

Success for sandwiches in UK foodservice

Contributed by Euromonitor International
Friday, 26 May 2006
Last Updated Monday, 08 January 2007

Sales of sandwiches through foodservice outlets are showing unprecedented growth in the UK, according to a new report from Euromonitor International - "Impulse Food and Drink Channels in the UK".

Success for sandwiches in UK foodservice, by Euromonitor International

Sales of sandwiches through foodservice outlets are showing unprecedented growth in the UK, according to a new report from Euromonitor International - "Impulse Food and Drink Channels in the UK".

In 2005, sales of sandwiches through impulse channels, which include foodservice outlets, service stations, kiosks and vending machines rose by 13.7% to make up 26% of all sandwich sales in the UK. Euromonitor International's research shows that foodservice was both the largest and the fastest growing impulse channel for sandwich sales, with a 71% share of the market and 14% value growth in 2005.

A key reason for this growth was the rise in the number of caf  s, bistros, coffee shops and pubs that are popping up to serve Britain's growing number of time-pressed workers and on-the-go shoppers with convenience food such as sandwiches. Where places of work once had their own canteens, the movement of the UK to an office-based service economy has prompted an unprecedented boom in sandwich sales. UK workers have also got out of the habit of making their own sandwiches, some would say out of pressure of time, but also because of the widespread availability of high-quality sandwiches with tempting breads and fillings.

Premium offerings and healthy alternatives boost sandwich sales

Consumers in the UK have become more demanding with respect to the taste and quality of their sandwiches and will pay more for premium brands, which has helped inject greater value into the market. The plain white bread sandwich has been supplemented by a wide range of breads, such as granary, ciabatta, panini and tortilla wraps; meanwhile, luxury fillings have become the norm, with fine ingredients used throughout, even down to the type of mayonnaise.

Another major factor boosting sandwich sales is heightened consumer awareness of dietary health, triggered by an outpouring of public concern over the role of high-fat or unhealthy food in causing obesity and other health problems, particularly for children. As a healthy alternative to fast food, sandwiches prospered and manufacturers capitalised on the trend by launching "healthy eating" and better-for-you ranges with reduced fat and salt levels. Euromonitor International's research shows that low calorie sandwiches represent over 10% of all sandwiches consumed in 2005.

Outlook

The outlook for sandwiches sold through impulse channels, and particularly foodservice outlets, is bright, as the quality and diversity of sandwiches is expected to continue to improve. Following on current trends, a key driver of growth will continue to be the focus on both premium and healthy sandwiches. The continued expansion of foodservice outlets, as UK consumers become increasingly concerned with convenience, will also benefit sandwich sales.

Despite these positives, however, impulse sandwich growth will decelerate steadily in the next five years, as the market begins to reach saturation. The growth of workplace sandwich vending machines could also contribute to this deceleration in growth, as many employees will no longer need to venture outside of the office to buy their lunch.

For further detail about this article and other related findings, please visit Euromonitor International by clicking here.