

Premier Foods enjoys stronger sales as consumers opt for affordable meals

Mr Kipling and Bisto owner [Premier Foods](#) has said its sales grew in the first half of the year, as more consumers are opting to stay in rather than eat out.


Its revenues went up by 6.2% in the half year to October 1 to £419 million, from £394 million a year ago.

And the group's adjusted pre-tax profits swelled by more than a tenth, from £42 million last year to £47 million this year.

The food firm said it had managed to cushion the impact of cost inflation, which has pushed up food and drinks prices significantly, by making cost savings and increasing its prices.

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An annual price increase will be made in the fourth quarter of the year, which the group expects to further make up for inflated costs.

[People](#) are finding that the “best restaurant in town is at home”, Premier Foods’ boss said, meaning that its brands have benefited from the shift to affordable meals as consumer budgets are more squeezed.

The company is set to launch a campaign encouraging people to cook and prepare affordable meals at home for just £1 a serving.

Premier Foods’ chief executive Alex Whitehouse said: “The current economic climate is undoubtedly challenging for consumers, and our broad range of affordable brands have always played a key role for families when times are tough.

“With people starting to eat out less, they often find the best restaurant in town is at home, where you can make nutritious and tasty meals more affordably.

“In this environment, our portfolio of brands continues to display strong momentum and are well placed to deliver further growth.”

“We continue to see further input cost inflation, which we expect to recover through a combination of cost savings and our annual price increase in quarter four this year.”

He added that the group is on track to deliver its full-year expectations.

Premier Foods said that its cooking sauces like Loyd Grossman and Sharwood’s have performed particularly well this year.

The company acquired meal kit brand The Spice Tailor for £44 million in July in a further bid to take advantage of the home cooking market.