



# Market Report

A Snapshot of your Market Sector

## Sandwich Bar

This pack has been designed to provide information on setting up a business in the **Sandwich Bar** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **December 2020**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

## What do I need to know about the Sandwich Bar market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ The value of the UK foodservice industry is expected to plummet in 2020. Enforced closures, capacity restrictions and consumers' financial and health and safety concerns will result in **the value of the market declining by 55%** to reach just under **£35 billion this year, down from £76.8 billion in 2019**. (Mintel, *The Future of Eating Out: Inc Impact of COVID-19*, August 2020).
- ◆ As working from home looks set to remain the norm for many office workers for a while longer, lunchtime sandwich shops/food-to-go formats will suffer from the decline in office working/commuting. This forms a parallel with the retail arm of the on-the-go lunchtime foods market. Whilst consumers are still likely to prioritise eating out for leisure/special occasions, many are cutting back on quick, everyday meals out of home, such as those bought from convenience-driven lunchtime sandwich shops/food-to-go outlets (Mintel, *British Lifestyles – UK*, November 2020).
- ◆ The coronavirus is expected to have an overall negative effect on the industry, contributing to revenue decline in 2020-21. Falling consumer confidence and incomes, combined with rising unemployment is expected to negatively affect spending on industry services. Moreover, government measures such as the temporary closure of non-essential stores and a 10pm curfew are also contributing to weaker demand. However, takeaways and delivery are expected to surge, limiting the decline. Over the five years through 2020-21, industry revenue is expected to **grow at a compound annual rate of 0.4% to £19.1 billion**. (IBISWorld, *Takeaway & Fast-Food Restaurants in the UK*, November 2020).
- ◆ Industry operators produce flour-based food in an on-site oven, and it can be consumed on-site or taken to go. Bread and sandwiches are expected to account for the largest share of industry revenue in **2019-20 at 48%**. Although bread sales have been falling, this segment's share of revenue is expected to rise slightly over the five years through 2019-20 due to growing demand for sandwiches and wraps, as consumers seek convenience and quick food on-the-go (IBISWorld, *Bakery Cafes in the UK*, December 2019).
- ◆ The national organisation for this industry is [The British Sandwich Association](#). Other industry bodies include the [UK Hospitality Association](#), [Scotland Food and Drink](#), the [Scottish Food and Drink Association](#) and the [Café Life Association](#).

## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **Mintel - The Future of Eating Out: Inc Impact of COVID-19 (August 2020):** COVID-19 will see eating out become a treat again, rather than an everyday occasion. As working from home looks set to remain the norm for many office workers for a while longer, lunchtime sandwich shops/food-to-go formats will suffer from the decline in office working/commuting. A vast proportion of foodservice venues that are based in major cities and near to offices or train stations, including lunchtime sandwich shops/food-to-go formats, will suffer from the decline in the UK's workforce.
- ◆ **Mintel – British Lifestyles - UK (November 2020):** On-the-go food and drinks had become something of a darling of the food retail industry in recent years, however, lockdown measures and the subsequent shift to more home-centric lifestyles have slashed demand. Packed lunch items and ready-to-eat single-portion lunch options in retail, such as sandwiches and salads, became less relevant to house-bound workers. For many, the lunchtime meal deals at the grocers will currently be obsolete. Products which target consumer needs during the commute or at the workplace will face a tougher market even once the threat of COVID-19 lessens, due to the predicted longer-term rise in remote working.
- ◆ **IBISWorld – Takeaway & Fast Food Restaurants in the UK (November 2020):** Potential short-term recovery from the COVID-19 (coronavirus) pandemic would be beneficial to the industry, with unemployment falling and incomes rising, in turn aiding demand. However, any lingering effects of the pandemic or another spike and subsequent lockdown would plunge consumer confidence further and slow recovery. Some sort of distancing measures are likely to remain in place for a considerable time.

There are also a number of online resources you may find helpful:

- ◆ **The British Sandwich Association** – Guidance for the Reopening of sandwich bars, cafes and coffee shops – last updated August 2020 ([tinyurl.com/yymhlsvx](https://tinyurl.com/yymhlsvx)). This guidance is designed to help those re-opening sandwich bars, cafes and coffee shops to comply with Government requirements in relation to COVID-19.
- ◆ News article from **The Independent, British Sandwich Week: How the humble sandwich has stood the test of time (May 2020):** *Sandwiches aren't just for lunch either – we're eating them at breakfast and dinner now too. Portability and speed are pluses but so is cost. Sandwiches are cheap, with the average price around £2.27* ([tinyurl.com/ydbnr2ym](https://tinyurl.com/ydbnr2ym)).
- ◆ **Warburtons – Bacon Butty Crowned as Nation's Favourite Sandwich!** - *It's no secret that we as a nation love sandwiches. So, we polled 2,000 adults to discover Britain's favourite sandwich! This year, Britain's best-loved sandwich is the bacon butty. Other popular fillings include cheese and pickle, chicken and bacon, and even a filling of crisps. We know the sandwich is still a national treasure and the most popular meal in the UK, accounting for 5.9bn meal occasions* ([tinyurl.com/y8q4gv2y](https://tinyurl.com/y8q4gv2y)).

**Disclaimer:** This report has been updated in December 2020 - we have included Post COVID-19 market material where available. Please note that this research may contain copyrighted material. Copyright belongs to the holders credited above and, as such, recipients of this research reproduce and repurpose this information at their own risk.

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.

## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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**Updated by:** Fiona Elliot

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