

# COFFEE SHOPS – IRELAND – 2023

With consumers feeling the effects of rising costs of living, coffee shops can benefit from presenting as an affordable foodservice and night-out activity.



Brian O'Connor,  
Category Director - Irish  
Reports



# Coffee Shops – Ireland – 2023

## This report looks at the following areas:

- The impact of the cost of living crisis on sales via coffee shops and cafés
- How the working at home trend has influenced consumer coffee shop behaviour
- What the top brands/locations are for buying hot drinks among Irish consumers
- The importance of environmental concerns to consumers when buying hot drinks
- How coffee shops could re-frame themselves as night-out venues



With consumers feeling the effects of rising costs of living, coffee shops can benefit from presenting as an affordable foodservice and night-out activity.

## Overview

The cost of living crisis is seeing Irish consumers less able to afford to visit coffee shops, and more likely to prepare drinks at home. But with visiting a restaurant or pub a more expensive prospect, there are opportunities to capture some of their market.

**BUY THIS REPORT NOW**

**€1800.00 | £1495.00 | \$1995.00\***

[store.mintel.com](https://store.mintel.com)

Americas: +1 (312) 932 0400  
China: +86 (21) 6032 7300  
Germany: +49 (0) 211 3399 7411  
India: +91 22 4445 1045  
Singapore: +65 6653 3600  
Thailand: +66 2 821 5122  
UK: +44 (0) 20 7606 4533

\*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

**MINTEL**

# Report Content

## EXECUTIVE SUMMARY

### Opportunities for the coffee shop sector

- Cost of living offers both threats and opportunities
- Many still working remotely

### Market dynamics and outlook

- The five-year outlook for coffee shops
- Coffee shop sector estimated to exceed 2019 value
- Post-COVID-19 bounceback
- Market expected to see continued growth
  - Graph 1: estimated value of the Irish café and coffee shop market, 2019-28
- Increased prices in foodservice
  - Graph 2: consumer price indices for restaurants and cafés, UK (inc NI), 2019-24
  - Graph 3: consumer price indices for restaurants, cafés, fast food and take-away food, 2019-24
- Running costs being passed on to consumers
- Bad weather impacting coffee supply
- Little change in financial situation
  - Graph 4: how consumers rate their financial situation, 2024
- Disposable income nullified
- Opportunities in the face of expensive out-of-home entertainment
- Remote working could be hampering growth
  - Graph 5: where consumers are currently working from, 2024

### What consumers want and why

- Seven in 10 used coffee shops to buy drinks
  - Graph 6: types of coffee shops and cafés that consumers typically buy drinks from – NET, 2023
- Costa continues to be most used coffee shop brand
  - Graph 7: types of coffee shops and cafés that consumers typically buy drinks from, 2023
- In-store the preferred way to buy from coffee shops
- In-store most likely purchase type
- Coffee purchasing twice that of tea via coffee shops & cafés
  - Graph 8: drinks bought from coffee shops, 2023
- Coffee is king
- Rol consumers visit to take breaks; NI to meet friends & family
- Coffee shops important social hubs

# Coffee Shops – Ireland – 2023

---

- More in-home coffee prepared due to cost of living crisis
- More drinks prepared at home

## Innovation and marketing

- Upcycling waste into a coffee alternative
- New experiences in flavour and presentation

## MARKET DYNAMICS

### Market size

- Café market reaches €0.5bn in 2023
  - Graph 9: estimated value of the Irish café and coffee shop market, 2019-23
- Sector has exceeded pre-COVID-19 value
- Two thirds of spending on beverages
  - Graph 10: café and coffee shop spending share, 2022
- Potential opportunity in late-night usage

### Market forecast

- Continued growth for the sector expected 2024-28
  - Graph 11: estimated value of the Irish café and coffee shop market, 2019-28
- Cautious consumer spending won't stop growth

### Market drivers

- Café prices increasing
  - Graph 12: consumer price indices for restaurants, cafés, fast food and take-away food, 2019-24
- NI café users seeing increased prices too
  - Graph 13: consumer price indices for restaurants and cafés, UK (inc NI), 2019-24
- Crop failures could push coffee prices higher
- Little change in financial situation among Irish consumers
  - Graph 14: how consumers rate their financial situation, 2023-24
- Consumers still feeling under pressure
- More report being worse-off than better-off
  - Graph 15: how consumers rate their financial situation compared to 12 months ago, 2024
- Consumers still reporting high prices
  - Graph 16: areas where consumers have been affected by higher prices in the last two months, 2024
- Disposable income nullified by inflation
- Nights out too expensive
- Third using coffee shops for week nights
  - Graph 17: consumers who visited a coffee shop/café as part of a night out during the last three months, 2021

- Off-site working still limiting foodservice engagement
  - Graph 18: where consumers are currently working from, 2024

### WHAT CONSUMERS WANT AND WHY

#### Types of coffee shops visited

- Costa continues to be most-used coffee shop brand
- Four in five have visited a coffee shop/café
  - Graph 19: types of coffee shops and cafés that consumers typically buy drinks from – NET, 2023
- Women stronger users of coffee shops
- Cost of living could help drive more footfall to cafés at night
- Costa key brand in both NI & RoI
- Mature consumers more likely to embrace supporting local cafés
- Frank & Honest sees greater usage in RoI
  - Graph 20: consumers who regularly use Frank & Honest, by work status, 2023

#### How consumers buy from coffee shops

- In-store the preferred way to buy from coffee shops
  - Graph 21: how consumers buy items from coffee shops & cafés, 2023
- Boomers more likely to go in-store
  - Graph 22: consumers who buy items in-store, by generation, 2023
- Keeping warm in winter
- Drive-thru sees most usage among remote workers
  - Graph 23: consumers who buy coffee shop items via drive-thru, by work location, 2023

#### Types of drinks bought

- Coffee purchasing twice that of tea via coffee shops & cafés
  - Graph 24: drinks bought from coffee shops, NI and RoI, 2023
- Little change in coffee purchasing
  - Graph 25: consumers who buy coffee drinks from coffee shops, 2022-23
- Coffee purchasing increases with age
  - Graph 26: consumers who buy coffee drinks from coffee shops, by age group, 2023
- RoI consumers more likely users of cold drinks
  - Graph 27: consumers who buy cold non-coffee drinks from coffee shops, 2023
- Offering health boosting drinks

#### Reasons for visiting coffee shops

- RoI consumers visit to take breaks; NI to meet friends & family
  - Graph 28: reasons why consumers visit coffee shops, 2023

## Coffee Shops – Ireland – 2023

---

- Workers more likely to take a break
  - Graph 29: consumers who visit coffee shops to take a break, by work status, 2023
- Stress driving need for relaxing drinks
- Women more likely than men to meet family/friends
  - Graph 30: consumers who visit coffee shops to meet with friends/family, by gender, 2023
- Decline in coffee shop use for work meetings in NI
  - Graph 31: consumers who visit coffee shops for work/a meeting, 2021-23

### Attitudes towards coffee shops

- More in-home coffee prepared due to cost of living crisis
- Women more inclined to prepare more drinks at home due to cost of living
  - Graph 32: consumers who are preparing more coffee at home due to the cost of living crisis, by gender, 2023
- Pay-gap leaving less for women to spend on coffee
- 35-44 consumers more enamoured with loyalty schemes
  - Graph 33: consumer who feel coffee shops with with loyalty schemes are appealing, by age group, 2023
- RoI consumers more interested in deposit scheme
- Seven in 10 view food offering as important as drinks
- RoI consumers have better views of coffee from kiosks
  - Graph 34: consumers who think hot drinks from in-store branded kiosks are as good as those from specialist coffee shops, by gender, 2023

## COMPETITIVE LANDSCAPE

### Companies and brands

- Bakers + Baristas – key facts
- Bakers + Baristas – recent developments
- Bob & Bert's – key facts
- Bob & Bert's – recent developments
- Caffè Nero – key facts
- Caffè Nero – recent developments
- Costa Coffee – key facts
- Costa Coffee – recent developments
- Frank and Honest Coffee – key facts
- Frank and Honest Coffee – recent developments
- Greggs – key facts
- Greggs – recent developments
- Ground Espresso Bar – key facts
- Ground Espresso Bar – recent developments



- Insomnia – key facts
- Insomnia – recent developments
- McDonald's McCafé – key facts
- McDonald's McCafé – recent developments
- O'Briens – key facts
- O'Briens – recent developments
- Starbucks – key facts
- Starbucks – recent developments
- Subway – key facts
- Subway – recent developments

## **Innovations**

- Upcycling waste into a coffee alternative
- Reducing single use cups by eating them or composting them
- Giving coffee a deeper story
- Bringing custom coffee to the next level

## **APPENDIX**

### **Supplementary data**

- Market size and forecast: underlying data

### **Report scope and definitions**

- Market definition
- Abbreviations and terms

### **Methodology**

- Consumer research methodology

### Disclaimer

This is marketing intelligence published by Mintel. The consumer research exclusively commissioned by Mintel was conducted by an Irish licensed market survey agent ([See Research Methodology for more information](#)).

### Terms and Conditions of use

Any use and/or copying of this document is subject to Mintel's standard terms and conditions, which are available at <http://www.mintel.com/terms>

If you have any questions regarding usage of this document please contact your account manager or call your local helpdesk.

### Published by Mintel Group Ltd

[www.mintel.com](http://www.mintel.com)

### Help desk

UK	+44 (0)20 7778 7155
US	+1 (312) 932 0600
Australia	+61 (0)2 8284 8100
China	+86 (21) 6386 6609
India	+91 22 4090 7217
Japan	+81 (3) 6228 6595
Singapore	+65 (0)6 818 9850