

# Local Food

## Threats and Opportunities

*SAC Consulting is a division of SRUC*

*Leading the way in Agriculture and Rural Research, Education and Consulting*

# The UK Grocery Market

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- UK Grocery market is changing
  - Split between price and premium
  - Increased proliferation of retail channels
  - Increase in the number of dynamic and nimble competitors
  - Market fragmentation
  - Increasing use of technology
  - Faster rate of change
  
- Key points for Joanne Denny Finch's speech at the IGD Convention:
  - It's not just about price its about Value
  - Greater personalisation of the shopper experience
  - Utilising technology to allow smarter shopping
  - Smaller companies increasing in importance
  - Loyalty and Trust increasingly important

# Challenges

## New Formats, New Entrants

**Tesco Express food-to-go trial in the City of London**



**Amazon online**



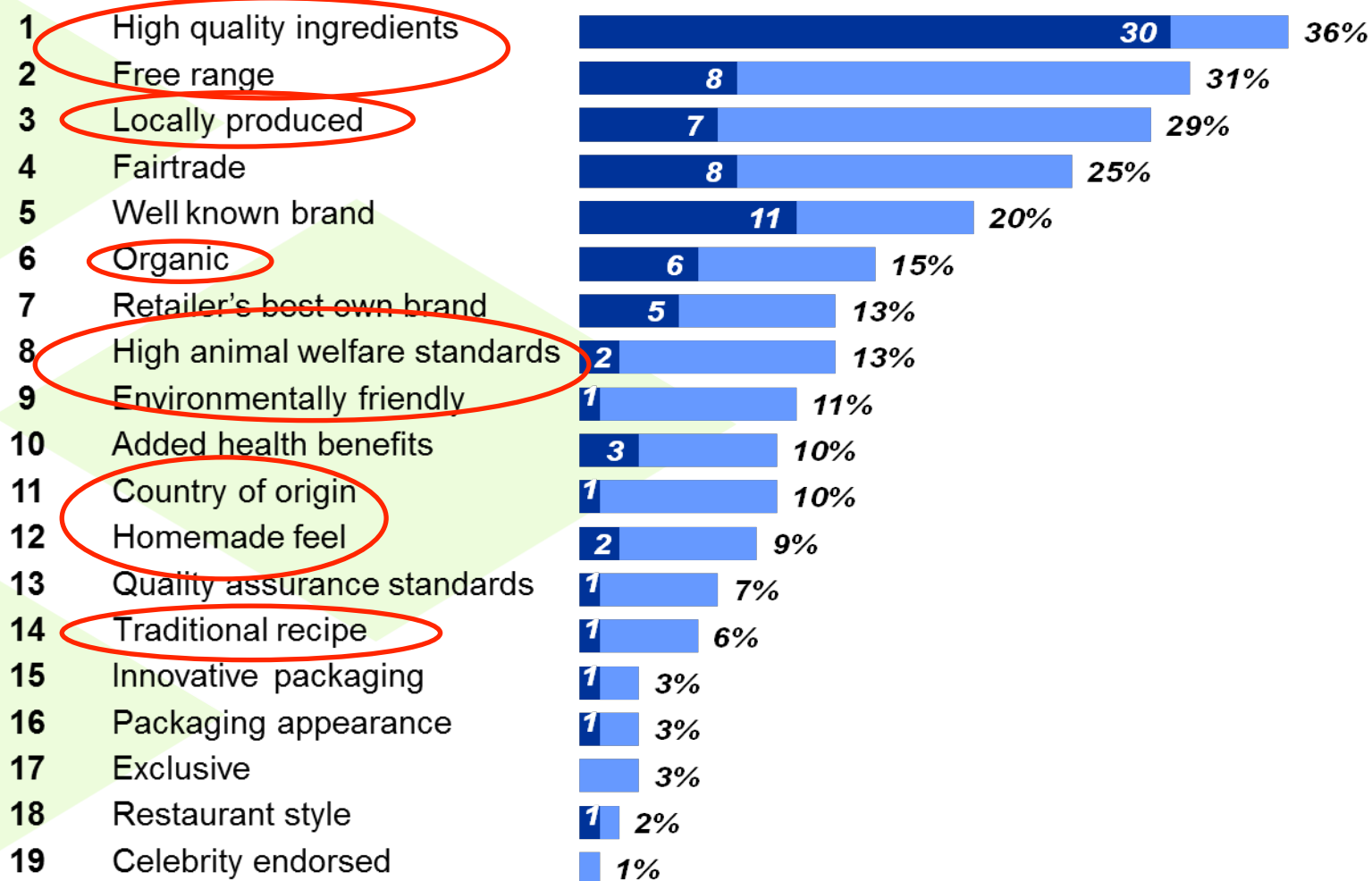
**Click & Collect**



**SPAR, Hackney - combining foodservice and convenience store**



# What are shoppers prepared to pay a bit extra for?



# Challenges?

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- Convenience – Anywhere / Anytime, Food-to-go
- Health and diet– Portion size, Calories, Free-from
- Changing eating patterns – The grazing generation
- Innovation – new ingredients, new formats
- Consumers Conscience – environment, ethics, society
- Customer engagement – new technologies / personalisation
- Packaging and Waste

# How do Local Food producers react?

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- Must be market lead
- Need better consumer insight / guidance
- Need new skills – business / technology
- Need flexibility
- Willingness and resources to innovate

Any Questions?

# Borough Market Event

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Thank you

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# Local Foods: The Good News

## Estimated UK retail sales and forecast of locally sourced foods, by value, 2007-17

