



Market Report

A Snapshot of your Market Sector

Takeaway Food

Cost of Doing Business Support

For information on **reducing the cost of running your business**, the [Find Business Support](#) website has links to advice, funding and regional support.

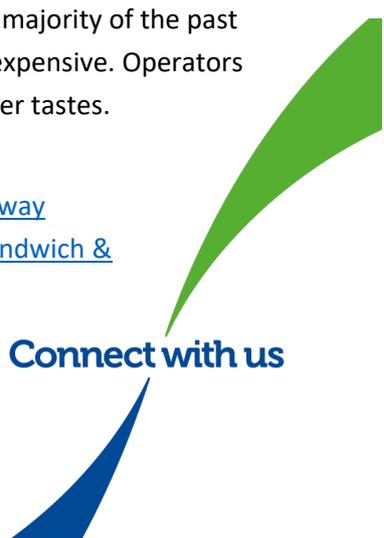
This pack has been designed to provide information on setting up a business in the **Takeaway Food** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan),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

This market report was updated by Business Gateway in **August 2022**. 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 Takeaway Food 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 ethnic takeaway market is expected to record healthy growth over the next five years, with the value of the market predicted to **increase** by around **29%** to reach **£10.5 billion in 2026**. However, news of food packaging waste has made ordering takeaway from ethnic restaurants/takeaways less appealing for some people. Consumers' concern for the environment will continue to build pressure on brands to act sustainably, especially should the foodservice market encounter another 'Blue Planet' moment. (Mintel, *Ethnic Restaurants and Takeaways UK 2022*).
- ◆ More than half (52%) of takeaway/home delivery consumers ordered food through a third-party ordering/delivery service as of November 2021, versus 44% in 2019. Aggregators, such as Just Eat and Deliveroo, have effectively helped foodservice operators to roll out and manage home delivery services, offering consumers a greater range of home delivery options than ever before. Consumers have also become more confident accessing their favourite restaurants that now offer home delivery services through third-party delivery services. (Mintel, *Attitudes Towards Home Delivery and Takeaway UK 2022*).
- ◆ The ease of ordering via a mobile phone is likely to support industry growth. However, the expansion of online ordering sites and mobile apps has allowed consumers to more effectively compare restaurant menus, putting greater pressure on operators to compete on price. The continuation of this trend is anticipated to weigh on profit. Rising health awareness is also expected to squeeze demand for high-fat takeaway options, while promoting operators that have responded to these concerns by presenting low-fat, low-sodium, healthy alternatives such as pasta, salad, and healthier wraps and sandwiches. IBISWorld forecasts revenue to **expand** at a compound annual rate of 3.7% over the five years through **2027-28 to £26.5 billion**. (IBISWorld, *Takeaway & Fast-Food Restaurants in the UK*, July 2022).
- ◆ Industry revenue is expected to grow at a compound annual rate of 3.4% over the five years through 2021-22. The industry has benefited from consumers' growing expenditure on takeaway, due to the convenience and affordability that it provides. Growing disposable income over the majority of the past five years has allowed consumers to spend more on premium pizza, which is more expensive. Operators have also concentrated on increasing their product range to meet changing consumer tastes. (IBISWorld, *Pizza Delivery & Takeaway in the UK*, February 2022).
- ◆ There are several national organisations for this industry including the [British Takeaway Campaign](#), [UK Hospitality](#), [The Food & Drink Federation Scotland](#), and [The British Sandwich & Food to Go Association](#).



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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.

- ◆ **Mintel – Attitudes Towards Lunch-Out-Of-Home UK 2022.** Despite a drop in overall lunchtime takeaway participation in 2022, those who are still having takeaway lunches are visiting a greater range of venues compared to in 2021. Participation in ordering takeaway lunches from most venue types is largely driven by people returning to offices as well as cities, where they may well have greater options when it comes to buying lunch compared to when near to home.
- ◆ **IBISWorld – Online Food Ordering & Delivery Platforms in the UK (June 2022).** Over the five years through 2022-23, the industry's revenue is projected to increase at a compound annual rate of 38%. Time-poor consumers are increasingly turning to food ordering and delivery platforms for convenient, quick and high-quality food. An entertaining-at-home trend accelerated by the COVID-19 (coronavirus) pandemic has also supported industry growth. Growing demand from food outlets has further supported the industry by allowing operators to expand the range of food that they offer.
- ◆ **Mintel – Attitudes Towards Home Delivery and Takeaway UK 2022.** While it is likely than many people have cut back on grabbing lunch from foodservice establishments as part of everyday occasions (eg during their work lunch break), the home delivery sector has been buoyed by changes to consumers' lifestyles, as consumers spend more time at home and redirect out-of-home expenditure to products and services they can enjoy without leaving the house.

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

- ◆ **You Gov – The UK's Favourite Takeaways (February 2021)** ([tinyurl.com/3pax8bwd](https://www.tinyurl.com/3pax8bwd)) – This article from YouGov, shows the favourite restaurants of UK consumers. According to this article “one in four Brits (25%) picked Chinese food as their preferred takeaway, while 17% say they prefer Indian, and another 16% opt for the classic fish and chips.”
- ◆ **Hospitality & Catering News** ([tinyurl.com/yc7ka586](https://www.tinyurl.com/yc7ka586)) is an online news publication for the UK hospitality industry.
- ◆ **Restaurant Industry News** ([tinyurl.com/yd5mspt8](https://www.tinyurl.com/yd5mspt8)) is another online magazine where you can find information on the latest industry news and trends.

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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 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 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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