

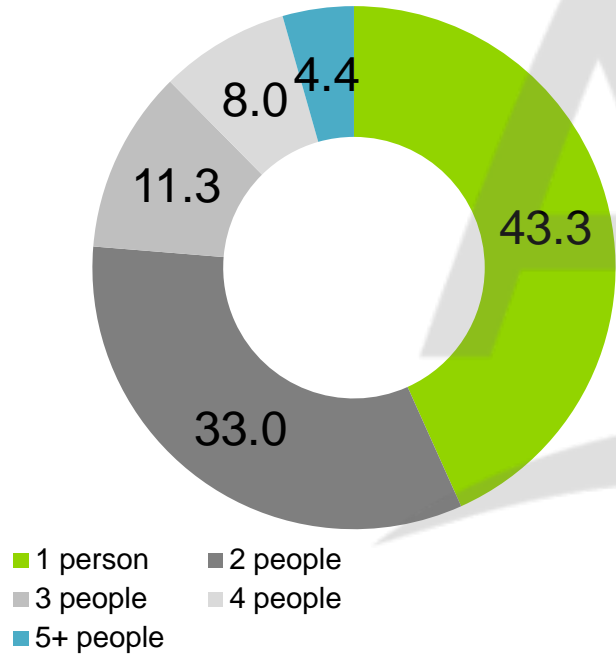
AHDB Consumer Insight Snapshot

# Winning in convenience: the rise of the recipe box

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March 2018

## Smaller households



## Valuing time

In 16 of the last 20 years consumers had more money than the year before (ONS)

In 19 of the last 20 years shoppers spent less time cooking than the year before (Kantar Worldpanel)



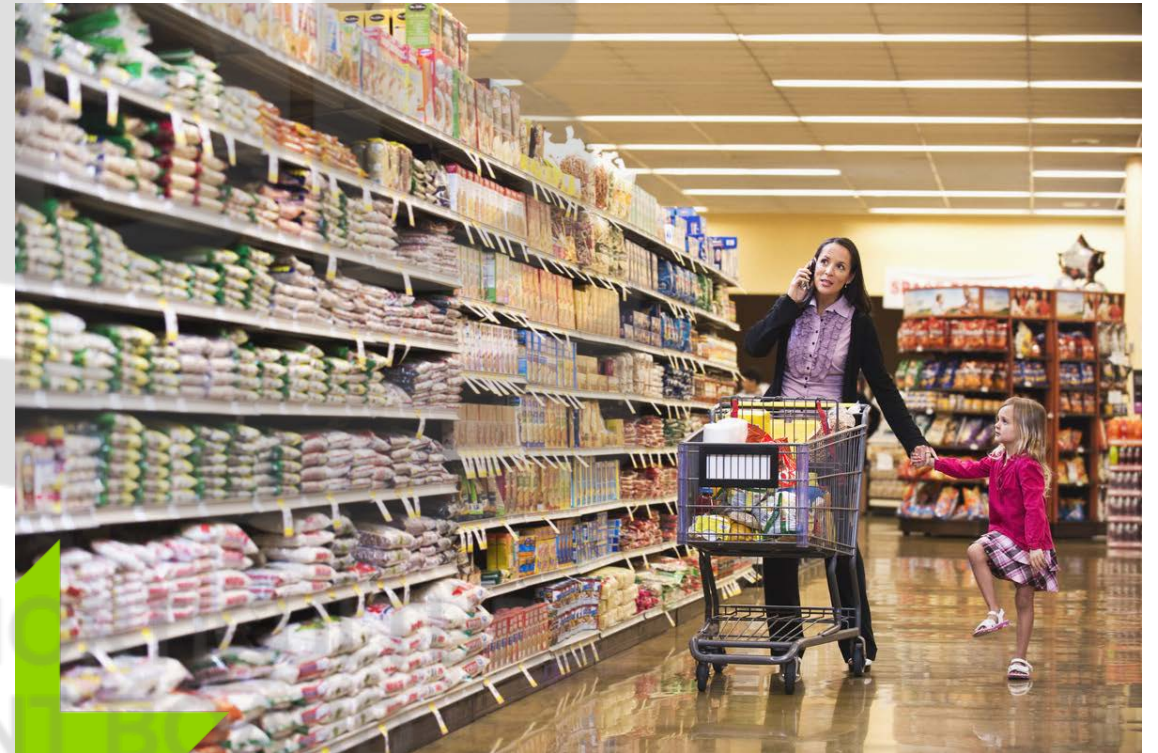
Consumers are willing to pay more for products that save them time and effort... than for an average product that is bought at a convenience store, potentially closer to their household.

*Price Premium in  
Convenience  
Channels*

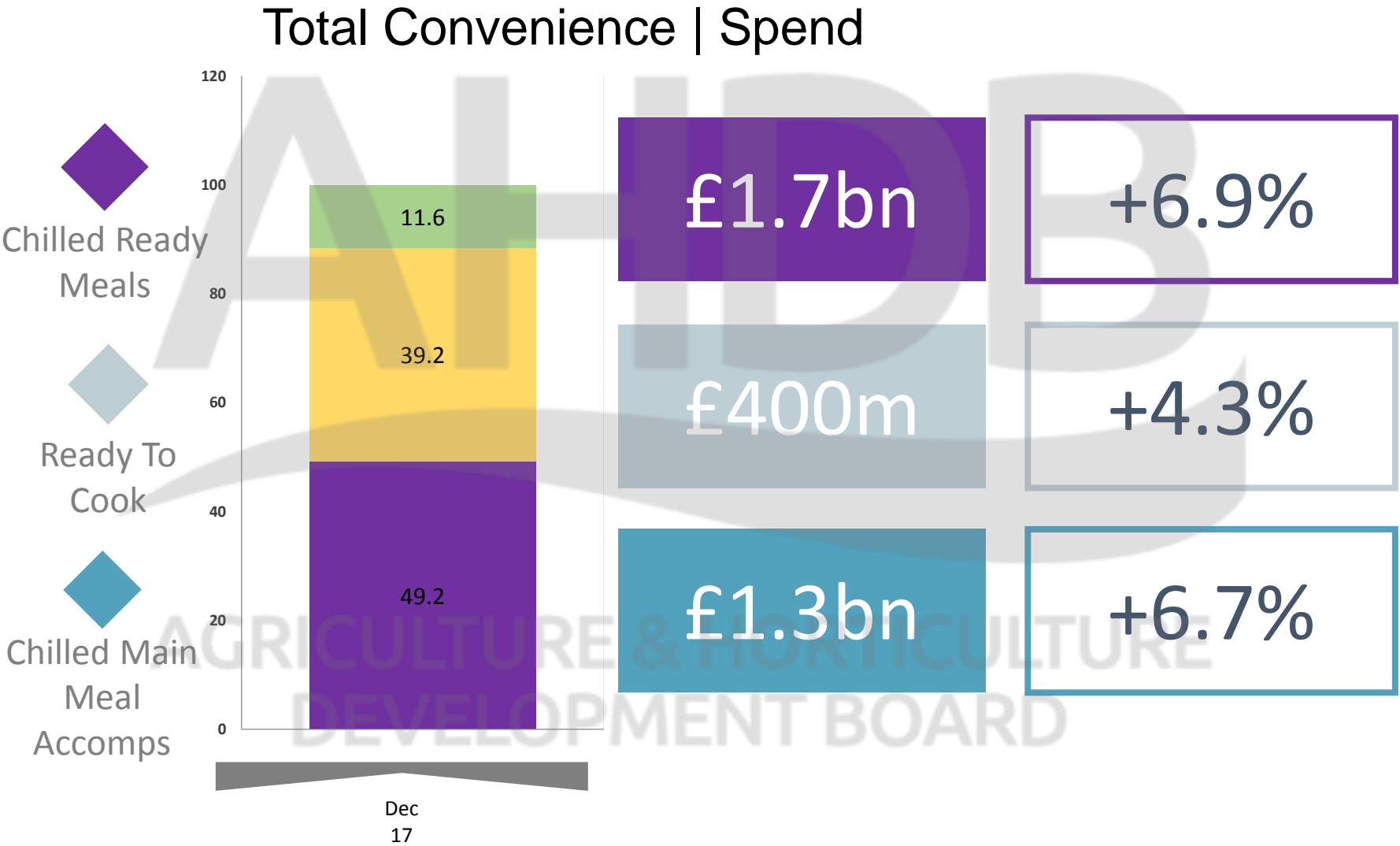
**+4.5%**  
£/kg

*Price Premium for  
convenience  
products*

**+25%**  
£/occasion



# Convenience is fast growing, ahead of total grocery





# What consumers want when they're cooking and eating



Meal variety

+

Health

+

Enjoyment

+

Convenience

=

Meal solutions



# The in-store retail environment is evolving to meet consumer needs

Making food choices easy for the consumer, not just quick



# A fast-growing segment of the market utilises the online channel and home delivery of convenient pre-packaged recipe boxes.



73%

Claim they like to cook from scratch using raw ingredients

*With the majority of shoppers enjoying cooking from scratch, meal kits that include pre-prepared, fresh ingredients and are also quick and easy to cook, are likely to increase in popularity.*



- According to IGD, recipe boxes offer a more interesting way to shop, mission-first
- Many of these boxes include a protein, vegetables, seasonings and carbohydrate to make a complete meal
- The average cost of a meal is significantly more than buying the same ingredients in supermarket but the trade-off is that menu planning and inspiration have been outsourced and there will be no waste
- With the majority enjoying cooking from scratch, recipe boxes make it easy and quick for them.
- Gousto have speeded up the process further by becoming the first to offer 10-minute meal kits

Source: IGD / AHDB

NAMNEWS PRODUCTS & PROMOTIONS

## Gousto Becomes First To Offer 10-Minute Meal-kits

7th March 2018

Gousto, the leading recipe box company, has launched a new range that offers 10-minute meals, making it the fastest recipe range in the UK meal-kit market.



# Although a niche offer, retailers and suppliers are increasingly getting in on the act and expanding their offer

## Tesco joins Waitrose with launch of recipe box range

03 Nov 2016 | Lisa Riley

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COOK A DELICIOUS MEAL  
FROM SCRATCH  
IN THE TIME IT TAKES TO  
HEAT A READY MEAL.

RECIPES BY MICHEL ROUX



- Although recipe boxes are currently fairly niche (estimated to make up less than 1% of the UK grocery market according to the Grocer), the major mults are trying to establish themselves in this area
- For example, both Tesco and Waitrose have launched box schemes, whilst Sainsbury's has focused on an in-store offer, merchandising the component parts in-store together with a recipe card
- \*Mintel reported in December 2017 that 5% of adults have used Hello Fresh and 4% have used Gousto in the past 3 months, two of the bigger players
- HelloFresh have also brought their offer in-store via a partnership with Sainsbury's, helping them to cement strong growth
- Still some question marks around ongoing profitability as initial marketing spend has to be very high to bring in new subscribers



# Summary: Recipe boxes can deliver!

## Convenience

- Consumers ongoing drive for convenience has driven a demand for ever-more convenient options

## Speed and inspiration

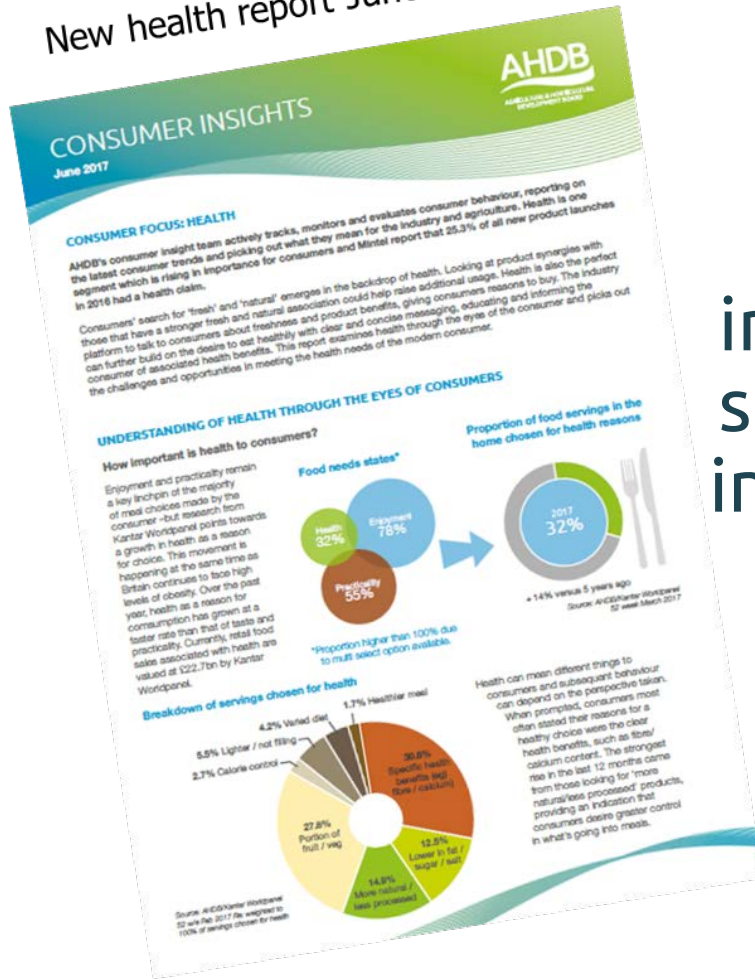
- Recipe boxes combine British love for scratch cooking with their need for speed and ease in the kitchen
- They also tap into desire for different and new dish based cuisine

## Opportunities

- Although niche, these boxes provide an opportunity for new partnerships with raw materials suppliers and offer another route to market
- They offer consumers a chance to experiment with less familiar cuts and proteins in a safe and instructed way
- They can add value to the category

[www.ahdb.org.uk/consumerinsight](http://www.ahdb.org.uk/consumerinsight)

New health report June 2017



If you would like more information then please sign up to the consumer insight newsletter at the link above.



Welcome to the latest edition of AHDB's Consumer Insights

Understanding consumers is essential to achieving success in any business and grocery retail is no exception. When UK shoppers buy food, price and quality are crucial factors but understanding other influences can add clarity on current market position and future opportunities.

The latest consumer focus report on 'young consumers' explores where the lifestyle choices of younger generations can differ from those before them and how age might not be the most significant factor influencing food decisions.

A wide range of food industry topics are examined in this newsletter. For example, price marked packs are reviewed, in particular the way in which clear price labelling has become more prominent in the time since promotion levels have dropped. Whether this approach has been successful with shoppers is considered. The food-to-go sector is in growth and our article describes how the offering has adapted to better meet the needs of the contemporary consumer.

The articles listed below cover themes from food packaging to eating out and provide an overview of some of our research during the past quarter.

### Consumer Focus: Young Consumers

Consumers often retain the habits that they build up early on in life as they age. There is an argument that younger generations are living differently to the generations before them and it is therefore important that an understanding of young consumers' needs and attitudes is developed. They will form an increasingly important sector of the grocery market and will ultimately become the older generation of the future. According to ONS data young consumers between the ages of 18 and 34 account for approximately 22.5% of the total UK population. This report explores key areas in which young consumers' habits differ from the rest of the population and considers what challenges and opportunities this may pose for



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