

Lumina Intelligence

February 2024

Lumina Intelligence UK Food to Go Market Brochure

Lumina Intelligence



Report Introduction

The Lumina Intelligence **Food to Go Market Report 2024** is the ultimate guide to stay ahead in the fast-paced food to go industry.

With a focus on future outlook, and comprehensive insights into consumer behaviour and preferences, this report will provide you with the knowledge you need to validate your business strategy, track market size and share, plan new product development, or position your brand.

The report delves into growth drivers and inhibitors in the industry, and examines market growth, consumer insights, price analysis and turnover forecasts to 2025, enabling you to make informed decisions and stay ahead of the game.

Omnichannel, sustainability and digitalisation are key themes of the 2024 report, analysing the impact of a shift in consumer locations, government proposed legislation and developments in technology.



Source: Lumina Intelligence, November 2023

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

Sample Slides

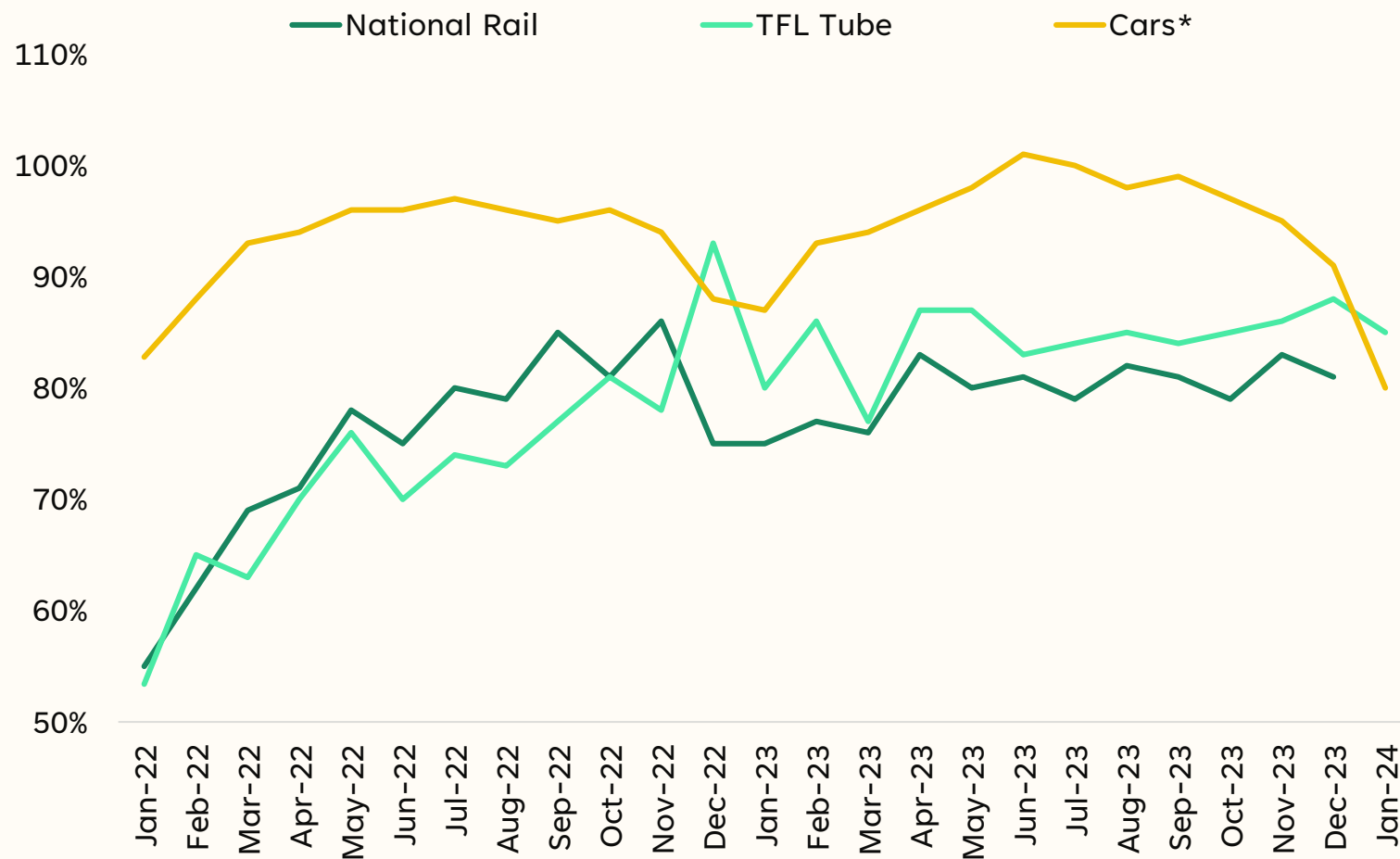




Travel: transience remains behind pre-covid levels

National rail usage averaged 80% of 2019 levels throughout 2023. TFL tube usage averaged 84% and car usage averaged 96%. Industrial strike action on the railways and TFL is expected to have impacted transience. The lack of notable recovery for cars points to a wider trend of a slow return to pre-covid habits regarding travelling. Hybrid working habits are expected to be playing a role, an ongoing factor impacting the food to go market.

Transport usage – percentage versus pre-covid usage



Source: ONS Transport Use Statistics, January 2024

Geopolitical, legislation & policy developments impacting the market



Business costs

There will be a +9.8% and +14.8% increase to the National Living Wage for those aged 21 and over and 18-20, respectively from April 2024.

Business cost increases are forcing operators to seek out technology-driven efficiencies including AI-powered rota and stock management.



Health

The Department of Health & Social Care is expected to implement the next phase of HFSS legislation – the restriction of HFSS products by volume price – in October 2025.

HFSS legislation is relevant to grocery operator, supplier and manufacturer businesses with many food to go products falling into the HFSS category.



Sustainability

The Extended producer responsibility for packaging (EPR) reforms started from 1 January 2023. All eligible businesses are required to start collecting data on their packaging waste. EPR for packaging fees have been deferred for 1 year, they will start in October 2025.



Supply shocks

Britain's new Border Target Operating Model (BTOM) comes into force from January 2024. It means border controls on imports for the first time in 50 years.

It is likely that food imports to the UK, particularly for meat, animal products and some fruits & veg categories will be disrupted, especially from April.

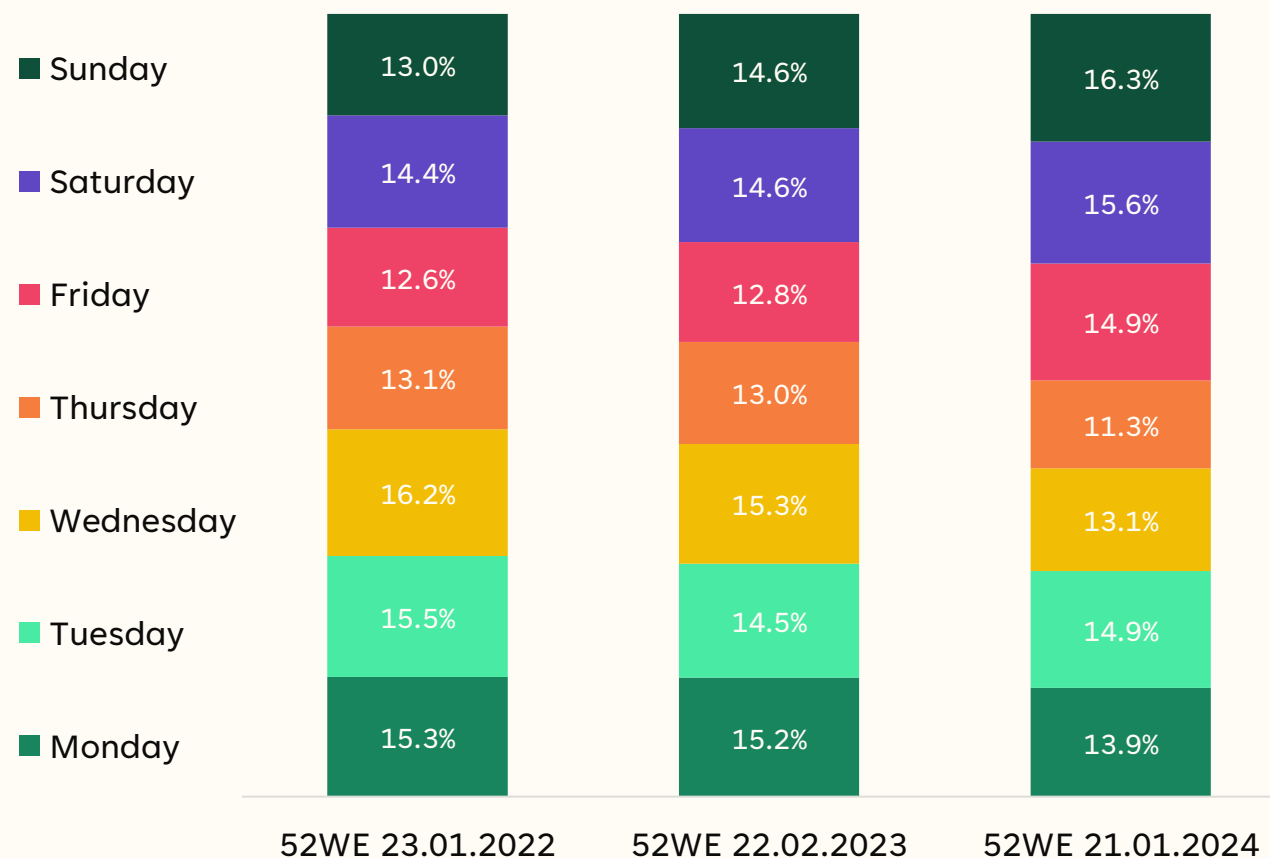
Source: Lumina Intelligence, February 2024



Midweek decline hindered weekday share of occasions in 2023

Food to go share of occasions declined on weekdays in 2023, driven by Wednesdays and Thursdays. Share shifts point to workers opting to bring lunches from home to save money.

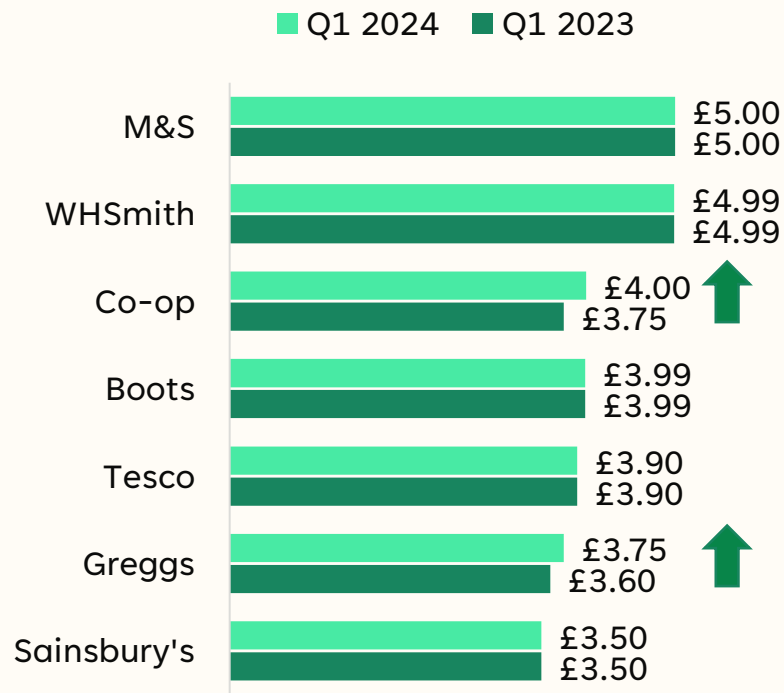
Food to go occasions by day of the week



Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 23.01.2022 to 52WE 22.01.2024

Operators avoid price hikes by introducing premium meal deals

Meal deal prices from top FTG brands, Q1 2023 vs Q1 2024



Meal deal prices have remained relatively stable with operators opting to introduce premium additions to justify higher price points. Tesco and Sainsbury's premium deals include branded products from Itsu and YO! as well as more gourmet sandwiches. Waitrose recently launched its first ever meal deal for £5 to compete with other FTG operators for key lunchtime trade.



Source: Lumina Intelligence, February 2024

Consumers prioritise quality when choosing food out of home



QUALITY-LED

73%

Of consumers
Very Quality Led

86%

Think good
quality has a
price

73%

Are happy to
pay more for
higher quality

Most consumers prioritise quality when making decisions about their food and drink purchasing behaviour out of home. Locally sourced and fresh produce are key elements contributing to quality credentials.

Westmorland Family – Motorway services celebrating craft



Westmorland family is a family-run business running unique motorway service areas boasting farm shops and kitchens supplied by its Cumbrian farm.

The family utilises **local partnerships** with its Tebay services working with 70 producers within a 30-mile radius and its Gloucester Services working with more than 130 in a 30-mile radius. Food served in its kitchens is made from scratch.

Source: Lumina Intelligence Eating & Drinking Out Panel 52WE 29/10/2023, Westmorland Family

Extended Table of Contents



Market Insights

Current overview of the market

How does this impact the business case and forecast?

Where are the gaps and how can they be utilised?

How are business efforts impacting market share?

NPD Analysis

What trends should be observed for seasonal campaign planning?

Are the trends big enough, early enough and commercially beneficial?

Competitive Landscape

Breakdown of the key players in the market across sub channels

New concepts and initiatives at an operator level

Price analysis on leading food to go operators

New product analysis through bespoke analysis

Future Outlook

Breakdown of future forecasts by sub-channel

What are the future growth drivers?

What are the longer term challenges facing food to go?

Report Details



Format
Electronic PDF

Pricing
£3250

Publication
February 2024

Access
Corporate Access

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)

2020-2024

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

2018-2027F

Secondary external sources

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

Source: Lumina Intelligence, February 2024

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

Get in touch

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