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**UK convenience retail market sees £3.8bn boost from coronavirus**

According to the new UK Convenience Market Report Update 2020 from Lumina Intelligence, the convenience retail market is set to grow by +9.2% or £3.8bn in 2020, due to the impact of the coronavirus pandemic.

While all convenience channels are forecast to grow in 2020, co-operatives, symbol groups and unaffiliated independents are set to outperform the total market, with forecasted growth rates of +11%, +10.9% and +9.,9% respectively.

Restrictions on movement, a fall in out of home consumption and the increased adoption of technology are all factors that have benefitted the UK grocery retail market throughout the pandemic. Local convenience store retailers were - and continue to be - best placed to capitalise on the growth opportunities, as shoppers stay closer to home and show a reluctance to visit larger, busier stores. Convenience stores can also adapt quicker to changes in demand, ensuring that they have the products in stock that their shoppers are looking for, something that many of the major retailers struggled with at the start of lockdown.

As the UK government tightens restrictions once again and the message reverts back to ‘stay at home’, convenience stores have an opportunity to continue this growth trajectory and increase loyalty. Food to go offers an opportunity for convenience retail to grow its share and compete with foodservice specialists. Convenience shoppers on a food to go mission have increased by 5ppts, accounting for over one in ten shoppers post lockdown. Retaining these shoppers through offering competitive value and promotions is a key opportunity as consumers become increasingly price sensitive going into the recessionary impact period.

Looking forward, the report predicts that the UK convenience retail market will reach a value of £46bn by 2023, as weekly sales per store return to more typical levels in 2021 and beyond. In addition, consumers are expected to return to foodservice, with out of home food and beverage spend expected to regain the share it lost in 2020.

Katherine Prowse, Insight Manager at Lumina Intelligence says, “Throughout the lockdown period, convenience retailers offered a lifeline to local communities across the UK. Record year-on-year growth is a testament to the efforts of these frontline workers. As restrictions begin to tighten again, retailers can reassure shoppers that they will continue to support them.”

“Whilst we forecast growth to normalise in 2021, this period provides the perfect opportunity for retailers to cement their position within the local community and drive loyalty in order to maintain footfall once the pandemic is over.”

Lumina Intelligence, in partnership with conveniencestore.co.uk and The Grocer are hosting The Convenience Awards 2020 on Tuesday 29 September at 5pm. A virtual event that sees 23 awards recognise the best people, business and initiatives from across the convenience industry. Make sure you are registered to watch for free. [Register here](https://www.theconvenienceawards.com/live/en/page/home)

**ENDS**

**Report methodology**

The Lumina Intelligence Convenience Market Report 2020 has been reviewed post coronavirus and updated, providing a comprehensive and relevant overview of the Convenience market. The report includes the impact of coronavirus, the evolving needs of consumers and the challenges and opportunities on the horizon. The report has been renewed and updated to include the most relevant perspective on the future of convenience in these ever-changing times.

The report draws from several analysis tools across Lumina Intelligence, including:

* Consumer Tracking Programme 2020 - Over 20,000 face-to-face shopper interviews in convenience stores across England, Scotland, Wales & Northern Ireland. Research covers all days of the week from 7am – 10pm.
* Channel Pulse – a weekly measure of shopper and consumer behaviour across all UK food and drink channels – consisting of 1,000 interviews per week.
* Omnichannel Tracker - Online feedback from a nationally representative sample of 1,000 UK adults
* Operator Data Index - provides comprehensive data on leading UK convenience operators, including rankings, outlet numbers and estimated sales.

**About Lumina Intelligence**

Lumina Intelligence inspires the global food and drink sector with deep, actionable insights powered by the world’s best analytics technology. Our products and services are used by the major brands and organisations in these fast moving and growing markets to support business planning, strategic marketing and new product development.

With offices in London, Chicago, Montpellier, and Singapore, and local on the ground analysts across our businesses, you can trust our market knowledge. We are committed to providing all our customers with up to date accurate information to support critical decision making.

Combining the expertise and experience of HIM, MCA Insight and Lumina Intelligence, we are the experts in market and consumer insight across the food & drink and nutrition markets.

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