

Convenience Stores – UK – 2021

Report Price: £2195 | \$2995 | €2600

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This report looks at the following areas:

- The impact of COVID-19 on shopping behaviour and its impact on the convenience sector.
- How consumers shop at convenience stores.
- The services used at convenience stores.
- The most popular convenience stores in the UK.
- Consumer attitudes towards convenience stores.
- The factors most likely to encourage convenience store shopping.

The last year has seen the convenience sector surge into growth as national lockdowns have led to a rise in food-for-home sales. Mintel estimates that the convenience sector grew by 5.4% in 2020 to reach £46.5bn.

The COVID-19 pandemic has had a huge impact on almost all aspects of life in the country and the convenience sector is no different. The last year saw many convenience stores benefit from bigger baskets but some suffered as the food-to-go mission disappeared almost overnight. Going forward, as the country gradually relaxes lockdown restrictions, we expect the sector to experience a continued halo effect from the rise in local shopping driven by the pandemic.

There is a risk, however, that the sector loses its convenience edge as online purchasing becomes ever more widespread, efficient and easy to use. If convenience stores do not innovate, they risk becoming just smaller, more expensive stores with limited ranges.

Mintel expects that the rise in local shopping driven by the pandemic will continue, albeit at lower levels, for some time. Convenience stores can adapt to the needs of their local communities and become invaluable community centres offering not just food but also vital services. Click-and-collect points are already commonly found in convenience stores and have the effect of linking the fortunes of convenience stores with that of the red-hot online retail channel.



"The convenience sector has the opportunity to take a position at the confluence of two of the leading trends of the current retail environment. The rise in interest in local communities and local shopping and the vast growth in online retailing."

- Piers Butel, Retail Analyst

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