Meal Delivery Services in the Age of COVID-19: What Winning Looks Like

May 2020 Quarantined Virtual Insights Conference hosted by:



BILL McDOWELL COO Accelerant Research



QVIC GROUND RULES

At the mercy of the tech
Be respectful
Network/Engage/Interact



Sin



COMPREHENSIVE CATEGORY STUDY A&U Meets Ethnography





COMPREHENSIVE CATEGORY STUDY A&U Meets Ethnography



COMPREHENSIVE CATEGORY STUDY



Behavioral/ Usage Data Feeds

AG RA USA



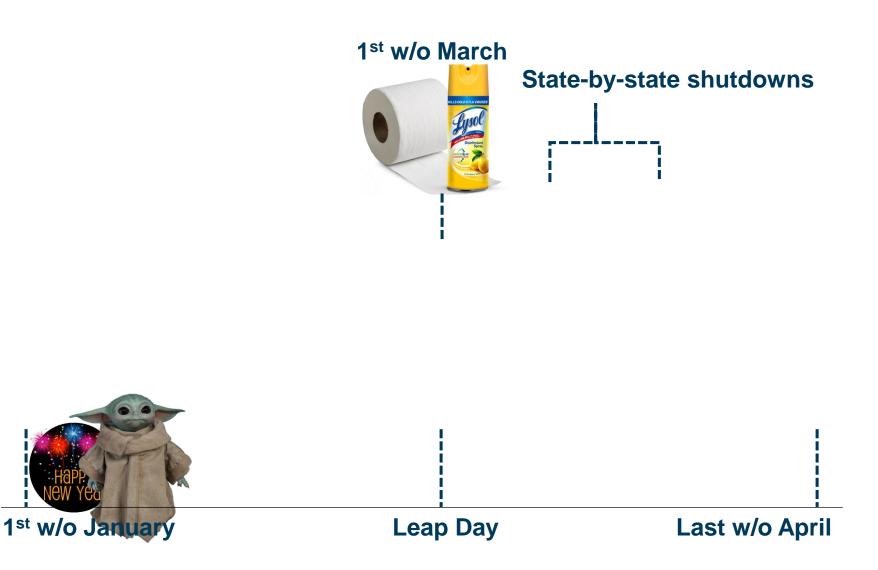


Implications: What to do with these data



- Address customer database or loyalty member blind spots
- Advocacy & immunity
- Less reliance on self-reported survey responses
 - Survey responses
- Validation of research participants
- True share of wallet

2020... it's only eff'n May

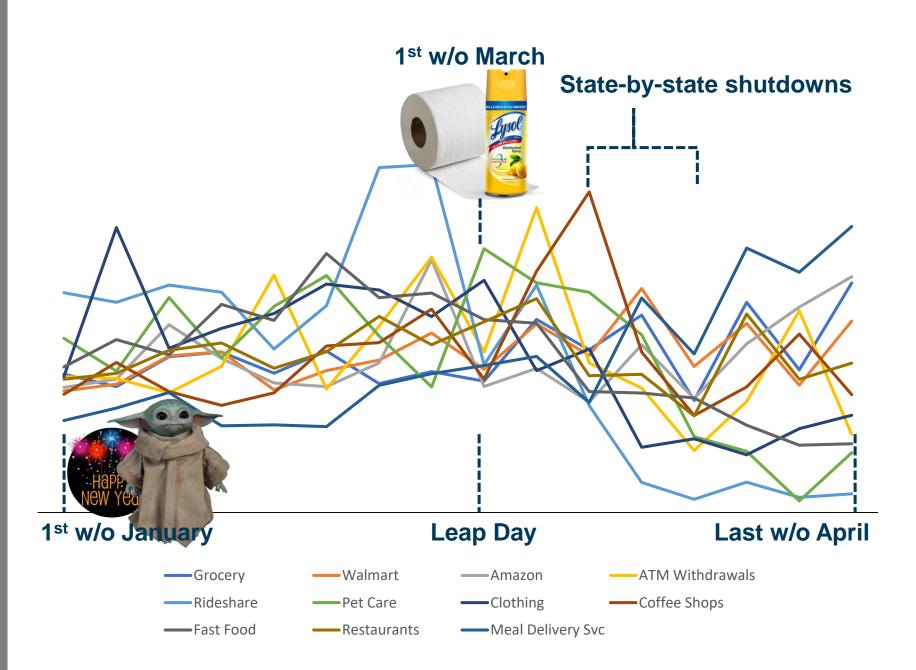




Source: Accelerant Research's AGORA USA Panel

Americans' Share of Weekly Expenditures Jan-Apr 2020





Source: Accelerant Research's AGORA USA Panel

Losing VS. Winning in the age of COVID



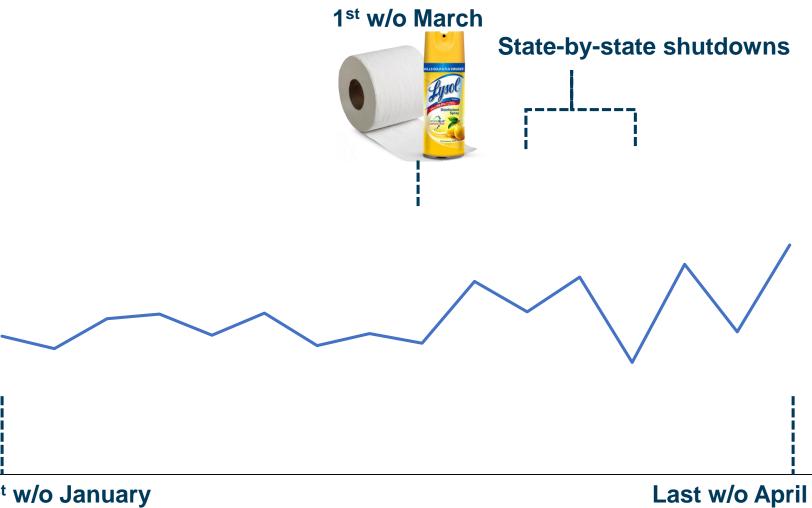




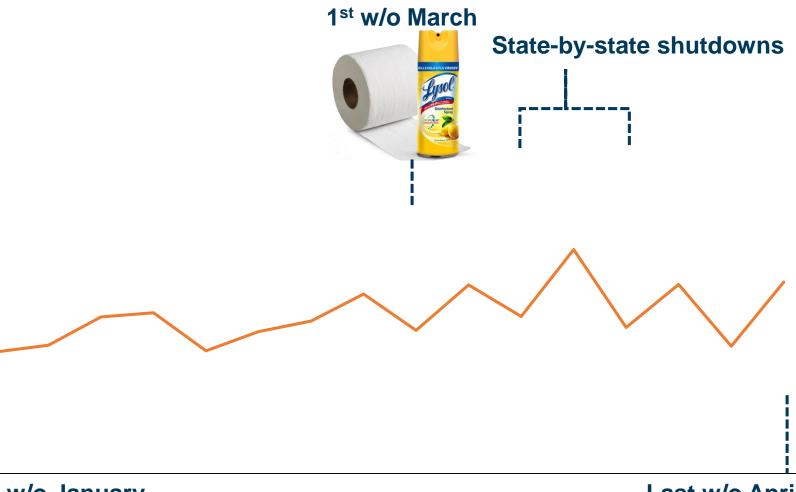
Grocery Stores









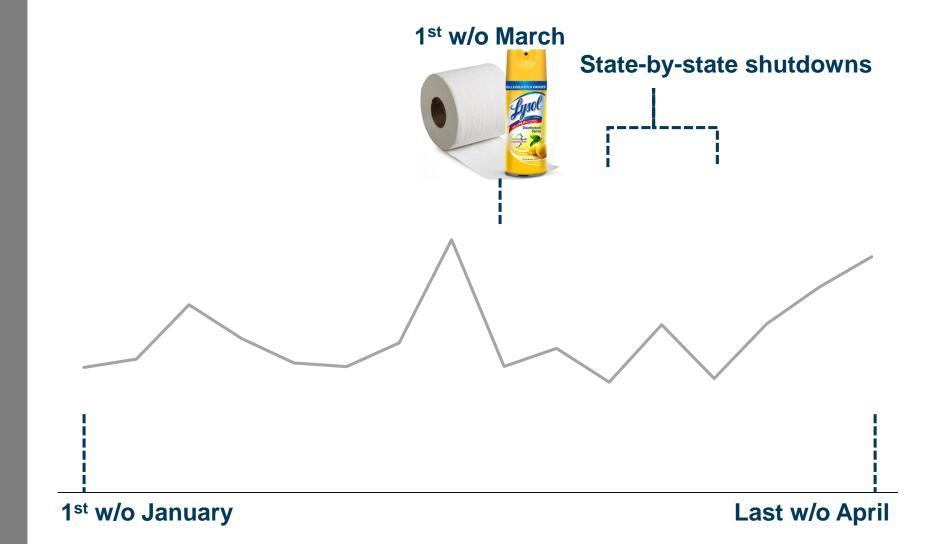


1st w/o January

Last w/o April

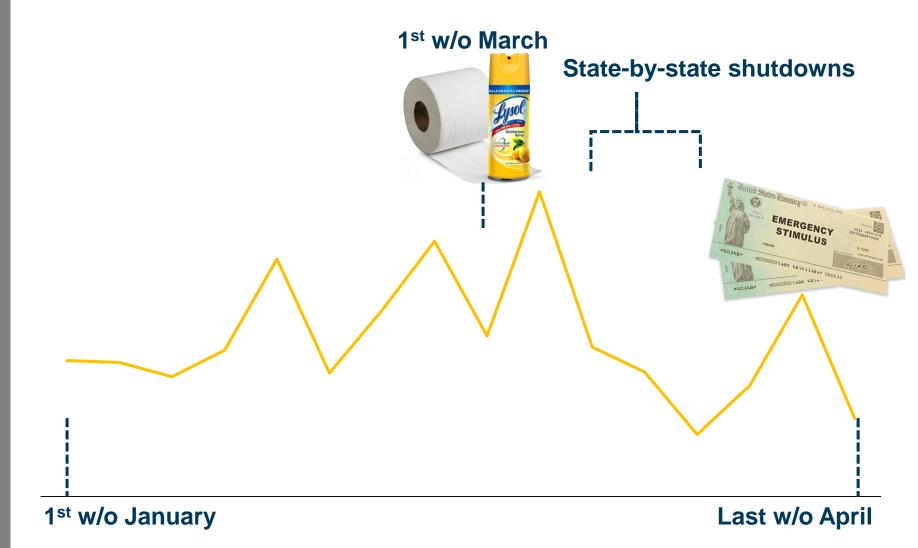






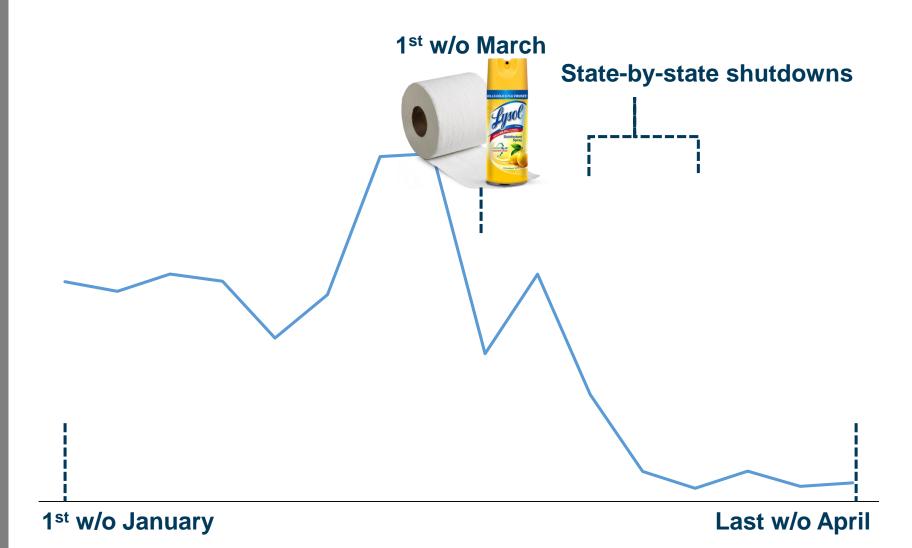


ATM Withdrawals



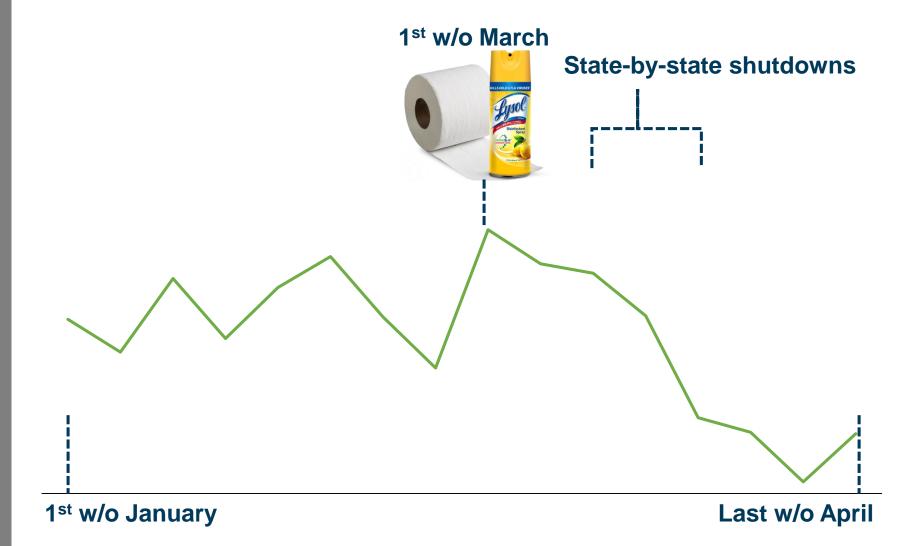


Rideshare Services



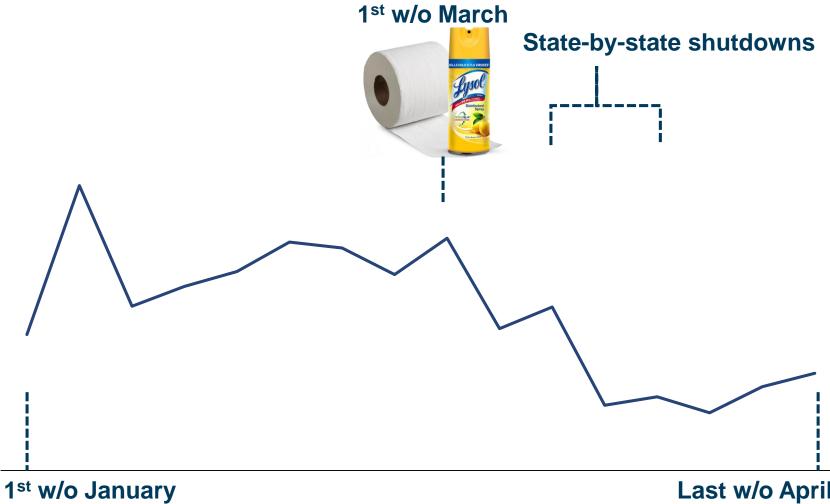


Petcare





Apparel



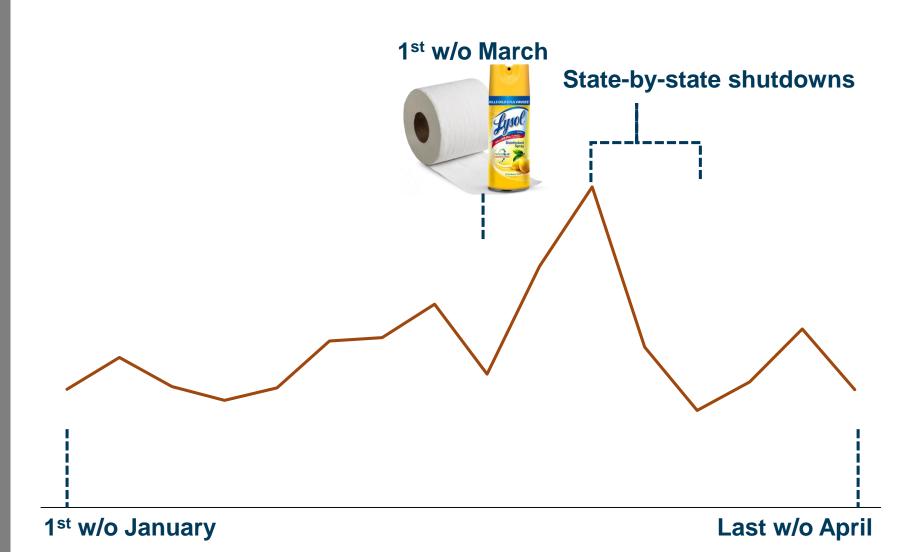


Last w/o April



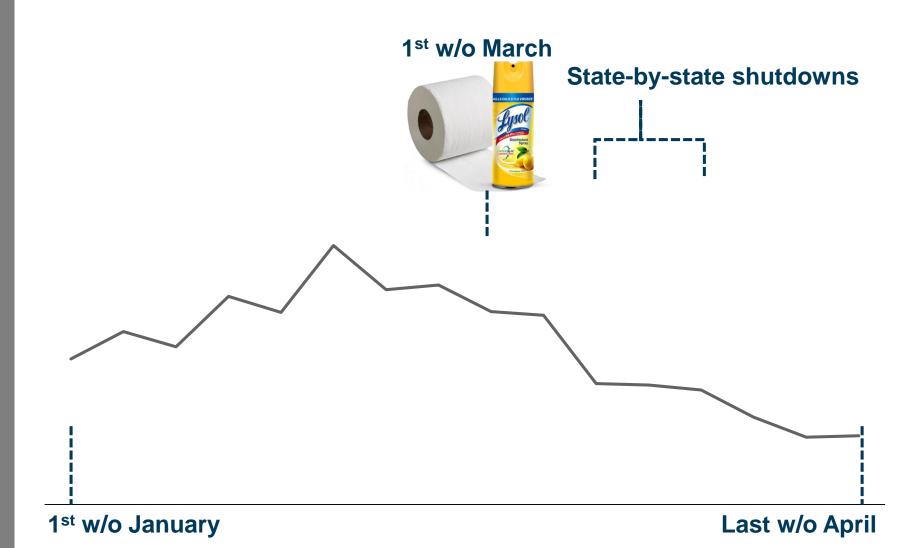
Coffee Shops



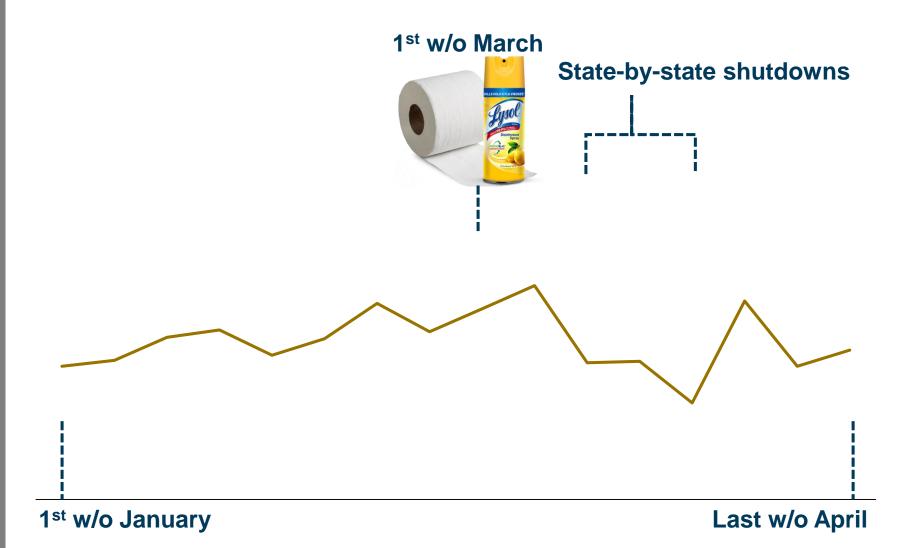


Fast Food





Restaurants



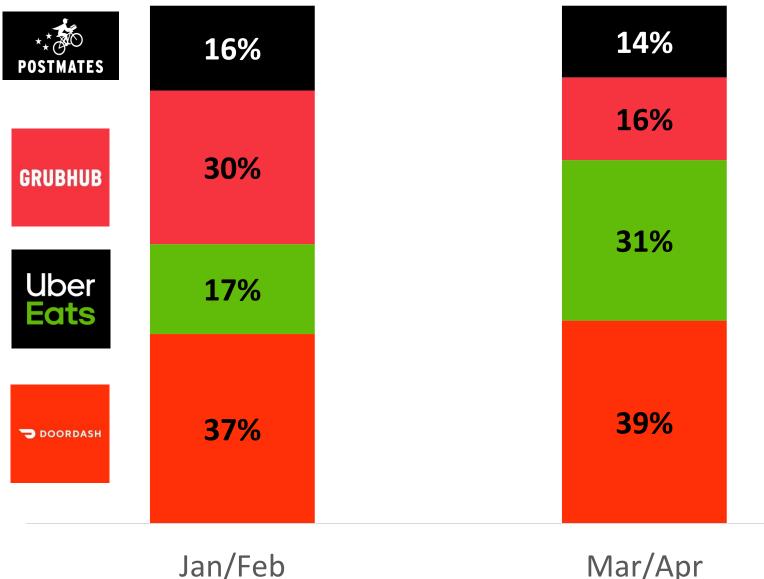






Meal Delivery Services Share of Wallet





Mar/Apr

Uber Makes All-Stock Bid For Delivery Rival Grubhub

BY CARA LOMBARDO

Uber Technologies Inc. is seeking to acquire Grubhub Inc. in a deal that would unite two of the biggest players in the cutthroat mealdelivery business when the coronavirus pandemic has sparked a surge in demand for their services.

Uber, which in addition to its flagship ride business operates a big meal-delivery unit known as Uber Eats, approached Grubhub in February with an all-stock takeover offer and the companies have been in talks since then, people familiar with the matter said.

Grubhub recently proposed that Uber pay 2.15 of its shares for each Grubhub share, which Uber rebuffed as too high, and now



A- A+

Uber, which already operates Uber Eats, wants to acquire Grubhub. An Uber Eats deliverer in Krakow, Poland. MICHAL FLUDRA/NURPHOTO/ZUMA PRESS

its revenue and profit forecasts amid slowing customer growth, sending the shares down 43% the following day and helping prompt the review of strategic alternatives



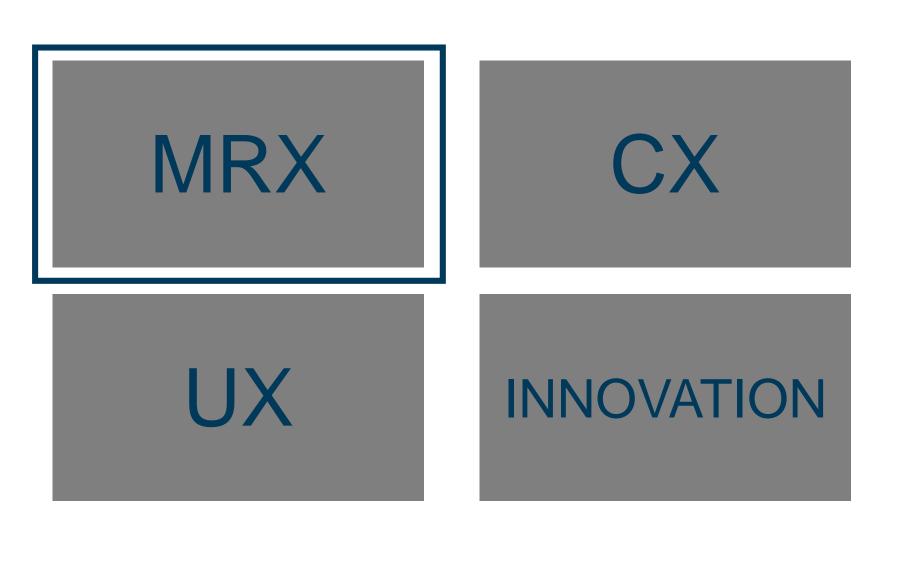




Implications: Learning Objectives Crossroads



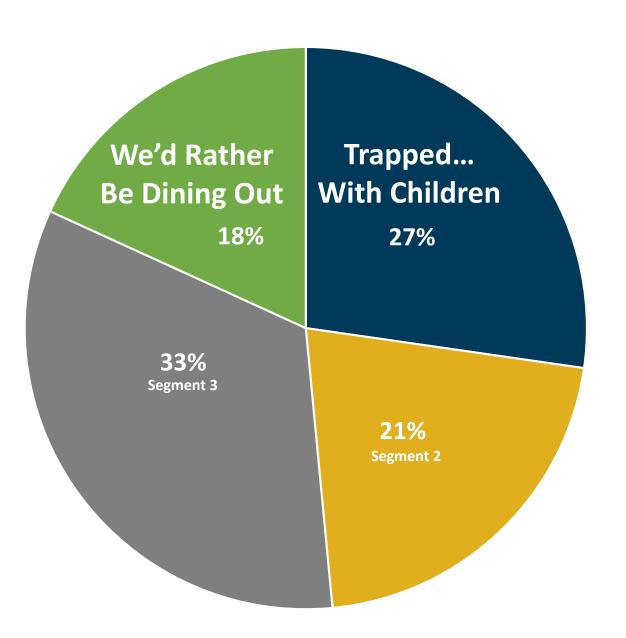






Four Distinct Segments Emerge





Segment 1 TRAPPED... WITH CHILDREN





27% Trapped... With Children

- Skews male with a more even split between suburban and urban residences, significantly more Millennial members than
 other segments
- · More likely to be married (50%) and two-thirds have children living at home

71%

6696

56%

49%

- Less definitive favorite for meal delivery service, with 34% reporting DoorDash and about one quarter reporting GrubHub (27%) and UberEats (26%) as preferred
- Must-haves in their meal delivery services include deliveries from their favorite restaurants (18%) and a wide variety of restaurant options (18%)

Mindsets:

-

Attitudes Toward Meal Delivery Services During COVID-19 (Top 2-Box)

I preferred to use

I preferred to use

I preferred to use over cookin Food delivery ser part of my I only used food d

over picki

over dining

I was fee

am using meal delivery services because it is important to

support social distancing guidelines

Meal delivery services are a necessary entity during the

COVID-19 outbreak

I feel safer using meel delivery services than leaving my

home for food It is important to use meal delivery services in order to

support local restaurants during the COVID-19 outbreak

am using meal delivery services because it has been difficult

to obtain groceries/ingredients to cook my preferred meals

at home

Having a restaurant meal at home breaks up the

monotory/repetitiveness of social distancing

- Strongest reported attitudes toward meal delivery services prioritize convenience and safety:
 - 66% of those Trapped... With Children preferred using meal delivery services over picking up take-out (top 2-box)
- Attitudes Toward M 51% preferred meal delivery services over dining out at a restaurant (top 2-box)
 - Motivators for using meal delivery services during the pandemic include:
 - Supporting local restaurants (83% agree, top 2box)
 - Supporting social distancing guidelines (81% agree, top 2-box)



Mobile app is easy to use	89%
Good customer service	86%
Reasonable delivery fees	86%
Quick delivery times	84%
Treats their employees well	83%
Good customer/user reviews	83%
Mobile app has features I like	77%
Contactless delivery	76%
Variety of payment options	76%
Friendly/approachable drivers	76%
Access to promotional codes	75%
Offers extended hours of operation	71%
Mobile app is already downloaded on	63%
Delivers alcoholic beverages with meals	53%
Friends/family use the service	52%

Marital Status Number of Children Living at H pis, never manual Marital Status 94% 0 children 1 child 2 children 2 children 3 children 2 children 2 children 3 children 2 children 2 children 2 children 2 children 3 children 2 children 3 children 2 children 3 children 2 children 3 children 2 children 3 children 3 children 3 children 2 children 3 childr	Ru never marined 34% 0 children 2 children Nomes 50% 2 children 2 children Vedaved 6% 3 children 3 children Vedaved 5% 3 children 3 children Vedaved 5% 3 children 3 children Vedaved 5% 3 children 5% Names 7% 4 cmaraschildren 5% Vedaved 6% 10% 4 cmaraschildren 5% Vedaved 6% 12% Householid Income \$50,000 to \$14,999 12% \$50k to \$150k \$12% 12% \$50k to \$150k \$1000 or more 12% (64%) Favorite Meal Delivery Service 550k to \$150k	40	Gender	Ethnicity Whee Sets Hispanic 17% AA/Black 15% Other 14%
6% 49% 45% Leasthan 523,000 6% 17% 535,000 to 543,999 24% 24% 535,000 to 543,999 19% 550k to \$150k 535,000 to 514,999 12% 550k to \$150k 535,000 to 514,999 12% 550k to \$150k 535,000 to 514,999 12% (64%) 535,000 to 514,999 12% 550k to \$150k 510,000 or more 12% 21% Favorite Meal Delivery Service 34% 54%	6% 49% Household Income 525,000 to 548,999 6% 17% 530,000 to 548,999 17% 54% 530,000 to 534,999 19% 550k to \$150k 530,000 to 534,999 19% 550k to \$150k 530,000 or more 12% 164% Favorite Meal Delivery Service 5000000000000000000000000000000000000	Named Married Wildowed	34% 0 child 1 c % 2 child % 3 child	en Rid Im 25%
5150,000 or more 12% (64%) Favorite Meal Delivery Service DoorDash 34%	S300,000 to 5340,000 S150,000 or more 122% (64%) Favorite Meal Delivery Service DoorDash GrubHub UberEats Pointmatica Most Important Factors in Meal Delivery Service (Top 5)	Lass that \$25,000 525,000 to \$43,999 \$50,000 to \$74,999	49%	45%
	Voletets Postmates 10% Most Important Factors in Meal Delivery Service (Top 3)	5300,000 to 5340,999 S150,000 or more Favorite Meal De DoorDash	21N 12N livery Service 34%	(64%)

DEMOGRAPHICS





Segment 4 WE'D RATHER BE DINING OUT



18% We'd Rather Be Dining Out

- Smallest segment; skews female and suburban, skews somewhat older with a higher representation of other races, including Asian or Pacific Islander
- More likely to be separated, divorced, or widowed than those in the Trapped...With Kids segment and significantly more
 likely to not have children living in the house
- 40% prefer DoorDash as their meal delivery service, with UberEats and GrubHub trailing behind at 22% and 20%
- Must-haves in their meal delivery services include reasonable delivery fees (27%) and deliveries from their favorite restaurants (26%)

Mindsets:

- Strongest reported attitudes toward meal delivery services revolve around the restaurant experience;
 - 2% of this segment report "meal delivery services were an integral part of my everyday diet" pre-outbreak, with 83% disagreeing with the statement (bottom 3-box)
- 3% of Rather Be Dining Out members "preferred meal delivery services over dining out" before the COVID-19 outbreak, with 74% disagreeing with the statement (bottom 3-box)
- Motivators for using meal delivery services during the pandemic include:
- Breaking up monotony/repetitiveness of social distancing (47% agree, top 2-box)
- Supporting local restaurants (41% agree, top 2box)

Food delivery ser

Attitudes Toward N

I preferred to use

I preferred to use

I only used food

I preferred to use

over picki

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I was feed

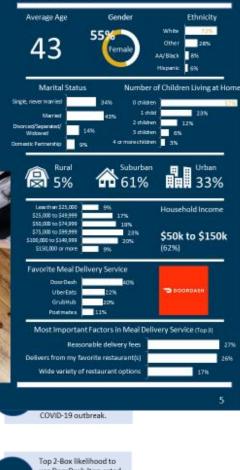
over dining

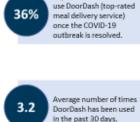
Attitudes Toward Meal Delivery Services During COVID-19 (Top 2-Box)





Wide variety of restaurant options	71%
Good customer service	57%
Quick delivery times	56%
Mobile app is easy to use	49%
Good customer/user reviews	44%
Access to promotional codes	42%
Treats their employees well	39%
Contactless delivery	33%
Variety of payment options	28%
Friendly/approachable drivers	22%
Mobile app has features I like	21%
Offers extended hours of operation	19%
Mobile app is already downloaded on	18%
Friends/family use the service	8%
Delivers alcoholic beverages with meals	8%

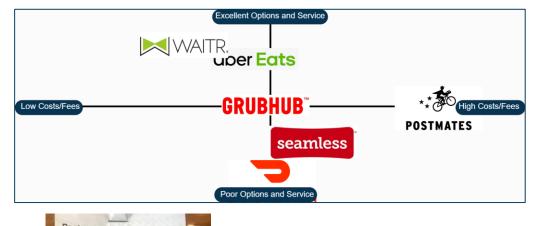




DEMOGRAPHICS

Show-and-Tell Ethnographies







Il Verizon 😤 🧟

\$2.99 Delivery

START & PARTY

🔮 Enter promo code

Total

Delivery in 50-80 min

Save -\$6.09 on this order

with 🕸 Unlimited

Total after savings

X

4:11 PM

1 88%

1.0

\$26.98

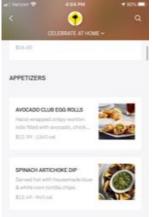
\$2.99

\$37.11

\$31.02

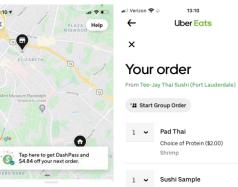
5:10 7

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SPICY BUFFALD CAULIFLOWER VIEW CART

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Next: Checkout

ΨŦ

Order food

Confirming your order Arrives in 33-43 min

MYERS PARK

ORDER DETAILS

We sent your order to Hawthorne's NY Pizza and Bar for final confirmation

Ride



\$17.95

\$13.95

\$39.85

Rent

Order of Wind YQ Û



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rch	Orders	Account	

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×	Your Cart	
\$0	0 Delivery Fee expires	in 9:38
1	Ask for what you	want
Join Uber	r Eats and local restau to reduce waste	
	Got it	
🧳 Add Pr	romo Code	
Subtotal		\$18.45
Service Fee	9	\$2.77
Delivery Fee	0	\$4.99
Delivery Disc	ount	<i>-</i> \$4.99
Taxes		\$1.22
Total		\$22.44

Next

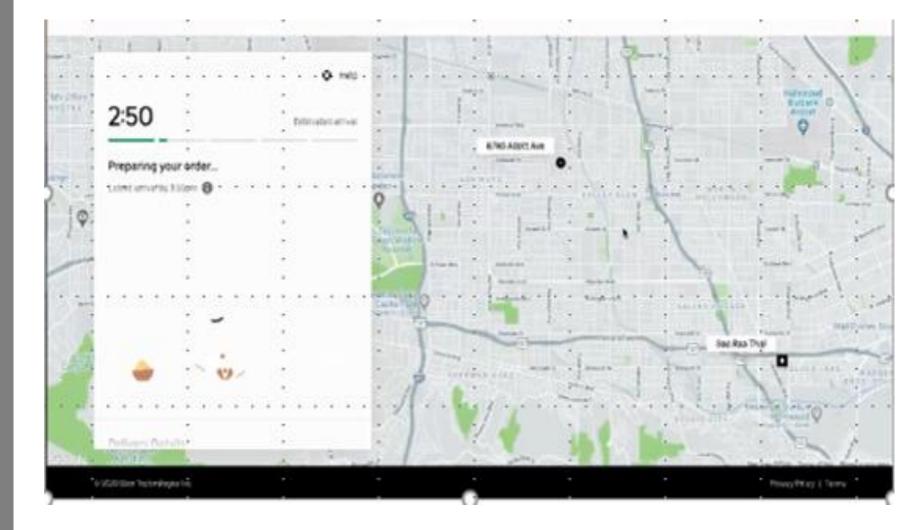
\$22.44







More about GrubHub





Receiving Deliveries: Modified Behavior





Now More than Ever...

In these Uncertain Times...





Implications: Learning Objectives Crossroads





Questions





billm@accelerantresearch.com



