## Food delivery service





## **Creating a delivery option**

Not everyone has the ability to 'pick-up' or 'click & collect' a food order from a caterer. And, for a lot of caterers, they are losing business to competitors who have delivery service capability.

During lockdown in 2020 many people would not venture out of their house to make a pick up and instead became reliant on delivery services. The most vulnerable in society, in particular, relied upon delivery services as they were advised to stay at home.

Wanting to support their customer base a number of mobile caterers added a delivery option to their service and in some cases this new option was cited as keeping them in business.

Bandido Burritos implemented a delivery service they saw as being important in supporting the community **click here for their story**.

Delivery services are also a great option to support local offices and factories with staff not wanting to exit the building having gone through safety checks on entry.

The service can be advertised across all platforms from details written on the unit, to leaflets and social media.

If the caterer does not have the capability to provide a delivery service themselves there are a number of well known options for delivery out there.

Click name for a link to website **1. Just Eat** 

- 2. Deliveroo
- 3. Uber Eats
- 4. Food Hub

These options offer a wider base for the service to be seen but that must be balanced against the cost which can be relatively high.



There are other options such as '**Southport Eats**' which offer a cost effective operation and will be targeted at the local area.

Many caterers may be able to build a delivery service by using the social media platforms they already use to communicate with their customers. Using the likes of Facebook and Messenger to push the service and asking followers to like and share can create a potentially large local customer base.

The caterer could also look at expanding the offering and supplying foodstuffs such as bread, tea, milk and coffee as part of the service to make delivery more cost effective and would be seen as a value-add service by the customer.

Specials could be added available for delivery service only such as 'Sunday lunch' or items that may need to be prepared away from the unit.

## Pros

**Convenience for the customer –** The easiest way to order food. They can choose what they want without having to interact or even leave their home.

**Increased order size** – It is said that when ordering online the value can be upto 20% bigger than face to face interaction.

**Make up for reduced footfall** – During lockdown everyone has seen footfall reduce. Food delivery can combat reduced footfall and the need for customer travel.

**Exposure to new customers –** Delivery can help you reach out beyond your local repeat customers and act as a marketing platform to a wider audience.

## Cons

**Less control** – When using a third party delivery service you have less control over the customers experience with the delivery. Customers could have a bad impression of your restaurant due to a bad interaction with the driver or if food arrives cold as a result of traffic or road conditions.

**Smaller profit margins –** Delivery companies will take a percentage of sales revenue for each delivery they make. This can be between 10% and 20% which can be inhibitive for a small business.

**More points of contact** – When the food leaves your unit it is in the hands of a 3rd party delivery driver. You're not there to ensure they are meeting the standards set by you. Food safety is very important and any problems introduced by the delivery service can be damaging to a catering business.

Food delivery appears to have become part of the new 'normal' and according to the new Lumina Intelligence UK Foodservice Delivery Market Report 2022 it looks to be increasing over the coming years.