

Ice Cream: Inc Impact of COVID-19 - UK - April 2020

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This report looks at the following areas:

- The impact of COVID-19 on consumer behaviour and market dynamics in the ice cream market.
- The need to respond to sugar concerns and the opportunities this provides.
- The potential for other better-for-you ice cream and NPD trends.
- Consumer usage of and attitudes towards ice cream.

The COVID-19 lockdown is expected to disrupt the high value impulse ice cream segment, heavily reliant on out of home consumption. This will be partly offset by the trading up anticipated in the category, in line with trends seen in the 2008/09 recession. As the market moves past the disruption of the lockdown, sales are expected to rebound in 2021.

The COVID-19-related disruption follows a sharp uplift in sales in 2018 thanks to the hot and sunny summer weather, with a cooler 2019 summer resulting in value and volume losses to take sales to £1.4 billion. Slow to no volume growth was expected to continue into 2024, as the market faces consumer concerns around sugar, intense competition from other treats and an ageing population. Promisingly, there is a sizeable interest in healthier options, however, preserving the inherently indulgent nature of the category is key to securing consumer buy-in.



“Amid a rapidly evolving environment during the COVID-19 outbreak, the market must respond to consumer health concerns while preserving the indulgent nature of the ice cream category. While there is a sizeable interest in healthier options, indulgence drivers such as texture must not be neglected when it comes to ice cream NPD.”

- Kate Vlietstra, Global Food & Drink Analyst, 4th May

2020

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