

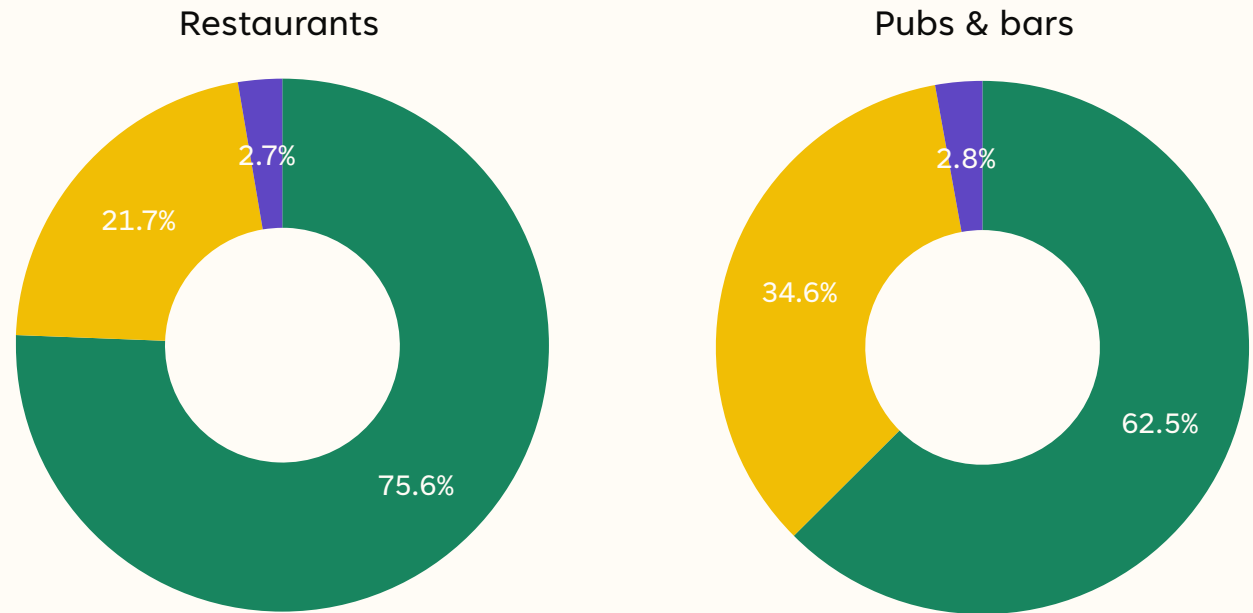


Same-line dishes by proportion of price increases, Spring/Summer 2024

■ Increased ■ Retained ■ Decreased

Three quarters of same-line restaurant dishes have increased in price

There is a high proportion of dish increases across chain restaurants and pubs & bars, with operators needing to increase prices owing to inflation, ingredient price rises and cost hikes. Safeguarding profitability is becoming increasingly challenging for operators across the hospitality market.



Source: Lumina Intelligence Menu Tracker Tool, Spring/Summer 2024



Vegetarian and vegan dish examples, 2024

Vegetarian and vegan dishes have a stronger focus on vegetables in 2024

Operators across the breadth of the market are introducing plant-based dishes where vegetables are the hero in 2024. Veg-first focus has boosted in 2024, aligned with consumer preferences towards whole foods and attitudes around faux meat options shifting amid fears of ultra-processing.



RETURN OF THE VEG (VE)
Quinoa crusted pumpkin & spinach patty, sweet & spicy onions, dragon mayo & crispy onion rings

Brewdog

Thai Green Curry ♥
With Tenderstem® broccoli, peas, bamboo shoots and sweet potato, served with white rice (631kcal)
↑ Add a GARDEN GOURMET® Sensational™ Chicken Style Fillet ♥ (+177kcal)

Brewer's Fayre



Wagamama – butternut squash and coconut kare curry

Source: Lumina Intelligence Menu Tracker Tool, Spring/Summer 2024

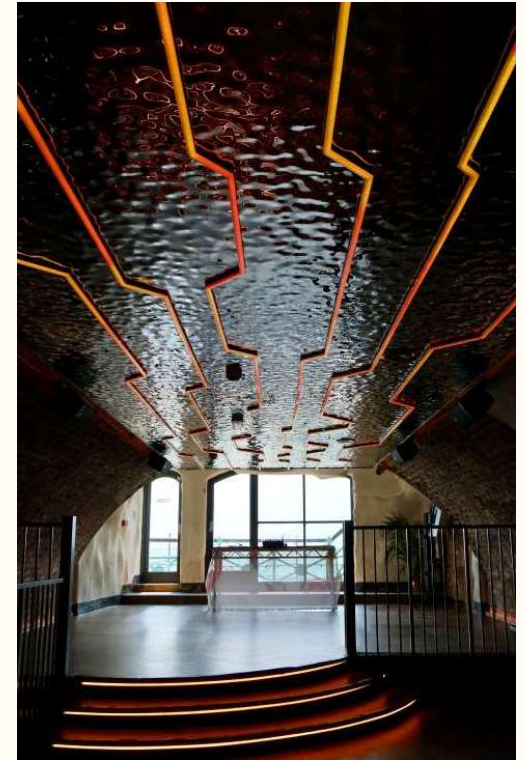
Tech-innovation supports the rise of chameleon venues

Warm – Chameleon Venues

Chameleon venues are reshaping the hospitality landscape, offering a glimpse into the future of flexible, multi-use spaces that cater to modern consumers' diverse needs. By embracing adaptability, these venues not only enhance customer experiences but also drive profitability and community engagement.

- **Laine Pub Co.** is investing in evolving its format through new technologies to extend its reach and appeal to a wider audience throughout the day. The company recently remodelled **The Tempest** in Brighton, integrating advanced lighting technology to create different atmospheres based on the time of day. This lighting serves as a zonal tool, guiding the type of occasion from daytime meals to late-night drinks.

Source: The Drink Business, Laine Pub Co., Lumina Intelligence, December 2024



Lumina Comment:

Operators can attract a diverse demographic by integrating technology to create a chameleon concepts, broadening consumer bases and ensure the on-trade remains relevant in the future.

Warm

Irish and Indian-Irish fusion concepts are appearing in London

Emerald Eats has brought authentic Irish fast-food favourites to the capital, including chicken fillet rolls, spice bags and curry chips. The brand is available at Broadway market and does kitchen takeovers and deliveries to Irish pubs including Nancy Spains. The street food vendor has recently started working with market operator Kerb.

Emerald Eats, authentic Irish fast-food



Source: Lumina Intelligence, Instagram, December 2024

Pistachio and matcha have been central to innovation in mainstream coffee & sandwich outlets

Established – Pistachio

Pistachio flavouring and cream have been a key ingredient of innovation in 2024. This spans from artisan bakery, desserts, hot drinks and confectionery. **Coco di Mama** launched a new **Pistachio & Chocolate Iced Latte**, while Dubai based **Fix Dessert Chocolatier** took social media by a storm with its ‘Can’t get Knafeh’, a crispy kataifi, pistachio and tahini paste chocolate bar.



Coco di Mama

PISTACHIO & CHOCOLATE ICED LATTE



Fix Dessert Chocolatier

Emerging – Matcha

Matcha is growing in popularity as a flavouring and ingredient in food and drink. The bright green colour creates an ‘instagrammable’ aesthetic, whilst health benefits including being high in antioxidants, has led to heightened consumer demand and industry innovation. Matcha has been a core feature on NPD and menus across the coffee shop channel.



Big Matcha Energy
Matcha, Banana, Date Puree, Collagen & Whey Protein, Sprout M*lk, Ice
£9.00

NEW



Oat Vanilla Matcha Latte
Matcha, Oat Drink, Vanilla Syrup
£5.20

NEW

Joe & the Juice

Seasonal Drinks Matcha #MMMMDI Cold Brew



Iced Vanilla Fudge Matcha £4.20
Vanilla fudge oat milk and ceremonial matcha, served iced.
POPULAR SEASONAL



Iced Banana Bread Matcha £4.20
Banana, nutmeg, and cinnamon mixed with oat milk and ceremoni...
SEASONAL



Banana Bread Matcha £4.20
Banana, nutmeg, and cinnamon mixed with oat milk and ceremoni...
SEASONAL

Matcha



Iced Blueberry Matcha £3.90
A refreshing matcha latte, made with ceremonial grade matcha, wit...
POPULAR

Blank Street Coffee

Source: Lumina Intelligence 2024, Coco Di Mama, Fix Dessert Chocolatier, Joe & the Juice, Blank Street Coffee

New trends develop within functional health drinks

Functional health drinks emerged at a fast rate and are now established within the drinks category. New, innovative trends are developing including hydration, magnesium and vitamin rich miracle ‘post night out’.

Established – Functional Health Drinks

Rapid Hydration

‘Rapid Hydration’ is forecast to be a core element of functional health drink innovation in 2025, highlighting further merging and evolution of the sports, soft and functional drink category.



This year, **Punchy**, launched a duo of ‘everyday’ hydration cans filled with electrolytes, minerals and vitamins.

Magnesium

‘Magnesium’ is set to be a key ingredient within functional drinks innovation due to estimations that most diets are lacking in it. **BetterYou** launched a range of Magnesium waters with three varieties, unlocking the health benefits of magnesium for ‘hydrate’, ‘energy’ and ‘focus’.



Post Night Out

Capitalising on trends where consumers seek to evade the negative impact of alcohol, US start up **‘Sure Shot’** is targeting the European market with its functional drink aimed at combatting the hangover.



Source: Lumina Intelligence 2024, Food Navigator, Lumina Intelligence

The Autumn Budget will pose challenges and force strategic adjustments

Lumina Intelligence predicts that these changes will increase operational cost, promoting operators to streamline processes, leverage automation, and recalibrate pricing models. Success will depend on ability to balance cost control with maintaining consumer value.



Increased national insurance contributions (NICS): From April 2025, employers' NICs will rise to 15%, lowering the earnings threshold to £5,000. This change represents an additional £30.9m in yearly NI costs for the wholesale sector.



Increase in national living wage (NLW): From April 2025, the NLW is set to rise to £12.21 per hour. While this benefits employees, the new rates (NLW & Employer NIC) add an estimated £110m direct wage costs to the sector.



Reduction in business rates relief: The business rates relief will decrease from 75% to 40% for the 2025/26 tax year, resulting in higher operational costs.



Sugar tax levy increase: The sugar tax levy will see an annual increase of 27% from April 2025, to reflect the change in inflation from April 2018-April 2024. Increasing rates will put pressure on operators to prioritise compliant options.



Corporation Tax cap: The government's Corporate Tax Roadmap caps the rate at 25% for this Parliament. While this may boost investment for larger businesses, the benefit will be tempered by other fiscal measures.



Alcohol Duty: From February 2025 alcohol duty rates on draught products below 8.5% ABV will be cut by 1.7%. Alcohol duty rates on non-draught alcoholic products will increase in line with RPI.

Source: MCA, The Financial Times, FWD, DGA, Lumina Intelligence, December 2024