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**70% of consumers intend to use convenience store delivery services more in the future**

According to the brand-new Lumina Intelligence UK On Demand Convenience Market Report 2020, 7-in-10 consumers plan on using convenience store delivery services more in the future, however over half admit that they are unaware of its availability to them.

Currently, 54% of consumers have never heard of delivery from a convenience store through an app and 59% have never heard of delivery directly from a convenience store. However, nearly half of consumers would use convenience store delivery, despite never trying it.

70% of consumers that are already using convenience store delivery plan on using it more often in the future, with just 6% planning on using it less. Amongst current non-users, 46% say they will start using convenience store delivery services in the future, highlighting the opportunity to widen the active consumer base.

The three biggest barriers to consumers using on demand convenience are product cost, delivery fees and wanting to walk to store.

Consumers expect to pay a 33% premium when using convenience delivery vs supermarket in-store. Exclusive promotions to the delivery channel will help boost price perception. Retailers could also implement a loyalty system whereby consumers can unlock discounts the more they use the service.

As well as improving the price perception of the service, there is also an opportunity to drive increased spend through premiumisation. 27% say that convenience store deliveries would replace takeaway delivery at least sometimes. There is opportunity for higher price point items such as premium bake-at-home pizza which can replicate the experience of foodservice delivery.

Blonnie Walsh, Head of Insight at Lumina Intelligence said, “On demand convenience opens up a great opportunity for retailers to capitalise on the recent surge in demand for online grocery delivery services – a trend that is forecast to continue once lockdown ends. However, despite high demand for these services, awareness remains low, with over half of consumers unaware that convenience store delivery exists.”

“In order to maximise footfall and awareness, promotion of the service needs to focus on the key benefits that distinguish it from other forms of grocery delivery i.e. fast delivery and smaller minimum spend. However, as well as driving awareness, it is critical that retailers get the balance of their offering right. There are clear thresholds when it comes to product cost and delivery time/fee that, if not implemented correctly, will deter consumers from using the service.”

**ENDS**

**Report methodology**

The Lumina Intelligence UK On Demand Convenience Market Report 2020 combines intelligence on external factors – including a detailed timeline of events within the delivery channel – with Lumina Intelligence consumer and shopper data to understand how behaviour towards the channel has evolved over recent times and how the coronavirus pandemic will impact it in the foreseeable future. The re-port is based on data from:

* Lumina Intellignece Channel Pulse data – our weekly measure of shopper and consumer behaviour across all UK food and drink channels – including grocery delivery from supermarkets, recipe boxes etc
* A bespoke survey to understand more about Convenience delivery solutions specifically - triggers and barriers to using such services
* Our flagship Consumer Tracking Programme data for comparisons vs. in-store purchasing

**About Lumina Intelligence**

Lumina Intelligence inspires the global food and drink sector with deep, actionable insights powered by the world’s best analytics technology. Our products and services are used by the major brands and organisations in these fast moving and growing markets to support business planning, strategic marketing and new product development.

With offices in London, Chicago, Montpellier, and Singapore, and local on the ground analysts across our businesses, you can trust our market knowledge. We are committed to providing all our customers with up to date accurate information to support critical decision making.

Combining the expertise and experience of HIM, MCA Insight and Lumina Intelligence, we are the experts in market and consumer insight across the food & drink and nutrition markets.

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