

Food For nought Online Food Delivery

How Restaurants Can "Deliver" on Revenue **During Times of Inflation** We know too well inflation has made its way into our lives. Many of us are looking for spare change where we can find it. We're also looking for good news.



And guess what? We have some!

Imagine the feeling of sitting down with your favorite meal. If we do say so ourselves, this news is just as good (well, almost as good) for restaurants.





We surveyed US customers

to understand their attitudes toward takeout and food deliveries during this time of economic change, and the results show people are saying yes to treating themselves to food-to-go now more than they did before inflation began to rise.



As consumer appetite for delivery and takeout - quite literally - grows, so does the opportunity for restaurants.

So what does the research mean for today's takeout and delivery trends? Here we'll unpack:

- Consumer preferences & habits
- Key purchasing considerations
- How to improve the customer experience, streamline operations & improve profits

Let's dig in!





Delivery All Day, Every Day





Just how much are deliveries and takeout increasing?

Well, currently **42% of people** in the US get up to three deliveries a week. That's 2% more than pre-inflation habits.



Interesting findings ... though we're not surprised. Why?

People have grown to know and love the convenience of delivery. This habit formed through the pandemic and it's stuck. People continue to crave small ways to treat themselves, even as they watch their wallets.



But when are deliveries most popular?



20% of people are ordering on a weekend evening with friends and family.

weekday

weekend evening

That's 1.4x more than people ordering on a weekday with their crew.

And both of these times trump other options like ordering on a weekend evening alone or during a weekday lunch break at work.

"Since Covid, delivery has been very important to SPIN. It's actually kind of kept the company going. Now it's a huge part of SPIN and will continue to be."

- Chad Bowser, Executive Chef of SPIN NYC

SPIN

Treating customers to top notch experiences in and out of the restaurant will be <u>key to a restaurant's success</u>.



Quality, Convenient Deliveries Reign Supreme



While people are getting more takeout and deliveries, they are also being more selective.

A whopping 90% of people said quality ingredients are more important now than before the rise of inflation.

What's more, convenience is a major deciding factor for consumers selecting a restaurant for takeout and deliverv.

84% claim how close a restaurant is and how fast their food can get to them is now more important than ever.

The growing need for convenience has been around for a while. In 2021, McKinsey reported on the rapid evolution of food delivery and found convenience as one of the leading pandemic trends - and that's clearly not changing anytime soon.

Is that all that consumers look for when selecting a restaurant? Well, no.





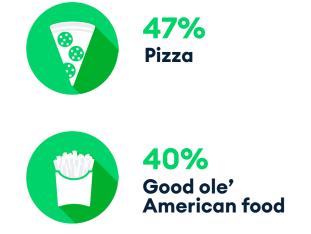
There are just a few other factors that influence why consumers choose one over another.

Top 5

Quickest delivery time	30%
Specific menu item availability	25%
Convenient location	28%
Appealing photos of the food	19%
Saw on social media	17%

Pizza is the food the US can't give up

with 47% of people saying they'd order it any time - regardless of inflation. Good ole' American food isn't far behind at 40%.



"People are continuing to prioritize and enjoy takeout and delivery food orders as a more cost effective way to enjoy themselves during this time. But with consumers more selective on where they put their money, convenience, ease and a variety of menu offerings are the secret sauce to restaurant success."

- Zhong Xu, Deliverect CEO and Co-founder





So you've successfully driven customers to order from your fine establishment. But how do you ensure they come back?

Let's get the sticky stuff out of the way first.



According to our research, more than a third of customers didn't order from a restaurant again after they had a **bad delivery experience.**



To boot, 23% of those same people told their friends or family not to buy from the restaurant either.

Okay, rewind. What kind of frustrations do customers have?



Long delivery time	31%
Incorrect orders	30%
Delivery charges	26%
Incomplete orders (e.g. items missing)	25%
Unexpected/miscommunicated delays with order	23%



'Overpriced' menu items didn't appear in the top 5 list of frustrations -

reinforcing that people are willing to pay more for highquality food. But being quick, reliable and conveniently located really does reign supreme, with 'long delivery' and 'incorrect orders' coming out on top as the most likely to get under peoples' skins.



That leads us to maximum wait time for deliveries. Here are consumers' expectations

10-20 minutes	23%
21-30 minutes	34%
31-40 minutes	23%

HOOTER

"The impact we've had with Deliverect has been very positive. We are talking about 100% fewer errors in capturing our orders because they are already integrated directly into our system. And additionally, this has allowed us to save between 2 and 3 minutes on the entire delivery process."

- Bernardo Lastra, Marketing Director Hooters



Now that's out of the way, let's look at what would actually make people more likely to order food delivery from a restaurant again.

Two guesses as to what were among the top results...





Quality food is key with 42% saying it keeps them coming

it keeps them coming back. What about convenience, you ask? **Fast delivery** is right up there with 37% saying this was the most

important element.



Food for Thought: What Should Restaurants Do Next?



Prioritize Customer Experience

The proof is in the pudding. People like the convenience of food-to-go, and restaurants that place as much care and attention into their delivery experience as they do their dine-in experience will attract more customers and boost profits. The details matter. Surprise and delight customers with a message on their takeout bag. Consider creating personalized promotions to build loyalty. Add something a little extra to your regulars' orders.

With the right technology, you can find time to think of new ways to connect with your customers. Our <u>solution</u> centralizes and aggregates all online orders across multiple channels, helping you grow your business and save time. More than 27,000 restaurants trust our tech to streamline workflows and minimize errors, in and outside of the kitchen.





Keep It Fresh With Great Food

Now is the time to freshen up your menu. What new dishes can you introduce? What seasonal ingredients will enhance your flavors? What's trending on social media?

With **Deliverect Marketplace**, you can easily connect with our growing network of partners and virtual brands to jazz up your restaurant. From finding new revenue streams to improving operations, we've done the research so you don't have to. Explore more cooking spaces, recipes, and scaling solutions to take your business to the next level. We're here to connect you with the best of the best to help.









Strive For Consistent Reliability

Overall reliability, from accessibility to prep to delivery, is not only important to you and your business but its trickling effect has an impact on your customers' experience. Those that prioritize visibility, efficiency and accuracy at every step are rewarded with repeat customers and glowing reviews.

For inside the kitchen, incorporate an intuitive **kitchen display** to triage tasks by workstations and eliminate physical tickets.

For outside the kitchen, diversify your delivery channels so a customer can find, contact and order from you easily and efficiently. If they can't, they'll find another restaurant that is more convenient.

Looking to add another channel and control the delivery experience? Set up your own personalized <u>Online Ordering</u> website so customers can order directly from your online storefront.





Figuring out your next move as a business can be daunting without clear and precise data. Which menus bring in the most profit? Which products are selling out faster? When are your peak hours? This is all important information to have to adapt to socioeconomic trends and to understand your regulars and new customers.

Technology should be simple. Restaurants should be able to quickly leverage order and revenue data to make data-backed decisions on menus and promotions across multiple channels. For instance, data may show that it would be valuable to shrink your menu. A smaller menu that really fits with what your customers want to order means you can reduce costs and focus on quality.

Creating visual reports on sales performance has never been easier with our intuitive **Insights** tool. Once you've figured out your next big move, modify your menus and channels in just a few clicks–it's a piece of cake.



Be on the lookout for more Food for Thought. We're here to help you stay on top of the latest trends and provide practical tips on how to evolve.

And in the meantime, cheers to you, restaurants, for continuing to serve up delicious food all while navigating all the twists and turns being thrown your way.





Survey Methodology

This research was conducted by Censuswide with 1033 General consumers in the USA. Fieldwork was carried out between 08.03.2022 - 08.11.2022.

Censuswide abide by and employ members of the Market Research Society. All survey panelists are double opted in (with an opt-in and validation process) in line with MRS and ESOMAR standards.



About Deliverect

Deliverect is the ultimate digital food management software solution, integrating all sales channels directly into an existing POS and streamlining order flows. It seamlessly integrates digital orders from food delivery channels, like Uber Eats, DoorDash, and Just Eat, helping restaurants improve operations, profits, and customer satisfaction. Deliverect makes managing online orders from beginning to end simple. Whether it's channel management, menu and stock control, kitchen workflows, and everything in between, the all-in-one platform is inspired by ambitious customers and built for them too-that's our secret sauce.

Operating in over 40 markets and 27,000+ establishments, Deliverect is trusted by restaurants big and small, dark kitchens, and FMCGs companies around the world such as Taco Bell, Burger King, and Unilever. Find out more at **www.deliverect.com.**