

Contract caterers building back from COVID-19, but closures and cost pressures hit growth

3 years ago



Sales in the contract catering sector remain well below pre-COVID-19 levels despite good year-on-year increases, CGA research reveals.

The new edition of CGA's Contract Catering Tracker shows sales from January to March 2022 were 69% higher than the first quarter of 2021, when the country was under lockdown restrictions.

However, sales are 20% below the figure recorded in the first three months of 2019—the last first-quarter in which businesses were able to trade as normal. It reflects the closure of many contract catering venues and lower footfall in others, despite an easing of restrictions and concerns about COVID-19. The Tracker shows that caterers now serve around 1,250 fewer units than they did three years ago. High inflation's impacts on spending and costs are also restricting real-terms growth.

Despite the challenges, there are signs that both units and sales are building momentum. The three-year sales comparison of -20% marks a steady improvement on the figure of -36% in the [third quarter](#) of 2021, and of -26% in the [fourth quarter](#).

CGA's Contract Catering Tracker aggregates sales from leading operators to provide quarterly reports with year-on-year analysis. It offers businesses a valuable benchmarking tool to measure performance across various metrics and market groupings, and participants in the Tracker receive additional analysis in return for their contributions.

Karl Chessell, CGA's director – hospitality operators and food, EMEA, said: "These figures show the contract

catering sector will be dealing with the after-shocks of COVID-19 for some time to come. Offices and other venues served by caterers remain well short of pre-pandemic usage, and the soaring costs facing all businesses and consumers are adding to the challenges. Our Tracker indicates that sales momentum is starting to build, but we can expect fierce competition for sales and share throughout 2022.”

The Contract Catering Tracker complements CGA’s suite of market measurement services, which include the Coffer CGA Business Tracker, which monitors sales at the UK’s leading managed restaurant, pub and bar groups; and the Hospitality at Home Tracker, which reports data from the delivery and takeaway sector.

CGA’s partners on the Contract Catering Tracker include: ABM Catering, Artizian Catering Services, Bartlett Mitchell, BaxterStorey, Blue Apple, CH&CO, Compass UK, Elior UK, The Genuine Dining Co., Graysons, Harrison Catering Services and Sodexo UK.