

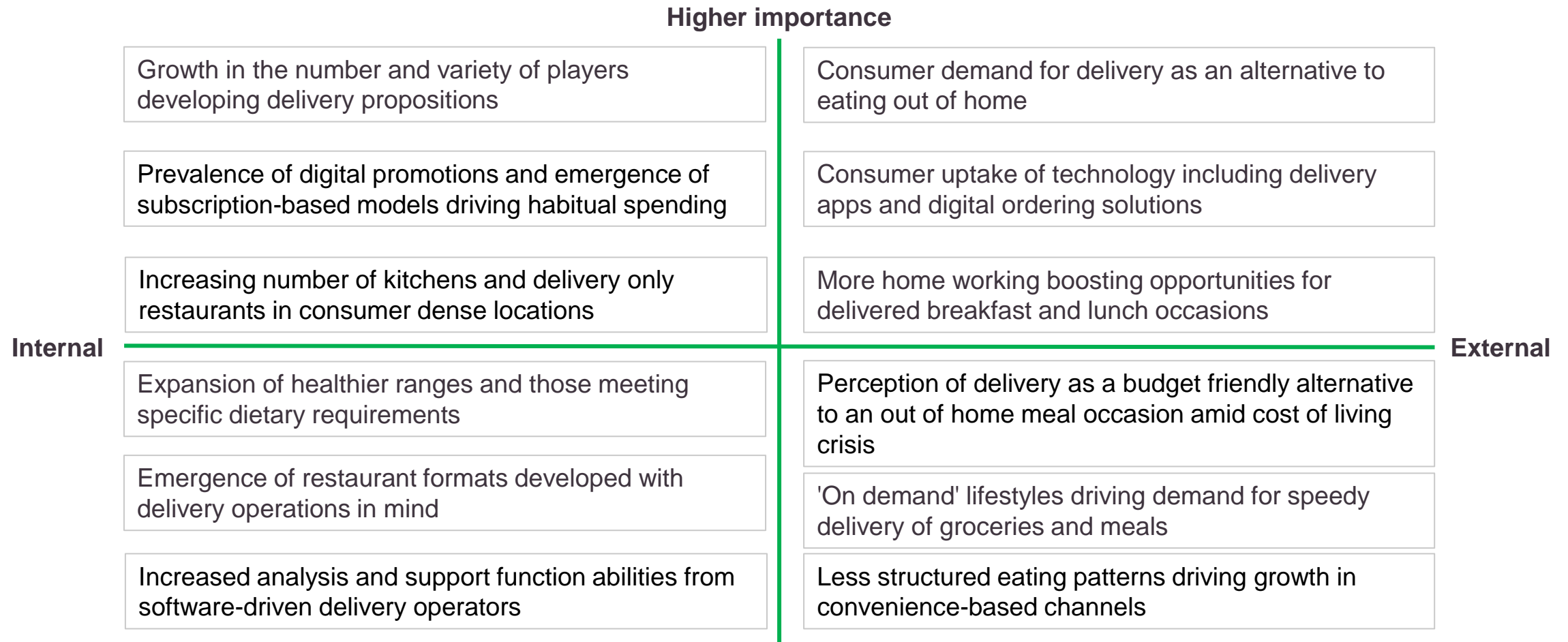
UK Foodservice Delivery Market Report 2022

February 2022



FOODSERVICE DELIVERY GROWTH DRIVERS, 2021-2022F

Delivery has been established as a legacy of the pandemic, prompting operators to develop unique delivery propositions.



Source: Lumina Intelligence, February 2022

PUB AND BAR DELIVERY SEES YEAR ON YEAR GROWTH

Pub and bar delivery availability has increased by +25% year on year, to just under half of brands. Contemporary fast food brands including Five Guys and Tortilla have partnered with Deliveroo Editions and German Doner Kebab has expanded its dark kitchen presence.

2022 delivery availability by channel, vs 2021

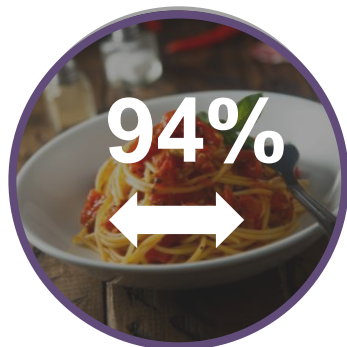
Traditional fast food



Contemporary fast food



Branded restaurant



Pub/bar restaurant brands



In December 2021, Deliveroo announced plans to open four new Editions dark kitchens across London, which will host contemporary fast food brands including Five Guys and Tortilla and branded restaurant operators including Pho and Rosa's Thai.



Pub groups Mitchells & Butlers and Greene King have expanded delivery to their core brand in their estates including Vintage Inns, Ember Inns, and O'Neill's, and Chef & Brewer and Farmhouse Inns, respectively.

Source: Lumina Intelligence, February 2022 Note: Analysis includes top 100 casual dining brands by outlets

DELIVERY CONCEPTS TO WATCH (3 OF 3)

McDonald's has trialled a new concept to adapt to higher volumes of delivery trading without compromising the dine-in experience and Wagamama is looking to target hybrid workers with its new range of lunch boxes.



McDonald's piloted a new concept in November 2021 to mitigate the effects of lingering delivery drivers around diners. The 'Convenience of the Future' model has a second entrance for couriers with its own waiting area away from diners. This change will allow for the brand's delivery service to be less disruptive to customers.



Source: Big Hospitality, MCA, Lumina Intelligence, February 2022



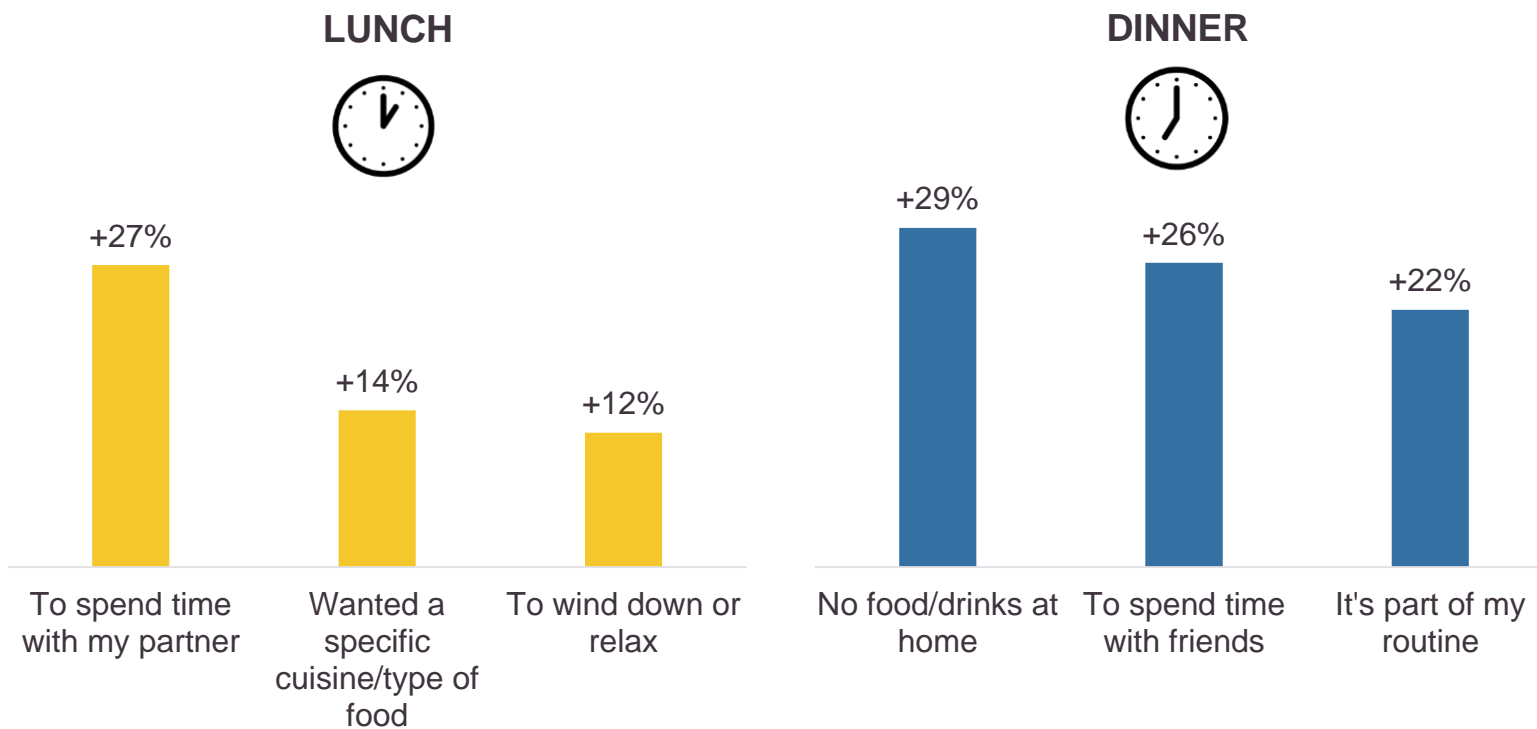
Wagamama has launched BOX, a lunchtime delivery concept that caters to both consumers who work from home and those that work in offices. The lunch boxes are available on Deliveroo, through Wagamama's delivery-only sites, in London and Leeds, and feature healthy ingredients. Wagamama is looking to extend the concept to catering and corporate orders.



HOME WORKING AN OPPORTUNITY FOR LUNCH DELIVERY

Foodservice delivery users ordering lunch are **+27%** more likely to be doing so 'to spend time with my partner', creating an opportunity to target couples working from home through lunchtime deals for two. Dinner occasions are more likely to be driven by practicality with this day-part over-indexing on users ordering because they don't have any food/drinks at home. Push notifications with alerts such as "No food for dinner in? We've got you covered" will be effective in targeting these users.

Foodservice delivery: Top occasion over-indexes (Lunch and Dinner)



Wagamama has launched a lunchtime delivery concept that is intended to work with evolving patterns of work. A series of new light dishes under the 'BOX' brand have been introduced to target both home and office workers .

Source: Lumina Intelligence Eating and Drinking Out Panel, 2020-22

HEALTHIER OPTIONS MUST BE FRONT OF MIND

Legislation including mandatory calorie labelling as well as healthier trends among consumers are enforcing the role of healthier eating across the market. Delivery aggregators should work alongside both branded and independent partners to develop nutritional information and messaging across marketing and menus. Suppliers can aid operators with the new calorie labelling legislation by ensuring products feature clear portion suggestion alongside calorie and nutritional break downs.

53%

I try to buy **healthier snack items**, e.g. reduced sugar/lower calorie

50%

I find **calorie information** on menus useful

48%

I am trying to cut down on my **meat consumption**

46%

I like when menus offer a **lower calorie version** of a signature dish

44%

I am trying to cut down on my **alcohol consumption**

39%

I feel motivated to **exercise and eat a more balanced diet** because of Coronavirus

*Net agreement

Source: Lumina Intelligence Channel Pulse, October, 2021



Healthy eating



The Real Greek (B... 4.4 Grain Kitchen

Deliveroo and **Uber Eats** group lighter options into a 'healthy' category to make it easier for customers to seek out healthier options

Choose your midi pasta type

- Regular Pasta Midi
- Wholewheat Penne Pasta Midi
- Non-gluten Fusilli Pasta Midi

Coco Di Mama allows consumers to customise dishes to suit dietary preferences via the Deliveroo app

FULL REPORT TABLE OF CONTENTS

Executive summary

Market Insight

Coronavirus: 2021 impact on foodservice operators

GFK Consumer Confidence, February 2022

Foodservice delivery market value 2021

Foodservice delivery market value and annual growth 2016-2022F

Delivery market value by channel, 2016-2022F

Delivery market, split by channel share, 2016, 2019 and 2022F

Delivery market share of total eating out market, 2016-2022F

Foodservice delivery channels ranked by estimated delivery turnover share of total channel turnover 2019-2022F

The most important long term consumer trends impacting the industry?

Foodservice delivery growth drivers, 2021-2022F

Foodservice delivery growth inhibitors, 2021-2022F

TABLE OF CONTENTS

Competitive landscape

The evolution of the UK foodservice delivery market

Best-in-class examples of diversified offerings and digitisation

A spotlight on Deliveroo and its focus on dark kitchens

Overall delivery occasions by aggregator, 2021 vs. 2022

Delivery occasions by aggregator, split by London and The Regions, 2022 vs 2021

A spotlight on Just Eat, Domino's and Deliveroo

Top 5 delivery brands, UK turnover market share, 2022F*

Top 5 brands by estimated annualised delivery turnover*, 2022F (£m)

Top 10 brands by delivery turnover, 2021E-2022F (£m)

Top 10 brands by outlet counts, 2020-2022F

Proportion of casual dining brands which offer delivery, 2018-2022

2022 delivery availability by channel, vs 2021

Proportion of café, bakery and sandwich brands which offer delivery, 2019 vs 2022

Proportion of casual dining brands which work with multiple delivery aggregators, 2019-2022

Delivery concepts to watch



TABLE OF CONTENTS

Consumer Insight

Penetration - % of consumers who have had an eating/drinking out occasions in the past 7 days

Average order frequency

Total foodservice: Average spend per occasion, split by food and drink

Total foodservice: Share of occasions

Foodservice delivery: Sub-channel share of occasions

Foodservice delivery: Brand share of occasions

Foodservice delivery: Company share of occasions

Foodservice delivery consumer psychographics vs the total eating out market average

Foodservice delivery share of occasions, split by region

A spotlight on Uber Eats

Foodservice delivery: Psychographic profile over/under-indexes vs. total foodservice

Foodservice Delivery: Why did you order takeaway instead of preparing food / drinks yourself?

Foodservice Delivery: Why did you order takeaway instead of preparing food / drinks yourself?

Foodservice delivery aggregators: Top over-indexing occasions vs. foodservice delivery average

Foodservice delivery: Day-part share of occasions

Foodservice delivery: Top occasion over-indexes (Lunch and Dinner)

Foodservice delivery: Food or drink consumed

TABLE OF CONTENTS

Consumer Insight cont.

Foodservice delivery: Did you have any of the following types of food and drink? % of food occasions and % of drink occasions

Foodservice delivery: Type of drink consumed

Foodservice delivery: Did you have any of the following types of food and drink?

Foodservice delivery: Alcohol penetration by region

Foodservice delivery: Penetration – top food dishes

Foodservice delivery: Penetration – top food dishes by-part

Foodservice delivery: Penetration – top food dishes

Foodservice delivery: Non-alcoholic drinks buyers: Non-alcoholic drinks type

Soft drink buyers: Did you purchase any soft drinks from the following brands?

Dietary requirements

Best-in-class examples

Foodservice delivery: Reason for choosing establishment (Top 10)

Foodservice delivery: Reason for choosing establishment (total)

Foodservice delivery: Satisfaction ratings (out of 5)

Foodservice delivery: Satisfaction ratings (out of 5), split by delivery aggregators

Foodservice delivery: Net Promoter Scores (Likelihood that a consumer will recommend a brand or operator)

Foodservice delivery: Barriers to purchasing from delivery

TABLE OF CONTENTS

Future outlook

Foodservice delivery market value and annual growth 2019-2025F

Foodservice delivery market value and annual growth 2019-2025F, split by sub-channel

Foodservice delivery channels ranked by absolute growth in £ millions, 2022F-2025F

Delivery market, split by channel share, 2019, 2022F and 2025F

Delivery market share of total eating out market, 2019-2025F

Foodservice delivery channels ranked by estimated delivery turnover share of total channel turnover 2022F-2025F

Delivery and total eating out market CAGR 2019-25F, split by sub-channel

Foodservice delivery growth drivers, 2022F-2025F

Foodservice delivery growth inhibitors, 2022F-2025F

A spotlight on the trend towards health

A spotlight on sustainability and its impact on the future

Concepts to drive habitual spending



Get in touch

For further information about this report please contact:

Holly.franklin@lumina-intelligence.com or

[Visit our website](#)

