

HOW BRITAIN

FOOD AND
DRINK EDITION



* The data throughout this report is from OnePoll research, conducted on behalf of Waitrose, July 2020, completed by 2000 nationally representative UK adults. The report is supported with sales data from Waitrose, and online search statistics. The comparative 2019 figures are according to survey data reported in the Waitrose Food and Drink Report 2019-2020



JAMES BAILEY
Executive Director, Waitrose

THE WRITING WAS ON THE WALL

Even before the Covid-19 pandemic, there are few retailers that wouldn't have predicted the continued growth of e-commerce relative to physical shops.

But what would have previously been a gradual upward climb in demand has - with the outbreak of Covid-19 - turned into a trajectory more reminiscent of scaling Everest. The growth curve - representing the uplift in customer demand - has been steep and rapid, challenging all retailers' resources. Businesses have been forced to speedily face into the ascent and scale up their operations or face a slippery slide downwards.

Because online shopping quickly becomes habitual - these changes are unlikely to reverse. One in four of us now do a grocery shop online at least once a week - double the amount in 2019. And with our growing propensity to 'click' in preference to stepping outside our homes to seek out what we



want, shopping behaviours have changed profoundly. From the growth of online services like fast delivery and in-store collection, to the convenience of sending gifts to loved ones we can't see in person, this report takes a look at the monumental shifts in how we shop online.

[Waitrose.com](https://www.waitrose.com) plays a hugely important part in our future business growth; sales could soon account for 20% of our total business, rising from 6% only last year. Since accelerating our online expansion in light of Covid-19, we've added more than 100,000 customer order slots to the website, and currently have more than 160,000 slots available on a weekly basis.

While the first half of 2020 has seen more shoppers than ever before experience the convenience of online grocery shopping, this is only the start of the climb.

There's still a lot of ground to cover in order to meet demand. But we've made rapid progress and have our sights firmly set on the summit.

SHOPS ONLINE

ONLINE GROCERY SHOPPING IN 2020

A look at how Britain's online food and drink shopping habits have changed since the start of the year



HOW HAVE DIFFERENT AGE GROUPS RESPONDED?

The most marked increase in online grocery shopping is within the over-55 age group, where regular online shoppers have nearly trebled (8% in 2019 to 23% in 2020)

Last year, less than half of over-55s (47%) did some of their food shopping online. Now 74% do. And 48% of this age group say they will shop more often for groceries online post-lockdown, compared to 40% of the general population.

There has also been a big shift in the shopping behaviours of 35-44 year-olds. 32% now do at least one online shop each week, compared to 16% in 2019.

2/3

OF PEOPLE SAY THIS IS BECAUSE THEY HAVE PREFERRED NOT GOING TO THE SHOPS

WHY HAVE THINGS CHANGED?

60% OF PEOPLE SHOP FOR GROCERIES ONLINE MORE SINCE THE PANDEMIC. OF THESE:

1/5

CITE EASIER BUDGET MANAGEMENT AS A REASON FOR ONLINE SHOPPING

20%

SAY THEY HADN'T CONSIDERED IT BEFORE

41%

SAY IT'S THE MORE CONVENIENT OPTION OVERALL

15%

OF PEOPLE SAY IT HELPS THEM PLAN FOR MEALS FOR THE WEEK



WHY DO WE SHOP FOR GROCERIES ONLINE?

Pre-coronavirus (2019), top three reasons why online shoppers liked buying their food online:

THEN

NOW

- | | | |
|---|--------------------------------------|---------------------------------------|
| 1 | It's simple | I don't want to go to the supermarket |
| 2 | Someone else carries the bulky stuff | Someone else carries the bulky stuff |
| 3 | It helps control my spending | It's simple |

(Respondents were asked to choose three options)

GROCERY SHOPPING MAP

A snapshot of the trends and variations of the nation's latest online shopping habits across the UK

Scotland

More people in Scotland say they have switched to buying wine online since the pandemic than anywhere else

Northern England

People in Northern England order more Waitrose wedding cakes online than anywhere else

North East

People in the North East are most likely to still never shop online, with a third of people saying this

Wales

Welsh shoppers are the most likely to say their online shopping habits will go back to how they were before Covid-19

East Midlands

After lockdown, people in the East Midlands say they are more likely to do bigger shops online than they are used to

West Midlands

The people of the West Midlands are the most frequent online shoppers, with 31% shopping online at least once a week

South East

60% of those in the South East say they shop online more in order to avoid supermarket queues and busy aisles

South West

Waitrose Mini Yorkshire Puddings are ordered more by customers in the South West than anywhere else

Wales

People in Wales buy Chardonnay online more often than people in any other region

Bristol

Waitrose Westbury Park has the smallest delivery area of 3.3 square miles

Stirling

Waitrose Stirling has the largest delivery area of 2257 square miles

Yorkshire and the Humber

More people in Yorkshire and the Humber say they are now using a wider variety of online grocery delivery services than anywhere else

Cambridge

Waitrose in Cambridge has completed the most grocery Click & Collect orders in 2020 with 8,659

Southend-on-Sea

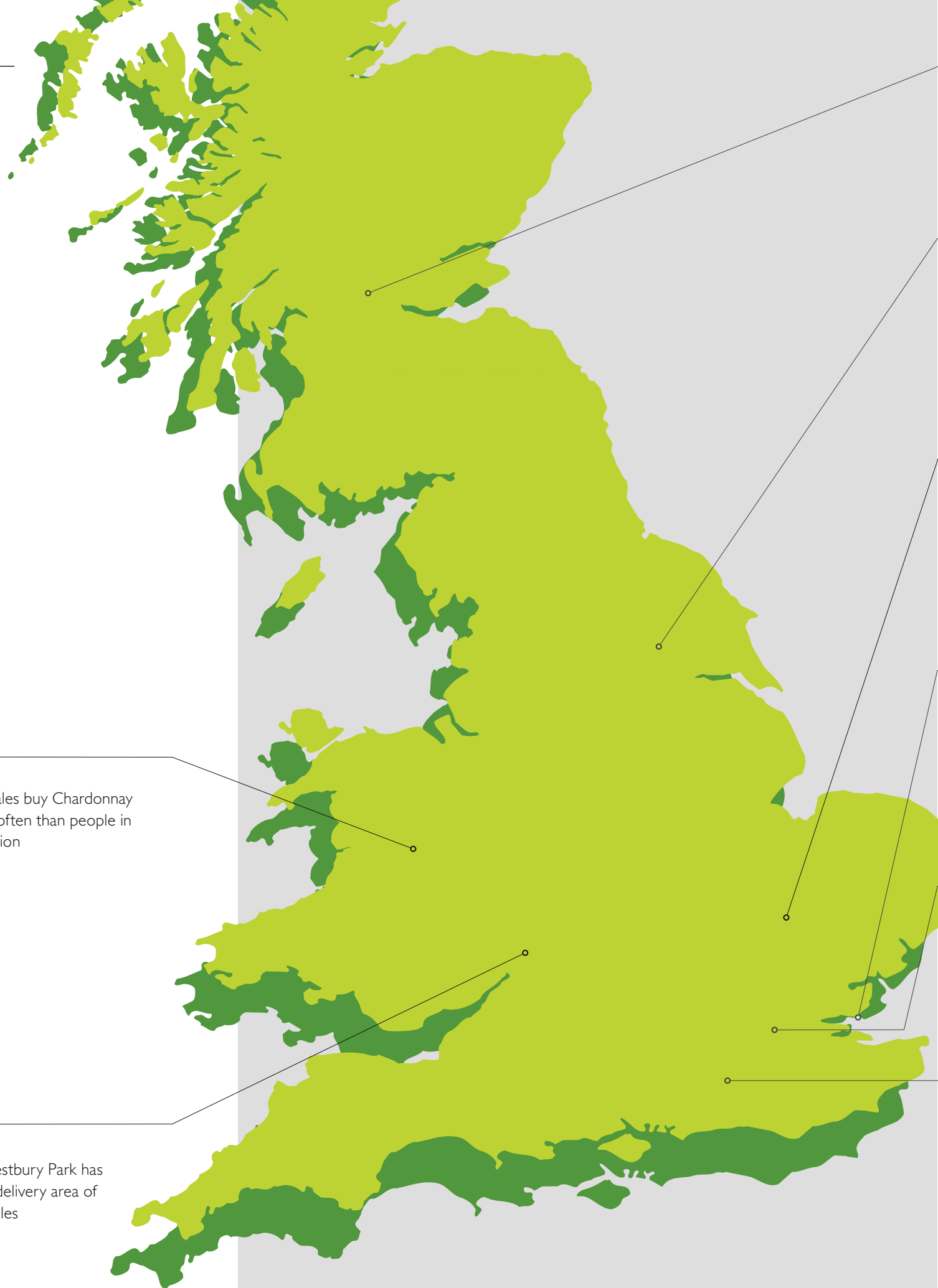
Waitrose in Southend-on-Sea delivers the most online orders out of all the retailer's shops, on average 2,500 each week

London

Londoners have made the largest number of wine orders during lockdown so far

Godalming:

Customers at Waitrose Godalming are the top online spenders averaging £150 per order. They also average the highest number of items per order at 63





MORE THAN

JUST THE RISE OF ONLINE SERVICES AND INSPIRATION DELIVERY



More people have moved online for services and inspiration since the pandemic, whether it be for groceries, organising a gift to be sent to a loved one or simply looking for inspiration for a weekday lunch at home

'Lockdown has seen some interesting trends for recipe searches, with lots of people searching for ideas for their herb gardens, 'grow your own' inspiration and lunch ideas. Comfort food recipes and baking were also huge trends for the first half of 2020, as people got stuck into learning new skills at home and making delicious, uplifting food. We have over 12,500 recipes online at Waitrose.com, and views have tripled over the last five years. [The Roast Guide](#) is consistently the most popular page, proving that a classic roast is still the most comforting and reliable meal to serve to the people closest to you, especially in uncertain times.'

KIRSTY ROLFE

Manager, Digital Content and Design



RECIPES

Lockdown has seen a huge increase in visitors to recipe pages online. According to Google searches in the UK:

2.3m

searches for 'healthy recipes' in June 2020 (vs. 1.4m in Sept 2019)

2.1m

searches for 'vegan recipes' in June 2020 (vs. 1.5m in Sept 2019)

SPEEDY SERVICE

Customer demand for delivery 'whenever and however' has taken off in 2020. The [Waitrose Rapid](#) service allows customers to purchase up to 25 items which will be delivered within two hours. It currently has over 23,000 customers - a three-fold increase compared to before the pandemic.

Most website visits:
Thursday between 9am - 12 noon

Friday is the busiest day for both deliveries and transactions

26% of alcohol is ordered between the hours of 11am and 12 noon for delivery later that day

Late Saturday night, the most popular products ordered are breakfast items like fresh fruit, eggs and milk

Fresh fruit is the most popular item to feature in Rapid orders



ONLINE FLORISTRY

Flowers and plants have been in high demand during lockdown as shoppers decorate their homes and send thoughtful gifts to loved ones:

From 23 March - 6 July 2020, Waitrose Florist volume sales for gifting more than doubled in comparison to last year

Searches were up:

315%[^]
for champagne

260%[^]
for chocolate

212%[^]
for hampers

Waitrose Florist [Letterbox Flowers](#) were also one of best sellers with searches increasing by 212%



WINE ONLINE

17% of people have been buying more wine online during lockdown:

23%

say it's due to there being a wider selection of wine online, in comparison to in store

11%

found there to be more information about the wines online, such as tasting notes and recommendations

22%

like the fact they didn't have to carry the wine themselves

238%[^]

DURING THE PANDEMIC, [WAITROSE CELLAR ORDERS](#) HAVE INCREASED BY +238%



ONLINE FAVOURITES

FOOD & DRINK

As the pace of online innovation continues to accelerate across the sector, listening to customer demand and reflecting the service, quality and choice of bricks and mortar shops has never been more crucial



ESSENTIAL
WAITROSE
& PARTNERS



'We have between 14,000 and 17,000 Waitrose own label products available in store and online throughout the year and from 1st September, they will only be available to order online via Waitrose.com. A huge proportion (94%) of Waitrose.com customers' baskets contain at least one Waitrose own label product, which is why it's a key focus for our innovation chefs and product developers. They are currently launching or redeveloping more than 5,000 of our own label products to ensure Waitrose.com offers only the best quality food and drink.'

NATALIE MITCHELL

Director of Technical, Quality, Innovation & Supplier Management



380 products

Since the pandemic, online volume sales of Duchy products are +89% year on year. Waitrose Duchy Organic is the UK's largest own label organic food and drink brand.

ON AVERAGE, WAIROSE.COM CUSTOMERS ORDER:

CARROTS	52 bags an hour
MILK	45 bottles an hour
BANANAS	39 bags an hour
EGGS	34 boxes an hour
BLUEBERRIES	34 punnets an hour



1100+ products

The most successful brand at Waitrose, Essential Waitrose accounts for 25% of own brand sales. Over 60% of Waitrose.com orders include at least one Essential Waitrose product.

ON AVERAGE, WAIROSE.COM CUSTOMERS ORDER:

CUCUMBERS	3 every minute
TOILET ROLL	1 pack every minute
BLUEBERRIES	2 punnets every minute
ONIONS	1 bag every minute

24 products

Waitrose is the only supermarket to have its own farm; the 2,800-acre Leckford Estate in Hampshire grows and produces mushrooms, apples, pears, cider, sparkling wine, apple juice, milk and flour for the retailer.

As part of its continued investment in English wine, Waitrose will launch new and exclusive Leckford wines on Waitrose Cellar by the end of this year.





600+ products

THE TOP THREE NO.1 PRODUCTS
ON WAITROSE RAPID ARE:

- 1 NO.1 CORN FED FREE
RANGE WHOLE CHICKEN
- 2 NO.1 YELLOW FIN
TUNA STEAKS
- 3 NO.1 SCOTTISH SMOKED
SALMON PEAT & HEATHER



'Waitrose Rapid customers like to treat themselves - on average they buy five times as many No.1 products as customers shopping on Waitrose.com. Whether these are impulse additions to their top up shop or supplies for last minute plans, these shoppers are opting to add some little luxuries to their orders.'

JAMES GOUGH

Product Lead, Waitrose Rapid



400+ products

Lockdown has seen home cooks exploring world cuisines like never before and, at the same time, the comfort of baking has been a huge trend; online sales of the Waitrose Cooks' Ingredients range have more than doubled this year.

MOST POPULAR PRODUCTS ONLINE:

- 1 GARLIC
- 2 RED CHILLIES
- 3 CORIANDER

MOST POPULAR BAKING PRODUCTS ONLINE:

- 1 CORNFLOUR
- 2 BAKING POWDER
- 3 BICARBONATE OF SODA



LATEST ADDITIONS

SHICHIMI TOGARASHI

a Japanese
spice blend



KETJAP MANIS

a sweet Indonesian
soy sauce



ZHOUG

a Yemenite hot
green chilli sauce



CONSCIOUS CONSUMERS

HOW HAVE PRIORITIES CHANGED WHEN
IT COMES TO CSR-RELATED TOPICS?



ANIMAL WELFARE

27%
of us are seeking out British
products when shopping online

22%
of us are thinking more about
animal welfare standards when
grocery shopping in-store,
compared to 13% when food
shopping online

289%[▲]
Searches for British chicken
on Waitrose.com +289%
compared to last year
(Jan-Jul)

889%[▲]
Searches for British beef
on Waitrose.com +889%
compared to last year
(Jan-Jul)



'With 44% of us actively seeking out products online with less packaging, and searches for the [food waste page](#) on Waitrose.com up 94% compared to last year, it's clear that many of us are becoming increasingly aware of our impact on the environment and how sustainable we are within our own homes.'

GEORGE LEICESTER-THACKARA
Head of Corporate Responsibility

Waitrose has committed to ending the use of fossil fuels across its transport fleet by 2030, so from early 2021 the supermarket will be trialing electric vans for its Waitrose.com food deliveries

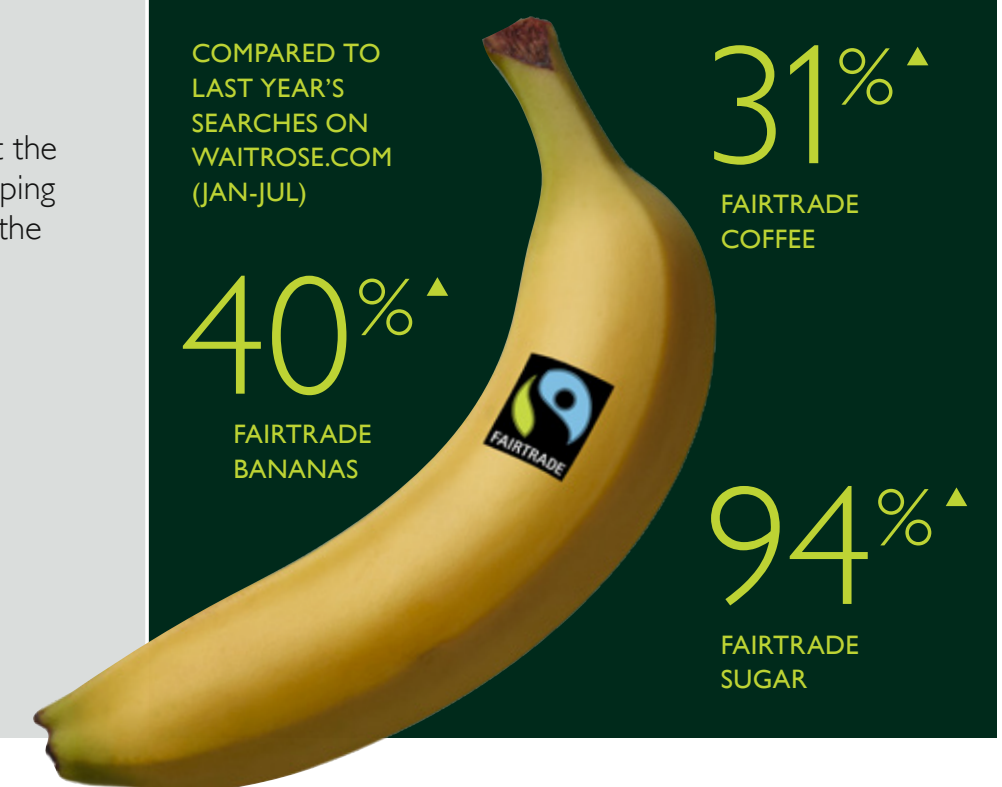


FAIRTRADE

27% of us are seeking out the Fairtrade logo when shopping online, particularly within the 18-24 age bracket

Waitrose has the largest range of Fairtrade confectionery, both online and in store

Waitrose was the first supermarket in the UK to sell Fairtrade bananas exclusively in 2007



TIMELINE

A LOOK BACK AT THE HISTORY
OF WAITROSE.COM SINCE
ITS CONCEPTION 20 YEARS AGO

2000

Launch of
'WaitroseDeliver'
(the original name for
Waitrose.com) pilot
with 4 branches and
95 deliveries a week

July
2007

WaitroseDeliver
is renamed
Waitrose.com

June
2011

'We Shop Like
You Shop' vans
introduced. 150
shops now offer
online shopping

Feb
2013

Click & Collect
drive through
opens in 5 shops

Jan
2015

Coulsdon
fulfillment
centre opens



Sept
2018

Launch of Rapid 2
hour delivery trial
in London



2020

February
2020

24 more shops
announced to join
online delivery
service

April
2020

20 more shops offer
Rapid, trebling the
number of orders
to 7,000 per week
and 10,000 grocery
Click & Collect slots
added.

May
2020

Enfield fulfillment
centre opens,
creating 850 jobs
and doubling the
number of grocery
slots in London by
September

June
2020

Waitrose.com
reaches 150,000
orders a week



July
2020

150 new vans added
to the Waitrose.
com fleet and orders
reach 160,000 a week

Sept 1st
2020

Waitrose.com is the
only place to buy
Waitrose products
online.



Dec
2020

Greenford CFC will
open, meaning 4x
as many slots for
Central London

THE FUTURE OF ONLINE SHOPPING

How will the pandemic shape
the long term future of online
grocery shopping?

19%

19% of people say they'll
use a wider variety of
online services (including
fast delivery and Click &
Collect) post-lockdown

40%

40% of people say they'll
shop for groceries online
more in the long term than
pre-Covid 19

25%

25% of people say they'll
do bigger grocery shops
online in the future