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**Veganuary to the Rescue: Operators lean on Healthier Eating trend to manage costs as inflation soars**

Since Spring/Summer 2022, restaurant, and pub & bar same-line dish\* price inflation has increased to **+7.9%** and **+7.2%** respectively. Inflationary pressures alongside cost increases have forced operators to increase prices at a **higher rate in 2022**, and operators are capitalising on **healthier eating** and **sustainability** food trends to manage costs.

New year resolutions aside, **health-consciousness** and a focus on sustainability were flagged as some of the sector’s mega trends by Lumina Intelligence’s [Menu & Food Trends Report](https://store.lumina-intelligence.com/product/menu-food-trends-report-2022/) 2022. The trend aligns with much-needed cost management in menus and focusing on lighter and more meat-free dishes is allowing operators to handle annual price increases more effectively, as these measures facilitate smaller portions and the utilisation of less expensive ingredients, hence reducing food waste, and strengthening margins.

The result, as Lumina Intelligence’s Menu Tracker indicates, is that the total proportion of dishes containing meat has fallen by **-3ppts** from 2019 to 2022. Vegan diets when eating out have increased **+11%** QoQ, which perhaps shouldn’t come so much as a surprise if we consider **66%** of consumers state they are **very sustainably conscious**.

And while vegan diets don’t necessary imply calory scrutiny, **healthier eating** is also trending, and the average calorie count of a dish has fallen by **-2.4%** from May to October 2022, which is also contributing to managing the impact of compulsory calorie labelling on consumers and encouraging eating out missions.

Customisation\*\* is another popular tool for both operators and consumers within this space, as it facilitates catering for dietary preferences. **There has been a +20ppt increase in the share of dishes that are customisable from 2019 to 2022,** and whilevariations of dishes do present operational challenges for operators, these challenges are being reflected in the price point: pub and bar customisable dishes are **+28%** more expensive than the average dish, and they continue to allow premiumisation.

**Menu management**, **sustainability practices** and **digitalisation** will be key to the recovery of the total eating out market, which is expected to add up to **£101bn** in 2025, following stability in inflation and recovery in consumer spending power.As of now**,** investment in sustainability is being prioritised by 80% of eating out businesses and will be centred around more efficient practises and waste management, while innovations in creating sustainable alternatives to staple ingredients will continue in 2023, shielding operators from cost fluctuations and capitalising on the aforementioned flexitarian trends**.**

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\**same-line dishes*: dishes retained on menus from previous same season with the same name and dish decription

\*\**customisation*: dishes that can be amended e.g. change protein, dish change is flagged on menu

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**Menu & Food Trends Report 2022**

The Lumina Intelligence Menu & Food Trends Report 2022 provides a comprehensive overview of menu engineering and pricing trends from across the UK hospitality sector. Understand how operators are adapting their menus in the face of significant headwinds, including price inflation, dish count and product labelling. Identify the mega trends impacting the UK hospitality sector and the opportunities and challenges that these present, including the attitudes and expectations of consumers.

**Methodology:**

The report has been produced using the following tools and actions:

* **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).
* **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.
* **Menu Tracker:** Lumina Intelligence’s Menu Tracker tool tracking menu data from +150 operators across the Eating Out market Spring/Summer 2017-2022, plus monthly data collection across four channels -February 2022-October 2022.
* **Channel Pulse:** A cross-channel data solution spanning in and out of home. Monitors and measures how consumers purchase their food and drink at all meal occasions and across all channels (1,000 respondents per week).
* **Top Of Mind Leaders Survey:** Lumina Intelligence Top Of Mind Business Professionals Survey investigating current trading conditions, the leading challenges and opportunities according to grocery retail and hospitality business professionals