

GRUBHUB FOR RESTAURANTS

THE CHANGING FACE OF DELIVERY:

Why pickup is essential to your business



This year, restaurateurs who long focused on providing an amazing dine-in experience have had to completely reimagine their business around takeout and delivery. Making that switch—and maintaining it—has been especially challenging.

You may still be recovering from this effort. Yet, in many ways, COVID-19 has just accelerated trends that have been building in the background for years. Among the biggest: the growing number of customers with a preference for pickup versus dining in.

In that context, many of the steps restaurants take to weather the current crisis will serve them well long after it ends. By orienting more of your focus around pickup, you'll create a solid business foundation that can withstand the changing habits of your customers in the coming years.

THE CHANGING FACE OF DINING

Long before anyone was thinking about pandemics, analysts had projected that off-premises spending would make up 80% of restaurant industry growth over the next five years. It was predicted that 2020 would be the first year ever that more than half of U.S. restaurant spending would be off-premises. According to Morgan Stanley Research, that adds up to a **\$290 billion takeout opportunity**, with more than half of those dollars coming from pickup orders.

 **Pickup was already picking up steam**

86% of consumers order takeout **at least once a month.**

59% of all restaurant orders from millennials are **pickup or delivery.**

20% of consumers **spend more on off-premises orders** compared to dining in.

34% of consumers spend **at least \$50** each time they order food online.

With those shifting preferences building in the background, COVID-19 pushed them front and center. Independent restaurateurs have had to scramble to add delivery and pickup service, often for the first time. According to the latest research, even when restaurants open back up for dine-in, pickup will remain strong.

Customers continue to have concerns about dine-in service. Even in places where restrictions on dine-in service start relaxing many customers still stay home. According to Grubhub research, 35% of consumers say they're avoiding eating out at peak busy times. They're turning to takeout instead. According to Upserve research, online ordering is spiking in every region, growing 3,868% since February in large suburbs alone.

Pickup has become the top choice when ordering out. Even when customers opt for ordering out instead of dining-in, they prefer pickup to having meals delivered. Pickup accounted for **42% of restaurant orders** by dollars in May compared with 13% for delivery.

Restarting dine-in has not slowed pickup. As restaurants have opened back up, they're finding increased dine-in traffic comes at the expense of delivery orders, while pickup stays steady.

“Carryout has maintained its share of restaurant sales since dining rooms began to reopen in May, while drive-through and delivery have lost some ground to dine-in orders.”

—Wall Street Journal



Restaurants have put all sorts of new processes in place to serve their customers safely during the pandemic, and many are here to stay. According to the latest research from Datassential, among the measures that restaurateurs say they will continue post-COVID:

81%

will continue to **rely on new online ordering and/or pre-pay functionality** they added during the pandemic.

79%

signed up for and **will continue to use online ordering platforms** like Grubhub.

65%

have **added bulk or family-size carryout options** to their menu, and 50% added full meal bundles, and will continue offering them.

53%

say they'll continue to offer **curbside pickup**.

3 major benefits to offering pickup



Grow your business and revenues without the high costs and risk of expanding dine-in space.



Protect the health and safety of your employees and customers.



Position your business to weather any disruptions to dine-in service in the future.

FIVE TIPS TO MAKE PICKUP WORK FOR YOUR RESTAURANT

1 Keep safety top of mind.

- Whether you're doing in-store or contact-free pickup, make sure customers can maintain a six-foot distance from each other and from staff.
- Use tamper-evident stickers on all orders, and make sure staff is wearing protective gear at all times.

2 Offer curbside pickup if at all possible

- Make sure customers have an onsite number to call when arriving for their order, and that there's staff dedicated to fielding and answering calls.
- Use signs, stickers, or tape to mark off your pickup order location.
- Add a QR code to your window or door to promote easy contact-free ordering and pickup.

3 Make pickup quick and easy

- Customers expect pickup to be fast — keep that in mind when planning this new process with your staff. A designated area for pickup orders along with a sign to denote them is a great way to both maintain social distance and keep things running smoothly.

4 Get creative with your menu.

- Explore family meal kits or build-at-home meals. This is a great way to attract new business online.
- Experiment with your menu to find out which options travel well and which should be reserved for dine-in only.

5 Technology is among your most powerful tools.

- Online ordering, texts, and social media play a vital role in helping you stay close with customers, while minimizing physical contact.
- Make sure your customers can order online. Get the most out of your online ordering platform by adding dollar-off promotions or free items to build loyalty and increase orders.





Let Grubhub help you make the most of the pickup opportunity

Customers want the businesses they patronize to adapt to their preferences and schedules, instead of the other way around. Can your customers get your food in-store? Delivered to their door? Picked up quickly on their way home? The more ways you can say “yes,” the more orders, revenue, and loyalty you can expect to see in return.

Let Grubhub help you promote your business and meet your customers’ changing preferences in the way that makes the most sense for your business.

Grubhub is offering 0% marketing commissions on all pickup orders through 2020 for restaurants that sign up right now.



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