Lumina Intelligence

Category Spotlight

How Consumer Trends Are Shaping the Future of Coffee Menus

Overview

Over the past year, the coffee consumer landscape has undergone significant transformation. Changing habits, evolving preferences, and shifting market dynamics have redefined how people engage with their daily brew. To better understand these developments, Lumina Intelligence leverages insights from its comprehensive Eating & Drinking Out Panel and Menu Tracker tools.

This whitepaper delves into the coffee consumer, how behaviours have changed, and how operators are adapting menus to meet these evolving demands. By "lifting the lid" on this dynamic market segment, the aim is to provide valuable insights into the trends shaping the coffee sector and how businesses can not only respond but thrive.

This Category Spotlight will cover:

Who is the coffee consumer?

Demographics, preferences, and habits of today’s coffee drinkers, uncovering what defines this key market segment.

How has coffee consumer behaviour changed?

How behaviours such as frequency of visits, drink choices, and purchasing motivations have evolved in response to these changes.

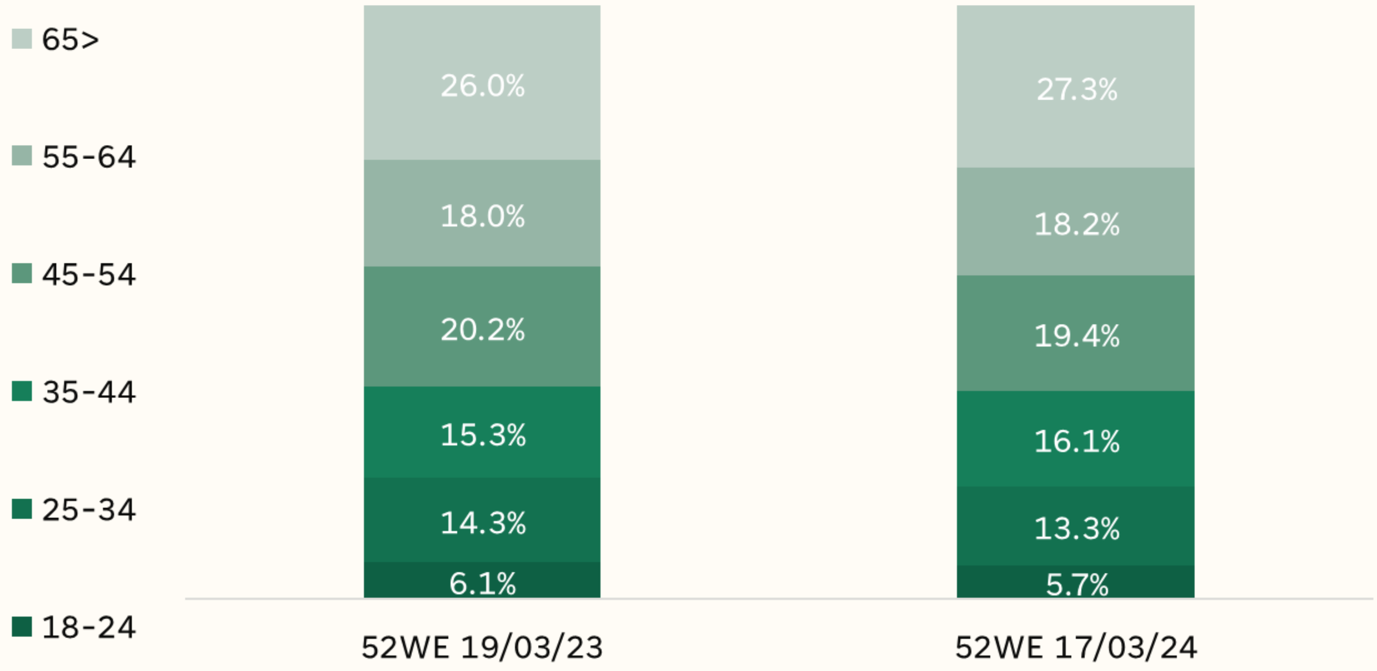
How are coffee shop menus evolving?

Innovations, trends, and strategies shaping modern coffee shop menus, reflecting the demands of today’s coffee enthusiasts.

The Coffee Consumer

Consumers age 65+ hold the largest share of the coffee market, increasing share year on year. There has been also an increase in penetration amongst this age group. 35 to 44s have also increased their share and penetration: another important group for operators to be targeting due to their high disposable income, preference for quality and sustainable offerings, and frequent coffee consumption driven by busy professional and personal lives. On the other hand, the 18 to 34s hold the lowest share of the market, losing share year on year.

Age % share of occasions – coffee consumers



Coffee consumers – change in penetration

65+
+0.6ppts

35-44
+0.3ppts

Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

Consumer Behaviour

The ongoing cost-of-living crisis and financial pressures among certain groups have kept visit frequency steady at 1.2 occasions per week.

The top three reasons, or "missions," for coffee consumption remain “out and about,” “treat,” and “part of my routine.” While “out and about” remains the leading driver, its share has declined year on year as more consumers prioritise “treat” missions and routine-based coffee purchases.

Treat-driven coffee purchases have seen the most growth, as consumers increasingly indulge in small, affordable luxuries. This trend is accompanied by a preference for higher-quality, premium coffee options, which help justify these indulgent experiences.

KPI’s – coffee consumers – 52WE 17/03/24

Penetration	Visit frequency
14.3%	1.2
+1.4ppts	+0.0%

Top 3 missions – coffee consumers

Was out and about	Treat	It's part of my routine
23.8%	13.7%	9.6%
-0.7ppts	+0.6ppts	+1.0ppts

Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

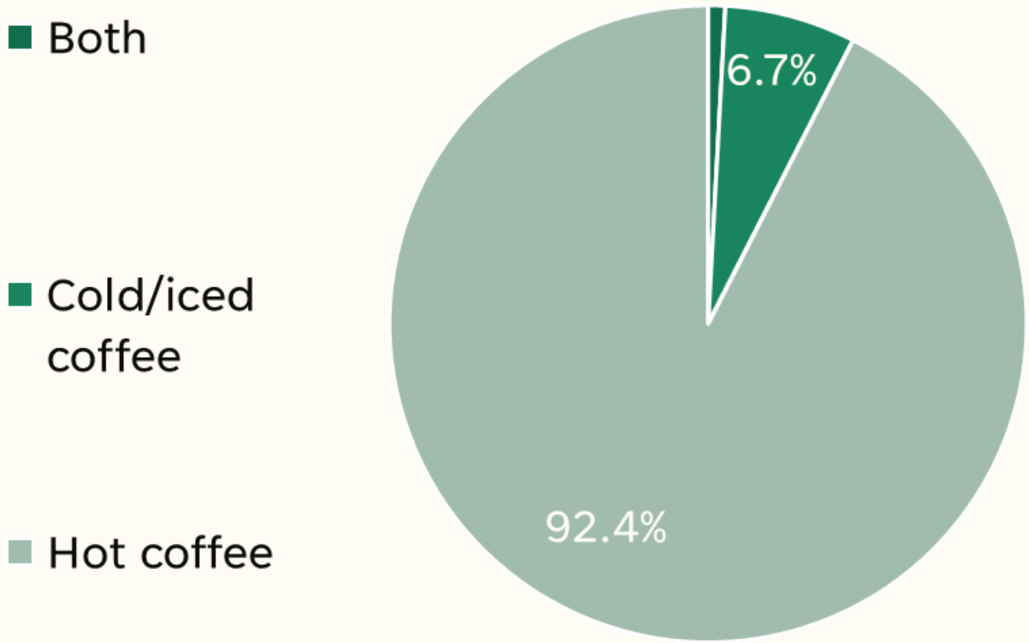
Iced Coffee

Analysing which type of coffee consumers are buying, the data showcases hot coffee accounting for the majority of purchases. However, we have seen an increase in the consumption of cold and iced coffee.

The iced coffee trend has been around for a while – but there's a definite uptick currently, and iced and cold coffee drinks are driving growth as consumers move away from traditional americano purchases.

This links back to that indulgence trend, as consumers lean towards a more experiential occasions that feel like a treat, rather than simple, more traditional coffee formats as part of their routine.

Type of coffee purchased



Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

Plant-based Milk

Despite the growth of plant-based milks over last few years, 2024 saw an increase in the use of dairy milk. This shift has been mostly driven by the return of 65+ consumers, who are more likely to prefer dairy.

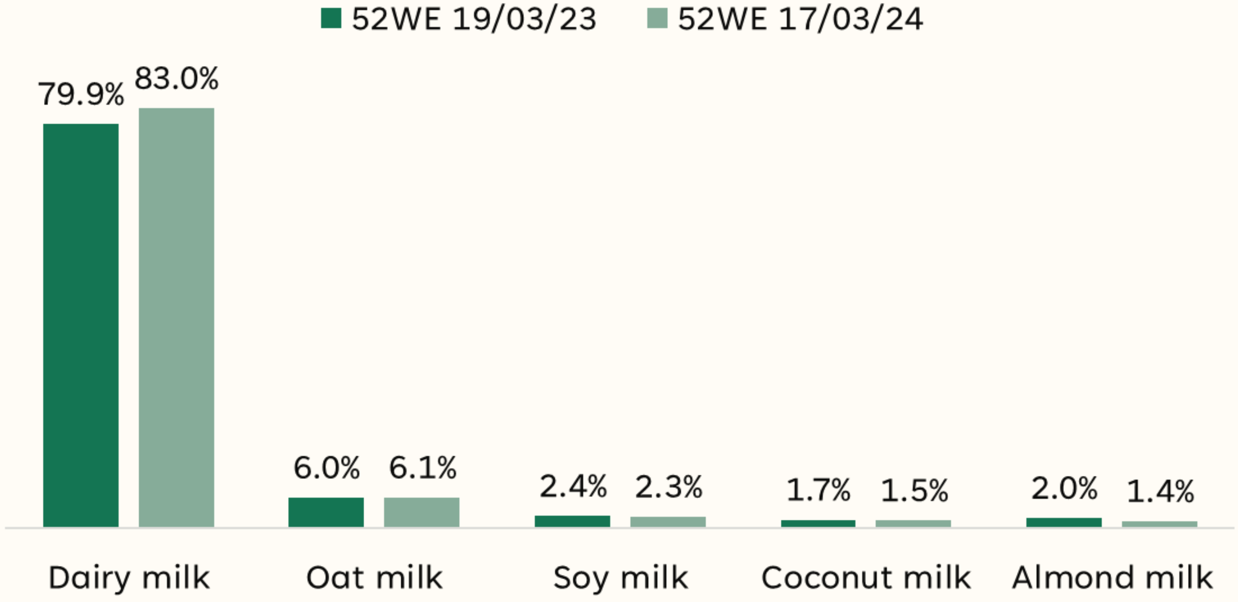
The extra cost associated to plant-based milks has been another driver for consumers to switch to dairy to save money when the cost-of-living felt at its hardest.

On the other hand, consumers are more likely to opt for plant-based milk in cold or iced coffee, an opportunity for operators to capitalise on the growth of iced coffee to push plant-based milks. In fact, some new product development in iced coffee including plant-based milks, such as Starbucks' seasonal special Iced Brown Sugar Oat Shaken Espresso – have been developed directly as a plant-based product, rather than positioning oat milk as an add-on.

Consumers are **more likely** to opt for **plant-based** milks in **cold** or **iced** coffees

Iced Brown Sugar Oat Shaken Espresso

Type of milk in coffee



Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

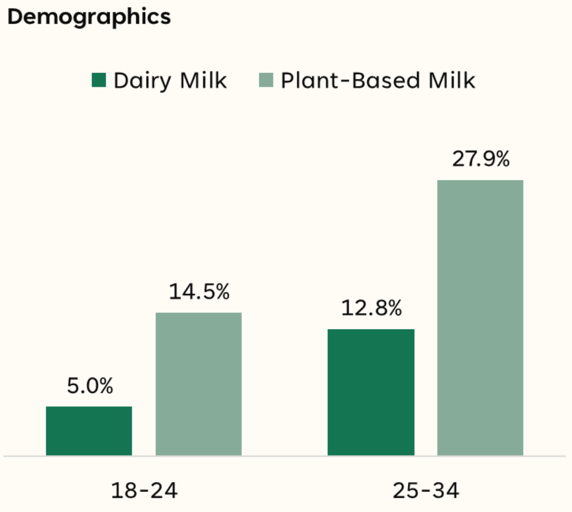
The Plant-based Milk Consumer

Who is the plant-based milk consumer?

The data indicates they're more likely to be younger compared to dairy milk consumers and they're also more likely to be female, affluent and have an out-of-home occasion alone. Only 9.5% of consumers who do drink plant-based milk identify as non-dairy, a huge opportunity to outline the benefits of plant-based milks to really compete with dairy companies and try and convert consumers.

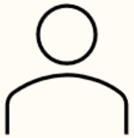
Plant-based milk occasions are more likely to be routine based or driven by vouchers and promotions with on-the-go missions and value being marked as the most important by consumers. This presents an opportunity for ready-to-drink coffee cans, a trend that's gained a lot of traction over the past few years. This way “on the go” and “good value for money” ties in with those cold or iced coffees that are more likely to be selected.

Only **9.5%** of **plant-based** milk drinkers identify as **non-dairy**



Female

ix. 126



I was alone

ix. 133

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Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

How are coffee menus evolving in response:

Indulgence

Experience

Customisation

Health

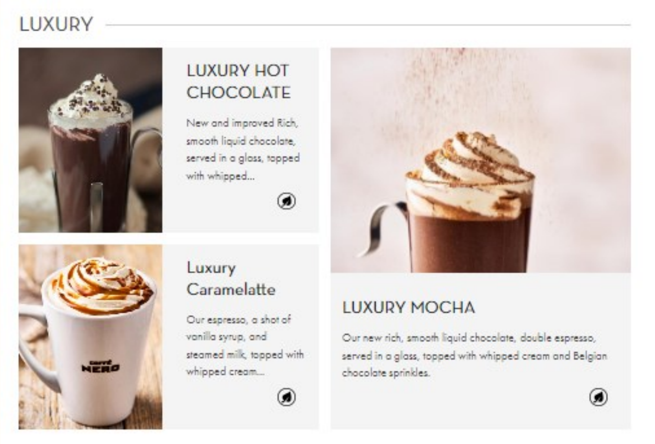
Indulgence

Treat Missions

The desire for indulgent "treat missions" has become the second-largest driver for coffee consumption, with consumers increasingly seeking affordable luxury and premium-quality experiences.

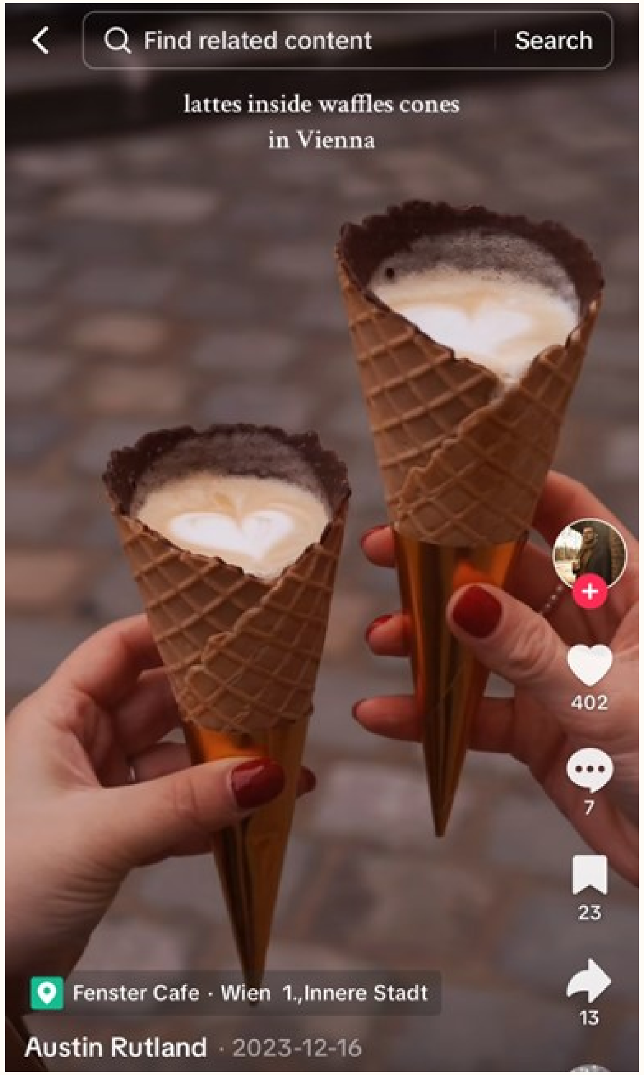
Coffee shops are responding by offering more high-end, indulgent items, such as Caffè Nero's luxury drinks and Starbucks' pistachio-themed offerings like the Pistachio Velvet Latte.

The trend also includes creative innovations like coffee served in a chocolate waffle cone, popularized by Fenster Café in Vienna. These efforts reflect the growing consumer demand for unique, high-quality coffee experiences that enhance small indulgent moments.



Caffé Nero 'luxury' hot drinks selection

Harris + Hoole affogato



Source: Tiktok

Experience

Coffee Shops: Social and Experiential Hubs

When it comes to purchasing habits, 93% of coffee consumers now order and buy directly at the venue, a 1.1 percentage point increase year on year. Across the out-of-home market, demand for experiences is becoming a defining trend, with 59% of coffee buyers now highly experience-driven—a figure that continues to grow. This is prompting increased in-venue consumption, encouraging coffee shops to transform from mere caffeine stops into vibrant community hubs.

Coffey Island in London exemplifies this by fostering guest interaction and offering brewing guidance. With a low-height espresso bar showcasing the brewing process and serving coffee through methods like pour-over, Chemex, and Aeropress, they provide an engaging and educational experience that aligns with modern experiential trends.

Coffee Island, London

Ordered and bought there

93%

+1ppt

59% of **coffee consumers** are very **experience led**

+1ppt

Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

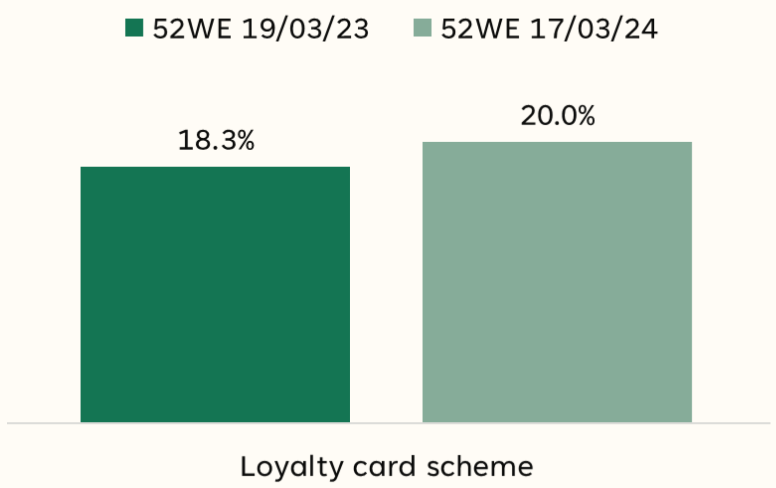
Customisation

Personalisation and loyalty on the rise

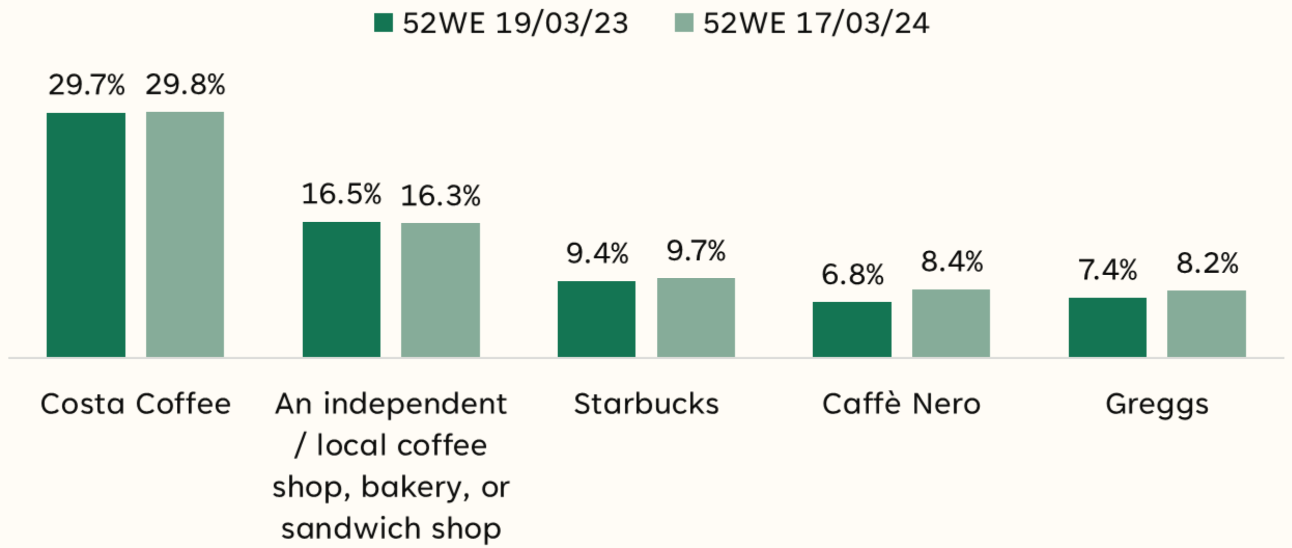
As consumers increasingly seek experiences, coffee operators are focusing on customisation and personalisation, with customisable menu options growing by +3ppts year on year. This allows customers to tailor their orders while providing operators opportunities to upsell through premium add-ons and tiered pricing, boosting spend per visit while maintaining value appeal.

Loyalty programs are also a major driver of visits, with vouchers, promotions, and loyalty cards gaining popularity each year. Caffè Nero's enhanced loyalty card use has boosted its growth, securing 4th place in the market. Costa Coffee remains the leader, while Greggs has also seen increased coffee-related visits, showcasing the success of loyalty-driven strategies across the industry.

Top promotion used – coffee consumers



Top 5 brands visited – coffee consumer



Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

Health

Coffee as a Wellness Beverage

Operators are increasingly responding to consumer demand for health-focused beverages, transforming coffee from just a morning pick-me-up to a drink with perceived wellness benefits.

Consumers are increasingly drawn to coffee for its cognitive and health benefits, driving demand for functional and adaptogen-infused options. Operators are catering to this trend with offerings like Black Sheep Coffee's turmeric latte and Clear Labs' matcha latte, imported from Kyoto and praised for its antioxidant and anti-inflammatory properties.

A standout innovation is the blue algae latte, a caffeine-free drink packed with over 65 vitamins, enzymes, and minerals. Popular in Australia and now gaining global traction, is a nutrient-rich beverage made with blue algae powder, ginger, lemon, coconut milk, and agar.

42.6% of **coffee consumers** are very **health conscious**

Source: Lumina Intelligence Eating and Drinking Out Panel, data collected 52WE 19/03/23 and 52WE 17/03/24

Key takeaways:

Older consumers are returning to the coffee market

Consumers aged 65+ hold the largest and growing share of the coffee market, while 35 to 44-year-olds are a key demographic due to their disposable income and frequent consumption. 18 to 34s have the lowest and declining share year on year.

Routine, on the go mission returns and consumers are seeking an experience at venues

Consumer confidence has boosted coffee market engagement, though visit frequency remains steady. Consumers are shifting from “out and about” missions to “treat” and routine-based purchases, driven by a return to everyday habits and a preference for premium, indulgent coffee experiences.

Coffee shop menus are expanding and operators are tapping into customisation and health trends

Coffee shop menus in the UK are evolving to focus on customisation and health trends, meeting the growing demand for personalised and wellness-inspired drinks.

Source: Lumina Intelligence, April 2024

Methodology

Eating & Drinking Out Panel

Lumina Intelligence's UK Eating & Drinking Out Panel tracks the behaviour of 1,500 nationally-representative consumers each week, building up to a sample of 78,000 every year, across all eating out channels and day-parts (including snacking)

Data collected 52WE 19/03/23 and 52WE 17/03/24

Lumina Intelligence

To learn more about how Lumina Intelligence can support you, please use the contact details below.

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