Consumer Panel Services

VAT increase: Favourable formats and categories currently have an advantage

Dear reader,

Restaurant visits are a highlight of everyday life for many people. They offer good food, good company and the opportunity to gain valuable experiences.

However, spending in various areas of life is constantly increasing, which is why many people are increasingly looking for ways to save money. According to one of our surveys, 38% of respondents plan to save money in restaurants and catering. This area has the highest savings intention of all nine areas of expenditure surveyed.[1]

[1] CPS GfK eBus, n=1.000, January 2024

However, as few people don’t want to miss eating out in the long term, cheaper alternatives such as quick-service restaurants and some parts of retail gastronomy are becoming more popular. In addition, guests are increasingly spending their money in catering establishments in the leisure and entertainment sector, as they are offered entertainment in addition to food and drink and thus do something for their leisure time.

Note: *All change rates compare the number of trips from January to February 2024 with the previous year*

January-February 2024 vs. PY	Change rate of trips
CPS GfK OoH-Total	+0%
Non-Food-Retail[2]	+13%
Leisure & Entertainment	+11%
Quick-Service-Restaurants	+3%

Developments in retail gastronomy are exciting at the moment, as the resurgence of food offerings in non-food environments such as furniture stores as well as in supermarkets means that this sector is experiencing a further upswing among some shoppers.

Shoppers who are less likely to go to restaurants are discovering the savings benefits of these channels for themselves and appreciate the restaurant-like offering, which is, however, offered at significantly lower prices.

[2] Furniture stores, clothing shops, a. o.

A ranking of the top 3 dishes (hot) in retail catering by quantity shows the following savings potential:

MAT February 2024 **Price per item in €**	**Retail-gastronomy**	**Other OOH-Markt**	**Savings in %**
Steak-/ meat dish	7,84	12,87	-39%
Pizza with meat/fish	6,22	9,92	-37%
Potato sides	3,03	3,44	-12%

This double-digit price advantage in the best-selling warm retail gastronomy offers is one of the relevant influencing factors for the 13% increase in shopping acts in the YTD February 2024 period in non-food retail gastronomy.

Grocery[3] is explicitly benefiting from shoppers who can no longer afford or no longer want to visit restaurants and are therefore switching to cheaper shopping outlets. Between January and February 2024, per-person spending in this shopper segment increased by 14%. They go to food retailers more often, have a higher average receipt and are therefore responsible for 35% of total spending on food and drinks bought for away-from-home consumption in groceries. This shopper segment is made up of an above-average number of younger shoppers, including millennials. A buyer potential that retailers should not miss out on in the wake of the price increases following the VAT increase. Specific information on the composition of buyers and how to reach them is available on request.

Conclusion: The out-of-home market continues to undergo constant change, which was accelerated once again by the VAT increase in January 2024. Shoppers are reorienting themselves and finding

[3] Supermarkets. Hypermarkets, Discount

alternatives to their usual patterns. The "trade down" strategy, i.e. cheaper or reduced purchases, has therefore become more important again. To avoid losing shopper share, all market players must take countermeasures and create targeted offers for the relevant shopper groups. The CPS GfK OOH Panel offers everything relevant for an in-depth understanding of consumer changes in the out-of-home market.

> **PLEASE GET IN TOUCH WITH US**

With kind regards

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