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**UK foodservice delivery market saw growth of 48.1% in 2020, reaching £11.4bn**

According to the new Lumina Intelligence UK Foodservice Delivery Market Report 2021, the UK foodservice delivery market grew £3.7bn in 2020, reaching £11.4bn – double its 2015 market value – as it benefitted from being one of the few routes to market available through the height of the pandemic restrictions.

With restrictions easing and the hospitality sector on track for a full reopening in the summer, the report forecasts that the UK eating out market will somewhat bounce-back and recoup some of the share lost to delivery in 2020. As a result, the UK foodservice delivery market is set to decline -7.6% in 2021 to a value of £10.5bn – 37% higher than its 2019 market value.

The impact of 2020, where delivery accounted for £2 in every £10 spent on foodservice, is expected to drive habitual delivery behaviour beyond the pandemic.

**One in twelve order delivery for the first time during the pandemic**

8% of consumers ordered foodservice delivery for the first time during the coronavirus pandemic. Meanwhile, over a quarter of consumers have increased their usage through the pandemic and nearly three quarters of current users plan to still order delivery when the restrictions are lifted. This reiterates the importance of continuing to operate and develop a delivered proposition going forwards.

**‘Didn’t want to cook’ the top reason for ordering delivery**

‘Didn’t want to cook’ leapfrogs ‘treat’ as the top reason for ordering delivery in 2021 as consumers grow tired of home cooking through the pandemic. Other key reasons for ordering delivery include ‘to wind down or relax’ and ‘to spend time with family’.

**Uber Eats and Deliveroo grow share of delivery occasions**

Based on consumers’ most recent delivery, Uber Eats and Deliveroo have grown share of the delivery market. Uber Eats has grown its share of occasions by 5pp to 11.3% and Deliveroo 0.4pp to 11.0%. Both aggregators have partnered with a greater number of branded and independent operators since the start of the pandemic. This growth has been at the expense of Just Eat and Independents (businesses offering their own delivery services), who have lost share.

**Foodservice delivery market to be worth £12.6bn in 2024**

The foodservice delivery market will be worth £12.6 billion in 2024 with consistent robust growth from 2022 onwards. The market will benefit from both a supply side growth in branded outlets offering delivery, plus a boost from dark kitchens and virtual delivery operations. However, operators will need to leverage pandemic-driven consumer delivery habits to ensure behaviour is habitual rather than an occasional indulgent treat.

Commenting on the results, Blonnie Whist, Head of Insight at Lumina Intelligence said, *“With dine-in operations closed or heavily restricted over the last 12 months, consumers have turned to foodservice delivery in their droves, including an additional 4.3 million UK adults who ordered foodservice delivery for the first time during the pandemic.”*

*“Whilst we expect the playing field to level out now that restrictions are starting to ease, the impact of 2020 is expected to drive habitual delivery behaviour beyond the pandemic. By 2024, the UK foodservice delivery market will have grown a further 10%, highlighting a significant opportunity.* *Independent restaurants and traditional fast food brands are set to lead this growth. In the immediate term, promotions will play a key role in driving volume, as the recession continues to pinch household incomes. However, in the longer-term,* o*ffering a point of difference and expanding day part coverage will be key growth drivers for operators.”*

**ENDS**

**Report methodology**

The data within the Lumina Intelligence UK Foodservice Delivery Market Report 2021 was collated using:

* Consumer eating out behaviour data based on 78,000 surveys across the year from Lumina Intelligence’s Eating & Drinking Out Panel.
* Consumer awareness, usage and attitudes based on a bespoke survey (n=1000 nat rep)
* Analysis of leading delivery players from Lumina Intelligence Operator Data Index, which tracks the performance of 700+ leading operators
* Business Leaders perspectives from Lumina Intelligence Top of Mind business leaders survey and Hospitality Leaders Poll

**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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