

Ashdale Insights

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What's for lunch?

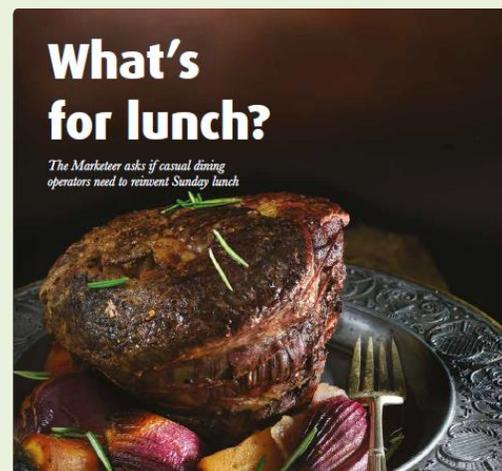
This month we ask if casual dining operators need to reinvent Sunday lunch.

The 6th of March 2016, Mothering Sunday, saw the last chance that Wetherspoons customers could get their hands on a traditional Sunday roast for around £7, which came complete with a glass of alcohol thrown in.

So what drove Wetherspoons to come to such a relatively significant decision?

The decline of the Sunday Roast at Home

The roots of Wetherspoons decision can probably be traced back to the underlying trend in the decline of the traditional Sunday roast in the home. Back in 2011 studies showed that more and more people were forgoing homemade meals and turning to ready-made or fast food options in order to save time and money. One in five men and women surveyed said that they were less likely to cook a traditional roast than they would



have been ten years earlier. It was also clear that this trend had been accelerating rather than slowing in more recent years.

In 2012 a poll of almost 2,000 grocery shoppers found that as many as 60 per cent of them no longer cook a roast on a weekly basis, with around 30 per cent doing so less than once a month. Subsequent surveys have come to similar conclusions.

One imagines that Wetherspoons have seen this change in behaviour migrate into their own estate. With numbers of covers down it was probably difficult for them to deliver the

commercials they needed whilst still maintaining the expected low all-inclusive retail price. Removing it from the menu being preferable to suffering the media and customer backlash that would have ensued if they had moved away from their 'value' offer and increased the price of their Sunday lunches.

To read this and previous articles in full go to Ashdale Articles

www.ashdale-consulting.com

or

Casual Dining Magazine
www.casualdiningmagazine.co.uk

Economic Headlines

These headlines are from our Economic Bulletin.

CPI for January 2017 was +1.8% up from +1.6% in December, the fourth consecutive month that the rate has risen and takes inflation to its highest since June 2014.

Latest figures from the ONS show that unemployment remained

at 4.8%, as the rate of employment hit a new high of 74.6%, pay (inc bonuses) rose by +2.6%.

The second estimate for GDP for Q4 2016 was +0.7%, an upward revision from the preliminary estimate, with manufacturing doing better than previously thought.

CPI	+1.8%
RPI	+2.6%

UNEMPLOYMENT	+4.8%
PAY	+2.6%

Q4 GDP	+0.7%
TRADE BALANCE	(£3.3BN)
SERVICES	+£7.6BN

With sales up +12.4% Aldi became Britain's 5th largest supermarket this period

Retail Headlines

These headlines are from our Retail Bulletin.

Retail sales rose +1.5% in January 2017 vs January 2016, as consumers become wary of spending as employment and earnings growth slows and inflation is rising.

Store prices increased by +1.9% on the year, with the largest contribution

coming from petrol stations as year-on-year prices were estimated to have risen by +16.1%.

Latest 12 week figures saw the Grocery Market grow by +1.7%, as Aldi overtook the Co-op to become Britain's 5th largest supermarket for the latest 12 week period.

RETAIL VOLUMES	+1.5%
RETAIL VALUES	+3.4%
INTERNET SALES	+10.1%

GROCERY MARKET	+1.7%
GROCERY INFLATION	+0.7%

Aldi	+12.4%
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Consumer Spending Headlines

These headlines are from our Consumer Spending Bulletin.

Average family spending power was up £7 a week in January at £205 on the same month a year ago, however prices continue to rise.

The estimated average mortgage debt in December was £119,465,

meaning the average annual interest paid would be £3,190 per household (based on a rate of 2.67%).

GfK's UK Consumer Confidence Index was (6) in February down (1) compared to January, this has been driven by concerns over personal finances.

HOUSEHOLD INCOME	£760
TAXES & COST OF LIVING	£555
DISCRETIONARY	£205

HOUSEHOLD DEBT	£56,153
EXC MORTGAGES	£7,146

Overall Confidence	(6)
LY Personal Finances	+1
NY Personal Finances	+3

Cider Update

Latest data from the HMRC shows that cider returns for December 2016 were up +26.7% versus December the previous year.

This however wasn't enough to offset the declines seen in October (13.6%) and November (35.4%) which meant that Q4 was down (9.9%) vs. 2015.

This meant that 2016 as a whole finished down (7.3%) compared to 2015.

Although some individual brands are performing much better than this, on balance it is a continuation of the trends which have been seen over recent years.

Where there is growth, it is mostly coming from

flavoured ciders such as Rekorderlig, Kopparberg etc. which are not counted as ciders from a duty point of view.

Source: HMRC 28th Feb 2017



“Growth is mostly coming from flavoured ciders such as Rekorderlig and Kopparberg”

Casual Dining Update

February 22nd saw Glenn Evans of Las Iguanas crowned as the overall winner at the 2017 National Burger awards. This was the 3rd year for this event as Evans cooked off against 15 other chefs from across the industry at the Islington Metal Works in London. As well as claiming the national title,

he also took home the £1,000 prize money.

In other news February also saw two important industry trade events; Pub 17 on the 8th & 9th of February and then Casual Dining on the 22nd & 23rd.

Both events attracted an increase in visitors on previous years with a combination of exhibitors,

presentations and workshops. Dates for next year are as follows:

Pub18
7th & 8th February
Casual Dining
21st & 22 February



Weather Summaries

For more months and years then simply go to:

www.ashdale-consulting.com

JANUARY	
 DRY	Temp = +0.2 Rain = 62 Sun = 120
<ul style="list-style-type: none"> • Dry, settles & cold to begin with snow in most place 11th to 14th • Some rain in the south & SE but 10th sunniest Jan since 1929 	

FEBRUARY	
 WINDY	Temp = +1.6 Rain = 103 Sun = 79
<ul style="list-style-type: none"> • Mild & unsettled with wet and windy weather – some snow • Storm Doris on the 23rd saw damaging winds and some snow 	

“Storm Doris on the 23rd of February saw damaging winds across the country”

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**Analysis
Insight
Strategy**



About Ashdale Business Consulting

We are an independent consultancy providing analysis, insight and strategy to organisations of all shapes and sizes. We also deliver training across a range of business activities, all of which help to improve an organisations ability to make more profitable decisions. Specialist areas include Strategic & Business Analysis, Scenario Planning & Forecasting, Category Management and Value Chain Analysis.

With extensive commercial experience in the UK alcohol industry we specialise in providing support to the Licensed Trade. Clients range from Microbrewers and Individual Outlets through to Regional and National Brewers, as well as Global drinks companies.

For more information go to our website:

www.ashdale-consulting.com

For more information about our FREE and chargeable training go to:

www.http://ashdale-academy.teachable.com

Dates and Events for Your Diary

GeneralMarch

8th Budget
17th St Patrick's Day
24th Red Nose Day
26th Clocks Go Back
26th Mother's Day

April

14th - 17th Easter Weekend
23rd St Georges Day

Licensed TradeMarch

8th Wine Fair (London)
15th Scot LTA - GM
16th - 19th Beer X (Sheffield)

April

1st - 2nd JDW Real Ale Fest.

SportsMarch

11th - 13th FA Cup Q/F
14th - 17th Cheltenham
26th Australian GP
26th WC Football Qualifiers

April

2nd Boat Race
6th - 9th US Masters
8th Grand National
9th Chinese GP
23rd London Marathon

Ashdale Training Dates

MarketingMarch

2nd Marketing Planning Skills - Option 1
7th Marketing Planning for SME's
16th Marketing Planning Skills - Option 2

April

4th Marketing Planning for SME's
11th Marketing Planning Skills - Option 1
20th Marketing Planning Skills - Option 2

Licensed TradeMarch

22nd Planning For Profit

April

27th Planning For Profit