Here to give the UK seafood sector
the support it needs to thrive.

Fish and Chips in Foodservice

This Market Insight factsheet provides a full picture of fish and chips in the Great Britain (GB) foodservice market.

27/11/2023 Suzi Pegg-Darlison (20-minute read)

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Factsheet overview

This Market Insight factsheet provides a full picture of fish and chips in the Great Britain (GB) foodservice market using two-year ending data to September 2023.

Consumer preferences are constantly changing with various factors playing a role in their purchasing decisions. Understanding this and having insights into the seafood market and its role in the foodservice sector also known as Out of Home (OOH), can help to run a successful seafood business.

This factsheet provides the latest seafood data and insights in the GB foodservice market. Current trends in the industry and the seafood market will be presented, but the aim of this factsheet is to focus on fish and chips as a meal.

Top takeaways

There were 1.1 million more fish and chips meal servings in the last two years. Fish and chips servings are in recovery despite declines from Quick Service Restaurants (QSR) and Fish and Chip Shops.

- Poor weather during the school holidays negatively affected visits to foodservice in Quarter 3 2023 with recovery now slowing.
- Over the last two years, September 2021 to September 2023, total seafood servings grew by 10.8% with fish and chips now showing tentative signs of growth, up 0.3%.
- Over a half of all fish and chips servings OOH are from Fish and Chip Shops.
- Fish and chips served as a meal represents around 20% of all the seafood servings consumed in foodservice.
- Fish and chips are the 3rd most popular British dish.

Trends in the GB foodservice market

The cost-of-living crisis continues to impact the market, but it was the poor weather during the school holidays that negatively affected visits to foodservice in Quarter 3 2023 (Q3 July to September) with recovery now slowing.

Market recovery slowed.

The market continued to recover in Quarter 3 (Q3 July to September) with total Out of Home (OOH) visits gaining 2.3% on last year's Q3. But this is a slowdown on the previous quarter, (Q2 April to June 2023), where visits had increased by 9.8%. Sales are up 10.7% but this is price driven with average eater check, up 8%.

Poor weather negatively affected foodservice.

Although the ongoing cost-of-living crisis had an impact on OOH traffic, a major reason for the slow-down in recovery to visits was the poor weather seen in August during the school holidays leading to a wetter than average summer.

Demand for social eating out occasion endures.

Full-Service Restaurants (FSR) saw traffic growth of 2.5%, benefitting from continuing demand for social eating out occasions and gatherings with family and friends.

Trading down from other channels.

Visit growth to OOH was strongest in on-site and Retail, which continued to benefit from consumers returning to offices and buying lunch out with supermarket meal deals continued to benefit from the trading down behaviours from other channels.

Workplace treats.

The main growth areas are linked to workdays and going into the workplace. Evening snacking led total OOH growth, with traffic up 7%, driven by demand for coffees and treats when at the workplace. Breakfast traffic was also up 7% year-on-year, benefitting from the growing demand for convenience on workdays. Lunch was up by a more modest 1%, while dinner was down 2% year-on-year, showing how many consumers are cutting back on more expensive meals out. Adult only parties were up with family meals, meals at home and supper all seeing a drop in traffic.

Consumers switching from drive thru to in-store visits.

On-premises saw strong traffic growth, up 11% year-on-year. 'In car' saw a decline of 16%, as consumers switched from drive thru back to in-store visits. 'At Home' meals were also down 5% year-on-year, as the demand for delivery faltered. Adult-only parties drove growth, with traffic up 7%, while traffic from parties with kids decreased by 7%.

Value for money remains key with demand for socialising to remain.

Foodservice operators that are meeting consumer demands for value for money, convenience, and memorable experiences for socialising friends and families, are well-placed to succeed in the current market.

Seafood in foodservice

Foodservice equates to almost 1/3 of the volume sales of seafood with 4% of all food and drink servings OOH being to seafood.

Total seafood visits and servings OOH continue to recover.

The foodservice market provides an environment to easily try new and trending foods providing consumers with a convenient place to establish and maintain social connections.

It allows consumers to eat new species of seafood and to try flavour trends that they might otherwise not try. As such over 1/3 of all the volume sales of seafood is purchased OOH with 4% of all food and drink servings being to seafood. In the 12 months to September 2023, GB consumers ate an estimated 135,000 tonnes* of seafood OOH worth £5 billion. Of all the food and drink servings in the foodservice market, 4% are to seafood.

**Tonnes is an estimation calculated by the total number of servings sold multiplied by 140g, the recommended serving size of seafood.*

In the last 12 months, seafood has continued to recover. Total seafood visits are up 5.6% in the last 12 months, and 18.7% verses Q3 2020, but this is still 18.7% less than the pre-pandemic levels of Q3 2019. In terms of servings of seafood OOH, being how many portions of a product were sold, they are up 5.7% in the last 12 months and 17.6% up on 2020, but this is still 18% less than pre-pandemic levels in Q3 2019. Seafood spend is now 23% higher than pre-COVID-19, but this is price driven with average eater check-up 51% on Q3 2019.

Over the last two years, September 2021 to September 2023, total seafood servings grew by 10.8% with fish and chips now showing tentative signs of growth, up 0.3%.

Strongest seafood servings growth from Pubs.

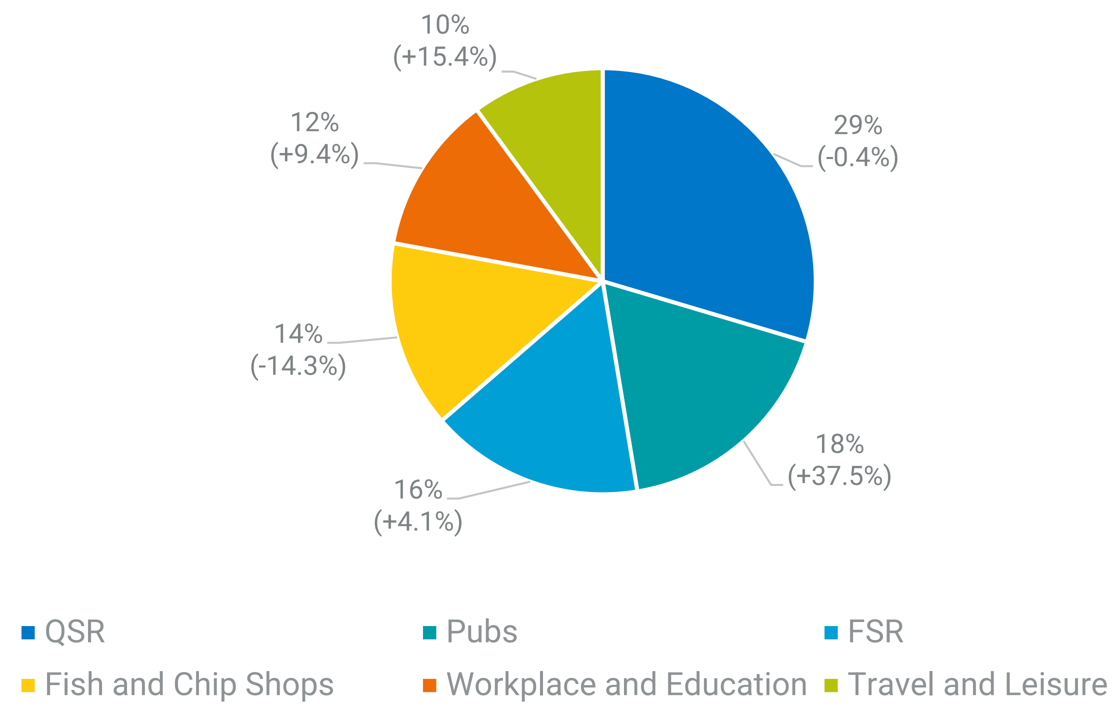
Seafood is sold in 6 different channels that make up the total foodservice market. These are quick-service restaurants (QSR); Fish and Chip Shops; Pubs; Full-service Restaurants (FSR); Travel and Leisure; and Workplace and Education. To September 2023, the following amounts of seafood was consumed in each channel, with 12-month servings growth.

1. Quick Service Restaurants (QSR): 40,330 tonnes (-0.4%)
2. Pubs: 24,254 tonnes (+37.5%)
3. Full-Service Restaurants (FSR) 22,131 tonnes (+4.1%)
4. Fish and Chip Shops: 19,396 tonnes (-14.3%)
5. Workplace and Education: 16,411 tonnes (+9.4%)
6. Travel and Leisure: 13,740 tonnes (+15.4%)

Mirroring total foodservice, seafood is recovering particularly in on-premises channels with Pubs, Full-Service Restaurants (FSR), Travel and Leisure and Workplace and Education all in growth. These channels were hit the hardest over the course of the Coronavirus (COVID-19) pandemic.

Conversely the channels that fared better with the COVID-19 restrictions Fish and Chip Shops and Quick Service Restaurants (QSR), are both experiencing declines in total seafood visits and servings, as on-premises dining, driven by the need to socialise, becomes ever more popular with consumers. Below, chart 1 illustrates the seafood servings share of each channel with 12-month servings growth.

Chart 1. Servings share of total seafood by GB foodservice channel with servings growth (%) to 12 months end September 2023.



Fish and Chips in foodservice

1.1 million more fish and chips servings in the last two years. Fish and chips servings are in recovery despite declines from QSR and Fish and Chip Shops.

Fish and chips are a popular way for consumers to enjoy seafood, with fish and chips served as a meal representing around 20% of all the seafood servings consumed in foodservice.

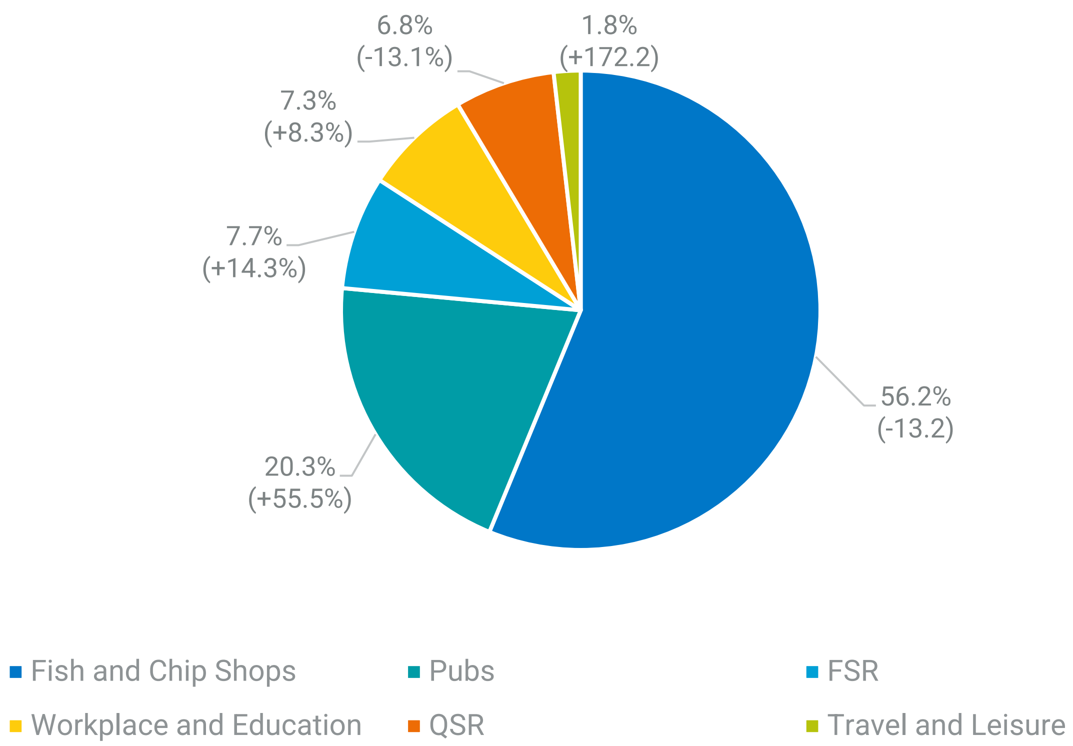
In the two-year ending (2YE) to September 2023, 337 million servings of fish and chips were sold. This was a 0.3% increase when compared to 2YE September 2021. This accounted for 1.1 million more servings of fish and chips over the course of the last two years.

This shows continued recovery with data to 2YE September 2021 showing a 10% decline in fish and chip servings compared with 2YE September 2020. This accounted for 39 million servings of fish and chips lost over the course of the pandemic.

Where are fish and chips purchased?

Over a half of all fish and chips servings OOH are from Fish and Chip Shops. As with seafood, fish and chips are enjoyed in six different channels.

Chart 2. Servings share of fish and chips by GB foodservice channel with servings growth (%) to 2YE September 2023.



During the last two years, increases in fish and chip servings were seen in Travel and Leisure (+172.2%), Pubs (+55.5%), FSR (+14.3%) and Workplace and Education (+8.3%). As with total seafood, declines are being seen in QSR (-13.1%) and Fish and Chip Shops (-13.2%).

In terms of visits to OOH for fish and chips, visits decreased in OOH when comparing 2YE September 2022 to 2YE September 2023. This decrease in visits came from all channels with only Travel and Leisure and Pubs experiencing growth.

Who is the fish and chips consumer?

Fish and chips are most popular amongst older generations.

59% of all fish and chip servings are to consumers over 50 years old.
Mirroring the total seafood consumer, fish and chips are most popular with the older generations. It over indexes in the over 50s compared to total food and drink servings where just 27% are from the over 50s and total seafood servings where 37.5% of servings are from the over 50s. This skew is more apparent in Pubs where over 72% of all fish and chips servings are to the over 50s.

Conversely, consumers under 50 represent 73% of the total food and drink servings OOH whereas only 47% of the servings of total fish and chips are to the under 50s.

63% of fish and chip servings are to a more affluent consumer.
In contrast to the age of the fish and chip consumer, servings of fish and chips only slightly under index with the more affluent consumer compared to total food and drink, where 65% of all servings are to the A, B and C1 consumer compared to 63% of the fish and chip consumer.

However, the more affluent consumer dominates fish and chips servings across all the channels with almost two-thirds of all the fish and chip servings OOH to them. This is especially so in Pubs where 72% of fish and chip servings are to the A, B and C1 consumer. C2, D and E consumers purchase the most servings of fish and chips in QSR and Fish and Chip Shops, but at just under a half of all servings, the affluent consumer dominates.

Fish and Chips is slightly skewed to female consumers.
Just over a half of all the fish and chip servings OOH are to women. This is across all the foodservice channels with QSR the exception where most servings, 60%, are to men.

This gender skew is particularly apparent in FSR where 66% of all fish and chips servings are to women. This is an over index to total food and drink servings where over half are to men.

75% of fish and chip servings are to adults without children.
Fish and chips perform better with the adult only occasion. This is amplified in Pubs and FSR where over 80% are to the adult only occasions. Although in QSR, parties with children account for 40% of servings, this is more than total food and drink where 33% of servings are to parties with children.

When are fish and chips consumed?
Dinner on Fridays and Saturdays remains the most popular time for fish and chips purchases.

Fish and chips are most popular on Fridays and Saturdays.
Saturdays are now the most popular day for fish and chips with Friday a close second where a combined 43% of all fish and chip servings occur. This over indexes with total food and drink where 33% of the servings occur. The skew is particularly apparent in QSR where 50% of all its fish and chips servings take place. This increase is predominately from Saturdays where 28% of servings are purchased. Only Pubs experience a more balanced fish and chip servings throughout the week, where just 33% of servings take place on Fridays and Saturdays.

There is an opportunity for total fish and chips on Mondays, Tuesdays, Wednesdays, Thursdays, and Sundays as they under index with total food and drink servings.

57% of fish and chips servings are consumed at dinner.
Dinner remains the most popular time of day for fish and chips where it over indexes largely to total food and drink where just 32% of servings are at dinner. This is more apparent for Fish and Chip Shops where over 78% of servings are at dinner time.

A similar trend for fish and chips at dinner time is across the channels with the exception for FSR and Pubs where 59% and 52% of all servings are at lunch. Apart from Fish and Chip Shops and QSR, fish and chips servings in all other channels over index at lunch time compared to total food and drink.

A key opportunity for fish and chips is breakfast and snacks, as they strongly under index compared to total food and drink servings; 5% of fish and chips servings in these dayparts verses 36% of total food and drink servings.

Additionally, given the current declines in dinner occasions and growth in lunch, there is an opportunity for Fish and Chips at lunch time, particularly in the Fish and Chip Shop channel where it under indexes verses the total servings. Workplace lunches and treats could be a key target area.

Choosing fish and chips

Fish and chips remain a popular British staple meal.

Fish and chips are the 3rd most popular British dish.
Fish and chips remain in the top 5 of all British dishes taking the number three spot for the most popular British dish with its popularity increasing in Quarter 3 (Q3) 2023 compared to Quarter 2 (Q2) 2023, according to a survey by You Gov. They take the second spot for the most famous dish with 99% of respondents knowing of the dish.

In terms of popularity, it beats some of the nation's favourite dishes including roast chicken, roast beef, beans on toast, bangers and mash and toad in the hole. They are most popular with Women, Baby Boomers and Gen X.

1 in 6 Brits choose fish and chips as their favourite takeaway.
Fish and chips were ranked Britain's 3rd favourite takeaway, with around 1 in 6 Brits choosing the meal, beating pizza, Thai, and kebabs. Indian took second place just above fish and chips and Chinese took the number one spot with 1 in 4 Brits choosing it as their favourite takeaway.

This came from a You Gov survey of over 1,600 adults that also showed how the age of the respondent changed their takeaway of choice. Fish and chips were the preferred option for the over 50s with almost a half of this age group choosing the dish. This was compared to the under 50s where just 17% choose fish and chips as their favourite takeaway opting for pizza and Chinese instead.

Socialising is the main motivation for consumers choosing fish and chips.

The main motivation for consumers eating fish and chips out of home is for socialising, with 47% of all servings being driven by this need. In comparison, just 36% of total food and drink servings are for socialising with the total food and drink consumer largely driven to purchases OOH by functional needs.

The socialising motivation for fish and chips is particularly apparent in on-premise channels such as Pubs and FSR with 77% and 76% of servings respectively. Mirroring total OOH, the main motivation in Fish and Chip Shops is functional needs with 56% of servings.

Trading down from Out of Home to In Home.

In line with the total market and the trading down behaviours seen from other channels such as FSR, Workplace and Education and Fish and Chip Shops into retail, there has been an uptick in consumers buying frozen fish and chip products from supermarkets on Fridays as a cheaper substitute to buying takeaway fish and chips.

Fish and Chip Shops

Over half of fish and chips servings OOH is at Fish and Chip Shops.

Spoilt for choice.

There are approximately 10,500 fish and chip shops in the UK. This is more than the top nine most popular dining brands of Q3 2023 which include Gregg's, Wetherspoons, McDonalds, Costa Coffee, Toby Carvery, Pizza Express, Subway, Pizza Hut and Nando's. Combined their outlets total around 10,197.

Fish and Chip Shops continue to suffer as on-premise dining remains important to consumers.

Throughout the pandemic Fish and Chip Shops were one of the best performing channels and experienced a low drop in visits compared to other channels such as Pubs and FSR, in part thanks to its ability to offer takeaway and delivery services. As restrictions have lifted and on-premise visits have increased, both visits and servings of total food and drink in Fish and Chip Shops have declined by 4.9% and 1.5% respectively, in the past year to September 2023.

66% of the protein sold in Fish and Chip Shops is seafood and 14% of all seafood servings OOH is purchased in Fish and Chip Shops. Servings have declined by 14% in the last 12 months, but they remain a very important channel for seafood consumption OOH. However, Fish and Chip Shops have the smallest total OOH servings share of all the channels at just 1.4%.

Cod remains the most popular species in Fish and Chip Shops.

64% of all seafood servings in Fish and Chip Shops are to Cod which is growing in share over the last year to September 2023 up 1.0 percentage point (PP). The second most popular species Haddock with 19% of seafood servings share, has lost share (-4.6pp) some of which has gone to shellfish up 2.0 percentage points since last year.

Fried Fish is the largest product group for Fish and Chip Shops and therefore the biggest contributor to its decline losing some of its share to shellfish and non-fried seafood.

Opportunities for fish and chips

A key opportunity for fish and chips is to expand its consumer base, target differing dayparts, and socialising with value for money remaining critical.

- Target a younger and less affluent consumer.
- Make fish and chips a consumer choice, every day of the week.
- Offer consumers new and different options.
- Mono-products platforms remain popular.
- Offering delivery and app-based ordering.
- Make sure a digital (app-based) loyalty scheme is in place.
- Offer consumers good value for money.

Target a younger and less affluent consumer.

Like total seafood, fish and chips should engage more with the younger consumer as they bounce back to pre-pandemic behaviour faster than older generations. As it tends to attract older and more affluent consumers it could benefit from appealing to younger and less affluent consumers and to adults with children as there is an opportunity to increase fish and chip servings to families.

Seafood can appeal to a younger and less affluent consumer by building on a unique foundation of enjoyment, highlighting health and quality credentials (better living) whilst educating about the different types of species available (choice and convenience).

Make fish and chips a consumer choice, every day of the week.

Fish and chips are the most popular British dish, but most servings are purchased on Fridays and Saturdays. There is an opportunity to increase servings by making the dish relevant all week, particularly on Mondays and Sundays.

Offer consumers new and different options.

Quick, portable, and cheap snacking and breakfast options are key opportunities for fish and chips as its currently under-indexing compared with the total market. Quick value, on-the go occasions will also be instrumental in growing the market post pandemic.

Mono-products platforms remain popular.

A challenge for Fish and Chip Shops is that their mono-product platform limits customer base development. However, several shops have started to diversify widen their menu to include kebabs, hot dogs and curries which looks like it could be a viable solution.

Offering delivery and app-based ordering.

It’s important to keep an eye on delivery, although growth opportunities are now limited, the service is here to stay and offers consumers convenience. Additionally, app-based ordering has become ubiquitous for multiple channels order points: delivery, pick-up and at-the-table.

Make sure a digital (app-based) loyalty scheme is in place.

In foodservice, loyalty has always been a key driver of success and it is expected to remain an important factor for people when choosing where they will eat out, with the pandemic elevating this further. To build customer loyalty, consumers need to trust an establishment. Trust has been the main priority for consumers when choosing a place to go during the pandemic. This is particularly important as the consumer looks to cut costs, with deals offered directly to the consumer via loyalty platforms.

Offer consumers good value for money.

The importance of affordability will remain, Fish and Chips offer a delicious and filling meal that isn’t heavily processed but it’s crucial it offers consumers value for money as this remains a key component to purchase.

Sources

Data sources: (%) values represent changes from the previous year unless otherwise stated.

Resources used in the production of this factsheet can be viewed below.

Circana Foodservice data:
- Panel based data to two-year ending September 2023.

Additional data and insights used to produce this factsheet:
- You Gov, February 2021, The UK's favourite takeaways, Webpage
- Circana, September 2023, 2023 2YE September NPD Fish and Chips Report, Report
- Circana, September 2023, 2023 Q3 Quarterly Report, Report
- Circana, September 2023, Q3 2023 Datasheet, Report
- You Gov, Q3 2023, The Most Popular British Dishes, Webpage
- You Gov, Q3 2023, The Most Popular Dining Brands, Webpage
- NFFF, 2023, Everything you need to know about fish and chips, Webpage

Are you interested in the data behind the insights? Individuals working for seafood businesses can register for the Market Insight Portal on Seafish.org and access the Retail, Foodservice, and Trade data and reports directly. Click here to register today.

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