

COVID-19 and Food & Drink: A Year On - UK - May 2021

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This report looks at the following areas:

- The impact of COVID-19 on sales of food through retail and the total alcohol and non-alcoholic drinks markets.
- The impact of COVID-19 on macroeconomic factors, including consumer confidence and household finances.
- The impact of COVID-19 on broad consumer behaviour, including lifestyles and future habits.
- Consumers' concerns related to food and drink during the pandemic.
- The impact of COVID-19 on consumers' food and drink behaviours during 2020 and into 2021 and its lasting influence on these.

While scratch cooking and baking boomed while people were confined to their homes for much of 2020 and the first half of 2021, it is surprising how eager many young people are to continue with these activities when restrictions ease. 36% and 34% of under-35s plan to do more cooking from scratch and baking respectively compared to before the pandemic. The continued appeal of these trends will be underpinned by health and emotional drivers, more home-centric lifestyles as more people work remotely and an improved culinary knowhow among the younger generation.

The value of food sales through retail shot up by 8.6% year-on-year in 2020 to reach £93.1 billion, owing to the seismic shift in calories consumed from foodservice and catering to retail during the pandemic. While the market will fall from its peak, sales will continue to be elevated from their pre-pandemic projections. Meanwhile, both the alcoholic and non-alcoholic drinks categories' overall sales were hit by the demise of the on-trade in 2020, with annual value declines of 21% and 27% respectively, but will start to rebound from 2021.



“Despite the inevitable fall of retail food and drink sales from their 2020 peak, pandemic-related factors, especially the new era of remote working, will keep these elevated above their pre-COVID levels.”

– **Emma Clifford, Associate Director – Food and Drink Research**

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