

**For Immediate Release**

## **UK consumers set to spend £42 billion eating out in 2011**

*11 July 2011, London - Industry analysts Allegra Strategies release the Eating Out in the UK 2011 Report, which identifies the size of the market, changing consumer behaviours and key trends.*

Allegra's detailed research has identified the value of the UK Informal Eating Out market is expected to grow by 2.8% to reach £42 billion in 2011. Consumers are eating out more often than last year, as it's now a habitual way to socialise. This trend is set to continue but reduced disposable income and low spend thresholds are influencing their choice when deciding where to eat.

This has resulted in the low-mid value market is showing the greatest signs of growth, as consumers' look for value together with increasing their lunchtime visits.

**Eating out has become a habitual part of UK consumers' everyday lives. Consumers are now far more savvy and demanding than ever before**

- On average 1 in 9 meals are being consumed away from home in 2011, increasing from 2010 levels of 1 in 10
- Lunchtime visits are increasing, from 3.4 per month in 2010 to 4.1 per month in 2011
- Lunch is the most popular meal eaten out of home, with 34% of consumers having at least one lunch meal out per week. This compares with 23% for dinner and 15% for breakfast
- Discounting is now entrenched in consumer behaviour, supporting market resilience by enhancing affordability and boosting footfall. With 1 in 2 adults regularly using vouchers, compared to 1 in 3 in 2010, it has become a permanent feature of the market

- Coffee shops have the highest visit frequencies, with 31% of customers making at least one meal purchase per week, compared to 23% last year
- Previous experience continues to be the main driver of venue choice for consumers. There are differences between influences depending on day-part however. At lunch consumers are looking for convenience and quality, in the evening they want food quality and atmosphere

**The UK foodservice industry has a responsibility to contribute to the improvement of consumer dietary health**

- Health consciousness has become more important to consumers as 92% state they have or would like to have a healthier lifestyle compared to 88% in 2010

**Consumer expectations for ethical practices are now embedded, making transparent and honest ethical communication key for operators**

- Local and regional sourcing remains the most important ethical initiative for operators to engage in, according to 43% of consumers
- Over half of consumers stated that they prefer to eat out at establishments where ingredients are locally or regionally sourced

**Social media has become a vital source of consumer engagement, developing two-way conversations enabling co-creation which is a highly effective and relatively low cost marketing tool**

- In the long-term, social media will encourage higher standards and potentially new ways to connect on-site with consumers
- Foodservice operators need to embrace the opportunities presented by social media instead of simply using it as a selling tool

**Anya Gascoine Marco, Head of Food and Beverage Insight, Allegra Strategies,** said: “Eating out is an important part of UK consumers’ everyday lives. The increasing visit frequency shows that regardless of prevailing economic conditions, people are determined to continue to enjoy themselves when they can.

There is still concern in the industry however and rightly so, as key economic indicators show no signs of significant improvement until at least 2013.

More engagement from operators with the evermore sophisticated UK consumer is essential to strengthen loyalty and attract new customers and help them move away from their habitual discount voucher use.

Consumers are looking for improved healthier options to be available, together with a commitment from operators to showcase ethical practices. A key method to connect with consumers on both fronts and across all marketing communications is through the increasingly popular social media platforms. This gives operators the chance to truly engage with their customers and potentially increase sales.

There is also a strong opportunity for operators to harness the increasing lunchtime frequency with express delivery formats and reduce dependency on evening day-parts.

A positive future is anticipated with a return to pre-recessionary growth predicted for 2013 and consumers increasing their propensity to eat out.”

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For further information and interviews, please contact Jeffrey Young – Managing Director, Allegra Strategies on 020 7691 8830 or [info@allegra.co.uk](mailto:info@allegra.co.uk).

### **Notes to editors**

Allegra Strategies is a London-based management consultancy and has accurately predicted trends in the UK branded coffee shop market since 1999. Allegra is recognised as one of the global leaders in coffee sector and foodservice research.

- *Eating Out in the UK 2011* is an independent study carried out by Allegra Strategies for members of its Food Strategy Forum
- Researchers conducted over 2,000 interviews with consumers and 180 interviews with UK foodservice senior executives during April – June 2011
- The informal eating out market comprises coffee shops, fast food and takeaways, informal restaurants, sandwich bars, pubs, workplace canteens, leisure venues and travel locations, including forecourt shops