

A new recipe for online ordering success



Insights and intelligence to drive sales in the new environment



Technomic

GRUBHUB FOR RESTAURANTS

Let's set the table

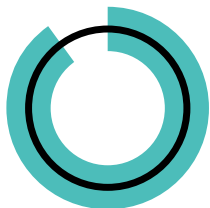
Every restaurant operator's pandemic experience is unique, but one thing is universal: **takeout and delivery are more important than ever before.** Today's restaurant operators are committed to online ordering. Meeting new customers where they are through food delivery marketplaces, your own branded online ordering experience, and in many cases both, is another avenue through which you can build loyalty and diversify revenue streams.

To help you develop a successful online ordering strategy, Grubhub engaged leading restaurant industry research firm Technomic to survey consumers and independent restaurant operators to learn what matters most to consumers in 2022 and how independent restaurant operators are meeting those demands.



63%

of surveyed consumers report increased frequency of third-party restaurant delivery orders compared to pre-pandemic.



90%

of surveyed consumers expect consistent or increased usage going forward.

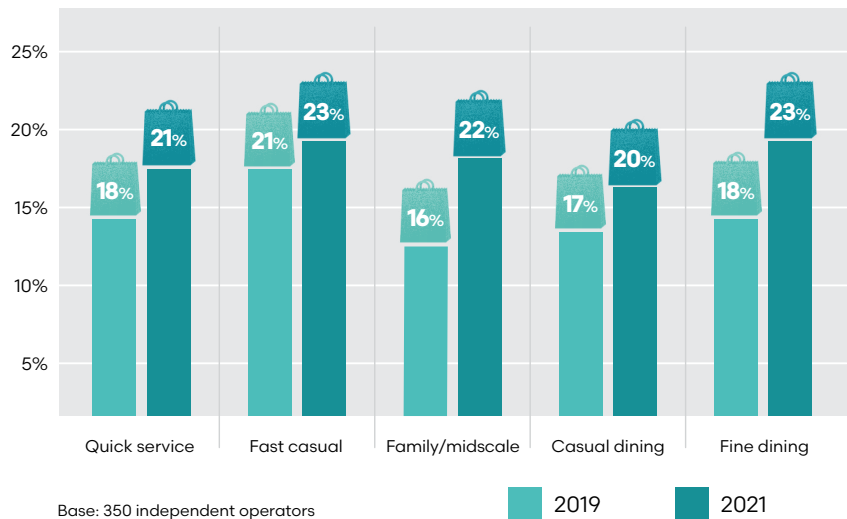


The new realities of takeout and delivery

The pandemic promoted many restaurant sales and operations changes, but according to the restaurants we reached out to, **nothing was as substantial as the increase in delivery and takeout orders** due to indoor dining restrictions. And while the restaurant industry continues to evolve and adapt to the ‘new normal’, takeout and delivery continue to generate a large share of total sales.

Since 2019, delivery increased to exceed
20%
of total sales across
all segments

Delivery share of total restaurant sales



Survival strategies with staying power

Early on in the pandemic, restaurant operators pivoted quickly to grab the lifeline provided by takeout and delivery. From expanding menus to offering direct online ordering, elevated takeout and delivery programs helped satisfy consumer demand while keeping the doors open for many.

Top 7 ways independent restaurants enhanced takeout and delivery programs since early 2020

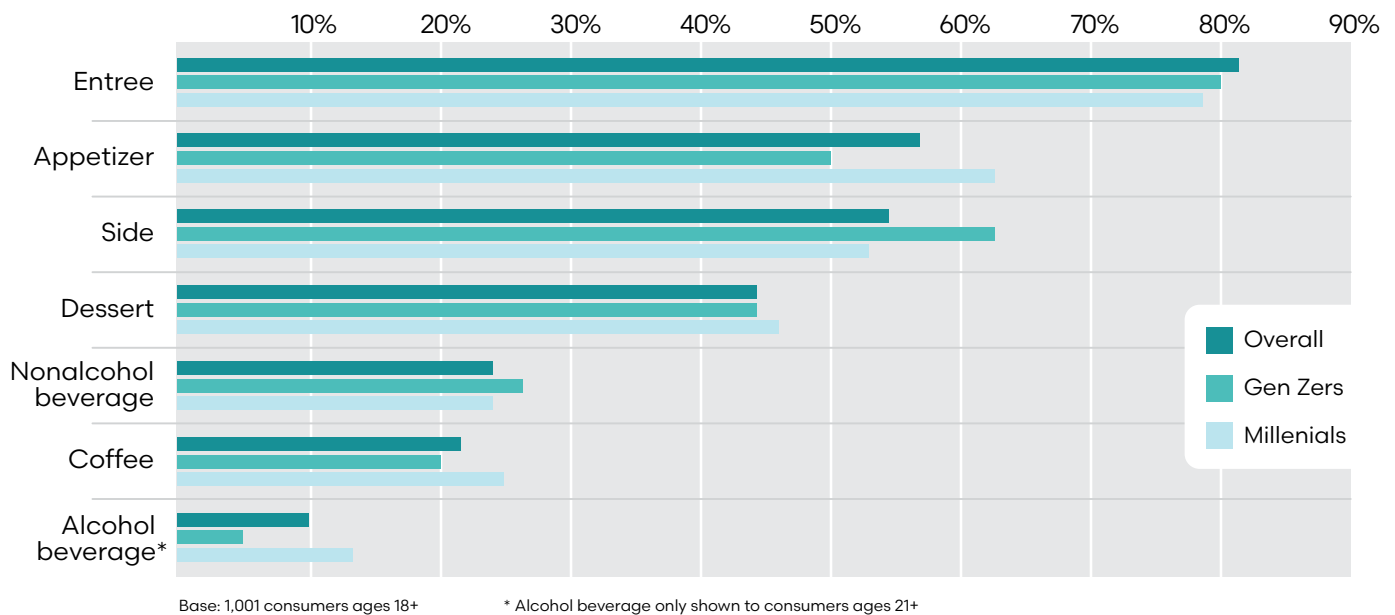
1. Increased the number of menu items available for takeout and delivery
2. Increased the number of third-party service providers restaurants work with
3. Added self-delivery
4. Established or enhanced restaurants' own website for ordering takeout and delivery
5. Established or enhanced rewards and loyalty programs for takeout and delivery
6. Increased the geographical range where restaurants deliver
7. Increased the number of virtual restaurant concepts restaurants operate

**More than half
of operators expect
these changes to be
permanent**

The new realities of takeout and delivery: A spotlight on beverages

Another change related to the pandemic is that beverages have emerged as an important menu category for successful takeout and delivery programs. Not only do both **non-alcohol and alcohol beverages complete the off-premise dining experience** for consumers, but they also build check average and drive margin for the restaurant.

Mealpart typically ordered for takeout and delivery: Gen Zers and Millennials are most likely to order beverages



More independent restaurant operators surveyed are offering beverages for third-party takeout and delivery.

63%

offer alcohol beverages,
up from 15% in 2019.

81%

offer hot non-alcohol beverages,
up from 23% in 2019.

82%

offer non-alcohol beverages,
up from 49% in 2019.

Beverage delivery is challenging for restaurants, however. Ensuring the drinks don't spill or leak and that they arrive at the right temperature so consumers can enjoy them along with their food is crucial to consumer satisfaction.

85%

of independent restaurant operators surveyed who used Grubhub are satisfied with Grubhub delivery partners' handling of hot and cold items in the same order—higher than the competitor average.

Key ingredients for online ordering success

On the following pages, we'll lay out the recipe for an online ordering program that benefits your business, driven by data and insights from this exclusive research.

- 1. Become a customer magnet**
- 2. Seek out a strong partner**
- 3. Prioritize operational efficiency**
- 4. Demand stellar support**
- 5. Keep customers coming back**

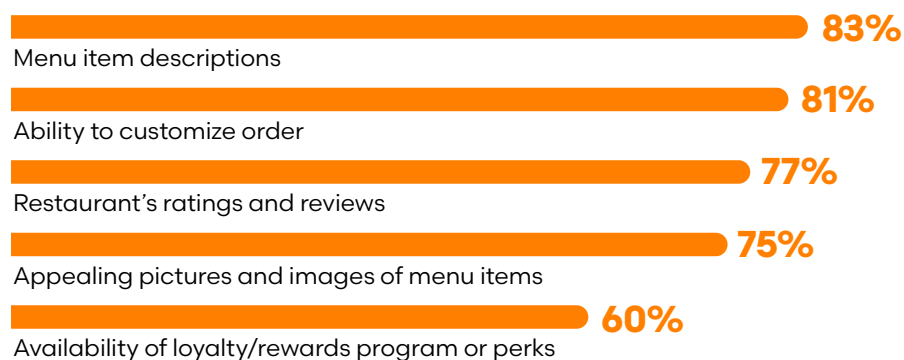


Become a customer magnet

Making sure your restaurant is discoverable by consumers and then building their loyalty are both crucial steps to driving sales and sustainable growth for takeout and delivery programs.

Important attributes of third-party and restaurant delivery apps and websites

Share indicating important/very important



Base: 1,001 consumers ages 18+

7 out of 10

consumers surveyed who use third-party delivery apps prioritize the ability to explore and discover new restaurants when choosing a third-party delivery provider app.

Grubhub supports customer acquisition

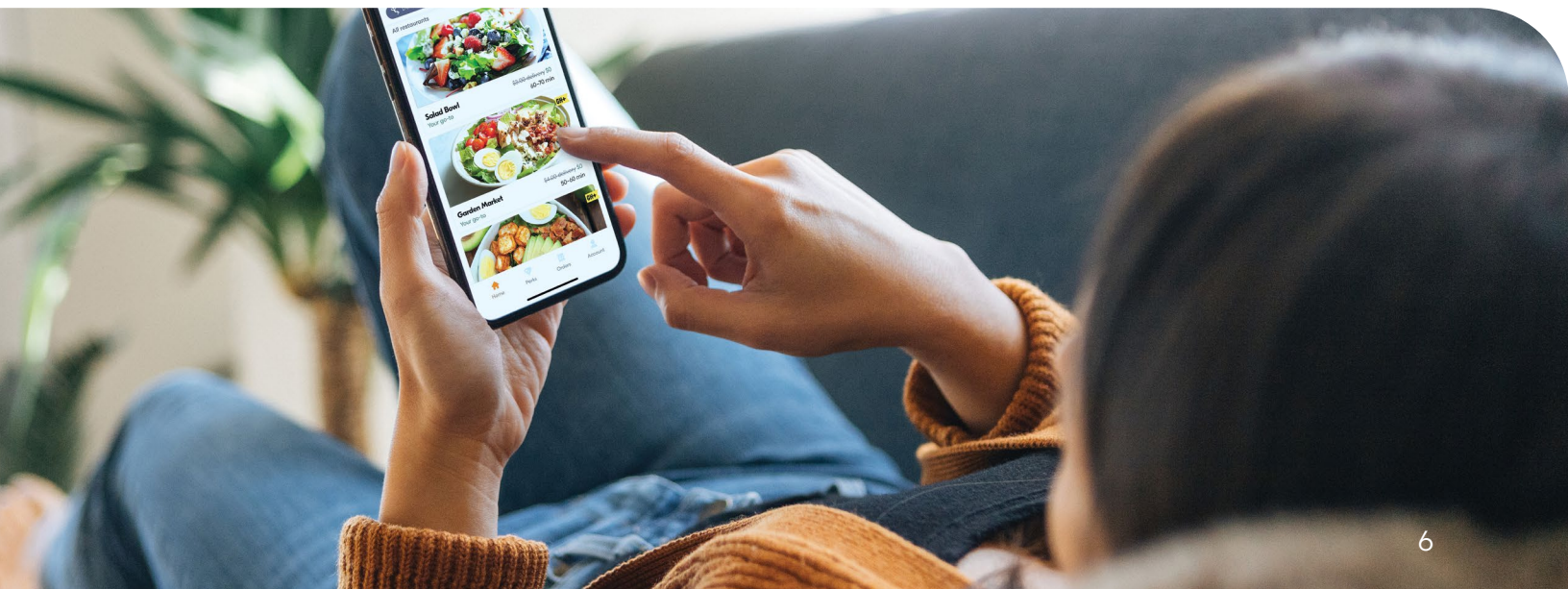
Nearly 9 out of 10

independent restaurant operators surveyed who use Grubhub agree that the Grubhub marketplace provides a new or additional marketing channel, allowing the restaurant to reach new customers—**higher than the competitor average.**

Consumers using Grubhub consider it a useful tool for finding new restaurants

72% of consumers surveyed report using Grubhub to discover new restaurants.

77% of consumers surveyed rate Grubhub highly on the ability to easily explore and discover new restaurants.



Seek out a strong partner

Savvy restaurant operators choose and rely on takeout and delivery partners that are proven to benefit their business and drive growth.

75%

of independent restaurant operators surveyed currently offer online ordering via a third-party marketplace.

92%

of independent restaurant operators surveyed report orders are delivered to customers by a third-party delivery service.

Nearly 9 out of 10

independent operators surveyed who use Grubhub agree that Grubhub increases the volume of takeout and delivery orders—
higher than the competitor average.

48%

of consumers surveyed who are ordering third-party delivery more often now than pre-pandemic do so because the app is quick and easy to use.

Among independent restaurant operators surveyed who use Grubhub:



Nearly 9 out of 10

agree that Grubhub delivers high ROI to the restaurant—higher than the competitor average.



More than 8 out of 10

agree that Grubhub is a strong partner and beneficial to their business.



Nearly 8 out of 10

agree that Grubhub increases the amount spent per customer.



New digital opportunities emerge

Attracting consumers with easy online access to your restaurant and convenient, compelling new restaurant concepts is important in the current environment. Two new opportunities are fueling revenue and profits for many restaurant operators: **direct ordering and virtual restaurants**.

Offering consumers a branded online ordering experience is the next frontier in online ordering and an untapped growth opportunity for independent operators.

Drive incremental orders with direct online ordering



GRUBHUB DIRECT

Salt Lake City's Pearl Express was experiencing a decline in sales, which is why they decided to try Grubhub Direct. In the first six months of using Grubhub Direct, Pearl Express saw a 195% increase in sales on the Grubhub platform. Most of these sales are incremental because Grubhub Direct has enabled Pearl Express to reach new customers who ordered from their website or through their Google Business listing.*

*Source: Grubhub

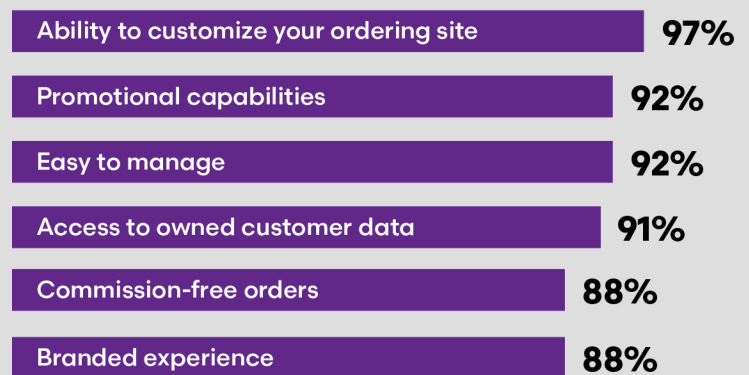


34%

of independent operators surveyed currently offer direct online ordering through their restaurant's own online ordering channel.

Key features restaurant operators value in a direct ordering site provider

% very important and important



Base: 120 independent restaurant operators who offer direct ordering

Multiply your revenue potential with virtual restaurants

41%

of independent restaurant operators surveyed currently offer virtual restaurants.

5.7

The average number of virtual brands a restaurant operates.

More than 8 out of 10

independent restaurant operators surveyed who use Grubhub agree that Grubhub is a trusted partner that can help grow the restaurant's digital presence and online ordering strategy.

Prioritize operational efficiency

Labor challenges and rising costs require all aspects of a restaurant's operation to be optimized in order to **limit labor costs, drive profitability, and provide a quality customer experience**. This is particularly important for takeout and delivery programs.

Among independent restaurant operators surveyed who use Grubhub



Nearly 9 out of 10

agree that Grubhub provides flexibility via delivery/order fulfillment options—**higher than the competitor average.**



Nearly 9 out of 10

agree that Grubhub streamlines takeout and delivery order processing—**higher than the competitor average.**

More than 8 out of 10

agree that Grubhub has a positive impact on speed of service for takeout and delivery customers.

More than 8 out of 10

agree that the Grubhub merchant portal is easy to use.



77%

of consumers surveyed who use Grubhub highly rate Grubhub's delivery speed.

Grubhub integrates with most of the major POS system and middleware providers, including Clover, Toast, Olo, and more.



KEY INGREDIENT 4

Demand stellar support

To succeed in today's competitive landscape, restaurant operators leverage real-time analytics and consultations from industry experts.

When evaluating delivery and takeout providers, **you must look for a partner who provides you with more than just logistics.** Restaurant operators are prioritizing partners that equip them with self-service technology, actionable insights, and real-time support from industry experts.



Among independent restaurant operators surveyed who use Grubhub



Nearly 9 out of 10

agree that Grubhub's insights and promotional tools increase order volume—**higher than the competitor average.**



Nearly 9 out of 10

agree that Grubhub provides actionable insights that help to grow sales—**higher than the competitor average.**

Grubhub Account Advisor

When you join Grubhub, you get a dedicated Account Advisor who is personally invested in your restaurant's success.



Keep customers coming back

Driving consumer trust by clarifying your commitment and ability to execute on speedy, accurate delivery of their favorite foods and beverages is critical to earning loyalty.



85%

#1 ATTRIBUTE

of consumers surveyed prioritize **delivery accuracy** when selecting a third-party delivery provider.



84%

of consumers surveyed prioritize the ability to order from their favorite restaurant.



80%

of consumers surveyed who use Grubhub agree Grubhub makes doing so easy.



82%

of consumers surveyed prioritize delivery speed.

Grubhub's solutions and services keep the restaurant top of mind for consumers, supporting sustainable growth.



8 in 10

independent restaurant operators surveyed who use Grubhub agree that the Grubhub Marketplace enables them to continually engage their current customers.

79%

of surveyed consumers agree they will reorder delivery and takeout from a restaurant if the experience is consistently good.

The Grubhub Guarantee drives consumer loyalty and satisfaction. If an order does not arrive on time, Grubhub will make it right by providing your customer with dollars toward their next order on Grubhub. The Grubhub Guarantee is 100% funded by Grubhub.

77%

of consumers surveyed agree that if something goes wrong with their order, it is important that it is easy to communicate the issue to the third-party delivery provider and receive a quick response.

76%

of consumers surveyed agree that if an order is not delivered on time, they expect the third-party delivery service to have an easy way to submit the issue as well as provide some type of compensation.





**Ready to make delivery and takeout
a bigger part of your restaurant?**

**Join Grubhub and your first 30 days are free!
Visit get.grubhub.com to get started.**

1

Get going

Sign up for Grubhub with no up-front cost or commitment.

2

Get exposure

Find new diners by listing your restaurants on the Grubhub app and website or reach your fans with your own branded, commission-free ordering website.

3

Get cooking

Easily manage and fulfill all of your orders in a single place through our merchant portal.

About This Report

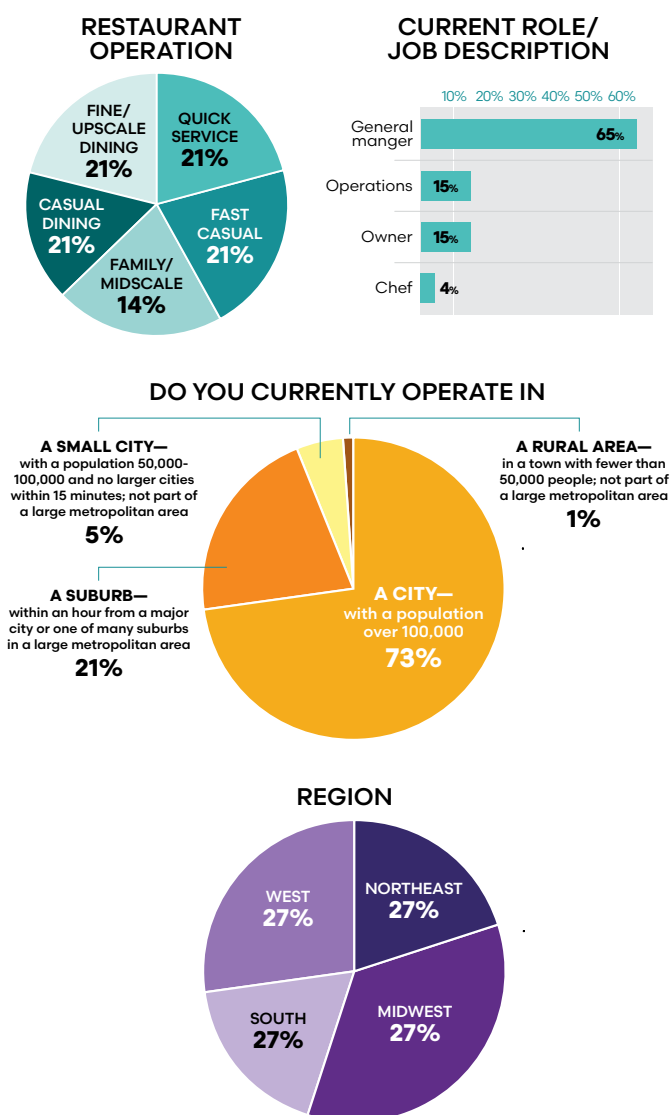
The report was developed by **Technomic**, a leading restaurant industry market research and consulting firm, on behalf of Grubhub. To obtain the data featured in this report, Technomic conducted surveys with consumers and independent restaurant operators. The surveys were fielded by Technomic January 20-28, 2022. Participants were not compensated or otherwise incentivized by Grubhub. The data and claims presented in this report accurately reflect the survey questions posed and participant responses.



Technomic®

Independent Restaurant Operator Sample:

350



Consumer Sample:

1,001 consumers ages 18+

