

# Contract Catering: Inc Impact of COVID-19 - UK - December 2020

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## This report looks at the following areas:

- The impact of COVID-19 on the contract catering market
- The impact of COVID-19 on consumers' use of canteens and how caterers are responding to COVID-19
- How public awareness about health and wellbeing can be tapped into by corporate caterers
- How younger generations are driving investment into better ethical and environmental practices
- How Brexit is likely to affect the contract catering market
- Consumer attitudes, behaviours and preferences in the contract catering market
- Industry structure, company activity and operators' responses to COVID-19.

The coronavirus pandemic has discouraged canteen usage with over half of respondents (53%) stating that they would visit canteens less over the next 12 months, and 69% of those people listing concerns over exposure to COVID-19 as their reason.

This consumer wariness, in addition to COVID-19-related closures and restrictions, has subdued the contract catering market's performance in 2020, leading to a 55% reduction in its value to £2.7 billion. Closures and restrictions have limited operational capacity, misaligning overheads and revenues. This has been most impactful on travel caterers, which have seen a dearth of passengers at rail stations and airports, but face no long-term resolution beyond the rollout of the vaccination programme.

Despite these challenges, the pandemic has galvanised many leading contract caterers to invest in digital foodservice platforms. These offer long-term opportunities for efficiency savings through analytics, in addition to increasing their addressable market through the facilitation of food delivery which may rise in popularity if the uptake of remote working prompted by the crisis becomes institutionalised.



"The contract catering market has been hit hard by the coronavirus pandemic. The widespread closure of catering sites has inhibited activity and where operation is possible, has entailed extra costs and lower capacity due to social distancing regulations."

– Francesco Salau, B2B Analyst

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- Executive Summary
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- The Association of Catering Excellence (ACEGB)
- The Nationwide Caterers Association (NCASS)
- Trade magazines
- Catering Insight
- Essentially Catering
- Foodservice Equipment Journal
- Hospitality and Catering News
- The Caterer
- Trade events
- Hotel, Restaurant & Catering Show
- The International Food & Drink Event
- Catering Equipment Expo (as part of The Restaurant Show)

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