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[www.mypurchasingpartner.co.uk](http://www.mypurchasingpartner.co.uk)

## MPP Seasonal Marketing Guide for Food Buyers and Caterers

WELCOME TO THE WINTER EDITION OF MPP'S SEASONAL MARKET GUIDE FOR FOOD BUYERS AND CATERERS. THESE QUARTERLY MARKET REPORTS GIVE YOU THE INFORMATION NEEDED TO HELP YOU MAKE BETTER BUYING DECISIONS.

2017 brought the highest levels of food inflation for many years alongside uncertainty about the future of the British economy. Political instability continues however, inflation appears to have stabilised at a lower rate than earlier in the year, at least at the time of writing. The British pound too seems to have stabilised and is even finding ground, particularly against the euro and we hope against the

USD too. Many producers are choosing to wait and see what happens next rather than trying to predict the future and pushing up prices "just in case".

This attitude to price means that the My Purchasing Partner team is beginning to see some glimmers of food price stability and maybe, some potential price drops. Whether this comes to fruition

is still to be seen, however, with some clever negotiating, you may be pleasantly surprised in 2018.

Our BIG PICTURE focus this Quarter is about industry trends in 2018: it really is time to talk to the team to find opportunities based on these predictions. And our New Year's Resolutions are to keep on delivering efficiently and finding you great prices, too!

My Purchasing Partner will source the **high quality goods and services** that you need to exceed your customer's procurement expectations - and to maintain profitable margins. **Call us on 0800 121 6440**

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# THE BIG PICTURE

## The economy

The UK economy slowed towards the end of 2017 after being hit by rising inflation due to an increase in interest rates and continued rising prices for many commodity items. Real wages fell causing a strain on household budgets and dampening consumer confidence.

Yet 2018 may not be all doom and gloom. The IMF predicts the UK's 2018 growth forecast to be 1.5%, the ICAEW

predicts 1.6%, both compared to 1.7% at the end of 2017. The pound remains volatile against the Euro but is currently regaining form, particularly due to Brexit negotiations moving onto the next phase.

The unemployment rate remains at a 42-year low. The Q4 2017 ICAEW Economic Forecast predicts that the private sector will continue to create jobs in 2018 but at a slower rate and constrained by

shortages of skilled workers in some sectors. The unemployment rate and pace of nominal wage growth are both forecast to be relatively stable over the coming year.

2018 will remain unpredictable as trade talks continue. Success remains dependent upon these negotiations, and on business and consumer confidence.

## Industry Predictions for 2018

At the start of this new year, the MPP team has made some predictions about what 2018 will bring for our industry. How can you adapt your offering based on these trends?

### 1. TRANSPARENCY

Customers will continue to demand transparent menus and labels that clearly state what ingredients are in their meals and their country of origin. This is due to a pervasive distrust of big business and the claims that they make.

### 2. NUTRITION

Research continues to prove the value of good quality food to assist with recovery from illness and to bolster brain power within the young and not-so-young. The drive to ensure our children, the unwell and the elderly receive the best quality food, and hydration, will continue in 2018, gathering more pace and publicity.

### 3. HOTEL SECTOR

UK hotels have enjoyed record trading thanks to the weak pound and increased overseas visitors. The prediction is for cautious but still reasonably strong growth albeit at a slower pace. This prediction is based on the pound continuing to strengthen and global political volatility continuing.

### 4. FLEXIBLE EATING

As modern life remains stressful and busy, consumers will demand healthy, flexible

meals with balanced ingredients. The move towards healthy "fast food" will continue to be a priority for many and consumers will look for outlets that allow them to purchase quickly and efficiently at any time of day or night.

### 5. ORGANIC

The interest in organic and health boosting foods will gain more traction as consumers look to mitigate the negativity within the world, most notably from media (social and mainstream) and politics. Consumers will look for "treats" to make themselves feel better about life, "treats" that fit within each, individual definition of what is deemed healthy. This could be a healthy snack or equally could refer to a smaller portion of an indulgent dessert that satisfies without the guilt.

### 6. MULTI-SENSORY EXPERIENCES

Consumers are looking for more and more stimuli when they eat. This is because they are always connected (via social media or online) and therefore, constantly entertained. Satisfying one sense is no longer enough. Restaurants that provide "experiences" with lights, music, opportunities to maybe cook your own, will become popular - simply serving good food may not be enough, particularly for the younger generation.

### 7. TECHNOLOGY

Scientifically engineered ingredients will continue to grow in popularity thanks to positive media images and investment by large companies and philanthropists which have increased the pace of development and considerably reduced costs. This could be an area of food production that really starts to disrupt traditional farms and growers in 2018.

### 8. FREEDOM FOR THE OLDER POPULATION

There is a move towards creating care homes that physically and functionally mimic a village community: spaces with 12 rooms with a kitchen at their heart; a doctor's waiting room, a launderette where residents can serve themselves. A home that enables people to retain their independence in a community environment. This Dutch model is earning popularity in the UK after a feature in the Guardian earlier this year.

### 9. STABILITY IN PRICING

9. Stability in pricing: despite the economic outlook, the MPP team are beginning to see some stability. Watch out for our Spring market report and flash updates for news early in the year.

### 10. A FOURTH MEAL

According to a leading supermarket, the traditional 3 meals a day is being disrupted by a fourth. This could be either late evening snack before bed, mid-morning pick me up or the traditional "tea" before dinner.

# IN THE MARKETS

Unseasonably wet and cold weather in Southern Spain adversely affected the supply of many in-demand vegetables at the end of 2017. This short supply is expected to continue in early 2018, however, we are receiving really high quality produce including peppers, tomatoes, courgettes, and celery.

## Great British Seasonal Produce

### TOP 5 CHOICES

Parsnips



Brussels Sprouts



Leeks



Kale



Bramley Apples



### SAY GOODBYE TO...

Broccoli



Pumpkins



### FISH

Tuna, haddock and cod prices have risen steadily over the past 12 months. This has been exacerbated by the Fishing Aggregation Device ban (tuna), A 13% reduction in cod quotas in the Barents Sea agreed by Norway and Russia, and a cut in haddock quotas to preserve young fish.

Salmon prices dropped at the tail end of 2017 due to a large harvest and European buyers seeking alternative suppliers due to the previous high prices. Supplies from Chile could further deflate pricing early in 2018.

### DAIRY

Dairy prices are beginning to level off after the peak experienced in 2017. Milk production is increasing in

response to the higher gate prices. We expect to see prices soften as we head further into 2018. Butter and cream prices are expected to drop after the Christmas peak and assuming production remains constant.

### EGGS

Over 10 million birds were removed from production across Europe after the fipronil contamination in 2017. Prices are increasing in the UK to meet increased demand from Europe for UK eggs.

### GARLIC

China produces around 80% of the world's supply of garlic and after a difficult 12 months, production levels are back to where they were this time a year ago. Good news for

UK purchasers as prices and quality should be good in 2018.

### AVOCADOS

Worldwide demand for avocados continues to push up prices as supply struggles to keep up. Asian countries have added to this demand, again reducing supply into Europe. Some quality issues at the end of 2017 should be resolved as we head into 2018.

### GAS

As predicted, prices are increasing due to the closure of the UK's only long-range gas storage facility. This means higher imports from Europe which are impacted by GBP/Euro fluctuations.

# HEADS UP

## Nutrition and Hydration Week: 12-18th March 2018

Nutrition and hydration are an important part of high quality care in health and social care settings. The nutrition and hydration week in March will draw attention to their importance for everyone receiving care.

The highlight is on Wednesday 15th March 2017 when afternoon tea will

be celebrated in establishments across Britain. Everyone in this sector is encouraged to take part and highlight the importance of quality food and adequate hydration and show commitment to improving nutritional care. My Purchasing Partner will be encouraging all of our clients to show their support.

## Meat Tax

A "inevitable" tax on meat will be introduced in 2018 say analysts. The tax would be part of the drive to reduce meat production's huge impact on climate change and human health. Meat is being seen in the same light as sugar and alcohol: the global livestock industry causes 15% of global greenhouse gas emissions, and meat

consumption is rising around the world with more people suffering from illnesses associated with eating too much meat. Keeping livestock is also seen as the source of water pollution and antibiotic resistance in humans. We'll keep abreast of this and share information as soon as is possible.

## Soft drinks for Grown Ups

The trend for upmarket and craft beverages, such as artisan gins, and the resurgence of cocktail culture is transforming the adult soft drinks market. Adults are demanding boutique soft drinks that can either be drunk solo or with an alcoholic

accompaniment. These new "softies" are often presented in sophisticated packaging, with marketing specifically targeting adults. Many reduce the sugar content and use alcohol production processes to achieve a taste that most children would loathe.

## Helping you buy better

My Purchasing Partner is working hard to find the right product for you at the right price. We closely analyse the markets and negotiate with suppliers to deliver on our promises. Be assured that whilst we cannot control the future, we can be smart and transparent about what is happening and pass on any savings to you wherever possible.

We pledge to keep you abreast of developments and give you the

information and tools necessary to support your strategic business planning. Look out for our next market report in the Spring and visit our website for the latest information. In the meantime, if you have any questions, feel free to contact us on:

**info@mypurchasingpartner.co.uk**  
**or 0800 121 6440**

Thank you for your continued support.

## Improved online reports

We are continually investing in technology to improve our service and to help you purchase better. Early in the new year you will be able to access detailed online reports.

Watch this space for more news soon!

## Promotional Weeks Winter/Spring 2018

### GINUARY

<http://ginuary.com>

### VEGANUARY

<https://veganuary.com>

### 25TH JANUARY BURNS NIGHT

### 4TH FEBRUARY YORKSHIRE PUDDING DAY

### 26TH FEBRUARY - 11TH MARCH FAIRTRADE FORTNIGHT

<http://www.fairtrade.org.uk/Get-Involved/Events>

### 5-11TH MARCH BRITISH PIE WEEK

### 5-11TH MARCH NUTRITION & HYDRATION WEEK

<https://nutritionandhydrationweek.co.uk>

### 12-16TH MARCH NATIONAL SALT AWARENESS WEEK

<http://www.actiononsalt.org.uk/awareness/Salt%20Awareness%20Week%202018/index.html>

### 25TH MARCH WAFFLE DAY

