



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

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United Kingdom

HRI Food Service Sector

Eating out passes home food consumption in UK

2006

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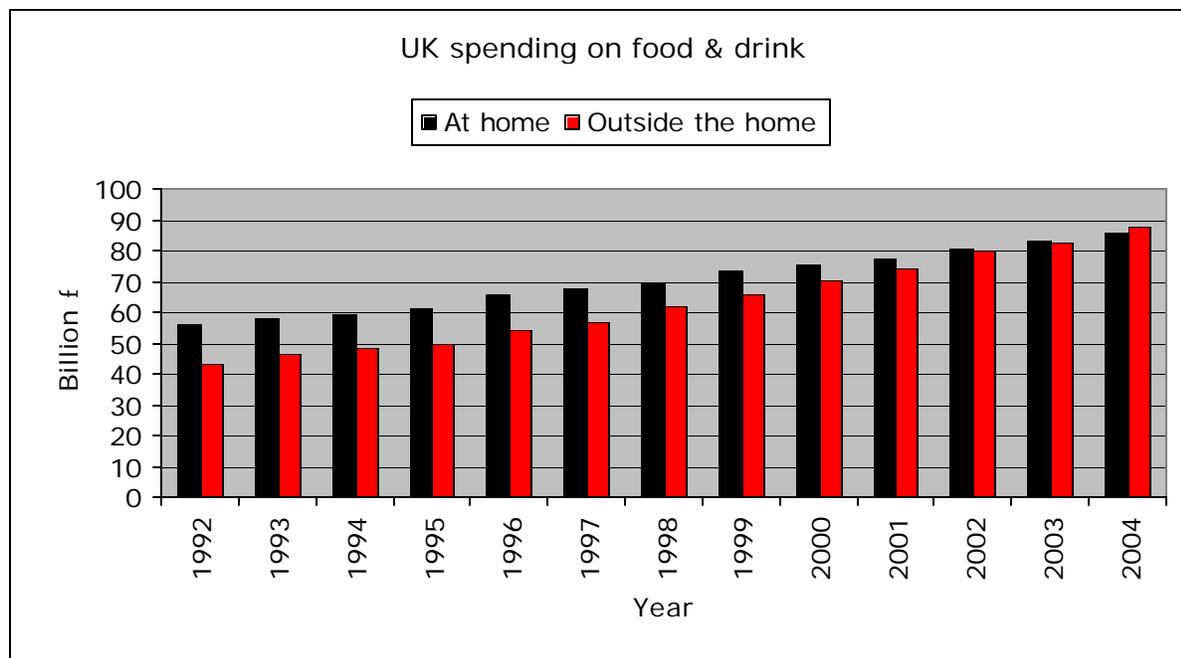
Steve R. Knight

Report Highlights:

According to the UK's Office of National Statistics the value of households' spending on eating out has passed spending on food sector products eaten at home. Expenditure on eating out more than doubled between 1992 and 2004 to £87.5 billion. Household expenditure on fresh and processed food and drink products rose by just over 50 percent during the same period to £85.8 billion. The ONS cites cultural and structural changes in the retail sector as the main reasons along with increased consumer disposable income.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
London [UK1]
[UK]

On August 18, 2006, the UK's Office for National Statistics (ONS) published their annual United Kingdom Input-Output Analyses report. It indicates that in 2004 the value of households' spending on eating out exceeded spending on food sector products eaten at home for the first time.



According to the ONS, of the total £732.5 billion spent by UK households in 2004, £173.3 billion was spent on agricultural, food and catering products. In 1992, the majority of this type of expenditure was accounted for by food bought for consumption at home. By 2004, the balance had shifted to meals eaten at work or at bars, hotels and restaurants. Indeed, according to the ONS household spending on fresh and processed food and drink products was £85.8 billion in 2004, up 53.4 percent between 1992 and 2004. Over the same period, spending on food and drink products consumed outside the home grew by 102.2 percent, to £87.5 billion.

The ONS cites cultural and wealth changes in food consumption, with people eating out more regularly, enjoying a wider range of cuisine and increasing their consumption of take-away meals, as the main reasons for the phenomenon. Other significant factors are the structural changes in the high street and the intensification of competition among retailers which have put pressure on prices, leading to slow growth of expenditure on food for home consumption in current prices. Over the past 14 years, official figures show that restaurant prices rose by about 63 percent compared to just 24 percent in the home consumption market.

The full report is available from the ONS at:

<http://www.statistics.gov.uk/inputoutput>