

Greggs sees sales jump as consumers seek value meals during 'worrying' times

Greggs has revealed that sales jumped by 15% over the past three months as cash-conscious consumers seek good value during "worrying" times.

The bakery chain's boss told the PA news agency that its low-cost food and meal deal options were more important to "shout about" during a time when many households are struggling with significant cost-of-living pressures.

Roisin Curry, Greggs' chief executive, said: "I think people just want to seek good value.

"So if our customers are worried about the cost of living, and they are travelling, at work or out with friends and they are hungry, then they are coming to us for a good deal."

Greggs said sales slowed during August as people ditched the staycations that had been fuelled by the pandemic, but that momentum returned in September.

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Greggs also noted that its sales growth dipped by about 1% as a result of closing its shops for the Queen's funeral on September 19.

We have proved how resilient we are, we came out stronger and better through the pandemic, and we will come out the other side of this storm

Cost inflation for the year is expected to remain at its previous estimations of 9% on last year as the retailer faces surging costs of raw materials, production and energy.

The chain – which has recently launched its new autumn menu including the pumpkin spice latte and the chicken and stuffing baguette – previously announced that customers would see 5p or 10p increases on some items as it was forced to raise prices for the second time this year.

But Greggs said it has fixed prices with suppliers for a good level of its future food and energy costs.

Ms Curry added: “I think we are operating at a very complex environment, and we are very aware of the cost-of-living pressures that customers are facing.

“We have good coverage on our key commodities and energy and, therefore, that inflation outlook for us hasn't changed for the year end.”

The Government's energy support package, unveiled in September, will also help to take some of the pressure off households during the colder months, Ms Curry said.

She said: “I think that for a lot of people it is a very worrying time and some of the Government's recent intervention, including the energy price cap, hopefully alleviates some of pressure and stress about what the outlook might be.

“But on an individual basis I know that people continue to be worried, so shouting about our value is really important.”

The group has driven forward its expansion plans and is set to have opened 150 new stores for the year as a whole, including two “drive through” shops in [Amesbury](#) and Durham.

In September it commissioned an automated pizza manufacturing line at its site in [Enfield](#), which is expected to cut production costs.

Despite the “considerable uncertainty” across the wider economy, Greggs made no changes to its full-year profit guidance.

Ms Curry said: “We just have to weather the storm that we are in.

“We have proved how resilient we are, we came out stronger and better through the pandemic, and we will come out the other side of this storm.”