

# Ashdale Insights

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## The paradox of choice

*This month we look at whether some operators try and offer too much choice.*

Earlier this year I was charged with finding a suitable venue for a family lunch. Nine of us in total, with an age range of 10 through to 80. On previous occasions when faced with the same task I have usually tended to go very mainstream, looking out for a place which had a comprehensive menu. By adopting this approach I ensure there is something on offer which everyone would like. These family get-togethers have always been great but the food experience has usually been a bit underwhelming. So this time I decided to break from the norm and go a different route.

This time I chose a local independent restaurant not far from where I live, rather than a pub or national chain. The other big difference was that I specifically went for the fixed price menu.



Primarily because I knew I wasn't the one paying at the end of the meal and also to keep things simple.

The result was that from a choice of 3-4 dishes per course everyone was able to find something they liked or at least fancied and no one complained about the lack of choice. Once again we all had a great time but for the first time I can remember everyone also commented on how good the food was too.

### Jack of all trades

A big hurdle many operators consistently put in front of themselves is their desire

to be all things to all men. Think about your own experiences on sitting down and being handed a menu by your server which has more in common with a library book than it does a menu. On such occasions there is often the danger that you lose the will to actually order anything due to the sheer volume of choices that the operator feels the need to put in front of you.

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

[www.ashdale-consulting.com](http://www.ashdale-consulting.com)

or

**Casual Dining Magazine**  
[www.casualdiningmagazine.co.uk](http://www.casualdiningmagazine.co.uk)

**ONS figures suggest that business investment growth has halted**

## Economic Headlines

*These headlines are from our Economic Bulletin.*

CPI for July 2017 was +2.6% flat from +2.6% in June, helped by the continued fall in motor fuel prices which helped off-set increases in a range of other goods.

Latest figures from the ONS show that unemployment fell to

4.4%, however the squeeze on real incomes continues as average earning growth is behind inflation.

The second estimate for GDP for Q2 was +0.3% unrevised from the preliminary estimate as ONS figures suggest that business investment growth has halted.

CPI	+2.6%
RPI	+3.6%

UNEMPLOYMENT	+4.4%
PAY	+2.1%

Q2 GDP	+0.3%
TRADE BALANCE	(£8.9BN)
SERVICES	+£25.43BN

**Lidl increased its market share to a new record high of 5.2% to become the UK's seventh largest grocer**

## Retail Headlines

*These headlines are from our Retail Bulletin.*

Retail sales rose +1.3% in July 2017 vs. July 2016, painting a relatively subdued picture although perhaps not as bad as some commentators had predicted.

Volumes bought through Food-Led and Non-Food Stores were +0.1% and

+0.2% respectively, as average price inflation continues to rise across all categories.

Latest 12 week figures saw the Grocery Market grow by +4.0%, as Lidl overtook Waitrose this period to become the UK's seventh biggest grocer.

RETAIL VOLUMES	+1.3%
RETAIL VALUES	+4.1%
INTERNET SALES	+15.1%

GROCERY MARKET	+4.0%
GROCERY INFLATION	+3.3%

Lidl	+18.9%
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**Consumer confidence rebounded slightly this month following last month's post-Brexit low**

## Consumer Spending Headlines

*These headlines are from our Consumer Spending Bulletin.*

Average family spending power was up £1 a week in July at £199 the first increase in the Income Tracker after three consecutive months of decline.

The estimated average mortgage debt in June

was £121,087, meaning the average annual interest paid would be £3,112 per household (based on a rate of 2.57%).

GfK's UK Consumer Confidence Index was (10) in August up +2 compared to July, with 'personal financial situation over the last 12 months' registering the biggest rise.

HOUSEHOLD INCOME	£767
TAXES & COST OF LIVING	£568
DISCRETIONARY	£199

HOUSEHOLD DEBT	£57,005
EXC MORTGAGES	£7,413

Overall Confidence	(10)
LY Personal Finances	+2
NY Personal Finances	+5

## Cider Update

Latest data from HMRC shows that cider returns in Q2 2017 were down **(9.7%)** on the same quarter a year ago.

The quarter started off badly as returns in April were down **(9.6%)** on April last year.

In contrast returns in May were up +5.8%vs. May 2016.

The quarter also saw a very weak finished as returns in June 2017 were down (19.2%) vs. June last year.

It's worth noting that most none apple & pear ciders are classified as made wine for duty purposes and aren't included within these figures.

Made wine returns in Q2 2017 were up +4.6% on Q2 last year, although returns in June were actually down **(10.8%)**.

Source: HMCR August 2017



**Cider returns in Q2 2017 were down (9.7%) on the same quarter a year ago**

## Casual Dining Update

The National Pizza Awards will be held once again at the Islington Metal Works in London on Tuesday 3 October. During the day, 16 finalists will compete to claim the trophy and the prize of £1,000 that comes with it.

Finalists will recreate their Signature Pizza for the judges, followed by a Technical Round where

they will make a pizza using ingredients supplied on the day.

In other news The Restaurant Group saw like-for-like sales drop 2.2% in the 26 weeks to 2 July 2017, according to its latest financial results.

Cosmo Restaurants is launching a new dining concept called Cosmo

Luxe in Leeds on 5 September. Cosmo Luxe will offer guests the theatre of live cooking during their meal.

Pizza Awards 3<sup>rd</sup> October 2017



**Cosmo Luxe will offer guests the theatre of live cooking during their meal**

## Weather Summaries

For more months and years then simply go to:

[www.ashdale-consulting.com](http://www.ashdale-consulting.com)

JULY	
	Temp = +0.0 Rain = 137 Sun = 99
<b>WARM</b>	
<ul style="list-style-type: none"> <li>Generally unsettled, warm in parts but also cooler &amp; wet</li> <li>Slightly more rain than on average especially in the SE</li> </ul>	

AUGUST	
	Temp = (0.4) Rain = 117 Sun = 98
<ul style="list-style-type: none"> <li>Cloudy with quite a bit of rain, warmer between the 17<sup>th</sup> &amp; 23<sup>rd</sup></li> <li>The SE did see some high temps between the 27<sup>th</sup> &amp; 29<sup>th</sup></li> </ul>	

**August was cloudy with quite a bit of rain although the SE did see some warmer spells**

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**Analysis  
Insight  
Strategy**



## About Ashdale Business Consulting

Ashdale Business Consulting is an independent consultancy providing analysis, insight and strategy across the UK alcohol and hospitality industry. Specialist areas include Strategic & Marketing Analysis, Scenario Planning & Forecasting, Category Management and Profit & Value Chain Modelling. We also deliver training across a range of business and marketing activities, all of which help to improve an organisations ability to make more profitable decisions.

Clients range from individual outlets and microbrewers through to regional/national brewers, as well as global drinks companies and trade organisations.

**For more information go to our website:**

[www.ashdale-consulting.com](http://www.ashdale-consulting.com)

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

[www.http://ashdale-academy.teachable.com](http://www.http://ashdale-academy.teachable.com)

## Dates and Events for Your Diary

### General

#### September

2<sup>nd</sup> Eid-al-Adha (Muslim)  
5<sup>th</sup> MPs Return to HoP  
30<sup>th</sup> Yom Kippur (Jewish)

#### October

29<sup>th</sup> Clocks Go Back  
31<sup>st</sup> Halloween

### Licensed Trade

#### September

20<sup>th</sup> York Beer Festival  
27<sup>th</sup> California Wine Festival  
28<sup>th</sup> Amber Valley Beer Festival

#### October

2<sup>nd</sup> – 4<sup>th</sup> Bar & Pub Show  
3<sup>rd</sup> National Pizza Awards  
6<sup>th</sup> – 8<sup>th</sup> Edinburgh Cocktail Week  
11<sup>th</sup> Pub Goers Conference

### Sports

#### September

1<sup>st</sup> World Cup Qualifiers  
2<sup>nd</sup> T20 Blast Finals Day  
16<sup>th</sup> St Ledger – Doncaster  
24<sup>th</sup> American Football (Wembly)

#### October

7<sup>th</sup> Rugby League Grand Final  
8<sup>th</sup> World Cup Qualifiers  
22<sup>nd</sup> Grand Prix (USA)

## Ashdale Training Dates

### Licensed Trade

#### September

20<sup>th</sup> How To Make More Profit (BoT)  
Elearning courses available

#### October

24<sup>th</sup> How To Make More Profit (BoT)  
Elearning courses available

### Marketing

#### September

27<sup>th</sup> Marketing Planning For Small Businesses  
Elearning courses available

#### October

26<sup>th</sup> Marketing Planning For Small Businesses  
Elearning courses available