

Lumina Intelligence

2024

# Lumina Intelligence Top of Mind Report

Lumina Intelligence



# Report Introduction

The **Lumina Intelligence Top of Mind Report – 2024** provides business leaders with valuable insight into key market developments and the most critical business challenges and issues currently facing the UK Eating Out market and Grocery Retail market. With the aim to help validate and benchmark internal perspectives.

## Key focus areas:

- **What** is the state of the current business climate?
- **How** are trading environments expected to develop in the next 12 months and what expectations are behind this?
- **What** are the key long term consumer trends impacting both markets?
- **What** initiatives are being prioritised within businesses?
- **What** are the main business challenges?
- **Why** are businesses having difficulties in attracting and maintaining staff?
- **What** are the most admired brands?



# Sample Slides





# UK's new government will be facing pressure to relieve business headwinds

Staffing, employment policy and big changes to energy and infrastructure will raise concerns and ease frustrations for grocery retail and eating out market professionals.

## Expected areas of legislation changes, 2024F-2027F

### Staffing and employment policy

The government has unveiled plans to remove age-bands in NMW policy and to ban zero-hour contracts. These changes would disproportionately impact hospitality. These changes would increase staff costs, the likelihood of older candidates being employed as well as potentially less staff being employed.

Skills England should empower operators to utilise levy funding in areas that are needed for businesses. The government is looking to reduce the skills gap.

### Energy costs and business rates

Labour plans for publicly owned energy to lower costs. Labour has pledged to remove Vehicle Exercise Duty on electric vehicles purchased for fleet use above £40,000, encouraging usage among businesses.

The government has hinted at reforming the current business rates model to safeguard publicans, high streets and town centres in the age of online shopping to make the system fairer.

### Crime and violence

Labour is pledging laws to tackle violence against shop workers and to stop police ignoring thefts under the value of £200. Retailers should ask local MPs how they will tackle shop theft, violence and abuse towards shopworkers.

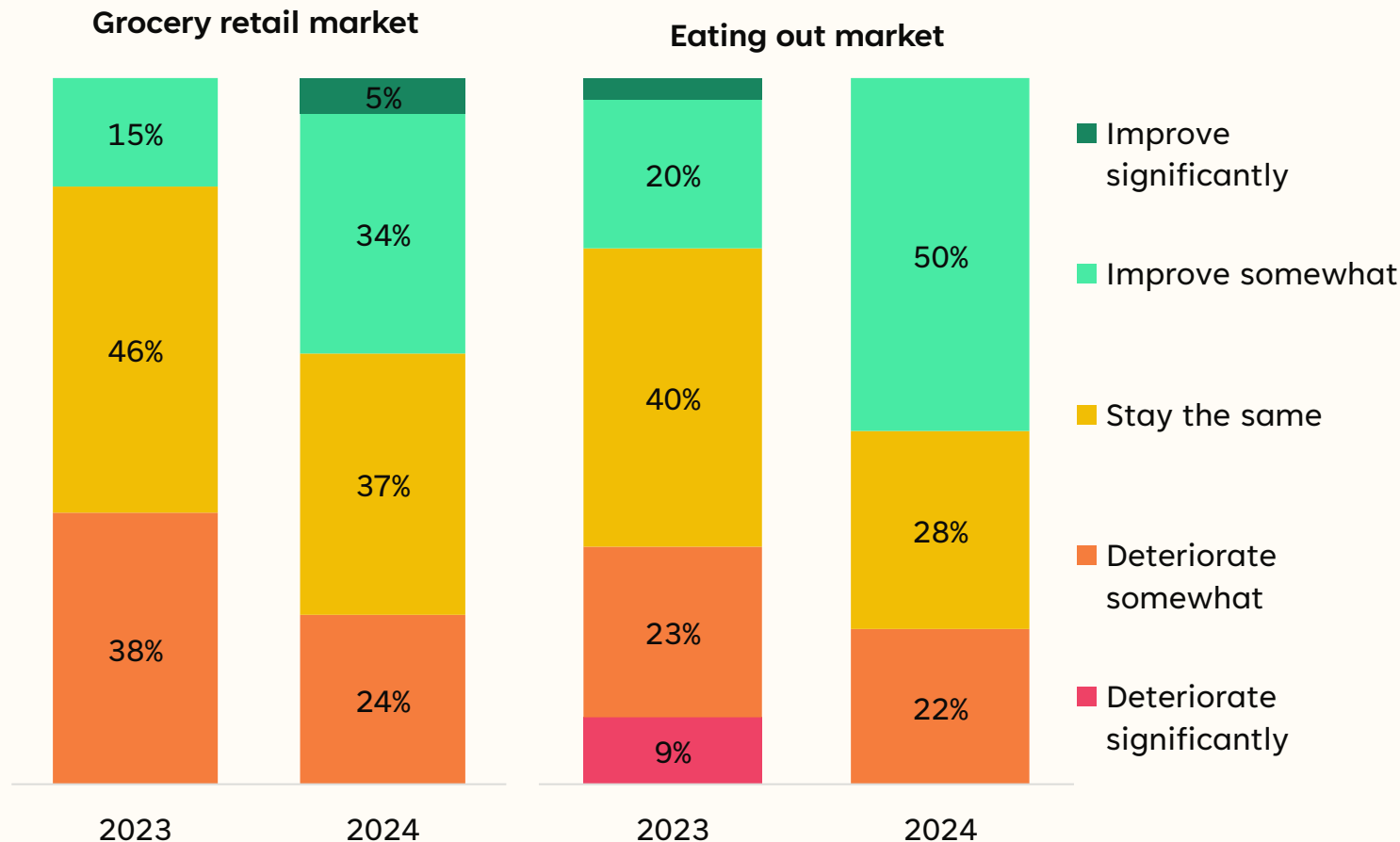
Source: Lumina Intelligence, August 2024



### Q. How do you expect trading conditions to develop over the next 12 months?

## Eating out market professionals are more optimistic about the future

Eating out market professionals have been slightly more optimistic in future trading expectations than those in grocery retail in the past. There are relatively equal numbers expecting a stagnant or worsening trading picture.

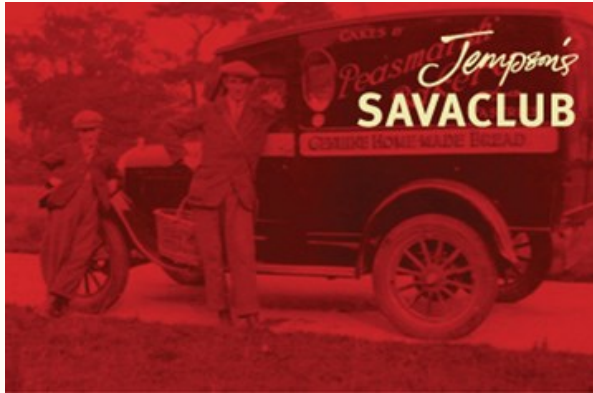


Source: Lumina Intelligence Top of Mind Business Leaders Survey, August 2024

## Value investment examples, grocery retail market, 2024

## Grocery retail market operators are investing in value

Retailers are using loyalty schemes and own label ranges to appeal to shoppers by providing value for money and encouraging repeat custom. Loyalty schemes also enable retailers to collect customer data and provide insights into behaviours to personalise offers.



**Jempson's** has introduced its loyalty scheme, SavaClub Card, which enables shoppers to earn 1 point for every £1 spent. Shoppers who collect at least 250 points will be rewarded with a voucher to spend in store every 4 months.



**Bestway** has reintroduced its **Best-in** own-label range after seven years with 160 new and reformulated products under its legacy Best-one brand. The launch aims to boost accessibility and target value within convenience stores.

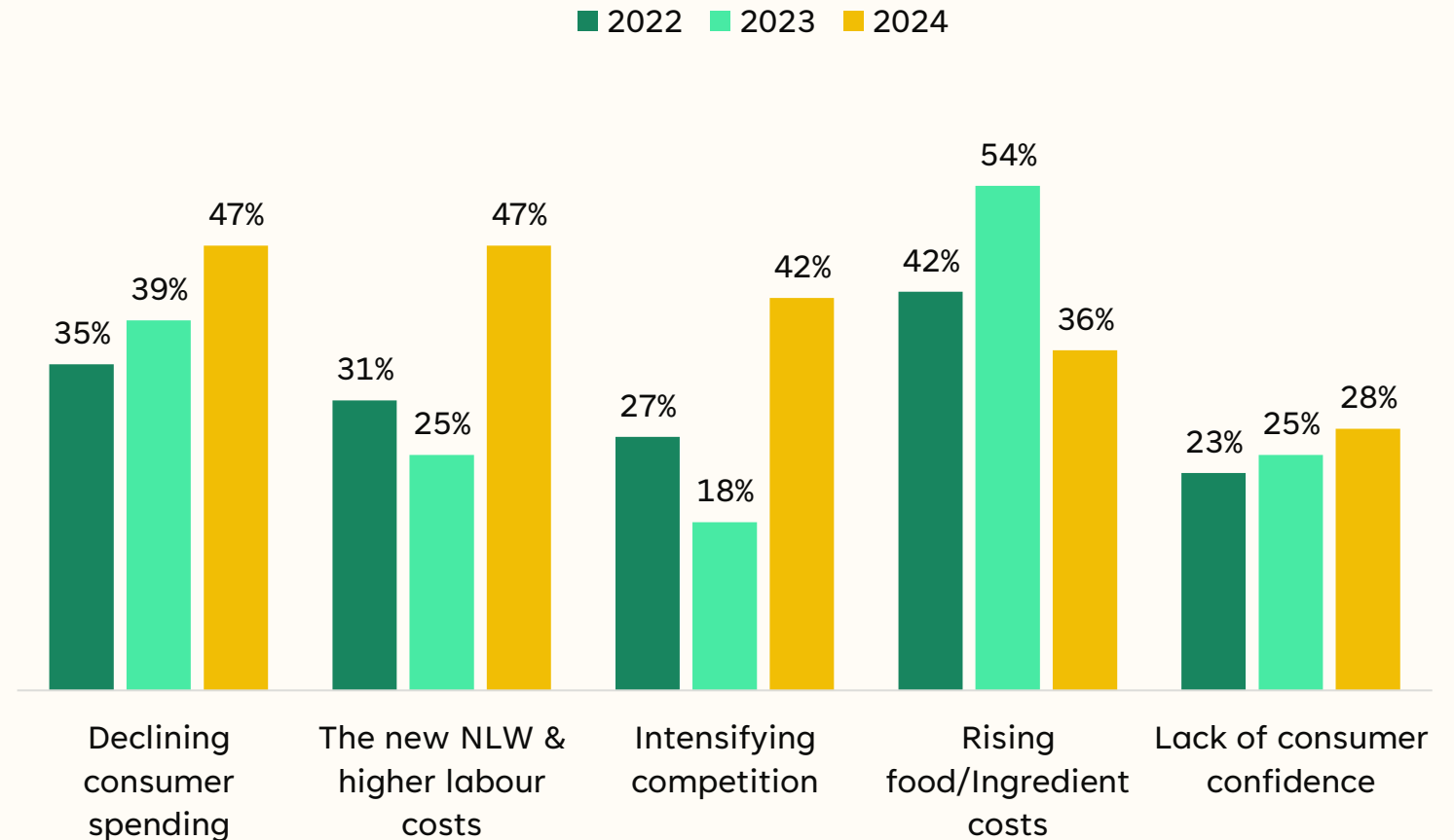
Source: Lumina Intelligence Top of Mind Business Leaders Survey, August 2024



**Q: In your view, what are the most important business challenges facing your organisation currently? – grocery retail market (top 5)**

## Consumer spending remains a concern despite stronger spending power

Declining consumer spending has increased this year to take the top spot of business challenges facing grocery retail organisations. Intensifying competition is rising as a challenge. Grocery businesses are locked in everyday low price and loyalty/reward competitions.



Source: Lumina Intelligence Top of Mind Business Leaders Survey, August 2024



### Most admired brands in hospitality summary

	Quality	Good value	Consistency	Expansion	Experience-led	Innovation	Sustainability
Greggs		●		●		●	
McDonald's				●		●	
The Ivy Collection	●		●		●		
Albert Schloss					●		
Dishoom	●				●		
Rudy's Pizza		●					
Flat Iron	●	●					
Gail's	●		●	●			
Nando's		●	●				
Pig Hotels	●			●			●
Pret A Manger	●		●				

## Balancing quality and good value is admired in hospitality

Quality and good value were the most referenced reasons to admire a hospitality brand, in keeping with the theme of adding value to consumer experiences. Brands from a range of channels were named including quick service restaurants, sandwich & bakery and hotels.

Source: Lumina Intelligence Top of Mind Business Leaders Survey, August 2024



# Extended Table of Contents



## Market Context

Consequences of falling inflation

Key economic indicators

Future economy sentiment

GFK consumer confidence

## Market Context

UK inflation and wage growth, 2018-2024

UK's new government will be facing pressure to relieve business headwinds

Expected areas of legislation changes, 2024F-2027F

## Trading Environment

Market conditions for grocery retailers

Eating out market perception

Eating out market future outlook

Future expectations

Trading conditions

Legislation, government priorities and extreme weather impact

## Market Trends

Consumer trends

Value investment examples, grocery retail market, 2024

Employee wellbeing and new processes

Sustainability and digitalisation

Source: Lumina Intelligence, August 2024

# Methodology

## Top Of Mind Business leaders survey



Lumina Intelligence Top of Mind business leaders survey is an online questionnaire targeted at industry professionals across the eating out and grocery retail markets, focused on understanding the current trading environment, challenges and growth opportunities.

It is based on responses from 70 leaders working in senior management positions.

The survey was carried out from June-August 2024 and data has been compared to previous waves, collected in June-August 2021-2023.

Source: Lumina Intelligence, September 2024

## Supporting data sources

### 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-present

### Convenience Tracking Programme (CTP)



Lumina Intelligence's UK Convenience Tracking Programme (CTP) – survey-based data collection with 1,500 responses weekly and 78,000 on an annual basis

2020-present

# Report Details



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