

FOOD-FOR-NOW – A GREAT OPPORTUNITY, STILL NOT EXPLOITED?

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As people work longer hours during the recession, eating out of the home will continue to be a way of life for many. For example, we have seen sales at Greggs and Dominos continue to grow as demand for cheaper, quick on the go meal solutions continues.

Food items for consumption on the move are now available everywhere, from traditional food-to-go outlets to bakers, pharmacy chains, coffee chains and variety stores (e.g. WH Smiths, Wilkinsons), all of whom have all vastly improved their food-to-go offering. McDonalds has also seen a 12% sales uplift, driven largely by McBreakfast – food-for-thought?

Each year him! speaks to thousands of customers while they are shopping at convenience stores to understand their motivations and behaviour. This includes customers who are on a mission "to buy food and drink for consumption in the next few hours (out of home)" 21% of c-store customers were there to buy items to eat immediately. 50% were buying items to eat/ drink for a snack between meals, 8% were buying something for breakfast and 42% were buying something for lunch. There is currently lost opportunities on Food To Go (FTG) products at lunchtime and at weekends, meaning we are not fulfilling all customers' intentions.

On average the food-for-now customer spends £4.04 and visits the shop 3.7 times a week (a high visit frequency). They are a highly valuable customer to c-stores.

Of those customers who we spoke to who were not on a food-for-now mission, 34% said that they would buy ready made sandwiches and wraps from this store, 18% said they would buy freshly made coffee and 19% said they would buy pasties/ sausage rolls from this store if they wanted something to eat. There is a huge opportunity to encourage more customers to buy.

Customers' expectations of food-for-now have risen dramatically over the last few years. Product availability, range of fresh, and speed of service are the key things a store must deliver against for the food-to-go customer to be satisfied.

Tips for retailers

- Breakfast remains a huge untapped opportunity – offer bakery products, fruit salad pots, yoghurts etc - a meal solution
- Make sure stocks are replenished for key trading times, but also remember that lunch is not necessarily between 12 and 2pm – you need to be ready at any time of the day.
- Identify and communicate breakfast, lunch and dinner solutions in store by clear zoning and signage.
- Keep all food-for-now items together and have parasite units with impulse purchases such as chocolate and crisps.
- Offer meal deals and communicate them clearly
- Sell more sandwiches and you will sell more drinks, confectionery, crisps & snacks