

WEEKLY BRIEFING REPORT

Week ending 5 February 2023

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My insight

Which? published a report last week on the amount of caffeine in coffee. The report showed that cappuccinos from a handful of coffee chains had two or three times as much caffeine as in single shots of espresso. And the caffeine in these servings varied considerably from chain to chain – there was a variation of four or five times between the lowest and the highest.

On the other hand, Which? pointed out: caffeine is a natural stimulant, it increases alertness, attention and exercise performance (possibly), and it provides health benefits. Although some of the coffees had higher caffeine levels than others, two or three servings a day – or even more – would still be below the recommended daily intake. So, caffeine has benefits even though some coffees in coffee shops may have a tad too much if you consume more than a few each day.

I don't know what motivated Which? to report on something that's nothing much to get worried about but out of it comes the conclusion: it's OK to drink coffees in moderation. That's not only a common sense conclusion but it's useful too. It applies to practically all the food we consume. By all means have a bit too much of a good thing occasionally (provided it doesn't, on its own, damage your health). Eat enough but not too much is a healthy approach that should apply to overall consumption – say on a daily or weekly basis – not on the basis of a single meal.

Eat too much today – but eat less tomorrow. Clearly this applies to eating out. And it highlights that operators have a role to play. While a restaurant, contract caterer or whatever depends on selling as many meals as possible, surely they also have a moral and an ethical responsibility to help their customers understand the health implications of their food decisions. I am not arguing for a 'Big Brother' approach to healthy eating nor for government-mandated labelling.

My point is that operators have a duty of care to their customers.

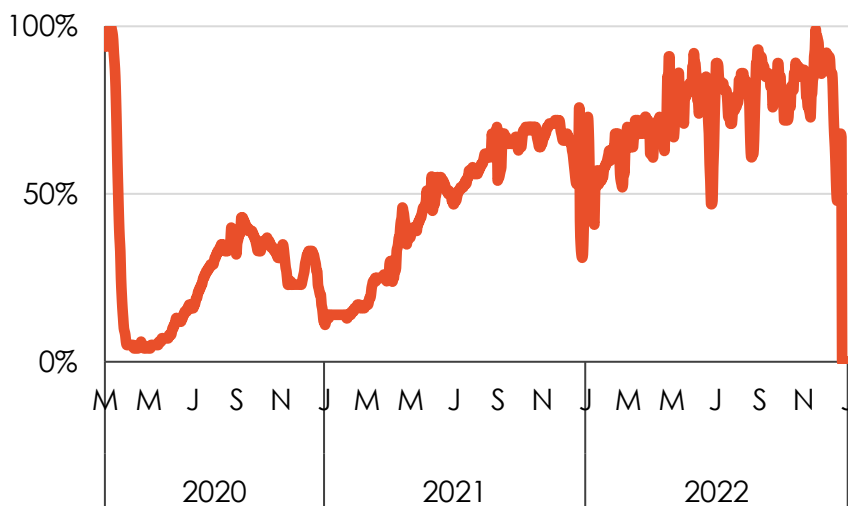
Here are a couple of thoughts. Maybe operators can fund extensive education programmes – for all ages – that set out the food choices customers should be making. And, using the extensive data that they collect about individual customers, maybe operators can identify who may be at risk of consuming too much of the 'wrong' things – and then make nudges to individual customers for products that will put things 'right' again.

As a nation we are putting on too much weight, we are suffering too much from debilitating health conditions. The foodservice sector has a share in the responsibility to address these issues and put them right. Do you really want another spoon of sugar in your fifth coffee today?

The numbers

On top of covid-induced changes to travel over the last three years, strikes have seen almost zero rail travel on some days last month and this. Meanwhile people travelling by car or on the tube have grown.

National Rail passengers per day - change v March 2020



Changing travel patterns hold a clue to the future of eating out. As a market for food, travel is complicated. It is one of two things. It's either where people eat while on the move – or it's where they visit when they get on, or wait for, transport. Think of the difference between having a meal on a plane or at the terminal. Or having a snack on a train or at the station.

That's one way of looking at travel.

But there is another, wider view that has achieved quite some salience during covid and in this current post-covid phase. It's to do with what people actually do in the hours (or days) after they have reached their destination – or perversely, when they haven't travelled at all. When covid restricted air travel or perhaps going on a cruise, not only was demand for food lower while on board and at the terminal (because there were fewer travellers), but it also affected demand in the restaurants (and other places) when they reached their destination. Fewer air travellers to Schiphol reduced demand for food in Amsterdam. Fewer cruise ships to Florida impacted demand for food in Fort Lauderdale.

And at a quotidian level, working from home clearly changes demand at commuters' former ultimate destinations – workplace restaurants or food to go outlets near offices see less demand. But working from home, also increases demand close to home – more demand from coffee shops (for example) in the suburbs and commuter towns where people live and now work, rather than in city centres where they only go three times a week.

Depending on the location of the outlet, changed travel patterns have already meant more business for some outlets and less in others. And the longer they go on, the more rail strikes will reinforce these changes.

So the question arises, what are the long term trends, resulting from changed travel patterns that are being baked-in to eating out? And which 'trends' will disappear before long? The answers are complicated and will require more space to answer than I have here. But just raising the question might give pause for thought – and encourage debate.

Here's hoping we can travel that road together.

The rest of this Weekly Briefing Report provides a summary of the news in the past three weeks:

News in the past three weeks

Christmas Trading

- Caffè Nero sales in December were 110% of December 2019; sales rose 17% in calendar year 2022 versus 2021

Financial & Legal

- Railway workers were on strike on 1 and 3 February
- Teachers were on strike on 1 February
- Insolvencies were up 28.2% in the final quarter of 2022 versus 2021; they rose 57.3% in calendar 2022

Restaurants

- Trispan acquires Mowgli
- Tortilla LfL sales rose 16% in calendar 2022 versus 2019

Hotels

- Travelodge sales rose 62.6% in calendar 2022 versus 2021; and 25% versus 2019

Suppliers

- AG Barr sales rose 17% in the year to end January versus the prior year

Around the World

- DP Eurasia system sales rose 76.5% in calendar 2022 versus 2021; LfL sales fell -6.3% after allowing for discontinued operations in Russia
- McDonald's global same store sales rose 12.6% in last three months of 2022 versus 2021
- Sysco sales rose 13.9% in the last quarter of 2021 versus 2019; international sales rose 17.0%
- Starbucks global same store sales rose 5% in calendar 2022 versus 2021; international sales fell -13%

Delivery Offers in the Week

- Deliveroo: Don't miss out on your £7 off!
- Deliveroo: Tuck into a tasty 20% off on Tasty Thursday
- Deliveroo: Get 25% off Meal Deals
- Uber Eats: Get 35% off your next 5 orders