

Don't lose sight of the opportunities

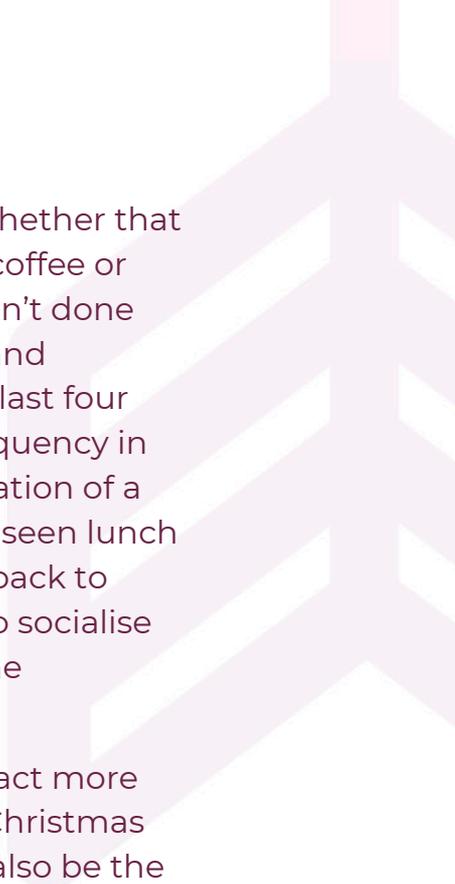
Amanda Brown

It's been a long year, a long two years in fact and I'm looking forward to some time off over the school holidays to recharge the batteries as we head into the last few months of 2021. But we're not there yet, as we see the recovery from Covid and lockdowns continue we are now witnessing the impact that the lack of labour is having not only in our own industry but also sectors.

The challenges being faced by our food and drink supply chains are creating uncertainty and one impact of this is that we are starting to see earlier sales of Christmas food and drink products as shoppers begin their seasonal buying earlier than usual.

Some of you will have listened in to The Knowledge Bank conference at the end of September where we had some great speakers who provided stimulus for new products, new markets and new marketing and I was reminded that to grow and develop whether that be as a human being or a business we need not only to keep an eye on the here and now but also an eye on where our vision for the future lies. The speed at which trends are growing has accelerated so it's vital that companies have access to knowledge now so that they can develop and adapt that's something that we've put at the heart of The Knowledge Bank - to provide insight on what's happening in markets today as well as what trends will drive tomorrow's consumers lifestyles and purchasing.

And this acceleration is in evidence here in the home market - as restrictions lower and everyone has been able to move about we have seen what impact that can have on shopping, shopper choices and consumer behaviours including developing new routines, albeit the shortage of fuel and queuing at petrol stations has added another dimension to shopping over the last month. All of this is reflected in how we're shopping for food and drink - supermarket visits continue to increase, online sales share falling and like for like grocery prices increasing. Grocery market sales are 1% lower than the same period last year but remain almost 8% higher than pre-covid levels according to Kantar. And as we develop new habits we've seen the convenience sector and discounters benefit and with more of us on the go more often, convenience and chilled ready meals continue to grow strongly as our shopping missions change too.



Eating out in our household continues to gradually increase whether that be lunch deals for the boys, meeting friends or colleagues for coffee or heading out for an evening meal in Edinburgh. The only I haven't done yet is go to a pub, yet it is that sector along with coffee shops and sandwich shops that have seen the biggest share gains in the last four weeks according to Lumina Intelligence. Participation and frequency in the out of home market has increased by 5% with the continuation of a return to normality. The returns of schools and offices has also seen lunch and snack occasions increase and with more people heading back to their workplaces bars and pubs have benefitted as folk want to socialise outside the work setting. However, a similar challenge faces the hospitality sector as they too are challenged with staffing.

So, what can we expect next – retailers will continue to try attract more shoppers and more often and events such as Halloween and Christmas will be extremely important to boost basket spend. There will also be the challenge for retailers to ensure that they have an offering for all shoppers including prices and ranges that will appeal to those on a budget as we see the price of food rise. There is still room for more consumers to participate in the out of home market and as we approach the festive season, this will provide more reason for more of us to venture out and socialise with colleagues, friends and family.

THE KNOWLEDGE BANK

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