AHDB Dairy in Food Service

1. **Summary**

[AHDB](https://ahdb.org.uk/) are a levy funded organisation that works on behalf of British agriculture. Sectors covered include beef and lamb, pork, dairy and cereals and oilseeds. [AHDB’s Retail and Consumer insight](https://ahdb.org.uk/retail-and-consumer-insight) team track and analyse consumer shopping and consumption trends and communicate what these mean for the agricultural industry.

The total GB Out-of-Home (OOH) market is worth £67bn, growing at a rate of +7.7% year-on-year (Kantar OOH 52 w/e 29 December 2024). AHDB currently sources retail and OOH panel data for beef, pork and lamb through Kantar. For meat OOH we convert dish information in to approximate volumes using information from brand websites and Food Standards Agency portion size guides e.g. a beef patty from McDonalds BigMac is 90g, an average mince portion in Spaghetti Bolognese is 140g. For dairy, AHDB sources retail data through Nielsen but does not currently have a viewpoint on dairy within the OOH market.

Dairy within the OOH market is a complicated picture combining dishes where dairy is the prime ingredient (e.g. ice-cream, yogurt), dishes that celebrate or host dairy (e.g. pizza, sandwiches), dishes that have a hidden dairy component (e.g. cake, curry) and hot/cold beverages containing dairy (e.g. milkshakes, coffee). This makes it near on impossible to approximate actual volumes for total dairy in OOH (potential to approximate some key categories/dishes), but we are able to understand the total market in terms of occasions/incidences.

In 2019, we did just this using NPD Crest panel data, and AHDB carried out a one-off piece of work to understand the size, and performance, of the dairy category OOH in terms of incidence and spend by coding up dishes into the dairy categories mentioned above. An example of an output from this is [here](https://ahdb.org.uk/news/consumer-insight-dairy-performance-in-the-foodservice-market). As the market has changed over the last 5 years, AHDB would like to update its understanding and insights for dairy levy payers in terms of total dairy performance and key dairy categories and dishes. Panel data is therefore required due to its accuracy in terms of representing the market.

The budget for this project is £45k including VAT, with a final debrief expected no later than September 2025.

1. **Background**

Dairy is an enjoyable and vital part of everyday food, with a large proportion of consumers agreeing that dairy is part of a healthy balanced diet.

In home performance of dairy is dictated heavily by the performance of host foods such as cereals, hot drinks and sandwiches. Declines in cereal usage have been seen arising from the movement back into the office combined with concerns around ultra-processed foods – leading to a consequent decline in milk volumes. Declines in in-home tea consumption have also hit milk volumes driven by more people returning to office working. Higher prices have impacted butter volumes.

A positive picture, however, is seen for cheese, cream and yogurts, with retail volumes growing driven by consumers purchasing these offerings more frequently and buying more per shop. Here we see consumer need for indulgence advantaging cheese and cream, or the need for healthier eating or cheaper desserts advantaging yogurts.

Plant based alternatives represent only 6% of total dairy volume in home, with spreads, creams and yogurts showing year-on-year growth, and cheese & milk offerings showing year-on-year decline. A view of this OOH would also be beneficial.

In 2019, dairy was seen as an essential component to the OOH market, with 51% of all visits including dairy, driven heavily by coffee shops, pizza chains and quick serve restaurants (through e.g. cheeseburgers). In 2025 does dairy continue to be essential to OOH dishes, and do growth or declines in host dishes impact dairy performance? How has the cost of living crisis impacted dairy OOH, how can OOH venues showcase dairy within their offerings and what opportunities are there to grow dairy within OOH? Have changes to menu composition (e.g. wider inclusion of plant based dairy) driven dairy performance?

1. **Service Requirement**

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| **Research Objectives** | Within this one-off deep dive, AHDB would like to understand:* Key metrics (spend, packs/servings, visits/trips, penetration, average price) for total OOH market (including eating and drinking out, on-the go and takeaway/delivery) to set the context for dairy (is it growing or declining share). To include channel/operator, day part/occasion type and demographic splits.
* Key metrics (spend, packs/servings, visits/trips, penetration, average price) for total dairy dishes within the total OOH market. To include channel/operator, day part/occasion type and demographic splits. Split by animal vs alternative, by type of dairy (cheese, milk, cream, yogurt, butter/spread) and by category of dairy\* will be key. **Please make it clear in your proposal if you are able to deliver these splits.**
* Trends over time (growth vs decline) and factors driving trends. Last year vs YA. Longer term trends e.g. pre cost of living, pre COVID) would be beneficial. **Please make it clear in your proposal what time periods you are able to cover.**
* For some key dairy categories, where we think possible, we would like to convert data into approximate volumes. Potentially hot drinks, sandwiches, cheeseburgers and pizza. This would involve estimating how much dairy is in each item which AHDB would support with.
* Opportunities for growth of dairy with OOH

\*Reads on dairy must include dishes that cover the four following categories (detail of which dishes contribute to which category to be agreed with AHDB):* + Primarily dairy (e.g. ice-cream, yoghurt)
	+ Meals that celebrate/host dairy (e.g. pizza, sandwiches)
	+ Meals with a hidden dairy component (e.g. cake, curry)
	+ Beverages with milk (hot and cold e.g. coffee, milkshake)

Therefore, included in the proposal we would like a view of your current dish coding. * Optional understanding of menu compositional changes over time would be useful to give a wider context to the insights found through the key metrics.
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| **Requirements** | The proposal must clearly demonstrate that the research objectives listed above will be met. The methodologies used to achieve the research objectives must clearly be identified **in the** **proposal** with **clear demonstration** of how the approach achieves the objectives.The quality of the methodologies will be scored in line with the scoring criteria and agency must clearly show how they are relevant and link to achieving the research objectives. The full and comprehensive cost breakdown must be provided.Any other costs (such as out of pocket expenses) that may be incurred by the projects must be included in the proposal and detailed in the breakdown. The proposal must also include the following details for each of the projects :* Name and full contact details of the project manager that would be leading each project.
* Details of relevant experience and projects of project managers
* Key targets and dates of achievement (timetable).
* A breakdown of costs for all stages of the project including VAT
* A breakdown of the number of days and day rates for each stage of the project.
* Details and experience of any 3rd party agencies that will be used to deliver the research project. Cleary indicating the stage in which they would be involved and the percentage of works that would go to a third party.

**Agencies must clearly mark their recommended route to achieve objectives and final lump cost for the mandatory work separate to any additional desirable elements in delivering the project**.The proposal should be a maximum of 25 pages (excluding CVs).Your proposal must demonstrate how a process for quality control will be followed along with adherence to MRS code of conduct.**Terms of use**This research would be bespoke to AHDB with the ability for AHDB to use findings with wider stakeholders/industry and publish results [in a report](https://ahdb.org.uk/Tags/CRIreport), which will be publicly available on the AHDB website. The information from this project shall be deemed Confidential Information. To be used as deemed fit by AHDB. Agencies can be given prior sight of content for media/PR usage. Agencies are required to share in the proposal any sharing restriction or use of data that would come from this research.  |
| **Budget** | A budget of £45,000 including VAT is available for this project.  |
| **Outputs** | AHDB require a detailed, story-led, presentation covering performance, trends and opportunities. |
| **Timings** |

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| Brief circulated | 9th June 2025 |
| Clarifications to be received by | 18th June 2025 |
| Deadline for receipt of responses  | 23rd June 2025 |
| Scoring panel review proposals –scoring session  | 1st July 2025 |
| Winning tender awarded | 3rd July 2025 |
| Proposed kick off meeting | w/c 7th July 2025 |
| Final debrief  | 10th September 2025 |

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1. **Structure of submissions and evaluation methodology**

Evaluation of the tender will be undertaken in accordance with the following criteria and weightings:

**Quality Stage 1**

**80% of the evaluation weighting will be based on the quality of the written proposal.**

* Demonstrate a clear understanding of the brief and research objectives in the proposal. (10%)
* Outline a clear approach and highlight any proposed techniques to be used in the methodology and/or analysis – clearly showing how they are relevant and link to achieving the research objectives. (45%)
* An objective and well-structured proposal which clearly lays out the required information and includes a detailed breakdown of costs and a project plan with a timeline, identification of any risks/key dates. (10%)
* Demonstrate how a process for quality control will be followed for the research (5%)
* Experience of project manager and supporting team in delivering similar projects in terms of methodology, location, food sector, communication objectives (10%)

***Please note: a minimum score of 60 out of 80 is required in this section to be appointed by AHDB on this project.***

**Price**

**20% of the evaluation weighting will be based on the cost of the proposal (mandatory elements only).**

* To enable comparability of proposals, a breakdown of costs (by key activities) is to be provided. (20%)

Your proposal must illustrate how you will meet the service requirements set out above and describe how you plan to deliver this service to AHDB.

**Your written proposal should be submitted no later than 5pm on 23rd June of 2025**

**Please send your proposal to:** **Strategic.Insight@ahdb.org.uk**

Any questions on the project should also be directed to the above email address. Due to the nature of AHDB as an organisation, responses to all questions will be given to all agencies and we cannot have individual conversations.

**Title for email submission: AHDB Dairy in Food Service**

Submissions will remain unopened until after the closing date and time has passed.

AHDB will review tenders following the closing date and may consult with interested parties as part of the selection process.

AHDB reserve the right to seek alteration of individual tenders to meet the exact requirements and to decline all tenders should the requirements not be met.