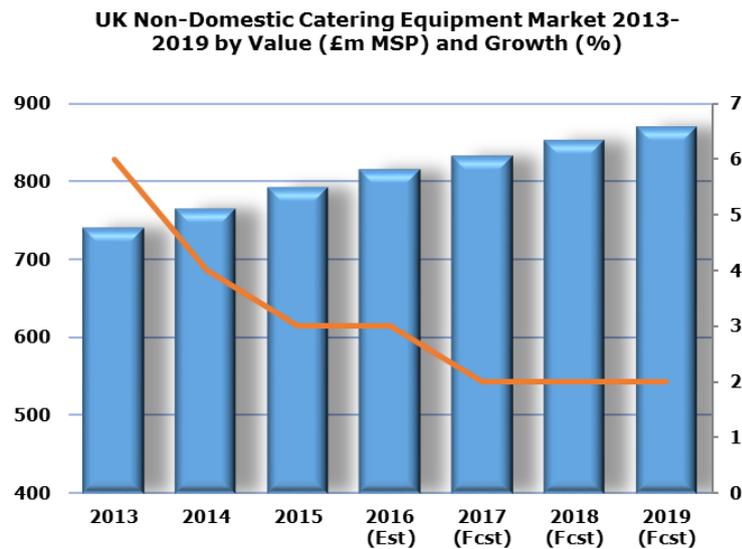




PRESS RELEASE

2-3% annual growth forecast in the UK catering equipment market

July 2017 – Cheltenham, UK



In 2016, the market for non-domestic catering equipment was estimated to have increased by 3%, with a further 2% value growth forecast for 2017. The main factors supporting the catering equipment market since 2012 have been an improving economy, increasing levels of consumer confidence and strong growth in the eating out sector. The catering equipment market is expected to show modest growth of 2-3% per annum through to 2021 in line with a less confident economy.

Despite the trend for healthy eating, it is quick serve restaurants that account for largest sector of the foodservice market. The rapid growth in the coffee shop sector and the popularity of 'grab and go' food has led to increasing demand for more compact catering products with multiple functions, to maximise performance in smaller venues. The growth in popularity of open plan restaurants has also boosted the industry, with restaurants investing in re-fits and new appliances to satisfy consumer demand for greater visibility of restaurant kitchens.

Cooking equipment represents the largest sector with around 50% of the market value, partly due to the high cost of cooking products. Refrigeration also accounts for a significant share, with steel fabrication, warewashing and other products making up the remaining market value. Key product trends include increasing demand for more compact, energy efficient, versatile catering equipment, a general requirement for more energy efficient products and the demand for fast, high volume cooking solutions such as Combi-ovens and Accelerated Cooking Ovens.

Products are largely distributed through specialist distributors, designers and installers, with the largest distributors improving their market share at the expense of smaller competitors. Bespoke solutions are still popular, particularly for steel fabrication and ventilation. Due to the mature nature of the market, larger distributors are looking to increase their market share by adding installation and design services to their portfolio.

Some of the key factors influencing the market in the medium to longer term include the growing number of tourists visiting the UK, with the reduction in value of the pound making the UK a more affordable destination. Continuing growth in the café/coffee shop market should also provide a major boost for the UK foodservice market overall. In addition, new regulations to govern the ventilation requirements for solid fuel cooking appliances should drive growth in this sector of the market.

Factors negatively affecting market growth include the economic uncertainty caused by the UK's decision to leave the EU. The major chains are likely to remain cautious regarding expansion plans and pricing pressures are influencing manufacturers as a result of the weaker pound and rising material costs. Distributors are increasingly selling equipment online, with players such as Amazon entering into the UK catering equipment market, introducing further competition into the market.

The '**Non-Domestic Catering Equipment Market Report – UK 2017-2021 Analysis**' report is published by AMA Research, a leading provider of market research and consultancy services within the construction and home improvement markets. The report is available now and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.

Editors Note:

If you would like to receive further information or wish to speak to an author of this report, please contact Anna Eriksson on (01242) 235724.

Please include our web address and telephone number on any review printed, and it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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