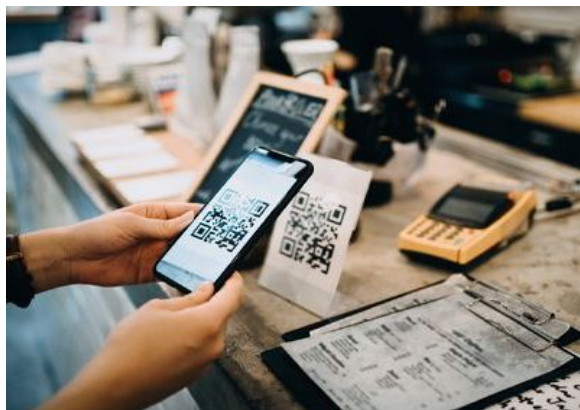


The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Eating out will become more of a treat giving an opportunity for foodservice venues to create more premium options to fit special occasions. But first, an effective response to COVID-19 is required to safeguard the future of eating out.”

Trish Caddy , Senior Foodservice Analyst

This report looks at the following areas:

- **The impact of COVID-19 on the foodservice sector, with a focus on consumers’ eating out decision-making process.**
- **Consumers’ home delivery/takeaway habits and how these are impacted by the COVID-19 outbreak.**
- **Improvements that consumers would like to see made to foodservice venues and their food offerings.**
- **Consumers’ attitudes towards the value and quality of eating out of home.**

Mintel’s Global COVID-19 Tracker shows that consumer confidence in eating out is gradually improving, with 41% of Brits saying they would feel comfortable going to an outdoor restaurant/bar as of 30 July-7 August compared to 27% at the end of June (on the eve of premises reopening).

The government’s Eat Out to Help Out scheme will help to kickstart the hospitality industry as consumers are incentivised to visit these venues for a meal during the month of August 2020 (from Mondays to Wednesdays). Meanwhile the VAT cut on food and non-alcoholic drinks will help to keep prices down and will ensure more foodservice businesses stay afloat.

As working from home looks set to remain the norm for many office workers for a while longer, lunchtime sandwich shops/food-to-go formats will suffer from the decline in office working/commuting. A drop in tourism will also impact foodservice outlets, restaurants and pubs/bars situated in city locations.

COVID-19 will accelerate the need for functions in food and drink to improve diets and moods, such as weight management and relaxation. Meanwhile, online events (eg livestreaming wine tasting) are helping operators expand access to a wider audience from all over, unlocking greater brand awareness and ecommerce opportunities. UK’s Michelin-starred chef Michael O’Hare, for example, streamed live cooking demonstrations on Instagram to accompany his range of nationwide delivery meal kits/recipe boxes.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

- What you need to know
- Key issues covered in this Report
- Products covered in this Report
- COVID-19: Market context
- Economic and other assumptions

Executive Summary

Impact of COVID-19 on foodservice

Figure 1: Expected impact of COVID-19 on foodservice, in short, medium and long term, 19 August 2020

The market

Sharp recovery expected after record decline in market value

Figure 2: Forecast value of the UK foodservice market (adjusted for COVID-19 on 19 August 2020), 2015-25

Eat Out to Help Out scheme and VAT cut

Companies and brands

COVID-19 has spurred disruptive innovations

“Grocerants”

Dark kitchens

AI fresco dining

Value-added deals

eCommerce

The consumer

Consumers starting to feel comfortable eating out again

Figure 3: Comfort level of going out to eat, 25 June-7 August 2020

Two fifths of consumers haven’t ordered a takeaway since lockdown

Figure 4: Changes in takeaway/home delivery frequency during COVID-19, May 2020

People living in large towns are now the biggest weekend takeaway users

Figure 5: Days of the week usage for takeaway/home delivery since the start of the pandemic, May 2020

Childless couples drive dinner takeaways

Figure 6: Most popular mealtimes for takeaway/home delivery since the start of the pandemic, May 2020

Gen-Zs boosting the fast food market

Figure 7: Fast food outlets visited for takeaway/delivery occasions since the start of the pandemic, May 2020

Pizza delivery weathering COVID-19 downturn

Figure 8: Restaurants visited for takeaway/delivery occasions since the pandemic, May 2020

Avoid the “squeezed middle”

Figure 9: Purchase drivers for takeaway/home delivery food, May 2020

Resurgence of eating out as a treat

Figure 10: Important factors for making decisions about eating/drinking, May 2020

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Experiential marketing in COVID-19 times

Figure 11: Attitudes towards eating out, May 2020

COVID-19 and Foodservice

Impact on the market

Flexible working practices will redistribute foodservice spend

Government support to help the recovery of foodservice

Impact on consumers

Consumers starting to feel comfortable eating out again

Resurgence of eating out as an occasional treat rather than the norm

Deepening technological capabilities

Impact on companies and brands

Dark kitchens

AI fresco dining

Value-added deals

eCommerce

Issues and Insights

Post-COVID-19: Brits likely to save dining out for special occasions

Everyday low pricing will attract cost-conscious consumers

Creating transparency and trust in hygiene

Deepening technological capabilities

The Market – Key Takeaways

Sharp recovery expected after record decline in market value

Eating out expenditure to be redistributed

Eat Out to Help Out scheme will kickstart recovery

Market Drivers

Government measures help to kickstart recovery

Foodservice venues finally given the green light to reopen for dine-in

Eat Out to Help Out scheme and VAT cut

Health matters: obesity and the food environment

A challenging economy will hurt demand for foodservice

Decline of the workforce

Figure 12: Unemployment rate forecast, 2020-24

Squeezed incomes will restrict eating out expenditure

Figure 13: Consumer confidence, January-July 2020

COVID-19 has spurred disruptive innovations

Ban on plastics likely to be pushed back

Market Size and Forecast

VAT cut and "Eat Out to Help Out" scheme help kickstart the foodservice market

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 14: Expected impact of COVID-19 on foodservice, in short, medium and long term, 19 August 2020

The market

Sharp recovery expected after record decline in market value

Figure 15: Forecast value of the UK foodservice market (adjusted for COVID-19 on 19 August 2020), 2015-25

Figure 16: UK eating out market size and forecast, 2015-25

Market drivers and assumptions

Figure 17: Key drivers affecting Mintel's market forecast, 2015-24 (prepared July 2020)

Learnings from the last recession

Figure 18: UK eating out market size and forecast, 2007-12

Forecast methodology

COVID-19: Market context

Companies and Brands – Key Takeaways

Meal kits allow restaurants to profit from home cooking boom

Ready-to-cook meals allow customers to replicate favourite restaurant dishes at home

Selling groceries appeals to customers who are keen to support local

Dark kitchens allow brands to expand food delivery reach

AI fresco dining mitigates customers' reluctance to dine indoors

Mobile catering allows brands to go straight to customers

Set menus allow operators to optimise ingredients

Scope for online activities to boost ecommerce

Launch Activity and Innovation

COVID-19 has spurred disruptive innovations

Online activities will boost nationwide delivery

Deposits and tickets to deal with no-shows

Playing with supermarket checkout

Farmers' market

Figure 19: US Chipotle's Virtual Farmers' Market, started in 1 July 2020

Frozen food

Ready-to-cook

Grab-and-go

Meal kits

Future is in dark kitchens

Figure 20: Dishoom delivery through Deliveroo Editions, as of 19 August 2020

More collaboration, less competition

Multi-brand delivery

Mobile catering

Value-added deals

From fine dining to fried chicken

Set menus

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

AI fresco dining
Shortening dining times
Sustainability takes a backseat
Low-tech delivery functions

The Consumer – Key Takeaways

Post-COVID-19: three Trend Drivers of growth
Wellbeing
Value
Experience
COVID-19 will accelerate demand for functional food and drink
Resurgence of eating out as an occasional treat rather than the norm
Deepening technological capabilities
Sustainability takes a backseat
Hygiene will become top of mind for most

Impact of COVID-19 on Consumer Behaviour

Consumers starting to feel comfortable eating out again
Figure 21: Comfort level of going out to eat, 25 June-7 August 2020
Winter is coming
Figure 22: Proportion of consumers who feel uncomfortable going to a restaurant/bar indoors, by age, 30 July-7 August 2020
Continue to deliver
Figure 23: Spending intent over the next month, 25 June-7 August 2020

Pre-COVID-19 Eating Out Frequency

Cooking at home is part and parcel of British lifestyles
Figure 24: Frequency of eating out before the pandemic, May 2020
Consumers were willing to spend on eating out of the home in normal conditions

Changes in Home Delivery Frequency during COVID-19

Two fifths of consumers haven't ordered a takeaway since lockdown
Figure 25: Changes in takeaway/home delivery frequency during COVID-19, May 2020
Frequent users are ordering more takeaway
Figure 26: Frequency of ordering a takeaway/home delivery before the pandemic, by changes in takeaway/home delivery frequency during COVID-19, May 2020

Days of the Week that Consumers Order Takeaway

People living in large towns are now the biggest weekend takeaway users
Figure 27: Days of the week usage for takeaway/home delivery since the start of the pandemic, May 2020
Weekday users are ordering more takeaway
Figure 28: Days of the week usage for takeaway/home delivery since the start of the pandemic, by changes in takeaway/home delivery frequency during COVID-19, May 2020

Most Popular Mealtimes for Takeaway

Childless couples drive dinner takeaways

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 29: Most popular mealtimes for takeaway/home delivery since the start of the pandemic, May 2020

Parents driving breakfast and lunch

Fast Food Venues Visited for Takeaway

Gen-Zs boosting the fast food market

Figure 30: Fast food outlets visited for takeaway/delivery occasions since the start of the pandemic, May 2020

Restaurants Visited for Takeaway

Pizza delivery weathering COVID-19 downturn

Figure 31: Restaurants visited for takeaway/delivery occasions since the start of the pandemic, May 2020

Ethnic cuisines still preferred by all

Figure 32: Restaurants visited for takeaway/delivery occasions since the start of the pandemic, by changes in takeaway/home delivery frequency during COVID-19, May 2020

Purchase Drivers for Takeaway

Re-evaluating 'value' priorities in the wake of COVID-19

Figure 33: Purchase drivers for takeaway/home delivery food, May 2020

Avoid the "squeezed middle"

Convenience centres on safety

Factors that Influence Consumers' Choice of Food and Drink

Resurgence of eating out as a treat

Figure 34: Important factors for making decisions about eating/drinking, May 2020

Young consumers will prioritise functional food and drink

16-34 year olds: mind-body wellness

16-24 year olds: fit food

Figure 35: Important factors for making decisions about eating/drinking, by days of the week usage for takeaway/home delivery since the start of the pandemic, May 2020

Attitudes towards the Future of Eating Out

Safety first

Figure 36: Attitudes towards eating out, May 2020

Experiential marketing in COVID-19 times

Innovation to build a better post-COVID-19 market

Packaging

Robotics

Grocerants are here to stay – CHAID Analysis

Figure 37: The future of eating out – CHAID – Tree output, May 2020

Eating Out Consumer Segmentation

COVID-19 consumer tribes

Figure 38: Eating out consumer segmentation – cluster analysis, May 2020

Typical characteristics of each group

Engaged Diners

Futurists

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

The Future of Eating Out: Inc Impact of COVID-19 - UK - August 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Cautious Planners

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

CHAID Methodology

Figure 39: The future of eating out – CHAID – Table output, May 2020

Cluster analysis group definitions

Experiential Marketing

Food safety

Pro-innovation

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com