



If you want to gain a piece of the UK's £20bn Food To Go sector, then you need to take Millennial needs seriously...



I've often been asked the same question over the 5 or so years I have been advising businesses on adapting to the changing needs of Millennials: "What about the older generation, they are living longer and have more money than Millennials?" I always answer with the following: "we must not stop focusing on our existing core consumers but we must not dismiss or ignore the Under 35s as they will continue to have more impact on the modern Food Industry than any other consumer cohort in marketing history, their disruption will accelerate exponentially and the established rules of engagement will be changed forever."

So straight off the bat, let me define "Millennials": born between 1983 and 2000 (as coined by William Strauss and Neil Howe-Millennials Rising), so currently aged 35-18. This cohort is forecast to represent 75% of the Global workforce by 2025 and empowered by a technical revolution has already altered the consumer rules and the rules of consumption in the UK.

The UK Food to Go sector is currently worth c £20bn p.a (M.C.A 2017) and estimated to be growing at c5% year on year. It's a maverick category compared to most food categories (as defined by the big data gatherers) as only 4.5% is sat with the big supermarkets and growth and awareness is being driven by dynamic High Street brands. As such Food to Go suits the Millennials perfectly.

Millennials love Food to Go for the following reasons:

- 1** They have grown up with an ever-increasing array of choice and service that constantly fuels their interest.
- 2** Brands like McDonalds and Subway offer amazing convenience and consistency and have leveraged digital platforms to make their offers more relevant.
- 3** Food to Go is primarily a self-purchase, and part of the pocket-money economy so tends to go under the domestic budgeting radar and benefits from emotional consumer response more than household items.

- 4** Building upon point 1; Millennials have grown up comfortable with spending a higher proportion of their income on eating out of home than their predecessors and with house ownership likely to be even harder for them to achieve going forward, this behaviour looks to be firmly established.
- 5** Millennials carry none of the consumption baggage of the older generations like Gen X and Baby Boomers-" Its not good to eat in the street or on a train, I can make this myself for less money" etc

All this poses opportunities for brands and manufacturers who want to enter this buoyant category or to build more growth in it. Understanding Millennial needs and delivering imaginative solutions that make their lives easier is fundamental to future success as is direct to consumer engagement using the well established digital platforms that Millennials so love. There are some massive prizes to be had over the next decade in Food to Go(its conservatively forecast to be worth over £30bn by 2025) but it will require some bold changes by the established players if they are to avoid losing share to entrepreneurial disruptors smelling the growth.The limited barriers to entry in this vast, fragmented sector lend themselves to start ups with a point of difference and an affinity with this new, highly motivated generation of consumers.

If you want to understand more about the Food to go Sector and the opportunities available for growth please drop me a line.

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BACKGROUND

Rob worked as Sales & Marketing Director of top 4 chilled food to go manufacturer Buckingham Foods before heading up the outward facing strategy at Adelle Foods where he held the role of Group Innovations and Marketing Director. He launched the successful Food to Go brand Urban Eat worth an estimated £140m pa. He set up Visionise in 2011 and is the founder of The Millennial Jury.