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**Coronavirus pandemic to result in a permanent shift towards grocery delivery**

According to the recently launched Lumina Intelligence UK Recovery Report 2020, the surge in demand for grocery delivery will continue after the pandemic ends, as shoppers look to maintain the benefits it has offered during the lockdown period.

According to the report, 29% of shoppers are shopping online for food and drink more than before the lockdown began. More significantly, 20% of these shoppers plan to continue to use grocery delivery services more even when lockdown has ended. This rises to 36% of 25-34 year olds, highlighting the importance of building loyalty during the lockdown period to maintain these new users as the market recovers and we enter ‘adjusted normality’.

Another group of shoppers who have increased their use of online grocery is the 75+ year-olds, facilitated by the prioritisation of delivery slots for the elderly and vulnerable by grocery retailers. For this group, building customer trust will be important to encourage these consumers to continue to use delivered grocery following the lockdown.

In addition to supermarket delivery services, 12% of shoppers are ordering groceries through delivery apps, such as Deliveroo and UberEATS, more than they did before lockdown began. Of those already using delivery apps more for grocery shopping, 5% expect to continue to do so once lockdown ends.

Demand for online grocery slots has outstripped availability since the lockdown began, however the major multiples have expanded their capacity for deliveries through significant recruitment of pickers and drivers. In the convenience channel, the easing of some terms and conditions from delivery platforms has made it more attractive for retailers to serve their local communities by offering a delivery service.

Blonnie Walsh, Head of Insight at Lumina Intelligence Insight said, “Through lockdown, existing online retailers have upweighted their delivery capabilities. In addition, retailers new to online delivery have found the platforms and infrastructure to support them within a channel that has seen significant growth. However, we don’t expect this growth to be short-term, with increased usage of grocery online set to be a legacy behaviour in the aftermath of coronavirus. More consumers, especially the elderly and vulnerable, are now versed in the process and retailers are better able to cater to demand. Discounters, with little in the way of delivery capabilities stand to lose out to this revenue stream, hence Aldi’s announcement that they are now partnering with Deliveroo makes sense.”

“Retailers offering online services have offered the UK’s most vulnerable residents a lifeline during the coronavirus pandemic. In addition, many convenience stores have quickly adapted their offer to serve their local communities. With a significant proportion of shoppers planning to continue using online shopping for food and drink more even once lockdown eases, maintaining loyalty now is key to sustaining high demand and footfall once existing measures start to ease.”

Further information on Lumina Intelligence’s UK Recovery Report 2020 can be found on their website.

**ENDS**

**Report methodology**

The Lumina Intelligence UK Recovery Report 2020 provides strategic thought leadership on the factors affecting the UK eating out and grocery retail markets due to the coronavirus pandemic and our view on what the market could look like post coronavirus. The report is based on data from:

* Lumina Intelligence’s Eating Out Panel, comprising 72,000 consumer surveys a year
* Lumina Intelligence’s Consumer Tracking Programme, incorporating 20,000 shopper interviews a year
* Lumina Intelligence’s brand new Channel Pulse, our weekly measure of consumer behaviour and attitudes across channels from a nationally representative sample of 1,000 consumers
* Economic trends available from external sources such as ONS, with our own advanced analysis techniques applied
* Bespoke 1,000 consumer study specifically for this report
* Interviews with journalists and industry leaders from the Foodservice and Grocery Retail sectors

**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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