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**The UK eating out market is set to value £95.2 billion in 2022, +4% versus its 2019 value**

According to the new Lumina Intelligence UK Eating Out Market Report 2022, the UK eating out market is set to value £95.2 billion in 2022, +4% versus its 2019 value – meaning that inflation is outpacing market growth.

Outlet growth is expected to be positive from 2022, at a compound annual growth rate (CAGR) of +0.5% from 2022F-2025F, up from the -0.5% from 2019-2022F. Low ticket channels including coffee shops, sandwich & bakery and fast food are gaining outlet share of the market post pandemic.

**Retail, travel and leisure best performing segment of the total market**

Versus 2019, retail, travel and leisure is set to be the best performing segment of the UK eating out market, growing at +9.1% against its 2019 value. In comparison, hotels, pubs and restaurants are set for growth of +2.8% versus 2019 and contract catering growth of +3.4%.

At a value of £68.7bn, hotels, pubs and restaurants is the largest segment of the UK eating out market, but is also set to see the slowest recovery, with continued outlet decline and dampened consumer confidence impacting footfall in the segment.

**Top 10 UK eating out brands to grow +17.1% in 2022**

The top 10 UK eating out brands are set to be worth £15.2bn in 2022, with McDonald’s the biggest in the market. Brands including KFC, Greggs and Domino’s are expected to see turnover recovery from 2019 upwards of +20.0%.

As a group, the top UK eating out brands command a market share of 15.9% - a decline of -1.3ppts versus 2019.

**Cost pressures see consumers becoming more price-led**

There has been a +2ppt increase in consumers being price-led, amid decade-high inflation and the rising cost of living in the UK. 72% of consumers align with price-led values, meaning that operators across the market will need to emphasise value for money credentials through promotions, loyalty schemes and good quality products and services.

The proportion of consumers eating out has seen a boost of +23% and visit frequency has increased by +15% over the 12 weeks ending 15/05/22, compared to the same period last year when dine-in was restricted to outdoor-only. Average spend has grown by +12%, compared to last May period when occasions heavily relied on delivery and quick service channels.

However, between December 2021 and May 2022, these increases have been modest. Penetration rose by +3%, visit frequency remained flat at 1.5 times per week and spend grew just +2% to £10.79 per visit.

**Lunch sees biggest increase in day part share**

Lunch occasions have seen the biggest increase in day-part share in 12WE 15/05/22, compared to the same period last year (+3.3ppts). This growth has been at the expense of dinner occasions which have declined by -4.4ppts, as consumers opted for daytime occasions including lunch, snack and drink-only occasions. This is driven by more workers being back in offices and seeking quick, affordable and on the go solutions.

**Increase in occasions including both food and drink**

Occasions that include both food and drink have dominated the eating/drinking out market in 12WE 15/05/22, up by +1ppt versus 12WE 20/02/22. Drink-only occasions have also increased in the period by +0.6ppts, showcasing the opportunity for operators to offer a greater range of meal deal pairings including drinks to prompt consumers to purchase food alongside a drink.

Over the same period, alcoholic drinks are increasing share of occasions by +1ppt, driven by sporting events and consumers opting for more pubs visits. Beer consumption has increased by +2ppts, driven by the warmer weather and sporting events. San Miguel has grown its share by +2ppts, with consumers opting for more premium beers, highlighting an opportunity to drive spend through premium occasions.

**UK eating out market to be worth £102.8bn in 2025**

The eating out market is forecast to total £102.8 billion in 2025, representing a compound annual growth rate (CAGR) of +2.6% from 2022F-2025F.

Inflation is forecast to sit between 2.5% and 2.0% from 2023-2025, meaning there will be little volume growth in the market to 2025.

There is a £5.7bn size of the prize for the top 10 sub channels from 2022F-2025F. Managed, branded and franchised pubs are set to lead in absolute value growth.

Commenting on the findings, Senior Insight Manager at Lumina Intelligence, Katie Prowse, said: *“Operators across the UK eating out market will be buoyed by the end of the pandemic and the impact of a year’s trading without restrictions. However, the reality will not live up to expectations, as operators face rising costs, staff shortages and squeezed household incomes. We are already seeing the impact of these in the data, with spend growth and penetration both slowing. Operators face a significant challenge managing costs, as well as attracting footfall.”*

*“Despite the challenges, there will be opportunities. This £5.7bn opportunity between 2022-25 shows the size of the prize for brands. Delivery, premiumisation and digitisation all continue to be key trends shaping the future of eating and drinking out. Delivery continues to grow its share of the total eating out market.”*

Find out more about Lumina Intelligence’s UK Eating Out Market Report 2022 [here](https://store.lumina-intelligence.com/product/uk-eating-out-market-report-2022/).

**ENDS**

**UK Eating Out Market Report 2022**

Released today, this report covers the market, consumer and menu trends impacting the entire UK eating and drinking out market. The report consists of:

* Consumer eating out behaviour data based on 78,000 surveys across the year from Lumina Intelligence’s Eating & Drinking Out Panel.
* Extracts from Lumina Intelligence Operator Data Index and synthesis with wider market sizing databases.
* Desk research: news articles and trade press, company websites and industry associations.

**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.

<https://www.lumina-intelligence.com/>