

# snoop

## SNOOP SNAPSHOT: UK Consumer Spending

snoop.app



# Overview

Snoop's UK Consumer Spending Snapshot provides an up-to-date picture of the nation's spending habits. It's based on real transactions by a stable cohort of 20,888 customers between September 2019 and November 2021.

The Covid-19 pandemic changed the lives of everyone in the UK and, just as the green shoots of recovery began to appear, the country was hit by rising energy prices, supply chain issues, labour shortages and a fuel crisis. The impact has hit households hard with the cost of living rising well ahead of expectations from 4.2% in October, to 5.1% in November 2021.

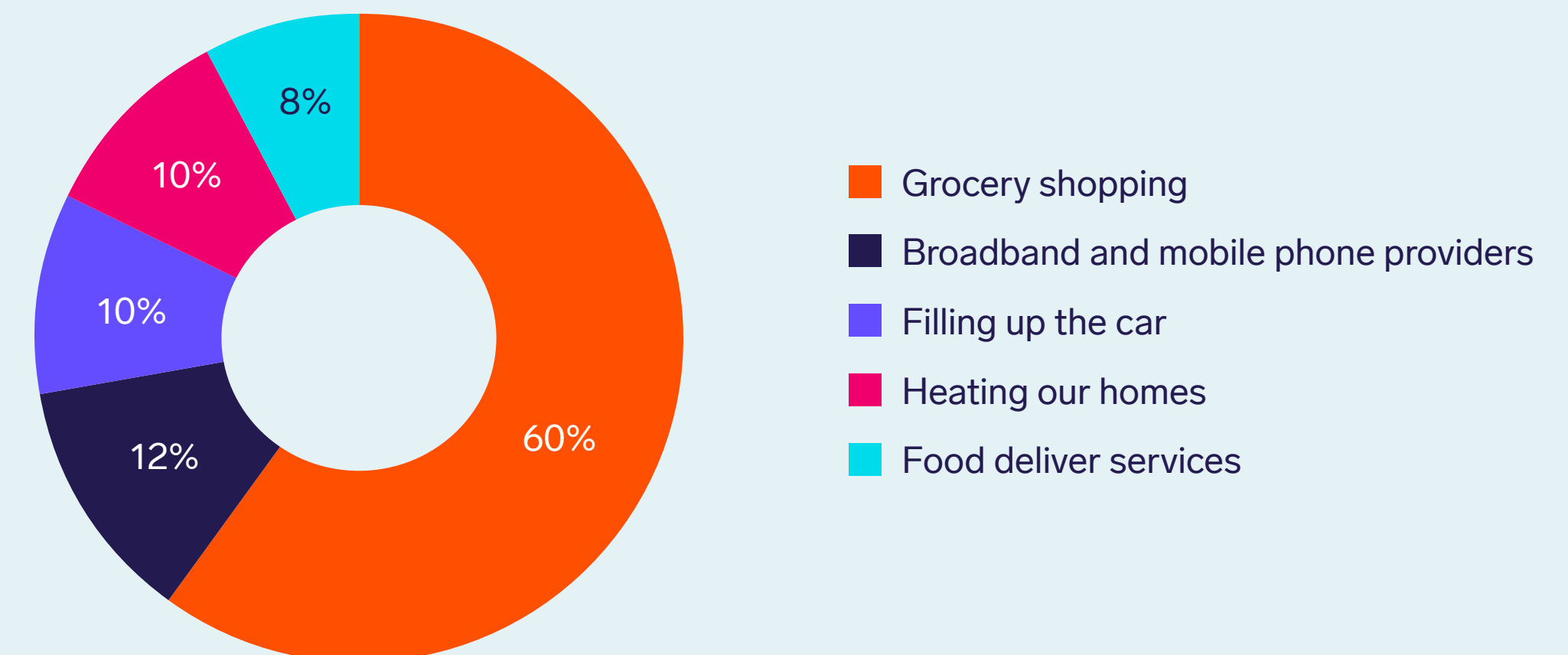
With such strong inflationary pressures, the threat of new Covid variants – and the uncertainty they will cause well into 2022 – the question is: has what we spend our money on, and how we spend it, changed permanently?

# Where does most of our money go?

Excluding spend on debt and taxes, the top five contributors to our spending can be split across:

- grocery shopping
- broadband and mobile phone services
- filling up the car
- heating our homes
- food delivery services

## Top 5 total spend



# Snoop Spending Snippets



**Amazon** has **tightened its grip** as the UK's number one shopping destination



We spend **10% more at supermarkets** than on petrol, mobiles, food delivery and energy combined



**eBay** looks set to **overtake John Lewis** as our favourite 'department store' in 2022



**Food delivery** spend **rocketed by 181%** over the course of the pandemic



To burn off the takeaway calories, **spending at gyms** flexed **29%**



Spend on **ride hailing** apps started to **outpace** pre-pandemic levels once lockdown restrictions lifted (21%)



We **spend more** on **staying connected** via broadband and mobile phones (12%) than we do on petrol (10%)



**PlayStation** won the battle of the consoles with a **60%** market share compared to **Xbox's 40%**

# Supermarkets

## (Aldi and Lidl triumph over M&S)

Supermarkets dominate our top 10 spending charts, but as a nation we **spend more at Amazon** than at **Sainsbury's** and **Asda combined**.

Spending at **Aldi** and **Lidl** beats spend at **John Lewis** or **Marks & Spencer**, and we increasingly order from **Just Eat** rather than head to **McDonald's**.

Whichever way you look at it, **newer brands** are stealing a march on older rivals by **using technology** to enable convenience and/or cost savings and are taking an **ever-increasing share of wallet**.

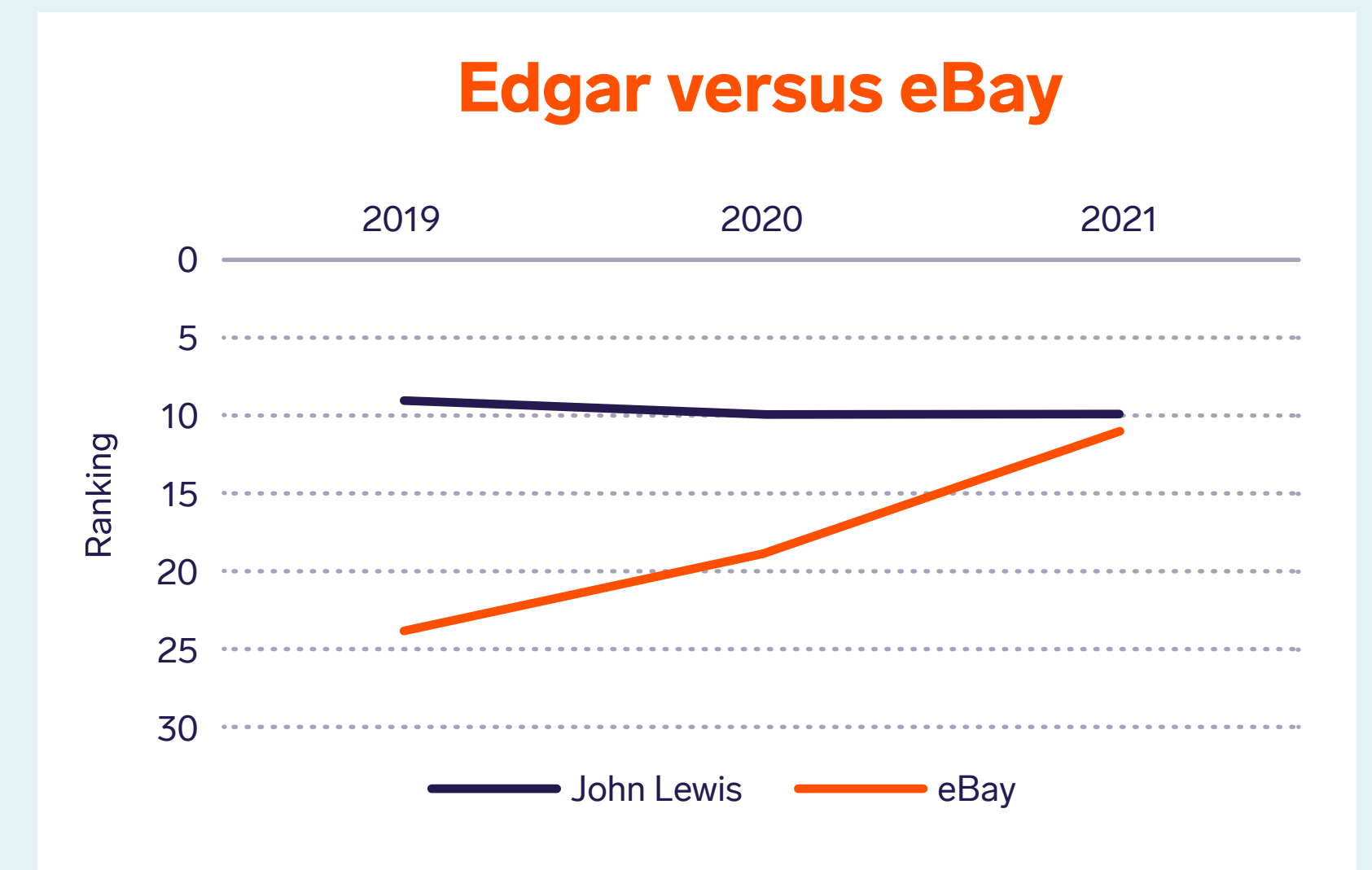
# Edgar versus eBay

**John Lewis**, traditionally one of the UK's most-loved brands, showed signs of the **strain the UK high street** has been under. So much so that we expect to see the retailer fall out of our **top ten** favourite **shopping destinations** in 2022.

Meanwhile **eBay** has leapt up the spending charts, from **24th position** in 2019 to **11th** in **2021**.

On its current trajectory, **eBay** could plausibly **muscle into the top ten** and knock a high-street stalwart further down the pecking order.

The **shift to buying online** is seemingly **irreversible** and will come with significant implications for retailers and the future shape of the high street.



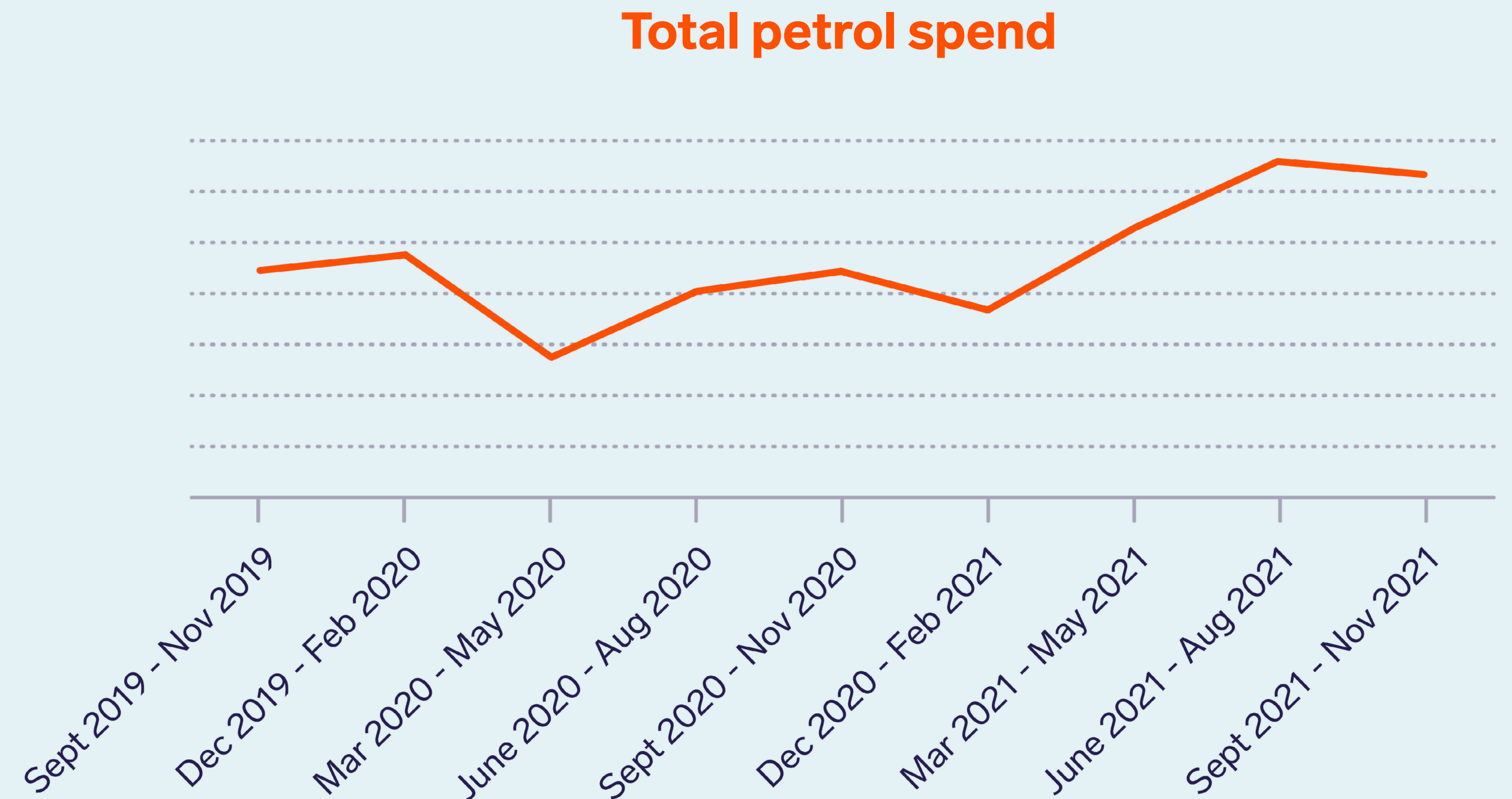
# Every little helps – at the forecourt

Spending at petrol stations has **bounced back** to above **pre-pandemic** levels.

This was **fuelled** by people hitting the road again after lockdown and the fuel shortage resulting in **record prices** at the **pump**.

**Supermarkets** come out **top** when it comes to filling up the car.

In 2021 **Tesco Petrol alone** (excluding Tesco Grocery spend) **leapt** from **15th** to **8th** place in Snoop's spending charts.



# Can consumers continue to stomach food delivery?

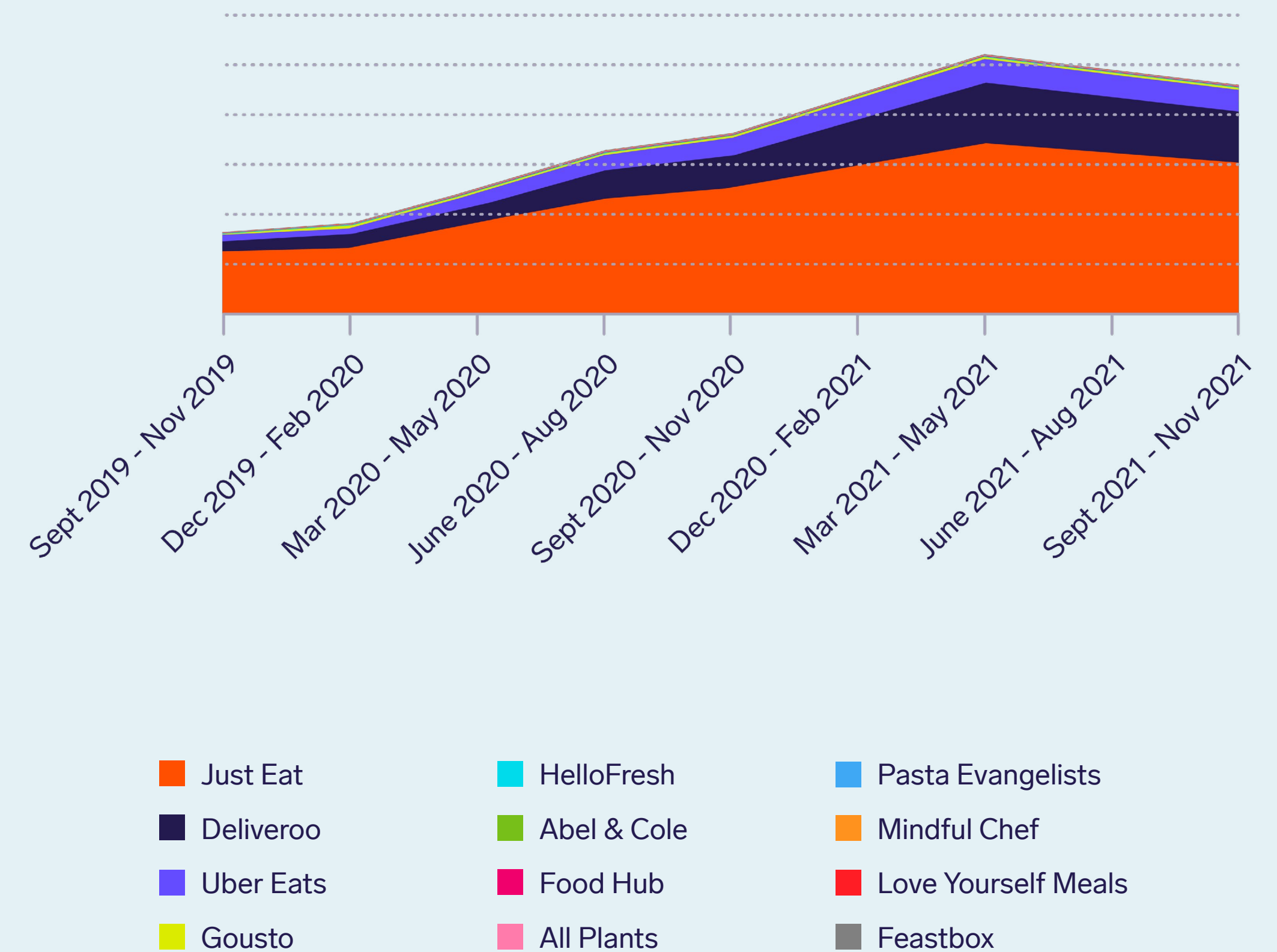
Predictably, **lockdown turbocharged** our desire for **food delivery** services with spend **rising 181%** from September 2019 to its peak during the winter of 2020/21.

Food delivery services like **Just Eat**, **Deliveroo** and **Uber Eats** were stand out winners during the pandemic and now take approximately **£1 in every £10** of our discretionary spend. (Just Eat spend was 18% higher than Deliveroo between September 2019 and November 2021).

With **inflationary pressures** hitting household budgets only time will tell if this is a transient trend or if consumers can continue to stomach the cost of food delivery. We believe **such services** will have to **pedal very hard** to maintain their share of wallet.

Although spending on **cook at home kits** was a distant second (**91%** behind) in the food delivery stakes, demand for services such as **Gousto** and **Hello Fresh** were **stable** and less sensitive than takeaway services to lockdown restrictions.

## Delivery app spend



# How long can we Just Eat?

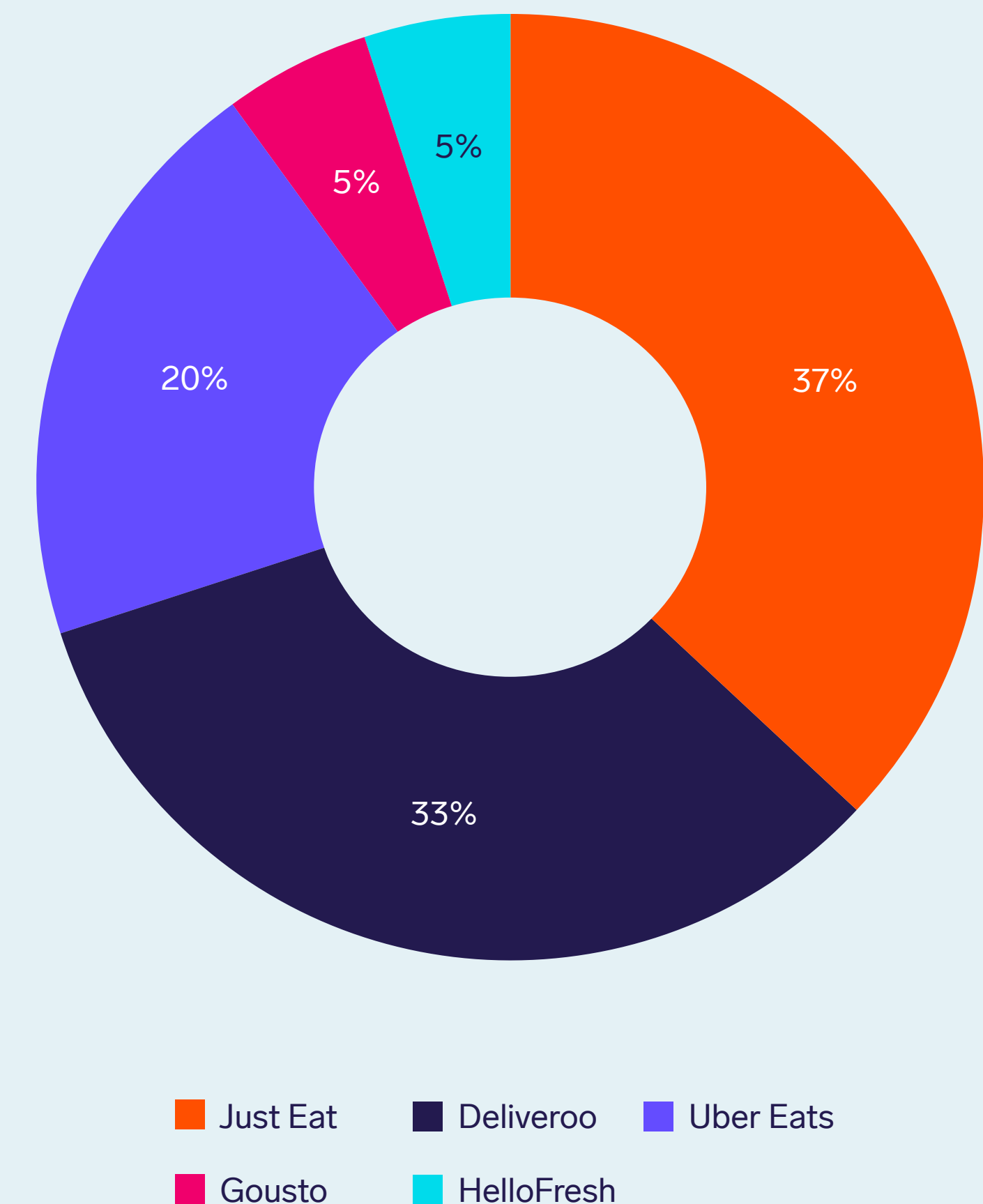
With **spend on takeaways** already **down 10%** on its peak during lockdown 3, demand for food delivery services is likely to come **under pressure**.

While no-one wants to take away the takeaway, when **household budgets** are **squeezed** it is often the easiest thing to stop to save money.

In an inflationary environment, if they can get their strategy right, we can see **Hello Fresh** and **Gousto** taking more than their combined **10% share** of the food delivery market.

Whilst nowhere near as cheap as putting together meals with ingredients from the supermarket, cook at home kits do offer some convenience and **significant value for money** versus takeaway treats.

Top 5 Delivery Apps



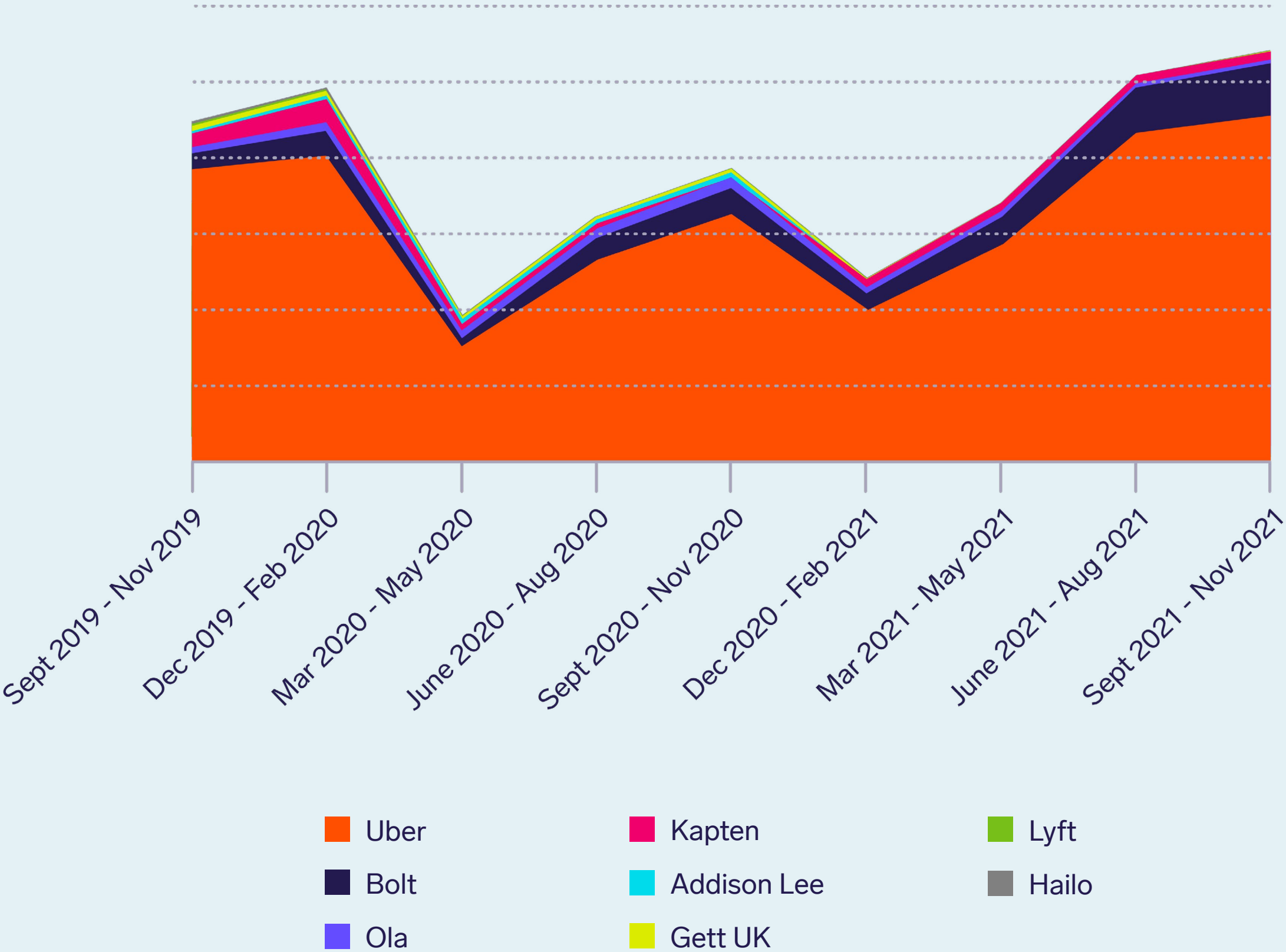
# All hail Uber

Ride-hailing made a **strong return**, with spending **10% higher** than the 2019 peak.

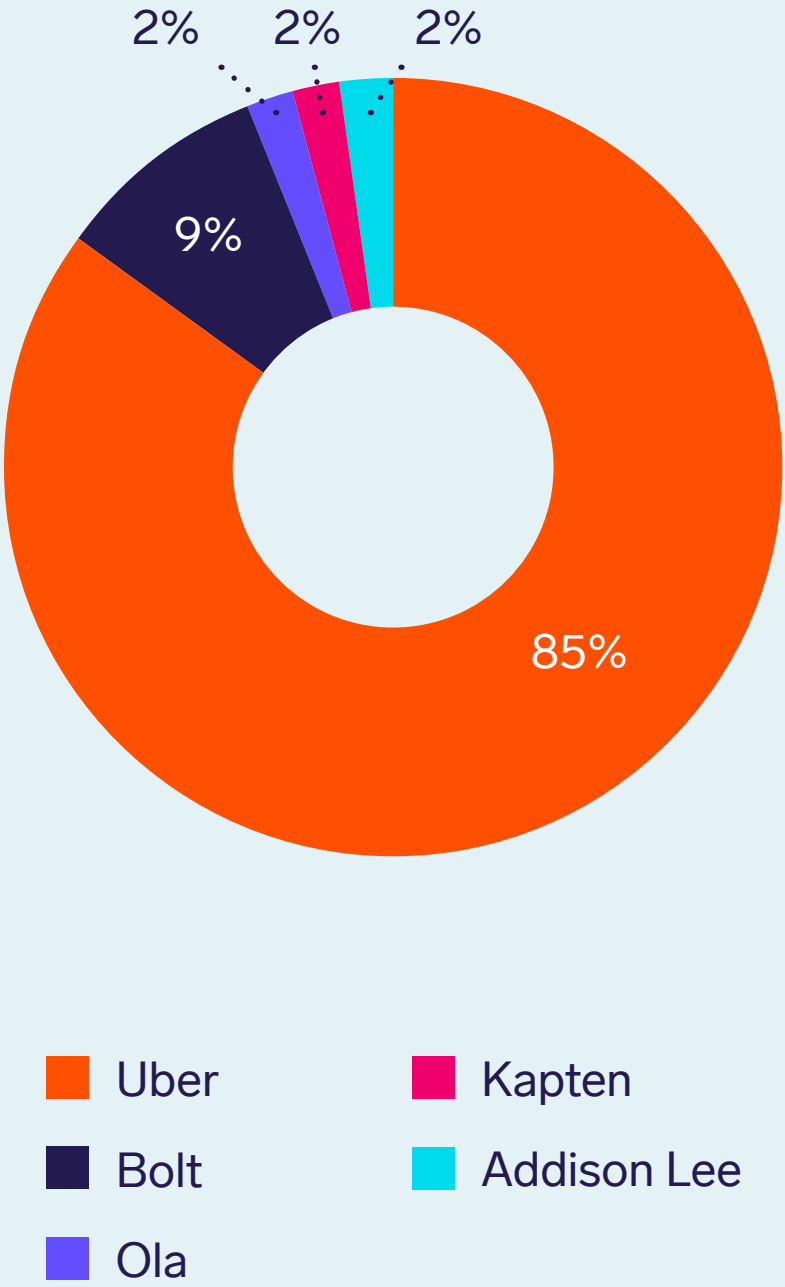
Uber’s dominance of the ride-hailing market continues with **85% market share** across the top five brands of Uber, Bolt, Ola, Gett UK and Kapten.

Uber’s decision to add an **extra 10%** to the **cost of journeys** in London may open the door for **cheaper alternatives**, but their dominant position looks secure in the short term at least.

Ride-hailing spend



Top 5 Ride-hailing apps

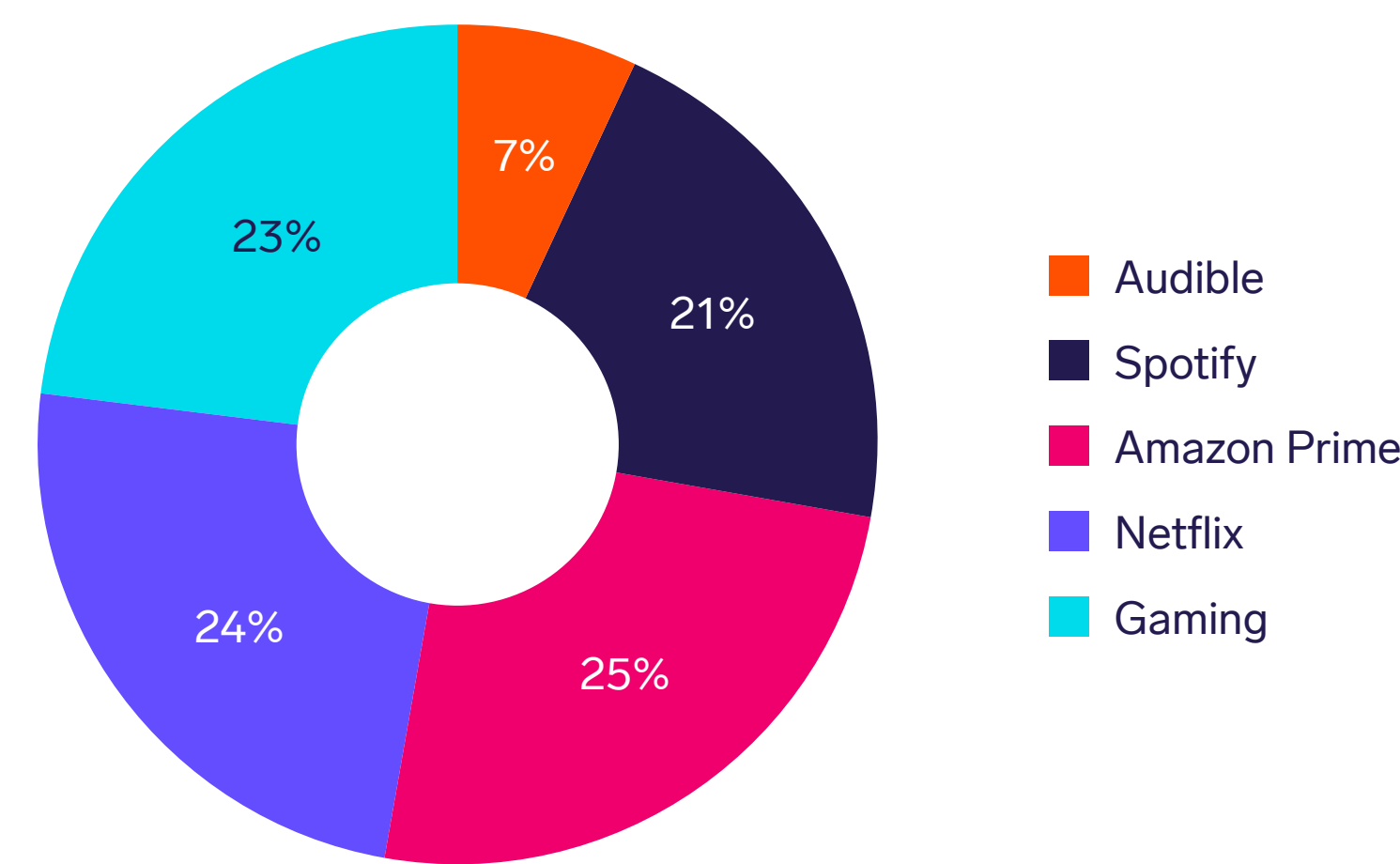


# Amazon Prime pips Netflix

As cinemas closed their doors the world of online and home entertainment took over.

**Amazon Prime** pipped **Netflix**, gaming platforms (Xbox and PlayStation), **Spotify** and **Audible** to top position.

Are you not entertained?

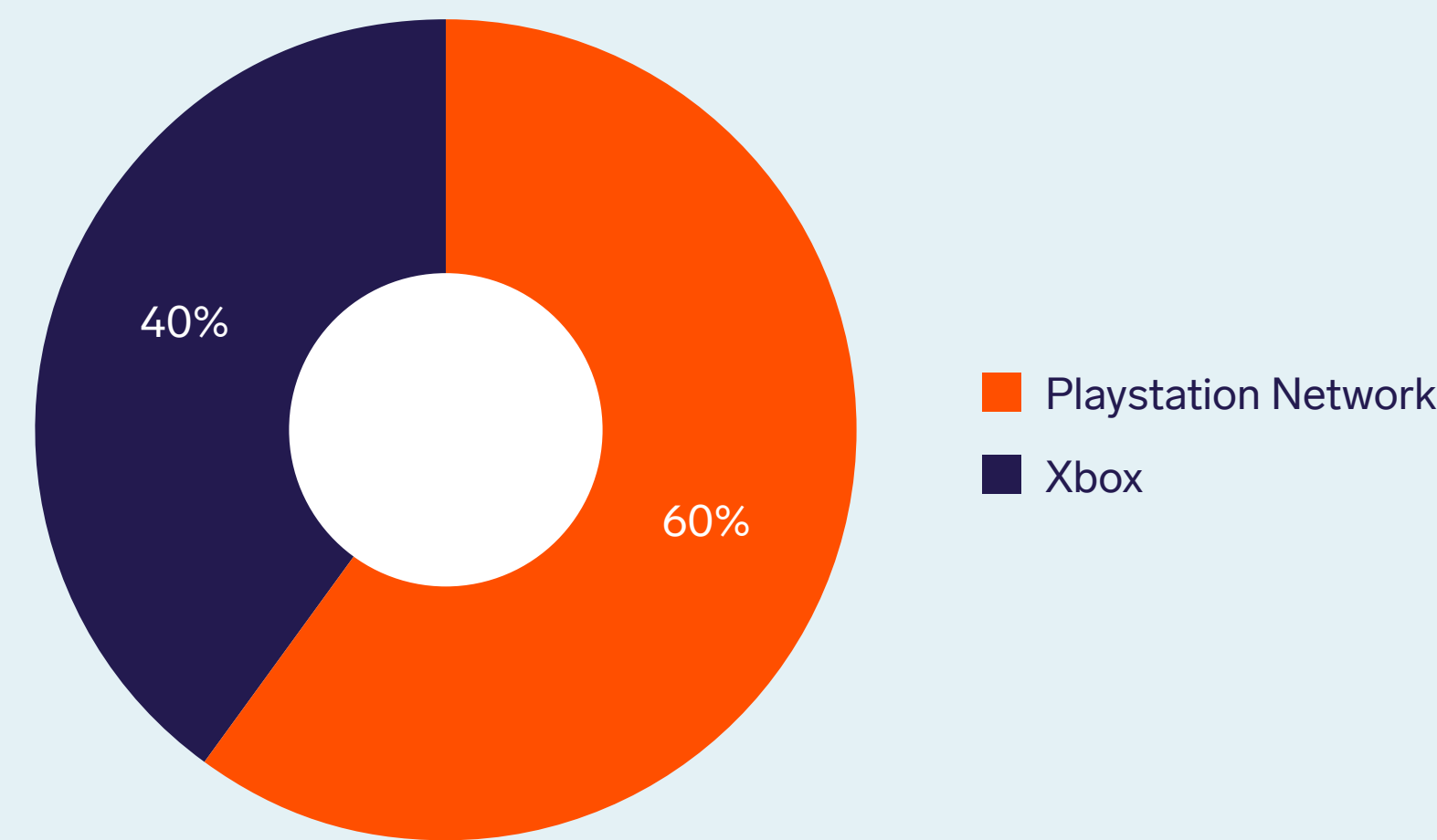


# PlayStation beats Xbox

Despite the launch of the highly popular Xbox Game Pass, **PlayStation triumphed** over **Xbox** in terms of gaming spend.

Both were big winners at the beginning of lockdown with **PlayStation** leaping from **90th** to **50th position** and **Xbox** jumping 56 places to **69th** place in Snoop’ spending charts.

Xbox versus Playstation

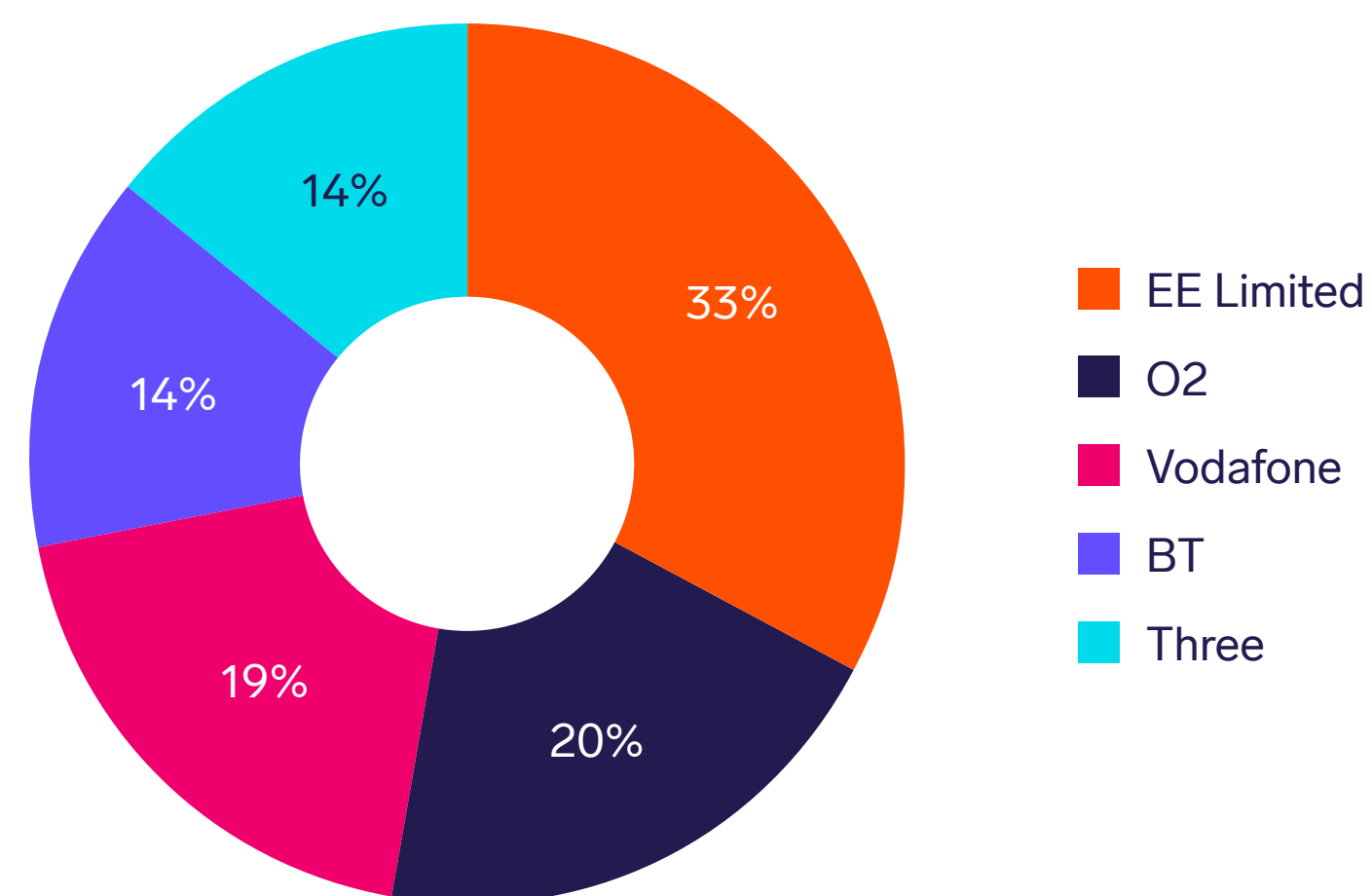


# EE takes home the Bacon

Monthly payments for **broadband** and **mobile phone** packages make up a large amount of our discretionary annual spend – so much so that we **spend more on being connected** (12% of our discretionary spend) **than we do on petrol** (10%).

EE are the nation's favourite broadband/mobile provider, maintaining their position throughout the pandemic, followed by O2, Vodafone, Three, and BT.

## Top 5 mobile phone providers

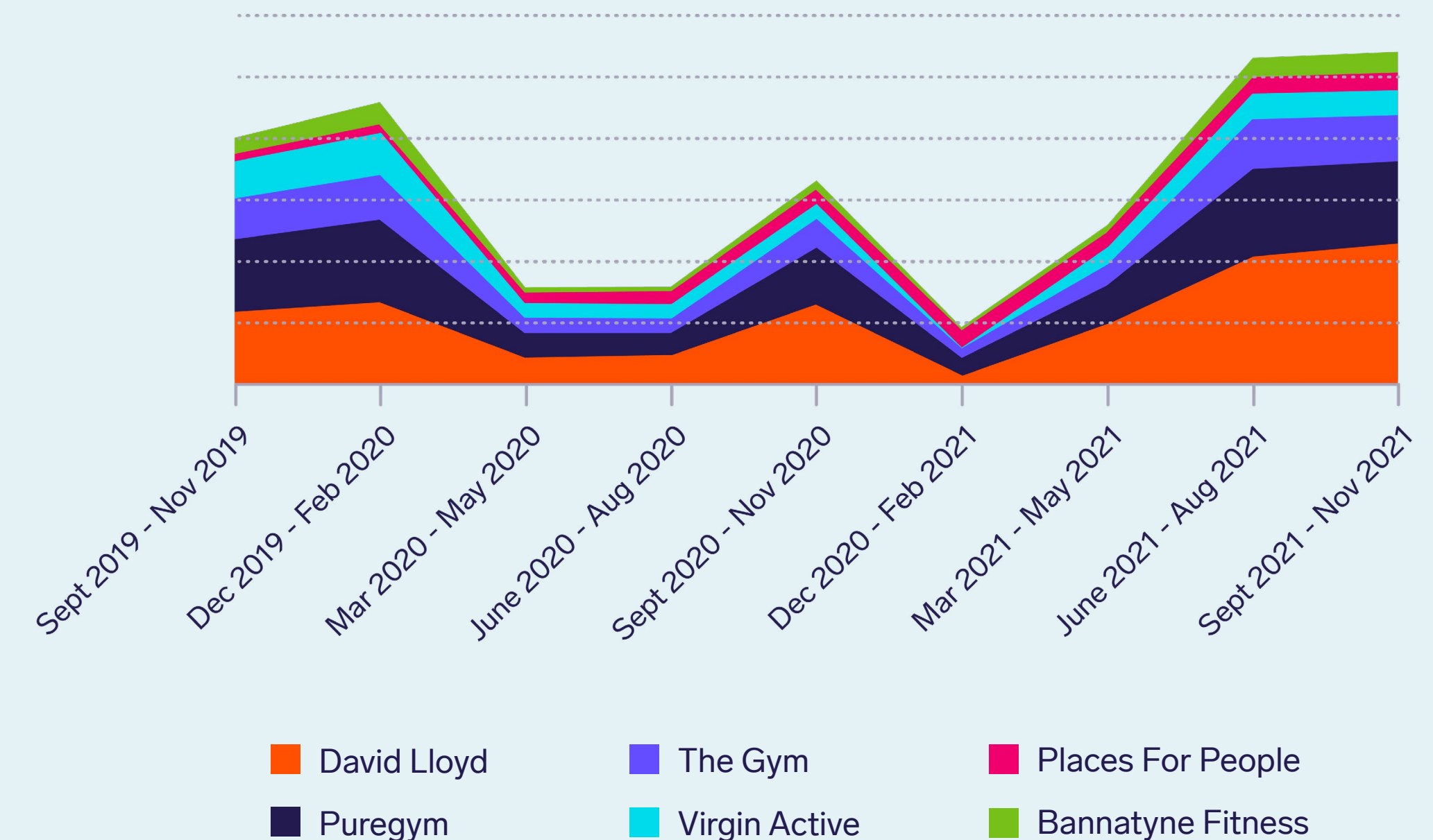


# Remember Joe Wicks?

Although deeply affected by lockdowns over the past 18 months, **gyms** have shown **considerable stamina** with spending on monthly gym subs now **61% higher** compared with Q1 2020.

Remember the last time you worked out in your living room with **Joe Wicks**? No, neither do we!

## Gym spend



# Snoop's UK Consumer Spending Snapshot shows how we spent our money over the past two years...

Significantly, it charts changes in consumer behaviour and spending patterns caused by the Covid-19 pandemic.

Just one month ago the UK economy was continuing to get back on its feet, households were faced with rising interest rates (to add another layer of pressure to the cost of living) but Christmas was - if nothing else - going to be a lot better than last year. Then came Omicron.

With many working from home again and people going out less because of the newly imposed restrictions (and general uncertainty) we believe spending will shift back to closely resemble that seen in lockdowns 2 and 3.

Consumer spending behaviour changed markedly during the pandemic, but it looks increasingly like many of our new habits are here to stay.

Amazon will continue to dominate - supermarkets, streaming, home entertainment, food delivery services; and services in general will be big winners and the future looks uncertain at best (bleak at worst) for the high street, leisure and tourist sectors.

The Snoop Index will continue to track consumer spending behaviour as we emerge out of these turbulent times – in the meantime, we'll continue to Just Eat.

# Data Methodology

- Data source: Anonymised transaction data from a stable cohort of 20,888 Snoop customers.
- All customers in the cohort 18+ years of age.
- Data range: September 2019 and November 2021.

# Contact us

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- For partnership enquiries, please contact [partnerships@snoop.app](mailto:partnerships@snoop.app)

# About Snoop

- Powered by Open Banking, Snoop is an award-winning consumer focused business that helps people spend, save and live smarter.
- Snoop was launched to the public in April 2020 by Executive Chair Dame Jayne-Anne Gadhia, former CEO of Virgin Money.
- Using secure open banking data and advanced analytics, the app provides data-driven, personalised in-sights ('Snoops') to help consumers find their biggest money saving opportunities.
- Snoop's platform has been recognised by the Open Banking Expo Awards for 'Best use of open banking data 2021' and Best app proposition – Consumer', as well as the British Bank Awards for 'Best Innovation of the Year 2021'.
- For more information about Snoop, please visit:  
<https://www.snoop.app>