



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 2023**. 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 value of the ethnic foodservice market is expected to continue to rise year-on-year between 2023 and 2027, driven by continuing demand for eating-out experiences whilst the takeaway market is performing resiliently and well above pre-pandemic levels. We expect the value of the UK ethnic foodservice market to grow by **20% over the next five years to reach nearly £17 billion by 2027**. (Mintel, *Ethnic Restaurants and Takeaways UK 2023*).
- ◆ The cost-of-living crisis has temporarily changed the focus of home delivery and takeaway operators, who are deploying more special offers, price promotions and meal deals at low price points to appeal to consumers who continue to splash out on affordable treats. The legacy of the cost-of-living crisis will see consumers have greater access to targeted discounts and offers (eg via apps, websites, newsletters). The broader picture is one of healthy growth, with consumers tempted out by an increasingly diverse and accessible home delivery and takeaway scene. (Mintel, *Attitudes Towards Home Delivery and Takeaway UK 2023*).
- ◆ A growing number of busy on-the-go consumers is maintaining healthy revenue levels among takeaway and fast-food operators. Britons' growing health and sustainability awareness is presenting a significant opportunity for takeaway and fast-food businesses to introduce more expensive organic and meat-free menu items. Industry revenue is expected to grow at a compound annual rate of **0.5% over the five years through 2022-23 to £21.6 billion**, including forecast growth of **0.9% in 2022-23**. (IBISWorld, *Takeaway & Fast-Food Restaurants in the UK*, March 2023).
- ◆ Pizza Delivery and Takeaway revenue is expected to expand at a compound annual rate of **3.9% to £4.5 billion over the five years through 2027-28**, when the average profit margin is forecast to reach 10%. Trends towards healthier eating and growing demand for meat-free and gluten-free pizzas have forced pizza restaurants to expand their menus. (IBISWorld, *Pizza Delivery & Takeaway in the UK*, February 2023).
- ◆ 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 2023.** As cost-conscious consumers rein in spending on lunchtime foodservice purchases in response to rising costs, sales have become hard-earned. Operators will have to work hard to maintain trading levels, with an increased use of deals at lower price points and/or subscription offers to encourage more people to visit. As diversity and inclusion becomes entrenched into the British lifestyle, lunchtime concepts that promote these values will appeal to multifaceted consumers who are tempted out by an increasingly diverse foodservice scene (eg Halal meat, vegan options).
- ◆ **IBISWorld – Online Food Ordering & Delivery Platforms in the UK 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.
- ◆ **Statista – Restaurant delivery and takeaway market in the UK 2022.** The market size of the fast food and takeaway industry in the United Kingdom fluctuated over the past decade. In 2022, the market amounted to 21.37 billion British pounds, up from the previous year's total of approximately 19.62 billion. In 2023, the market is forecast to reach 22.04 billion.

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

- ◆ **KMPG – Food for Thought 2023** (<https://tinyurl.com/2d6pfyct>) is an online article discussing what's on the menu for the takeaway and quick commerce market. It states that *“Four in ten consumers (41%) have just one or two ‘local hero’ restaurants they repeatedly order from. Younger consumers are more adventurous, with nearly six in ten (59%) of 18-24 year olds having up to five regular favourites. One in seven (15%) stick to known favourites because they have special dietary requirements – and this rises to 26% in London.”*
- ◆ **Hospitality & Catering News** (tinyurl.com/yc7ka586) is an online news publication for the UK hospitality industry.
- ◆ **Restaurant Industry News** (restaurantindustry.co.uk) 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.

Last updated: August 2023

Updated by: Victoria

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