Fish and chips in foodservice 2019

This market insight factsheet provides a full picture of the Great Britain (GB) fish and chip performance 2019, including:

- Seafood Out of Home (OOH)
- Fish and Chips in Total OOH
- Fish and Chip Shops
- Fish and Chips
- Considerations and Opportunities
- Trends and Future Watches
- OOH Outlook - 2020 and Beyond
- References

Top Takeaways

1. In total OOH the number of fish and chips that were served as a meal totalled 215m, a decline of -0.4% since 2018 but increase of +11.6% when comparing to 2009.

2. In the fish and chip shop channel 127m servings of fish and chips were sold (+5.7%)

3. There are approximately 10,500 fish and chip shops in the UK, more than the number of McDonalds and Kentucky Fried Chicken (KFC) outlets combined.

4. Value, convenience, health and quality continue to be key trends to consider when looking forward in fish and chips OOH.

Seafood OOH Overview

Total Seafood purchased in foodservice for out of home (OOH) consumption

Seafood is consumed in many formats in the foodservice sector. Overall consumer spend on seafood out of home (OOH) was up by an estimated 2.0% in 2019 to £4.8bn, constituting 8% of the total foodservice sector. Seafood servings performed well, up +1.3% to 1.2bn when compared to 2018, indicating more consumers eating out more often and buying more seafood with each visit.

Fish and Chips as a meal in Total OOH

Fish and chips are one of the iconic national dishes of GB, seen as a cultural and culinary symbol instantly recognised as British the world over.

Fish and chips are a popular way for consumers to enjoy seafood, with fish and chips served as a meal representing around 18% of all the seafood servings consumed in foodservice.

In the year to September 2019, servings of fish and chip as a meal totalled 215m, up +11.6% when compared to 2009, an additional 22m servings. However when compared with 2018 there has been a slight drop in purchases (-0.4%) equating to a loss of 864k of fish and chip servings.

OOH Channels

Fish and chips is enjoyed as a meal in six different channels that, when added together, comprise the total OOH sector. These are; quick-service restaurants excluding fish and chip shops (QSR); fish and chip shops; pubs; full-service restaurants (FSR); travel and leisure; and workplace and education.
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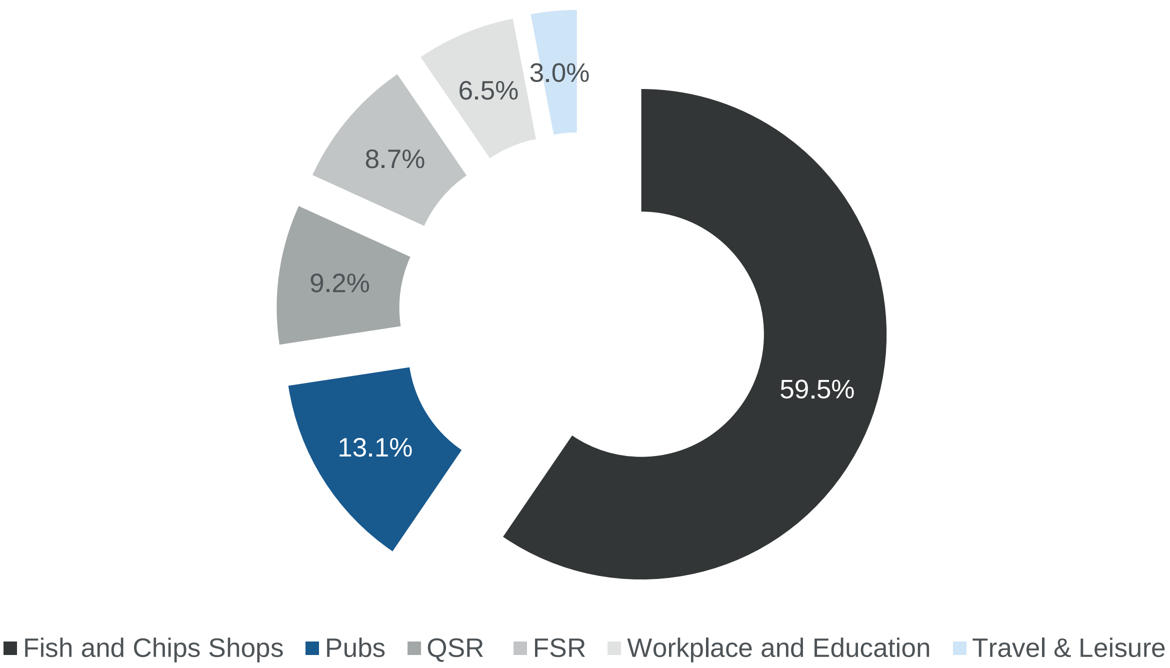
Servings are how many portions of a product were sold.

It was a mixed picture in the performance of fish and chip meal servings across the six channels when compared with 2018; with QSR (-1.5%), pubs (-17.2%) and workplace and education (-15.8%) driving fish and chip consumption declines. Only fish and chip shops (+5.7%), FSR (+2.1%), travel and leisure (+11.0%) saw increases in fish and chip consumption.

When looking at fish and chip meal servings, the largest share is total QSR at 68.7% (+3.4%), which has taken servings from pubs (-2.6%) and workplace and education (-1.2%). The graph below illustrates share of fish and chip servings in each of the six channels.

Fish and Chip Servings Share by Channel



Quick Service Restaurants (QSR)

Total QSR is made up of two separate sub channels;

- Fish and chip shop channel consists of independent fish and chip outlets and takes the largest share of fish and chips meal servings across all the channels at 59.5%; and
- QSR excluding fish and chip shops that predominantly consist of fast food restaurants, take a smaller share of all fish and chip meals servings at 9.2%.

Seafood and Fish and Chips OOH
NFFF, 2019, Everything you need to know…
The NPD Group, YE September 2019, Quarterly Crest

Fish and Chip Shops

Outlets

Fish and chip shops have been around since the 18th century and have always remained a popular staple in the British diet. The number of shops peaked in 1927 to approximately 35,000 but today an estimated 10,500 specialist fish and chip shops remain on the UK high-street.

However, when putting this into context of the present foodservice market especially other popular high street QSR outlets, fish and chip shops are doing well in terms of presence. For example, McDonalds have 1,200 outlets and Kentucky Fried Chicken (KFC) have 840, an indicator of the popularity of fish and chips shops in the UK. Demand for the dish is still high, with volumes of fish and chip meals sold today similar to those of post war years.

Total Seafood in Fish and Chip Shops

Seafood is by far the largest protein sold in fish and chip shops at 63.2% of the servings share (-0.3%), worth an estimated £637m in 2019 (+1.5%). Although spend by consumers saw increases, the 170m visits (-3.7%) and 188m servings (-0.3%) experienced declines.

Fried fish had the largest servings share with 93% being sold in this format, however it did experience declines (-0.6%). Cod is particularly relevant in fish and chip shops and is gaining in importance. Although average individual spend for seafood is in decline (-£0.10) it is still slightly higher than the average individual fish and chip shop spend at £3.52.

Fish and Chips Shops
[NFFF, 2019, Everything you need to know…](#)
[The NPD Group, YE September 2019, Quarterly Crest](#)

Fish and Chips

Fish and Chips in Fish and Chip Shops

68% of the total seafood servings in the fish and chip shop channel were fish and chips, accounting for 127m servings, an increase of +5.7% since 2018; an additional 6.8m of fish and chips served as a meal. When looking back a decade to 2009, 2019 saw an additional 27m servings of fish and chips served in the fish and chip shop channel, an increase of +27.0%.

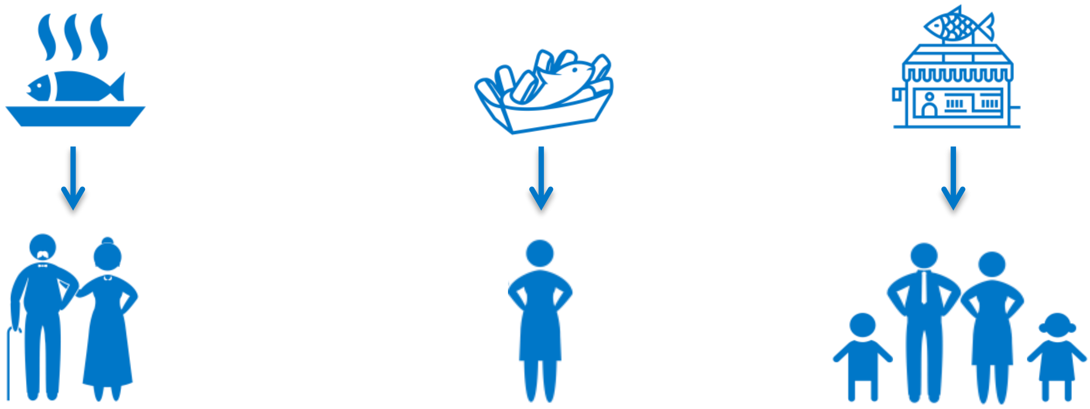
The fish and chip consumer

As with the overall seafood consumer, fish and chips are most popular with older generations and in particular pubs are struggling with the under 34's. However, QSR over indexes with younger demographics compared to total OOH, as younger diners seek value for money in this channel.

Compared with total OOH, fish and chips have a similar social class split compared to total food and drink, with FSR and pubs appealing to a more affluent consumer, whilst fish and chip shops and QSR appeal to a less affluent consumer.

Fish and chips tend to be more female-oriented in all channels particularly so in fish and chip shops, where 57.2% of consumers are females. This is with the exception of QSR where 51.2% of fish and chip consumers are male.

Although servings in fish and chip shops are performing well with families, with 40% of overall servings involving children, fish and chips as a meal have a similar family/adult only split to total food and drink across all channels, with pubs being more adult oriented (73.2% adults only).



Consumer Motivations

The main drivers for consumers to purchase fish and chips OOH is functionality (56.5%), i.e. meeting the need of hunger, and socialising. Looking further into the channels, fish and chip are seen as more of a treat when purchased from fish and chip shops. Socialising is the key driver in pubs (72.5%) and FSR (58.8%) channels. Convenience is the least likely reason for fish and chip consumption in fish and chip shops (6.4%).

Daypart
Fish and chips as a meal perform better (over index) for dinner occasions compared with foodservice in each channel, with a particular skew in fish and chips shops due to the large portion sizes. Of all the channels and compared to total OOH (15.9%), fish and chip shops have the least servings share at breakfast (0.10%). In 2019, breakfast was the only day part where foodservice saw growth, with a rise in visits to +7.0% over the past two years. Offering products suitable for this day part could prove an opportunity.

Unsurprisingly the most popular day to purchase fish and chips is on a Friday. In the fish and chip shop channel, Sundays and Tuesdays struggle the most compared with all other channels. It is important to provide consumers with fish and chip options that are appealing throughout the week.

On the Menu
'Fresh' and 'freshly' are the top descriptors in seafood across UK menus, with the breaded trend continuing to grow. The fastest growing flavour is coriander and the fastest growing protein is soft shelled crab.

Fish and Chips
[Technomic, July 2019, Seafood Trends Across U.K. Restaurants]
[The NPD Group, YE September 2019, Fish and Chip Servings]
[The NPD Group, 2 YE September 2019, Fish & Chips Report]
[Springboard/NPD, 2019, Eating out Report]

Considerations and Opportunities

Across total OOH, fish and chips as a meal could consider the following opportunities:

- Target a younger less affluent demographic
- Make fish and chips relevant all week, not just Fridays
- Offer quick, portable and cheap snacking options
- Create a greater brand love by getting the basics right
- Offer options for other dayparts, with breakfast being a key growth area
- With health becoming more important to consumers, consider educating diners on the nutritional value of fish and chips as a meal, recognising portion control is an effective way to manage nutrition

Trends and Future Watches

Again as with total OOH there are a number of trends to consider both protecting and increasing servings of fish and chips across OOH:

- Advancement in technology is changing the way in which consumers purchase fish and chips; in particular app-based ordering is set to soar as consumers are motivated by more convenient ways of ordering food.
- Off-premise (takeaway, delivery, drive-thru) is becoming more important; forecasters predict 6% increasing spend in 2020. Consider increase in delivery offerings and invest in drive-thru options to capitalise on the projected growth
- Sustainability is becoming more important to the UK consumer; consider ways in which measures can be taken to become more eco-friendly and inform consumers of your sustainability credentials.
- Britain’s travel hubs are a key area of growth; consider outlets in this channel such as motorway, train, and petrol stations.

Consideration & Trends
Seafish, 2019, Seafood in Foodservice

OOH Outlook – 2020 and Beyond

In 2020 and beyond there will be an ongoing focus on the top three opportunity areas that will affect all OOH channels and food offerings; value, convenience, and health and quality.

Value

• Remain prudent on pricing, while looking for other ways to offer value

• Use technology to encourage additional purchases

• Enhance customer service to maximise frequency of visit and market share

Convenience

• Become a multi-channel operator, focusing on both off premise & digital technology

• Offer consumers a seamless experience across all channels

• Delivery will remain important; click and collect apps will grow in popularity

Health and Quality

• Attract new buyers by widening menu choice to include non-meat options

• Core menu items continue to have a role, but add a twist, or tell a story

OOH Outlook - 2020 and Beyond
Seafish, 2019, Seafood in Foodservice
Springboard/NPD, 2019, Eating out Report

References

- NFFF, 2019,Everything you need to know about fish and chips, Webpage
- Technomic, July 2019, Seafood Trends Across U.K. Restaurants through Q1 2019, Presentation.
- The NPD Group, YE September 2019, Quarterly Crest, Q3 Report.
- The NPD Group, YE September 2019, Fish and Chips Servings, Data Sheet.
- The NPD Group, YE September 2019, Fish and Chips, Report.
- Seafish, 2019, Seafood in Foodservice, Market Insight Factsheet
- Springboard/NPD, 2019, Eating out Report 2019, Ways to Grow in a Low-Growth World, Report.

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NB

Total OOH data is based on GB only.
OOH data to be used with caution, as based on a small sample.
Foodservice 2019 data is based on year ending data to September 2019