



Macro & Market News

Week 50 2021 – Week ending 17/12/2021



Macro/Economic News

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- **In England**, MPs have voted in favour of 'Plan B' measures to prevent Omicron spreading across the UK. Face masks are now compulsory in most public indoor venues, other than hospitality. The NHS Covid Pass is mandatory in specific settings. People have been asked to work from home if they can.
- **The Bank of England** has raised interest rates for the first time in more than three years, in response to calls to tackle surging price rises. The increase to 0.25% from 0.1% followed data this week that showed prices climbing at the fastest pace for 10 years.
- **The latest GfK Consumer Confidence Survey for the UK** shows that confidence has slipped one point to -15 in the run up to Christmas. Consumers have grown less inclined to make major purchases.
- **The UK's CPI** rose to 5.1% in the 12 months to November (up from 4.2% in October). This is the highest level in 10 years. The ONS says that higher transport and energy costs were behind the rise.
- **The ONS** reported that the number of people in work rose by 149,000, to 32.5 million in November. It reported that job vacancies hit a new record high of 1.219m in the September to November quarter, up some 434,500 on pre-pandemic numbers.
- **The government** has removed all 11 countries from the red list, with Health Secretary Sajid Javid saying Omicron had spread so widely the rules no longer had much purpose.
- **Clothing sales** were back to pre-Covid levels for the first time in November as consumers took advantage of Black Friday and started Christmas shopping early. The ONS said total UK retail sales rose by +1.4% last month. Demand for fashion rebounded while shoppers also spent in computer stores and on toys and jewellery.
- **Scotland:** New legal restrictions on businesses to help control the spread of Covid-19 have taken effect. Firms are now legally required to take measures to minimise transmission amid concerns about the Omicron variant. Shops and hospitality outlets have to work to reduce crowding and queueing, erect screens and barriers and enforce the wearing of face masks. Scottish ministers have offered £100m of support to firms, and called on the UK government to provide more funds.
- **Wales** is set to see a return to tougher covid restrictions after Christmas following a surge in Omicron cases in the UK. The first minister has announced a mixture of advice for over the Christmas period alongside new regulations to follow as part of a "two-phase plan". Nightclubs will be closed from 27 December under the new rules, although the Welsh Government has announced a £60 million fund to support any businesses affected by the restrictions. From the same date, two-metre social distancing will be mandatory in offices, and measures including one-way systems and physical barriers will be introduced in businesses to protect customers and staff. Regulations will also be changed to include a requirement to work from home wherever possible.



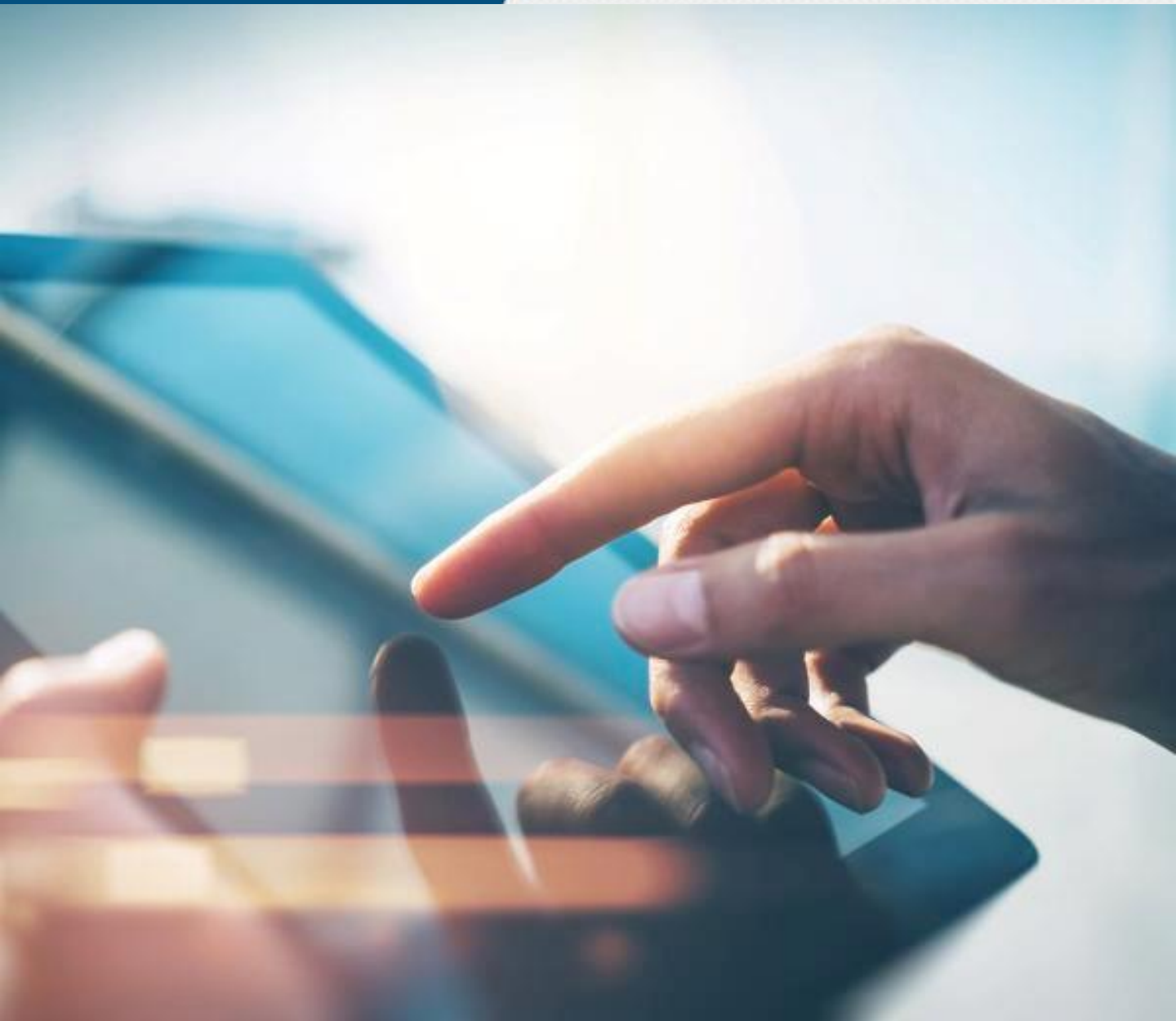
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- **Azzurri Group** is to open a delivery kitchen site featuring all of its brands – ASK Italian, Coco Di Mama, Pod and Zizzi, early next year. The Steve Holmes-led business is set to team up with delivery kitchen operator Foodstars at its site in Bethnal Green, for a launch in early January. Over the course of the pandemic, Azzurri Group has rolled out the Coco Di Mama brand as a delivery concept to circa 130 sites across its ASK estate and through parts of its Zizzi business. In October, the group launched a food to go trial partnership for its Coco di Mama brand with Sainsbury's. It saw a range of Coco di Mama's fresh, premium grab and go products available in 15 London convenience stores.
- **Lemon Pepper Holdings**, which is rolling out US chicken brand Wingstop across the UK, has begun building its openings pipeline for next year, with sites secured in Brighton and Nottingham. Lemon Pepper Holdings, which will open the 18th UK site for Wingstop, in Edinburgh this week, has secured the former TSB bank in Brighton's West Street, and the ex-Pizza Hut in the Cornerhouse in Nottingham. It is also thought to be in advanced talks on a site in Bromley. Wingstop is also set to open a site in Wood Green, north London, in Capital & Regional's The Mall scheme. The company will also add to its six delivery kitchen sites, with its first Deliveroo Editions unit in Acton.
- **Domino's Pizza UK** has resolved a dispute with its franchisees, and has announced it is investing circa £20m over three years in digital acceleration, personalisation, e-commerce app development and in-store innovation. It will also increase marketing investment to support new national campaigns and promotions.
- **Just Eat** has partnered with Asda, marking the platform's first tie-up with a major UK grocer. From January, customers in five initial locations across the UK will be able to purchase items from Asda via Just Eat's platform. Just Eat said the partnership was a significant step in its plan to expand its grocery offer. The locations of the five stores in the pilot will be confirmed early in the new year, and Just Eat anticipates growing the partnership in 2022. The partnership will offer up to 1,000 items available for customers to buy daily.
- **Oakman Group**, the Dermot King-led pub-restaurant operator, has reported like-for-like sales growth of +16.3% for the 21 weeks to 5 December, versus the same period in 2019. The group delivered sales of just over £26m during the period, with total growth of +34.1%.
- **Honest Burgers** will next month launch the first bricks-and-mortar site for its new plant-based burger concept, V Honest. The brand has converted its site at 17 Garrick Street, in London's Covent Garden, and will also operate from delivery-only kitchens across London. V Honest will feature a new menu of plant-based burgers, sauces and sides and collaborations with foraging experts Fable Food Co, zero-waste pioneers Rubies in the Rubble and meat-alternative food producers THIS.
- **Zambrero**, Australia's largest Mexican quick-service franchise has opened its second site in the UK. The brand, which launched in the UK, in Kentish Town, earlier this year, has opened in High Road, Loughton. Zambrero, which operates more than 200 restaurants globally, said last month that further UK sites are in the pipeline for next year, with Twickenham and Chelmsford "high on the list" for opening.



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