

Eating out gets cheaper but side dishes boost consumer spend, says Horizons? menu report

Competition in the eating out sector is pushing the price of some dishes down in many high street pubs, restaurants and hotels, although operators are compensating by introducing a wider variety of side dishes, extra toppings and special sauces to sell to consumers, according to Horizons' Menu Trends report.

?Our menu survey picked up a big increase in the number of new side dishes being added to menus (45% more new side dishes compared with last year) as well as upgrades, extras, toppers and sauces. These add-ons are ways the operator can boost average spend, without appearing more expensive on the menu,? said Horizons' analyst Nicola Knight.

Examples of typical side dishes include onion rings, extra cheese, bread & butter, garlic bread, special sauces and additional fries. These typically cost anything from 75p to £1.50.

Horizons' Menu Trends, which tracks menu and price changes across high street restaurant, hotels, quick service restaurants and pubs, shows that according to the average cost of starters, mains and desserts, it's getting comparably cheaper to eat out in some high street chains. Meal deals are still widely available too, with 61% of brands offering them.

The average cost of an adult, three-course meal* in a pub was £18.74 this summer, compared with £19.19 last year, in a restaurant it was £21.55 [£21.69 last year], in a hotel it cost £27.09 [£26.20], while the cost of a two-course quick service meal was £8.55 this summer, compared with £9.85 last year.

The price of a meal* at Frankie & Benny's was £20.89 this summer, compared with £24.15 in summer 2014, while a meal at Pizza Hut cost £16.24, compared with £18.41 last year. Prices at pub chain Wetherspoon also fell, with an average meal costing £13.62 this summer, compared with £14.20 last year.

These price decreases have been mostly on starters and desserts with the average price of a starter dropping 2.2%, while desserts are 4.2% cheaper than they were last year. The average price of a main course, however, has risen slightly at 1.1%.

Pubs have lowered the cost of their starters the most compared with last year, with prices some 5.4% lower. The average price for a starter in a pub is now £4.71, compared with £4.98 a year ago.

Restaurants charged an average of £5.40 for a starter this summer, compared with £5.47 a year ago while hotels charged an average of £6.55, up from £6.48 last year.

Hotels raised their main courses prices by an average of 7.35% on last year's prices, pubs by 2%, while restaurants were some 0.9% cheaper year-on-year. The average cost of a main course dish in a hotel is £15.29, compared with £11.28 in a restaurant and £9.67 in a pub.

When it comes to desserts, hotels charge an average of £5.74 [summer 2015], up from £5.47 a year ago, restaurants charge an average of £4.87, down from £5.04 a year ago, while pubs charge an average of £4.36, down from £4.73 a year ago.

?The fact these price changes vary according to the type of outlet, and even the brand, show that there is a degree of price engineering going on as the price increases don't relate to changing food costs or increases in overheads.

?What we are seeing is operators ensuring their offer is competitive compared to other outlets, and that they are perceived as being cheaper,? added Knight.

[ends]

*Data relates to adult menu individual portions (not sharing dishes) that are not part of meal deals.

Pub, restaurant and hotel prices are for three courses (starter, main & dessert), quick service prices are for two courses (main course & dessert). Prices are for the average menu price of a three-course meal (excluding drinks) rather than the price the consumer pays. Menu Trends [summer 2015] contains data from menus collected in June and July 2015 from 120 brands including pubs, restaurants, quick service and hotels.

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Editor's Note

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