to elevate market presence and boost visibility. These strategic partnerships effectively leverage the power of brand association and present opportunities for potential supplier and operator partners.

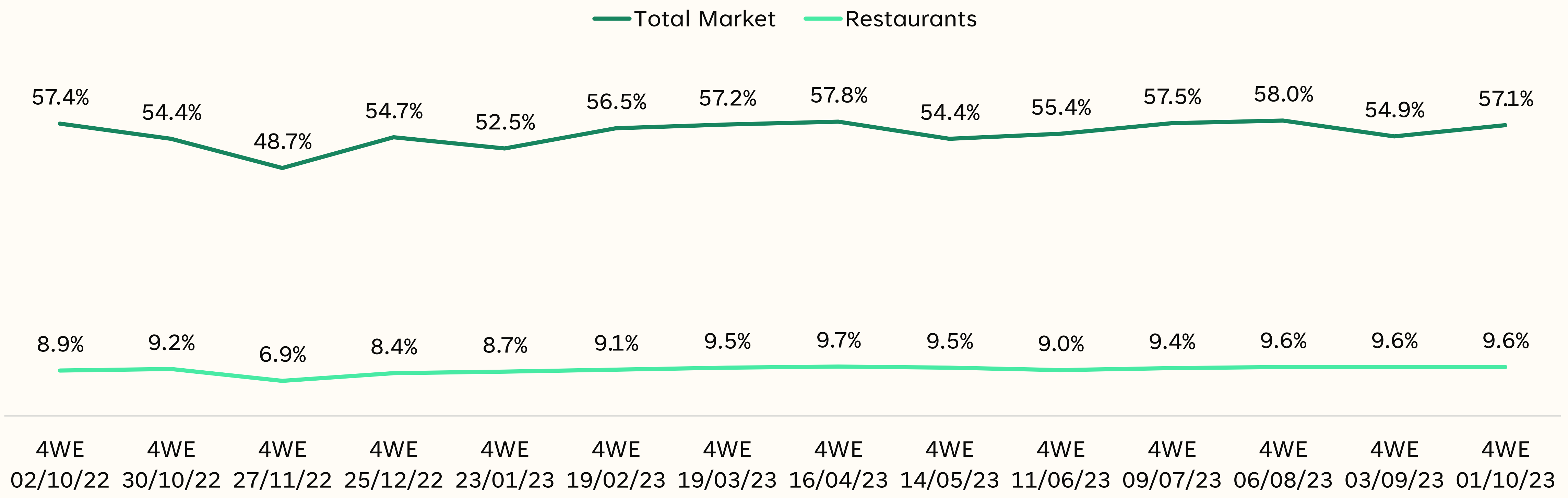
Examples of cross brand partnerships

Source: Instagram, Lumina Intelligence, November 2023

Restaurant penetration is stagnant year-on-year

The out of home market has remained relatively stable year-on-year, despite relative improvements in the cost of living. Consumers remain cautious with discretionary income with consumer confidence still at record lows.

Penetration - % of the UK who had an eating / drinking out occasion in the last week

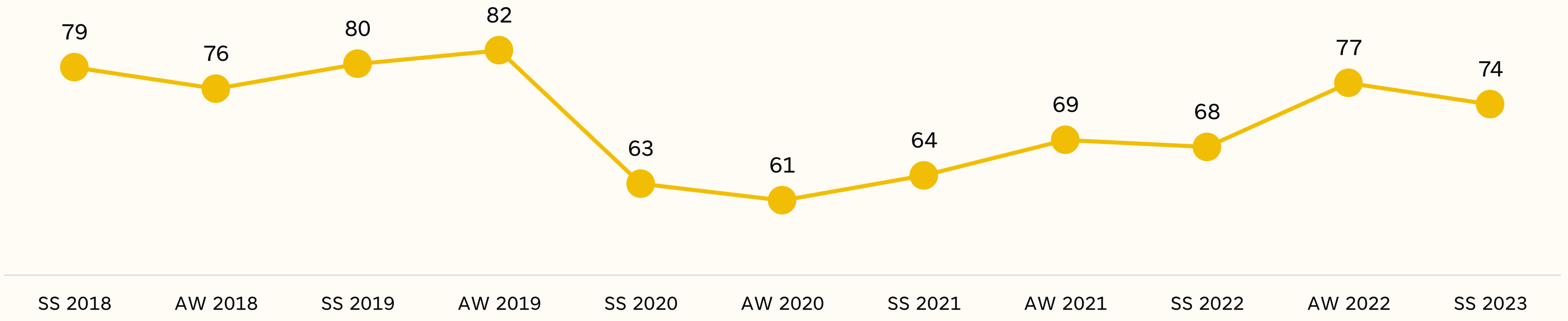


Source: Lumina Intelligence Eating & Drinking Out Panel, data collected 4WE 02/10/2022 to 4WE 01/10/2023

Dish counts stabilise post covid

Dish counts on menus have begun to stabilise in the past year as operators reintroduce dishes following restricted menus across the pandemic. Operators remain wary of reverting back to pre-Covid dish counts as challenges including food price inflation, increased running costs and continually low consumer confidence create a difficult trading environment.

Average dish count per chain restaurant menu, Spring/Summer 2018 – Spring/Summer 2022

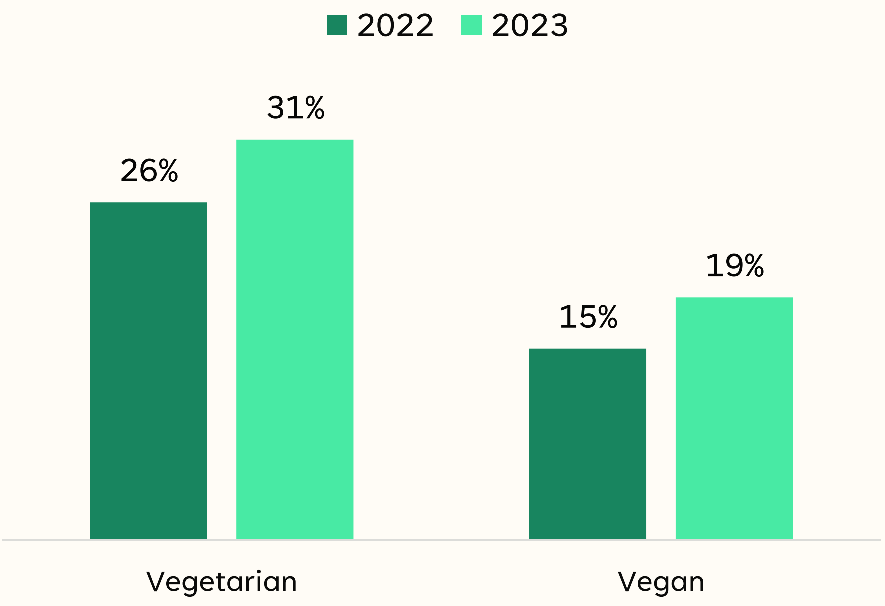


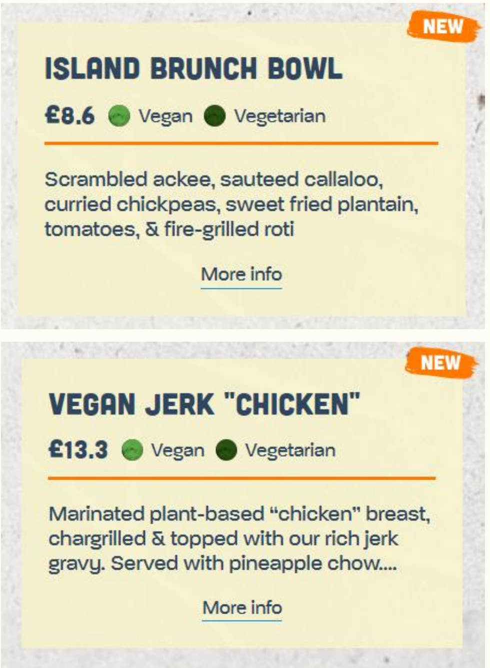
Source: Lumina Intelligence Menu Tracker Tool, Spring Summer 2022 and Spring Summer 2023

Plant based dishes grow on menus

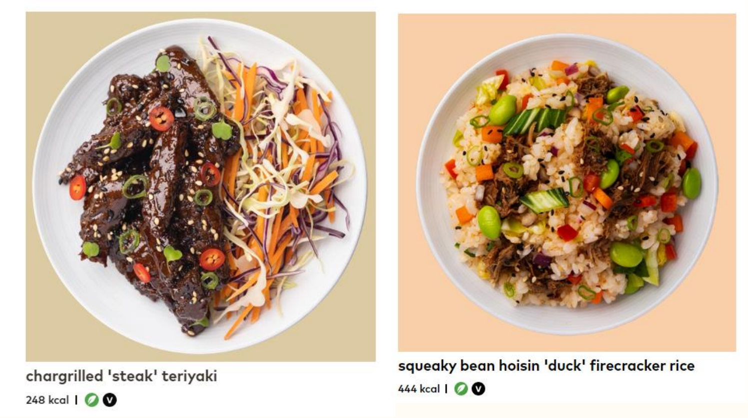
Restaurant operators have increased the proportion of menus that cater to plant-based consumers, with Turtle Bay introducing a range of new plant-based dishes on its menu. Nearly one-third of main dishes are vegetarian in the most recent period, as operators adjust ranges to cater to both vegetarians and flexitarians whilst also cutting costs of more expensive ingredients namely, meat.

Dietary requirement share of main dishes 2023





Turtle Bay new plant based dishes



Yo Sushi new meat-alternative dishes

Source: Lumina Intelligence Menu Tracker Tool, Spring Summer 2022 and Spring Summer 2023

Extended Table of Contents

Extended Table of Contents

Extended Table of Contents

Extended Table of Contents

Extended Table of Contents

How to use this report

Report section:	Market Insight	Competitive Landscape	Consumer Insight	Future Outlook
Relevant teams	Commercial, finance, data and insight, holding company, board	Commercial, finance, data and insight, holding company, board	Brand, creative, data and insight and marketing	Commercial, finance, data and insight, holding company, board
Operator Questions answered	What does the market look like and how will changes impact my business case and forecast? What are possible gaps that can be capitalised on?	What can we learn from how larger and smaller brands are innovating? How are our business efforts impacting our market share?	How are consumers interacting and thinking about different brands? What are their motivations? What are the opportunities to be exploited?	How will the market change across the next three years and what are the threats and opportunities?
Supplier/ Wholesale Questions answered	What does the market look like and how will changes impact my customers? What factors will need to be priorities for supporting customers?	Who are the winners and potential customers in the restaurant market?	How are operators having to adapt to deliver against changing consumer needs? What can we do to support our customers?	How will the market change across the next three years and what are the threats and opportunities?
Investor Questions answered	What is the landscape and the opportunity for growth in the market?	Who are the key players in the market and how are they performing?	What are key consumer behaviours and considerations that a prospect needs to be prioritising?	How will the market change across the next three years and what are the threats and opportunities?

Source: Lumina Intelligence, November 2023

Report Pricing

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Market Insight & Future Outlook

£1,500

Competitive Landscape

£1,500

Consumer Insight

£1,500

Product and Price

£1,500

Source text

Lumina Intelligence

To learn more about how Lumina Intelligence can support you, please get in touch using the contact details provided below.

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