

UK convenience channel to be worth £48.2bn by 2024

New forecasts from IGD reveal that the UK convenience market is set to grow by £6.9bn in the next five years, to reach £48.2bn by 2024.

The channel will benefit from lots of new store openings over the period, helping to fuel a compound annual growth rate of 3.1%.

“While we expect relatively muted store development across the sector as a whole in the next two years, with the sector undergoing a period of consolidation, we forecast key segments – in particular co-operatives, multiples and symbols – to benefit from strong store growth again from 2021,” said Patrick Mitchell-Fox, Senior Business Analyst at IGD.

Reviewing the current year in convenience, Patrick said: “After a stronger 2018 (+3.2%), total convenience sales are expected to grow by 2.6 per cent in 2019. This growth is being led by the co-operatives segment above all, driven not only by a focus on opening new stores, but also by outstanding like-for-like performance underpinned by strong private label development, better fresh and chilled ranges and more competitive value.

With the average shopper spending just under eight minutes in a convenience store, IGD identifies three factors shaping the future of the UK convenience channel that will enable stores to give the shopper what they need, as quick as possible: driving top-up shopping, attracting new shoppers and evolving the ‘mission-based’ shop.