

UK Food Industry Overview

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Population Headline



- London & South East England = 16.6m
- Over $\frac{1}{4}$ of the UK total!

Britain + Food & Drink =?



Some Surprises:

Inventions:



Total UK Food Market

	Outlet Numbers	%	Sector Value (EUR billion) 2012	%
Retail	130,000	33	188	77
Foodservice	260,000	57	57	23
TOTAL	390,000	100	245	100



Food & Drink Manufacturing:

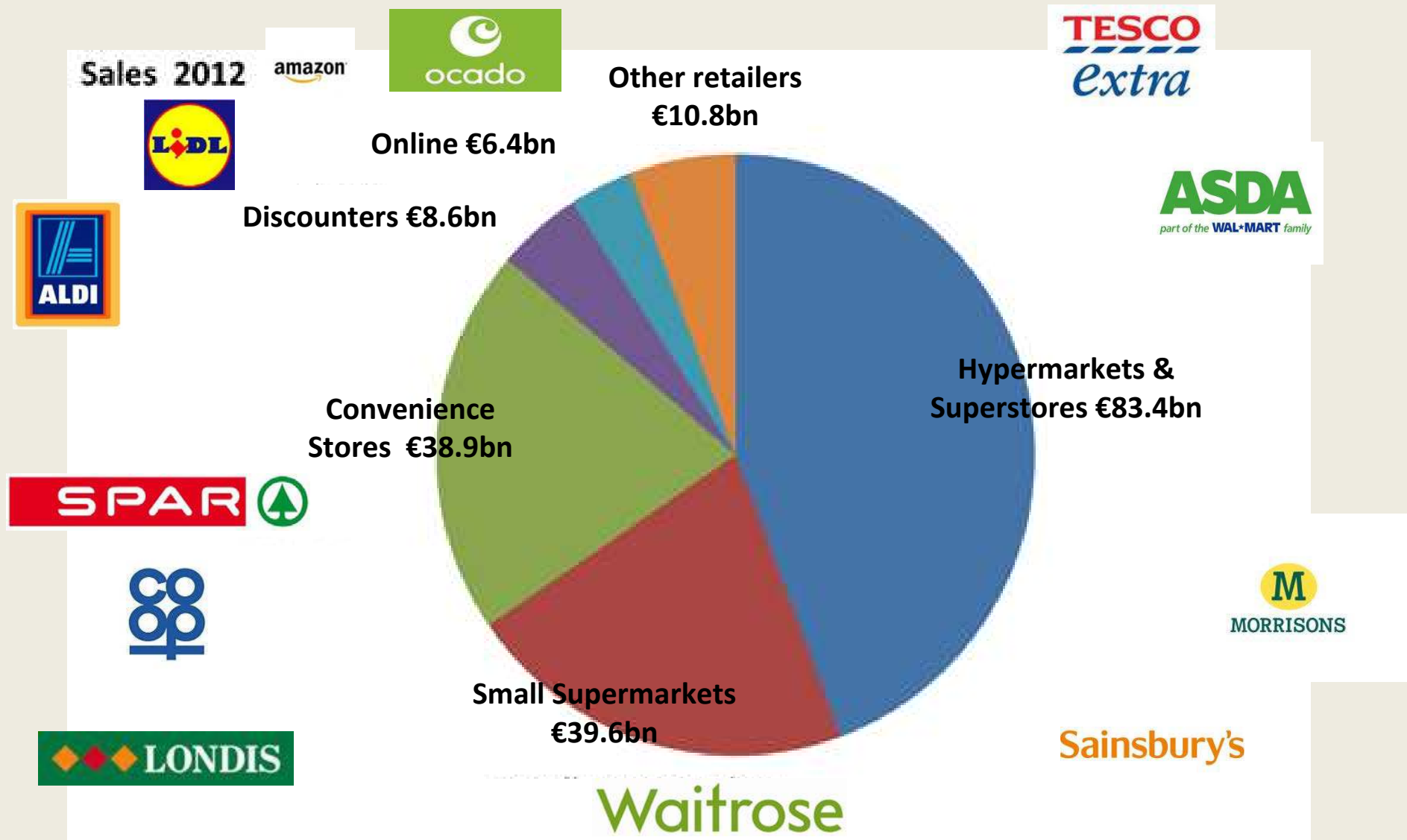
UK's largest single employer: over 400,000 people

Biggest manufacturing industry:

- 6,000+ businesses

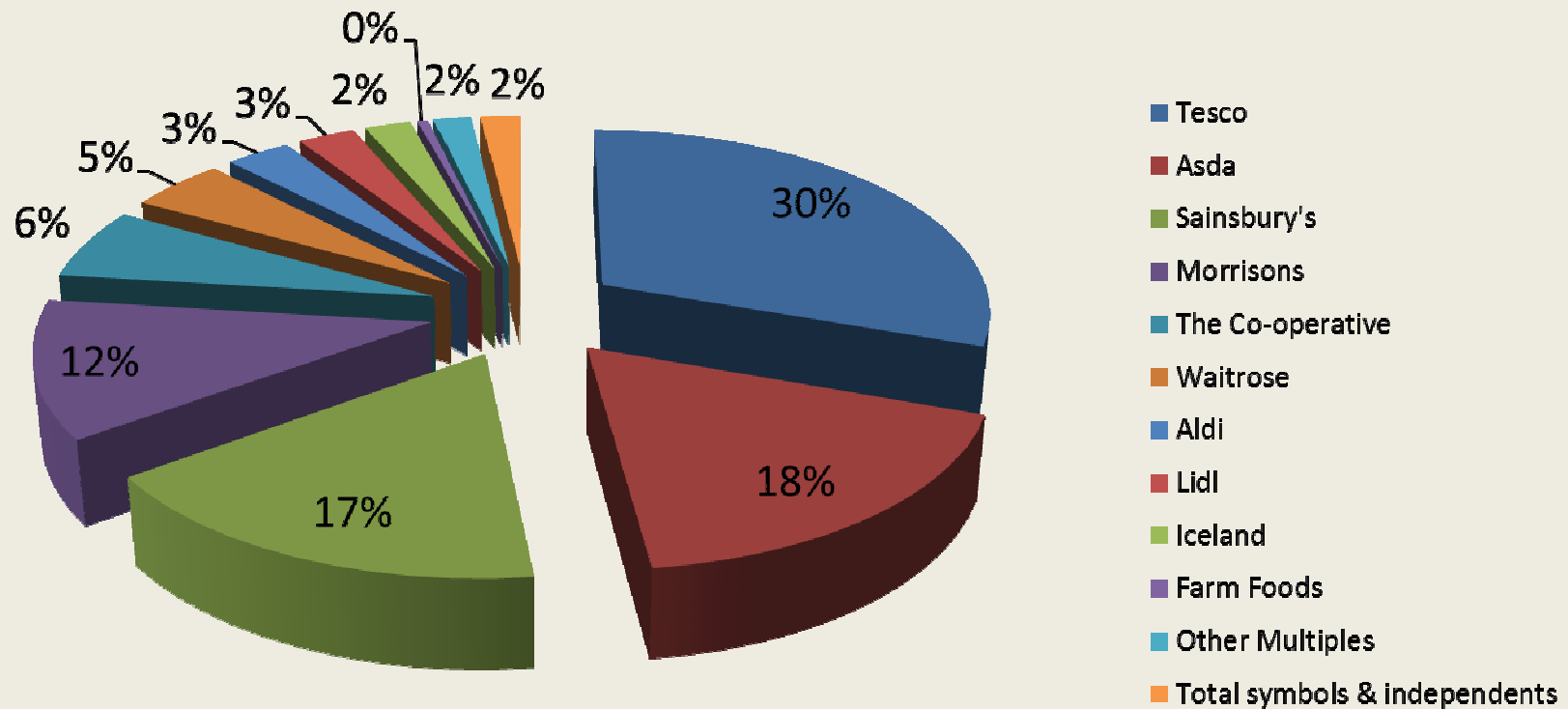
- worth EUR billion 88.4 in 2012

Food Retailing Channels



Food Retailing: Key Players

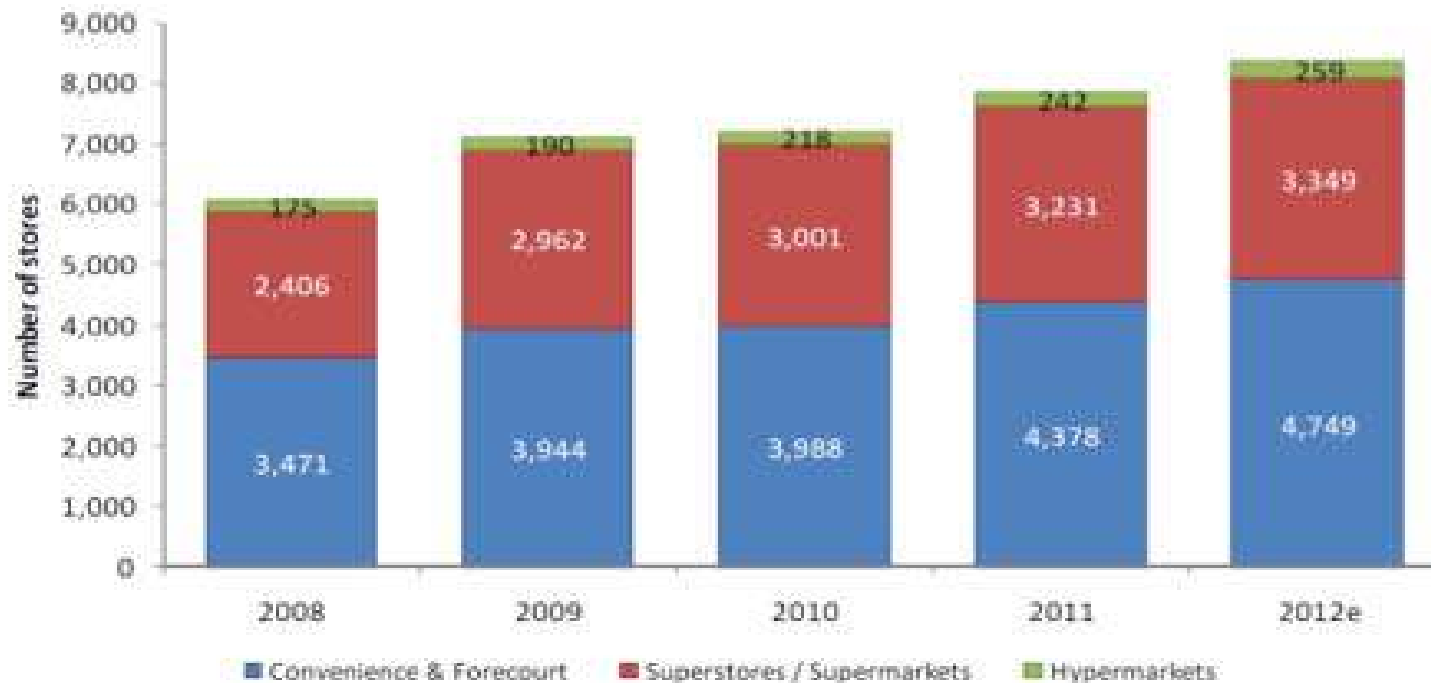
Market Share: 12 weeks to 22 January 2013 (% share)



Source: Kantar Worldpanel

Market Structure By Format

Market structure by format for top five grocery retailers



Source: IGD DataCentre

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Food Retailing: UK Versus The Netherlands / Flanders

24/7 Shopping
& Convenience
Culture:



More Obviously
Defined Customer
Profiles:



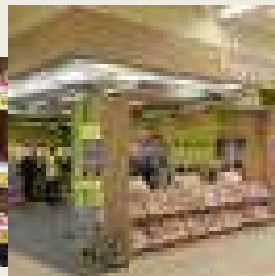
Channel
Diversity:



Never Miss A
Commercial
Opportunity:



Food To Go:



Foodservice (HORECA) Market

Sector	No. of Outlets	Share %	Food Sales %
Restaurants	28,074	10.8	22.3
Fast Food	31,450	12.2	25.2
Pubs	45,087	17.4	12.8
Hotels	45,763	17.7	19.3
Leisure	19,638	7.6	8.4
Staff Catering	19,044	7.4	6.2
Health Care	32,047	12.4	2.2
Education	34,398	13.3	3.0
Services / Welfare	3,077	1.2	0.6
TOTAL	258,579	100.0	100.0

Foodservice (HORECA): Key Trends

Promotions



Leisure
Culture



Shopping Malls



Airport Dining



Healthy
Eating



Foodservice: UK Versus The Netherlands / Flanders

Chained Operators dominate



International cuisine



Eating-on-the-move



Never miss a Commercial Opportunity



Opportunities V Challenges

Opportunities:

- √ Market size & diversity
- √ Consumer & retailer hunger for innovation e.g. snacks, ethnic, convenience, healthy, diet specific, speciality products
- √ Significant “alternative” sales channels e.g. garden centres, delis, health food shops
- √ Geographic proximity of The Netherlands / Flanders to the UK
- √ NL = #1 supplier of imported foodstuffs; B = #7

Challenges:

- Many retail categories are overcrowded and mature.
- Products need to bring innovation or fill a definite gap – do your homework!
- Foodservice and retail require different skill sets
- Unless high volumes, you will have to use a middleman
- High cost of market entry (particularly in retail)



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