

# Restaurant & Alcohol Online Ordering Trends

Fresh insights on consumer dining expectations and a look into restaurant growth strategies.

AU + NZ EDITION



# The menu

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Online diners are putting their favourites on repeat

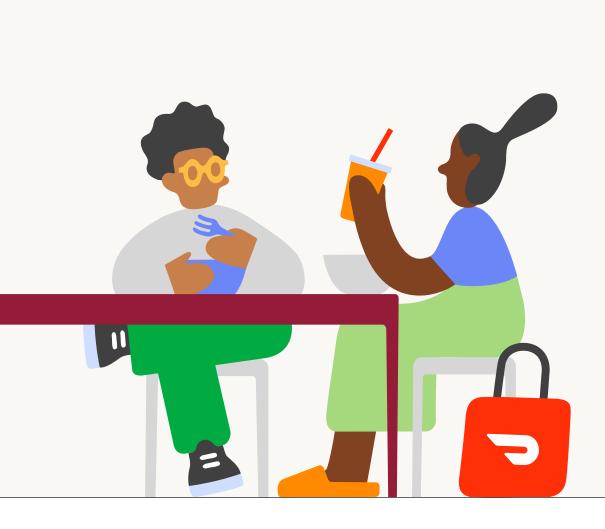


# RESTAURANT ORDERING TRENDS 16 Third-party apps are consumers' first choice for online ordering

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# The evolution of hospitality



Michael Solomonov
Chef & Co-Owner of CookNSolo Restaurants
DoorDash Chief Restaurant Advisor



The food and beverage scene is changing as fast as technology can evolve. And today, complacency is not an option. To deal with realities like <u>food price inflation rising as high as 15%</u>, continued <u>staffing challenges</u>, and higher consumer expectations for digital options, operators need to double down on a culture of hospitality in order to thrive.

Hospitality requires us to personalise experiences at every turn. This can be the make-or-break for restaurants and local businesses. And when you marry a supportive employee culture with customers who feel like they're part of your community, you increase the chance that they'll keep coming back. At <u>CookNSolo Restaurants</u>, we prioritise doing good — and it's paid off. We invest in the digital tools and processes that make our restaurants enjoyable places to work, dine, or order a meal from. And with these systems, we can be creative and test out new concepts, while listening to feedback and maintaining business growth.

Like restaurants, consumers are also feeling the pinch of rising prices, but they're willing to spend on convenient, high-quality experiences. They want value and brands they can trust. They're comfortable starting their dining search on their favourite online ordering app or social media channel. And as they browse, they're looking for transparency on menu selection and pricing, recommendations, and reviews. For our restaurants, partnering with DoorDash helps us extend our mission into our guests' homes and offers a trusted platform for us to generate revenue, without maxing out our staff's time.

To grow in the current environment, we have to continuously evolve to meet today's consumer needs. We must listen to our customers, run each shift with a positive attitude, and do what we can to make our businesses a little bit better every day. We hope that the insights and business takeaways gathered in this report will help you increase profitability, run your business more efficiently, and connect with more folks in your community.

# Consumers are seeking rich experiences

Despite significant and sustained cost-of-living pressures in both Australia and New Zealand, <u>household spending on recreation</u> and <u>culture is up 5.6%</u> in Australia, and <u>in New Zealand</u>, <u>hospitality spending is up 11%</u>.

After a <u>slowdown in discretionary spending in Australia</u> and <u>New Zealand</u>, the restaurant industry is rebuilding relationships with guests and rolling out loyalty programs, special promotions, and personalised marketing campaigns to reconnect. Consumers are also more interested than ever in personalised dining and ordering experiences, leading restaurants to invest in technology in all aspects of their business.

Danielle Alvarez, <u>culinary director for events at the Sydney Opera</u> <u>House</u>, is "exploring innovative ways to merge music, art, food, and cutting-edge tech... to create bespoke experiences that stimulate all the senses." Chefs in <u>New Zealand are also bringing</u> <u>tech into the kitchen</u>, and responding to growing interest in plant-based cuisines.

Along with a predicted rise in dining out and ordering takeaway this year, we're seeing growth in back-to-office traffic. As of August 2023, <u>87% of Australian businesses</u> had in-office requirements in place and <u>65% of New Zealand organisations</u> have adopted a hybrid model that is office-based with a regular remote element, which will likely give rise to more group orders, coffee and lunch pickups, and business catering needs.

To better understand how restaurants and liquor stores can approach their business strategy in the year ahead, DoorDash surveyed 1,012 consumers across Australia and 1,007 in New Zealand in March 2024 and compiled exclusive insights from their behaviour on DoorDash Marketplace.

Coming up, we'll explore the takeaways from the data along with actionable steps and resources to implement them.





# How consumers are ordering food & drinks in 2024

# Overall consumer activities

### Australia

49%

of consumers ordered food delivery in the past month.

66%

of consumers picked up takeaway in the past month.

56%

of consumers dined at a restaurant in the past month.

53%

of customers ordered from a new store in Q124 on DoorDash Marketplace compared to the stores they ordered from in Q423.

### **New Zealand**

39%

of consumers ordered food delivery in the past month.

67%

of consumers picked up takeaway in the past month.

51%

of consumers dined at a restaurant in the past month.

35%

of customers ordered from a new store in Q124 on DoorDash Marketplace compared to the stores they ordered from in Q423.

# Both Australia + New Zealand

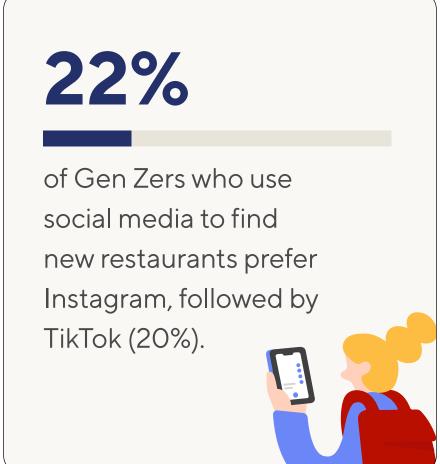
Survey results across both countries were approximately the same for these trends:













**✓** 

Menu pricing

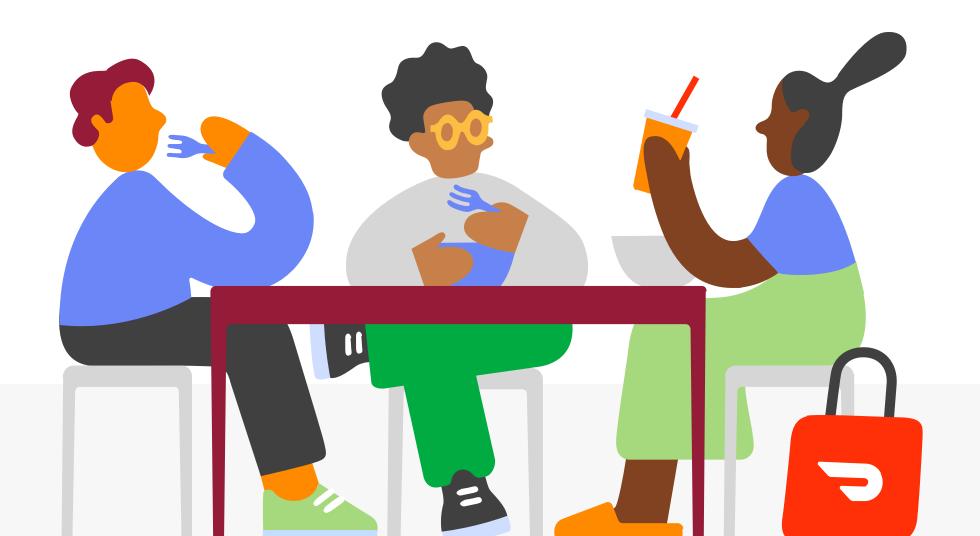


Menu selection



### Generational breakdowns:

Gen Z (ages 18 to 24)
Millennial (ages 25 to 44)
Gen X (ages 45 to 54)
Baby Boomers (55 to 64)



# Restaurant and alcohol ordering habits

### Australia

70%

of consumers are ordering takeaway the same or more than last year. 68%

of consumers are ordering food delivery the same or more than last year.

82%

of consumers are ordering alcohol delivery the same or more than last year.



40%

of consumers actively seek out local restaurants with only one location in their area.



54%

of respondents prefer third-party apps for ordering food delivery.



Must be 18+ to order alcohol. Drink responsibly. Alcohol delivery available only in select markets.

# **Saturday**

is the most popular day of the week to order food on DoorDash.

### **New Zealand**

65%

of consumers are ordering takeaway the same or more than last year. 58%

of consumers are ordering food delivery the same or more than last year.

76%

of consumers are ordering alcohol delivery the same or more than last year.



35%

of consumers actively seek out local restaurants with only one location in their area.



**52%** 

of respondents prefer third-party apps for ordering food delivery. 24% increase compared to 2023

# **Friday**

is the most popular day of the week to order food on DoorDash.



# Takeaway and delivery preferences

### Australia

31%

growth in same-store orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

32%

growth in same-store delivery orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

4%

growth in same-store pickup orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

# **New Zealand**

122%

growth in same-store orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

123%

growth in same-store delivery orders on DoorDash Marketplace.

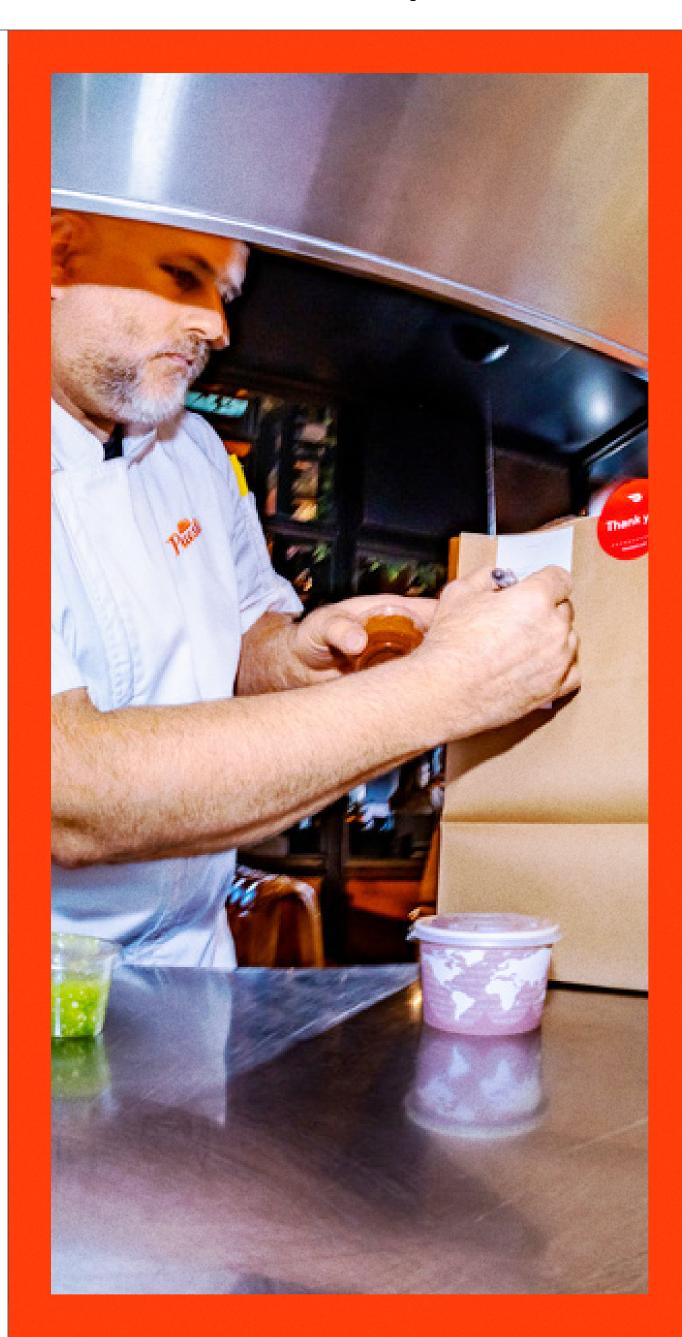
FY 2023 vs. FY 2022

**78%** 

growth in same-store pickup orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

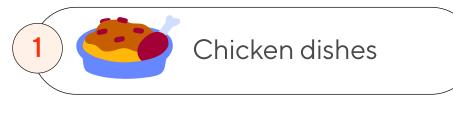




# Food and drink preferences

### Australia

# Top five most-ordered foods on DoorDash in 2023



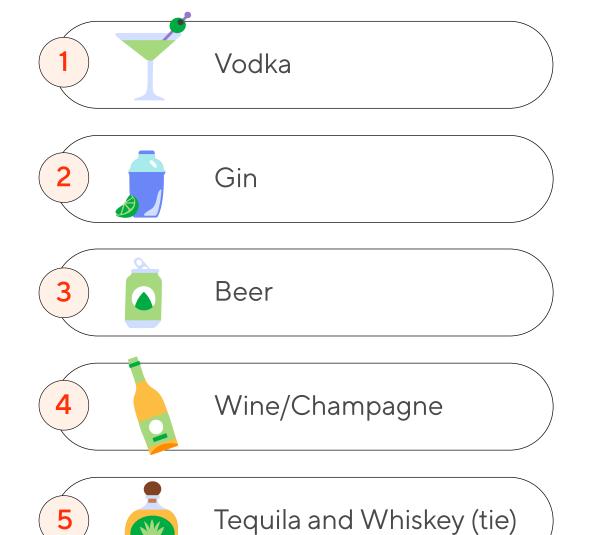






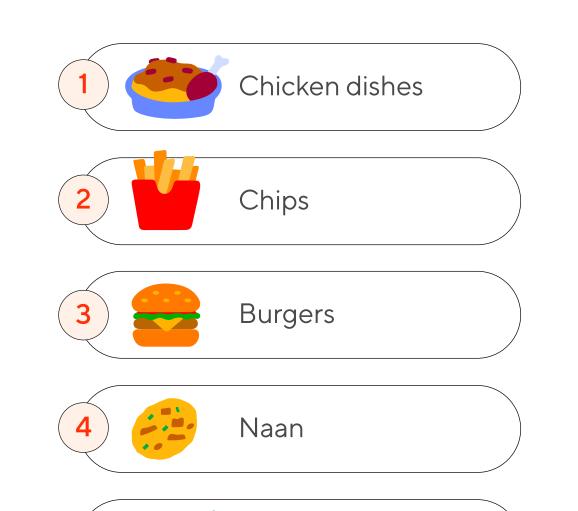


# Top five alcoholic beverages survey respondents recently ordered for delivery



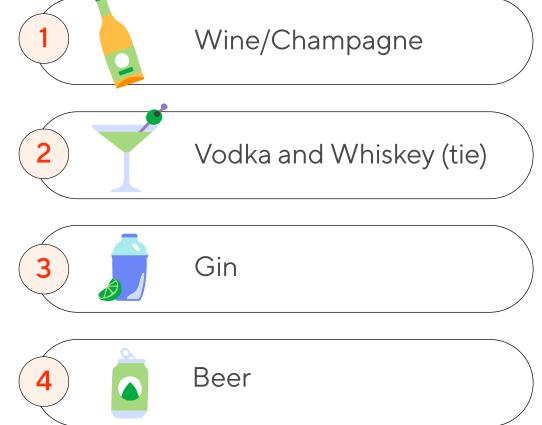
### **New Zealand**

# Top five most-ordered foods on DoorDash in 2023



Noodle dishes

# Top five alcoholic beverages survey respondents recently ordered for delivery

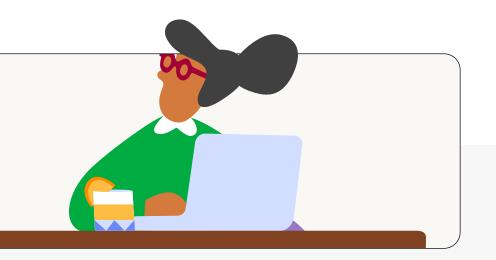




# Non-alcoholic beverages are on the rise

31% of Australian consumers are buying no-alcohol beverages.<sup>1</sup>

The non-alcoholic beverage market in New Zealand is predicted to grow 14% year over year.<sup>2</sup>



# **DOORDASH** for Merchants

# Build better guest experiences with DoorDash

Partner with DoorDash to gain trust with new audiences and strengthen relationships with your existing customers through seamless online ordering.



New merchants get 0% commissions for up to 30 days\* on orders placed through DoorDash.



Generate online orders on DoorDash, your own website with commission-free online ordering via Storefront\*, or both.

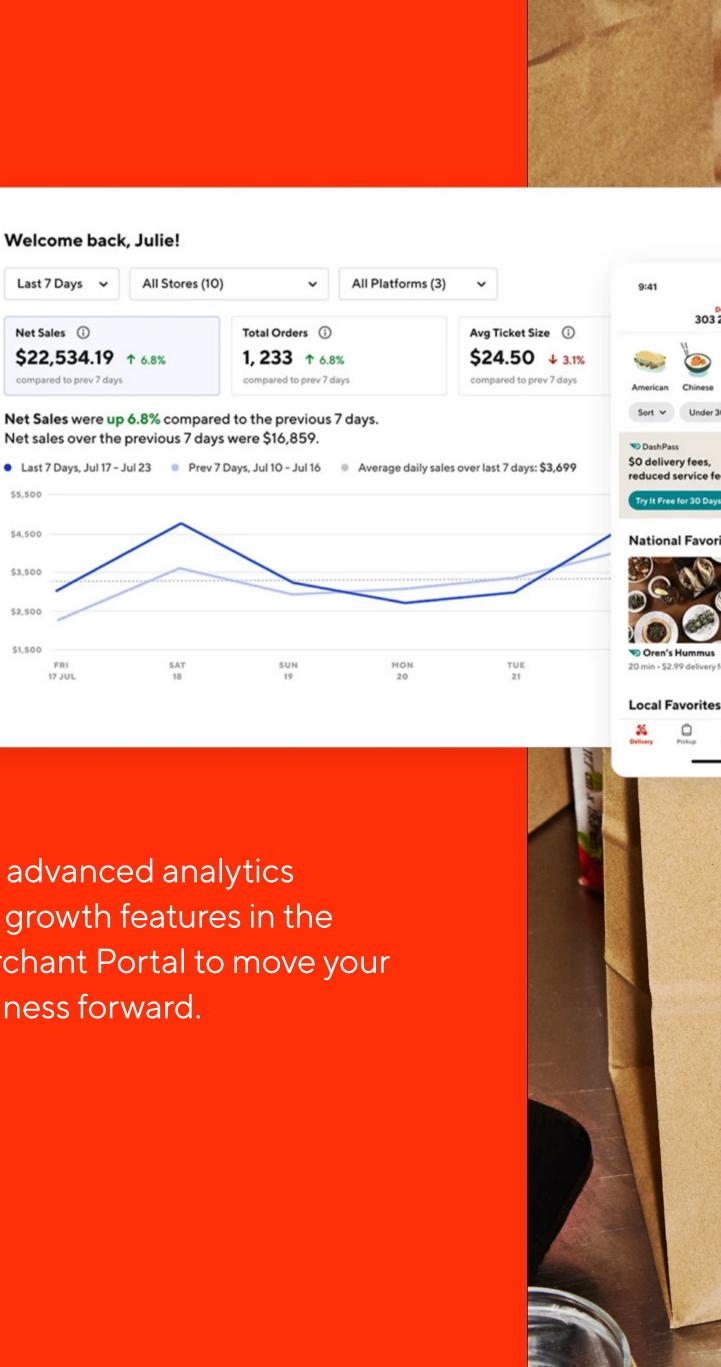


Use advanced analytics and growth features in the Merchant Portal to move your business forward.

Net Sales (i)

compared to prev 7 days

**Get started** 



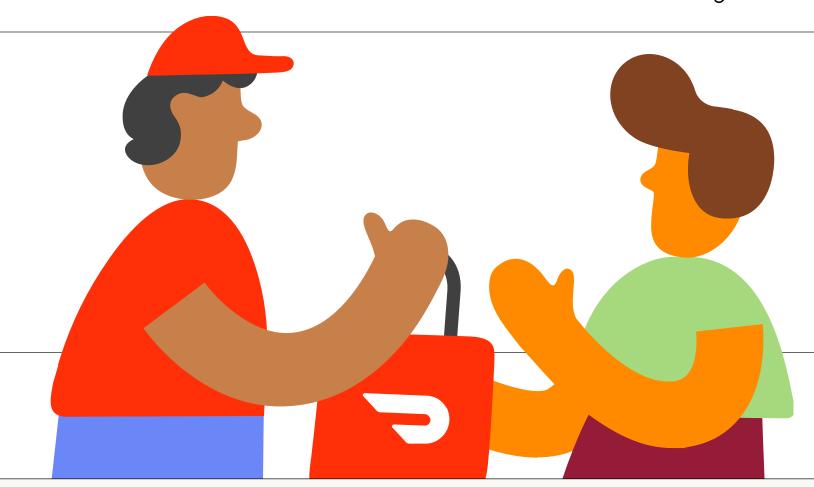
# Online diners are putting their favourites on repeat

Over the past decade, much of the consumer dining experience has moved online, and our survey provided interesting insights on consumer habits and expectations.

When ordering out, people want to know exactly what they're getting — the most influential factors are menu pricing and selection. They're making decisions on food and beverage purchases from their phone, finding new restaurants on Instagram, and preferring third-party apps for online ordering. And following overarching consumer trends, people are looking to spend at local restaurants, find convenient ways to host friends and treat themselves, and try new things.



# Aussie and New Zealander food and drink preferences



### Australia



### **New Zealand**

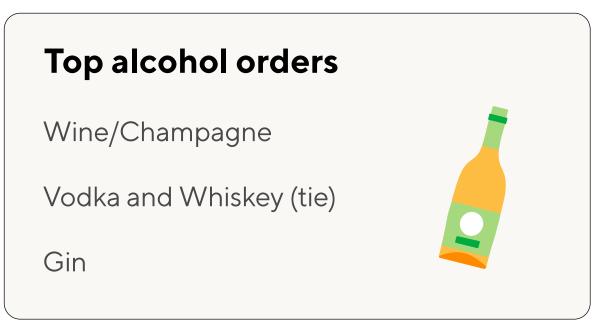


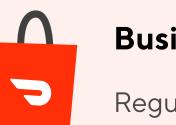
# More than a third of consumers prefer using third-party apps.

When ordering alcohol delivery, more than a third of consumers in Australia (34%) and New Zealand (39%) prefer using third-party apps.









# **Business takeaway**

Regularly audit your menu and use <u>menu engineering</u> to analyse the profitability and popularity of each menu item, then adjust your offerings to promote best-sellers and high-margin items.

# Dining and brand discovery

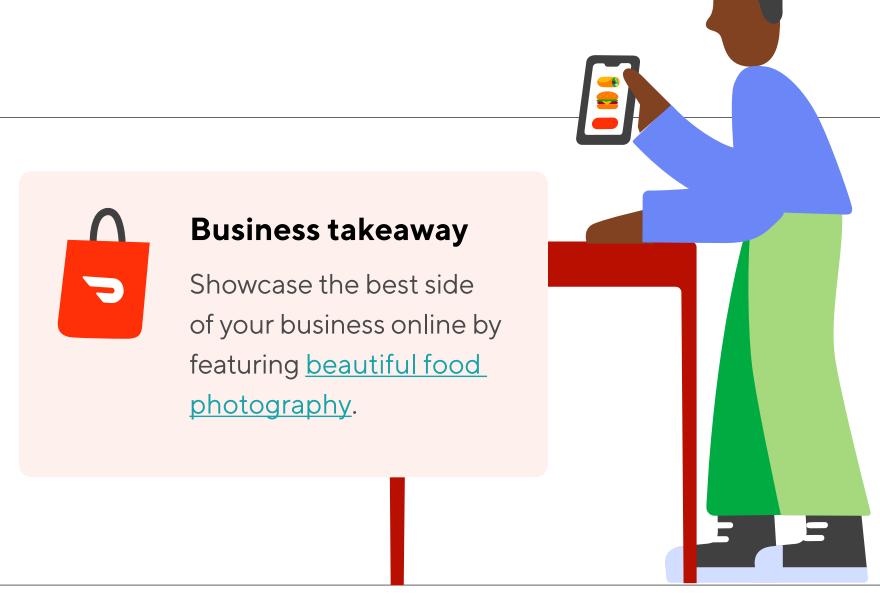
When choosing new restaurants, menu selection, menu pricing, and recommendations from friends and family are top concerns for consumers across both countries. New Zealanders are specifically more influenced by friends and family recommendations than Aussies.

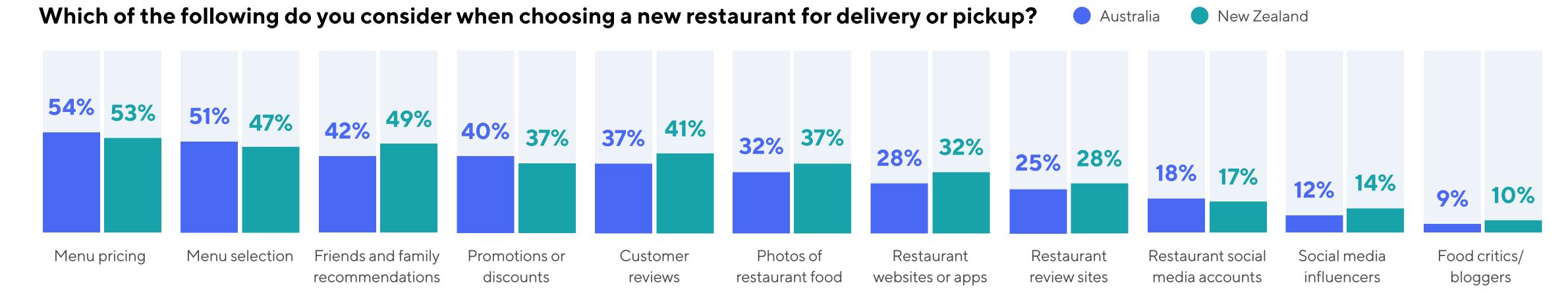
More than 1 in 3 Gen Zers in Australia (36%) and New Zealand (39%) — as well as 35% of Millennials in both countries — cite food photos as a reason to try a new restaurant.

"We promoted our Pepperoni Burst pizza a few months ago, and we saw a 200% increase in sales through DoorDash."



**Charlie Hoyek**Owner, <u>Manoosh Pizzeria</u>





X/Twitter

Australia

New Zealand

Snapchat

# Social media as an awareness channel

Of those who use social media to find new restaurants, Instagram and Facebook are the most popular social media platforms in Australia and New Zealand.

22% of Gen Zers in Australia and 23% in New Zealand who use social media for restaurant discovery prefer Instagram, but TikTok is a close second in both Australia (20%) and New Zealand (22%). Meanwhile, Millennials favour Facebook (21% in Australia, 22% in New Zealand), followed by Instagram (19% in Australia, 20% in New Zealand).

When looking at the gender breakdown of those who use social media to explore restaurants, YouTube is significantly more popular among men in both countries.



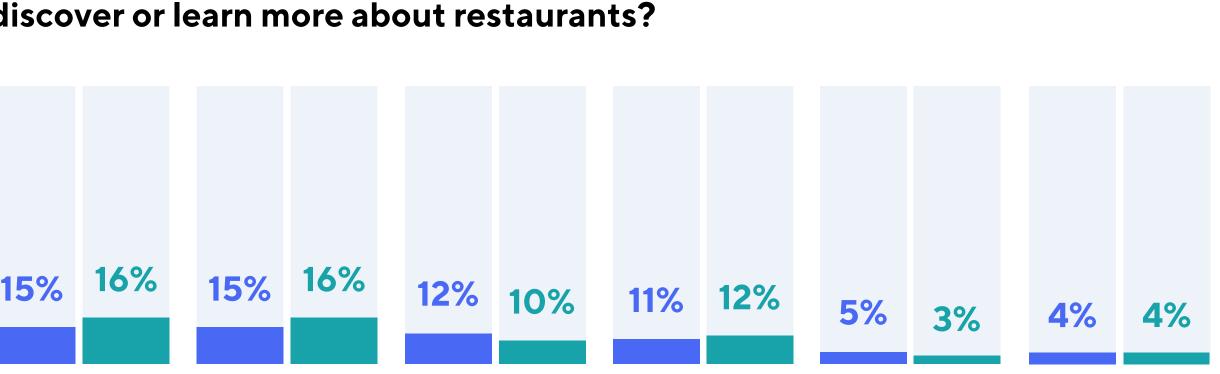
# **Business takeaway**

Read our tips for <u>marketing</u> <u>your business on Instagram</u>.



Facebook

Instagram



TikTok

YouTube



# Dining routines

The majority of consumers agree there's nothing like curling up in front of a new episode of your favourite show with your to-go meal. And speaking of convenience — why do dishes when you can eat out of your takeaway container? It's a win-win.

When asked whether they eat delivery food directly out of the takeaway container or using their own dishware, New Zealand consumers are evenly split, while the majority (57%) of Australians use their own dishes.

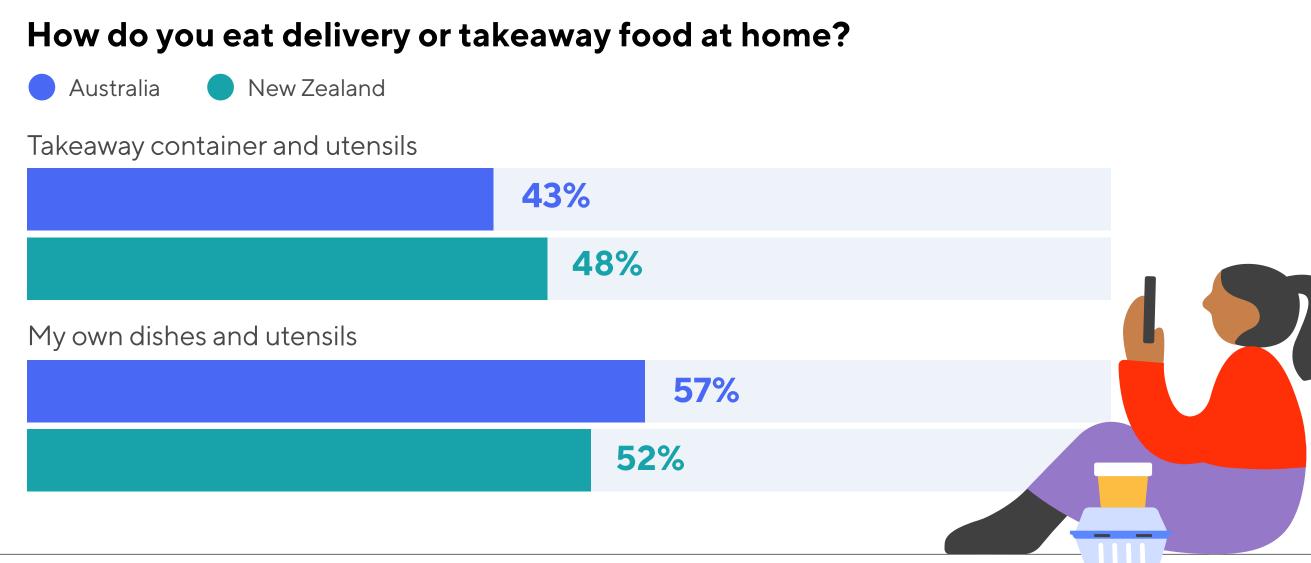
But when looking at generational differences, Australian Gen Xers and Baby Boomers are more likely to use their own dishes and utensils, while Gen Zers and Millennials are more likely to eat from delivery containers. Interestingly, in New Zealand, Gen Zers (57%) and Baby Boomers (53%) are the most likely cohorts to use the original takeaway container.

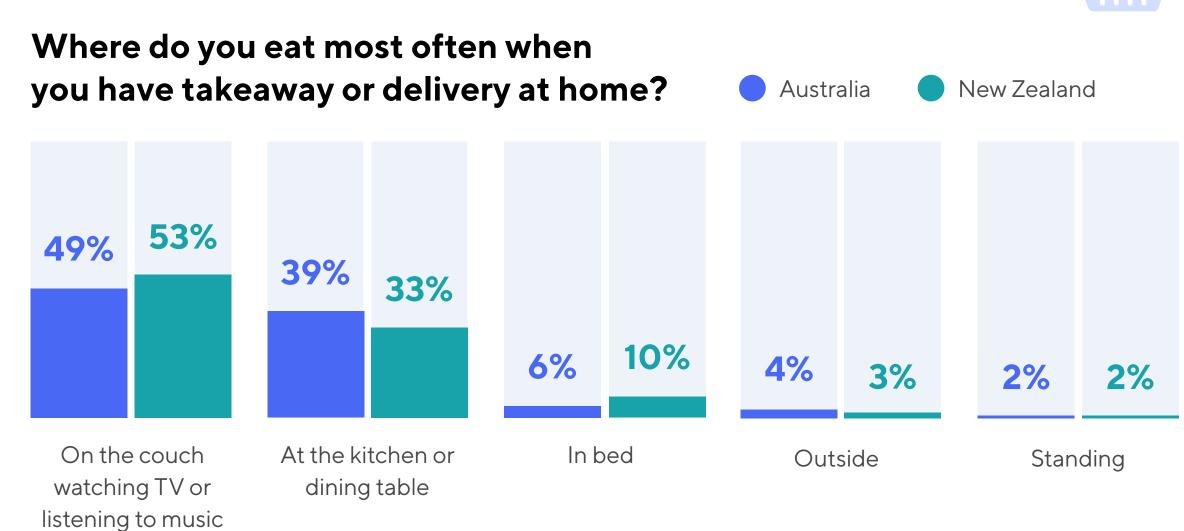
Another quirky dining habit? 13% of Gen Zers in Australia and 23% in New Zealand most often eat delivery from the comfort of their... bed!



## **Business takeaway**

<u>Younger consumers prefer sustainable businesses</u>, and since many consumers report eating right from the takeaway container, invest in high-quality, <u>eco-friendly packaging</u> to transport your meals.





# Third-party apps are consumers' first choice for online ordering

People are creatures of habit — around six in 10 consumers in Australia and New Zealand choose restaurants they visit often when they order for delivery or takeaway. And a new habit that's emerged in the past decade is the online ordering routine. For more than half of consumers (54% in Australia and 52% in New Zealand), third-party apps are their preferred way to order food for delivery — and third-party platforms are the top channel for online ordering.

Third-party app users are frequent orderers – 28% of Aussie consumers and 30% of New Zealanders order delivery via third-party apps at least 5X per month. On the on-premise side, more than half of consumers report dining out at a restaurant in the past month.

Australia

New Zealand

On-premise

56%

51%

of consumers report dining at a restaurant in the past month. Online ordering

41%

36%

of consumers report placing repeat delivery orders at least weekly. Restaurant selection

40%

35%

of diners actively seek out local restaurants.

Online ordering

**79%** 

76%

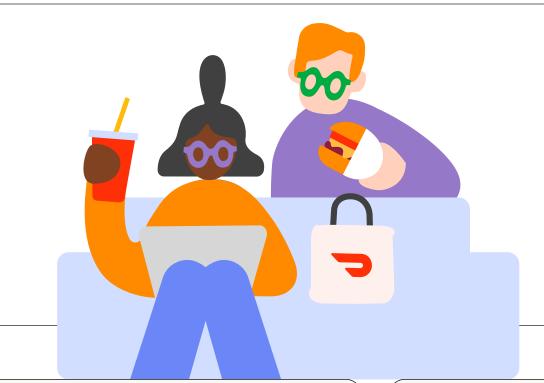
of diners order on third-party apps at least 2X per month.

"Delivery is here to stay. It's the way of the future."



**Kelly Tracey**National Operations Manager, Roll'd

# Restaurant delivery & takeaway preferences



In Australia, 70% of consumers are ordering takeaway the same or more than last year, and 68% are ordering food delivery the same or more than last year. In New Zealand, 65% are ordering takeaway the same or more than last year and 58% are ordering food delivery the same or more than last year. Nearly three-quarters of consumers report using delivery for last-minute situations in the past month (up from 62% in 2023), and one in five order delivery when hosting at home, which is steady year over year.

Last-minute food delivery needs are more common among men and younger audiences. Aussie men (76%) are more likely to have ordered delivery last-minute in the past month than women (61%). By generation, Australian Gen Zers (79%) and Millennials (74%) are more likely to have placed last-minute orders over the past month than Gen Xers (54%) or Baby Boomers (38%). The patterns in New Zealand are similar, with last-minute deliveries more common among men (69%) than women (63%), and younger cohorts (71% of Gen Z and 73% of Millennials) than older ones (56% of Gen X and 30% of Baby Boomers).

Hosting

22%

of Aussie consumers and 16% of New Zealanders order delivery when they host at home. Delivery

49%
of Aussie consumers and
39% of New Zealanders
report ordering delivery in

the past month.

Takeaway

66%

of Aussie consumers and 67% of New Zealanders report ordering takeaway in the past month.



### **Business takeaway**

Offer up curated ordering options for the host with the most, the last-minute meal planner, or the busy consumer that are tailored to different situations, groups, or meal types.

# DoorDash restaurant ordering trends

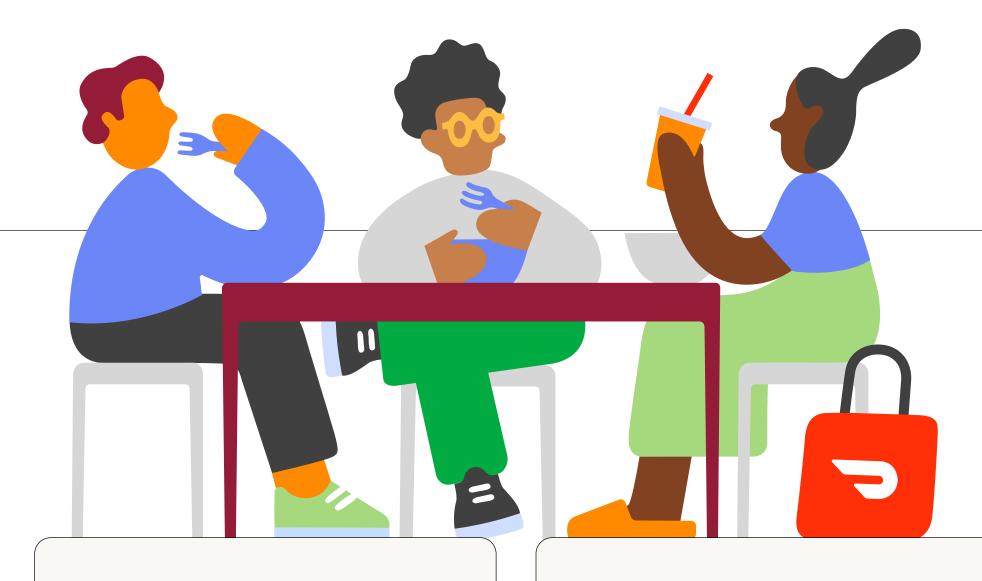
Based on our data, ordering delivery and takeaway tends to be a nice break from the hustle and bustle of everyday life. DoorDash users in Australia and New Zealand tend to order most often on Saturdays and Fridays, respectively, after a long week of work. Orders spike around lunch and dinner, with 6 pm as the overall most common time in both countries. Late night (or early morning) meals from 12 am - 5 am saw 107% growth year over year in Australia and a whopping 1,261% growth in New Zealand. And breakfast orders from 5 - 11 am grew by 58% in Australia and 644% in New Zealand. This could be related to the <u>ongoing return to office</u> and changing routines of professionals.

People are also looking for something new -53% of DoorDash users in Australia and 35% in New Zealand ordered from a new store between Q4 2023 and Q1 2024.



## **Business takeaway**

Capture off-peak orders by <u>adjusting business hours</u> to be open beyond the traditional lunch and dinner rush. Before going all-in, experiment with new hours for a month or two, then track the impact on sales and staffing.



32%

123%

growth in same-store delivery orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

4%

78%

growth in same-store pickup orders on DoorDash Marketplace.

FY 2023 vs. FY 2022

Australia



New Zealand

# How Manoosh Pizzeria Grew Sales 200% by using DoorDash Promotions

Manoosh Pizzeria has been serving delicious pizzas and traditional Lebanese food in the Sydney area since 2008. They've grown to more than 10 locations and expanded their menu over the years, offering Mediterranean-fusion inspired meals. And in line with the overarching top foods in Australia, they've even added hot chips to the menu.

Promotions on DoorDash have helped Manoosh grow, open new locations, and increase revenue and sales. Owner Charlie Hoyek has experimented with different campaign types to find those that best speak to their target audience. They're now reaching and bringing in new and repeat customers more frequently and adding high-value customers to their database.

"For us, it's about reaching a new audience, and we're doing that through DoorDash. It's really helped our business grow"



**Charlie Hoyek**CEO, Owner, Manoosh Pizzeria

58%

of DoorDash orders are from new customers

200%

increase in DoorDash sales through promotions

\$36,000 in DoorDash sales from one promotion

Read the Manoosh Pizzeria growth story  $\rightarrow$ 

# For hosting or personal treats, consumers use alcohol delivery

The way that people buy alcohol continues to shift—in 2024, 34% of Aussie consumers say their preferred method for buying alcohol is using an app for same-day delivery, even more so than going to the store (33%). And 41% of New Zealanders prefer to use an app for non-same-day delivery, also more so than going to the store (38%).

Online ordering is convenient and a special treat for consumers. When shopping for alcohol online, consumers order from a mix of liquor stores, grocery stores, convenience stores, and restaurants.

One in 10 consumers in Australia and New Zealand have also purchased low-ABV and non-alcoholic beverages in the past six months. <u>Younger generations over 18 are embracing "sober curious" lifestyles</u> and gaining interest in "NoLo" (non and low-alcohol) drinks, both at home and when out at bars or events.

Must be 18+ to order alcohol. Drink responsibly. Alcohol delivery available only in select markets.

# Besides restaurants and bars, what is your preferred method of buying alcohol? Use an app for same-day delivery Australia 34% New Zealand 18% Go to the store 33% 38% Use an app for non-same-day delivery 29% 41% Use an app for pickup 3% 1%

# DoorDash alcohol ordering trends

Besides purchasing alcohol at restaurants or bars, respondents in Australia prefer buying alcohol by using an app for same-day delivery (34%), going to the store (33%), and using an app for non-same-day delivery (29%). In New Zealand, consumers prefer using an app for non-same-day delivery (41%), followed by going to the store (38%), and using apps for same-day delivery (18%).



Australia

197%

YoY growth in alcohol pickup and delivery orders on DoorDash.

Australia New Zealand

Saturday

Most popular day to order alcohol for delivery on DoorDash.

New Zealand

515%

YoY growth in alcohol pickup and delivery orders on DoorDash.

New Zealand Australia

5 - 9 PM

Most popular delivery window for alcohol ordering on DoorDash.

# Alcohol delivery occasions

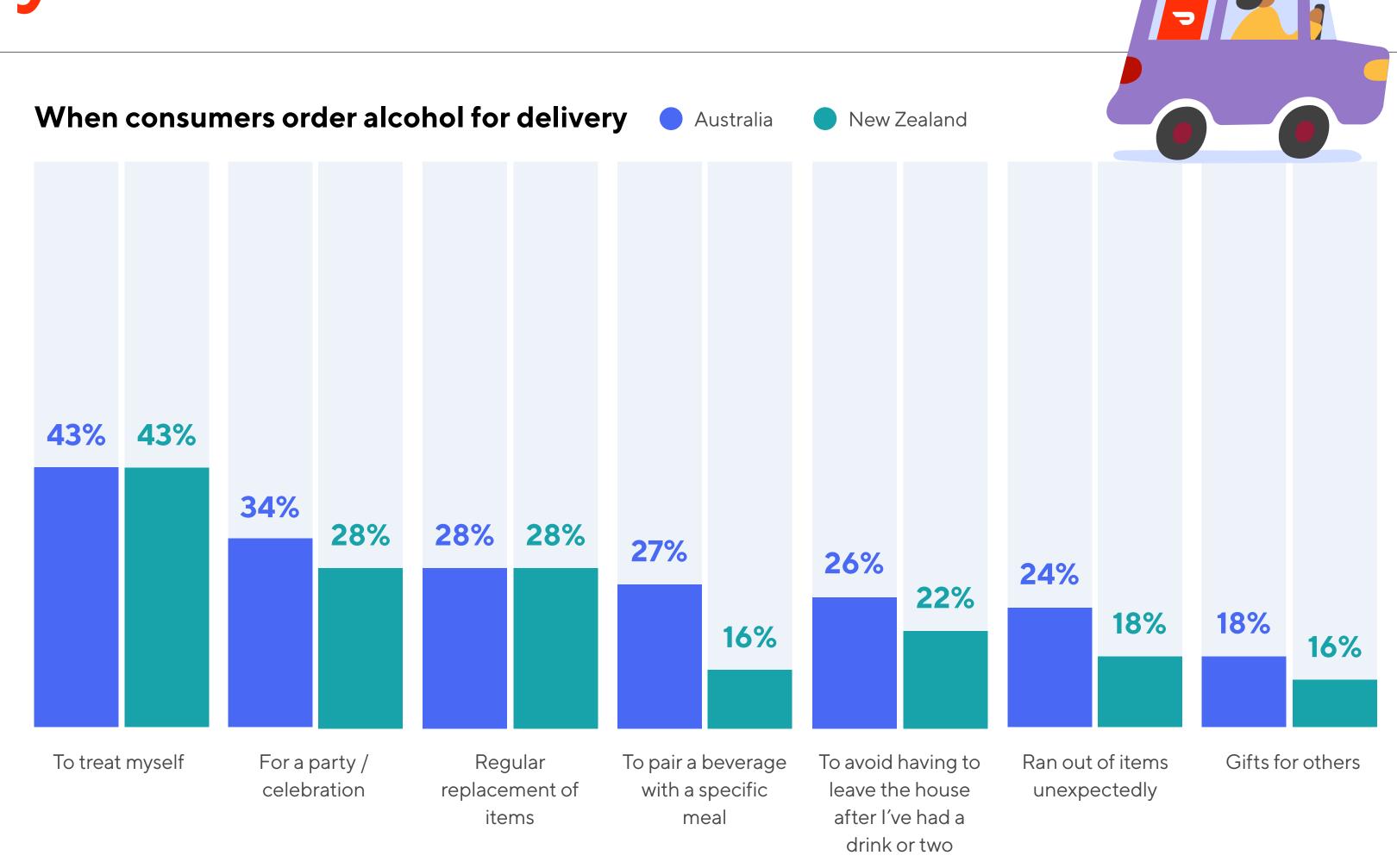
Across Australia and New Zealand, 43% of consumers cited the top reason for ordering online is to treat themselves. The second most popular reason (34% in Australia and 28% in New Zealand) to order alcohol for delivery is for parties and celebrations, followed by restocking items (28% in both countries).



# **Business takeaway**

Consider your hours of operation and product offerings in the context of your <u>audience</u> and <u>customer analytics</u>.

Experiment with promoting low and non-alcoholic drinks on the delivery menu and staying open later for delivery.



# Alcohol delivery & pickup preferences



With massive growth in both regions, the alcohol delivery trend is catching on. More than three-quarters of consumers say they're ordering about the same or more alcohol delivery and pickup as last year.

When ordering alcohol online for delivery, about half of consumers (58% in Australia, 50% in New Zealand) have used third-party apps in the past six months, and third-party apps are the preferred method of alcohol delivery for more than a third of consumers (34% in Australia, 39% in New Zealand) — significantly up from 25% in 2022.

Australia

New Zealand

Online delivery

82%

76%

of consumers report ordering alcohol for delivery the same or more than last year.

Pickup ordering

83%

**78%** 

of consumers report ordering alcohol for pickup the same or more than last year. Online delivery

**58%** 

50%

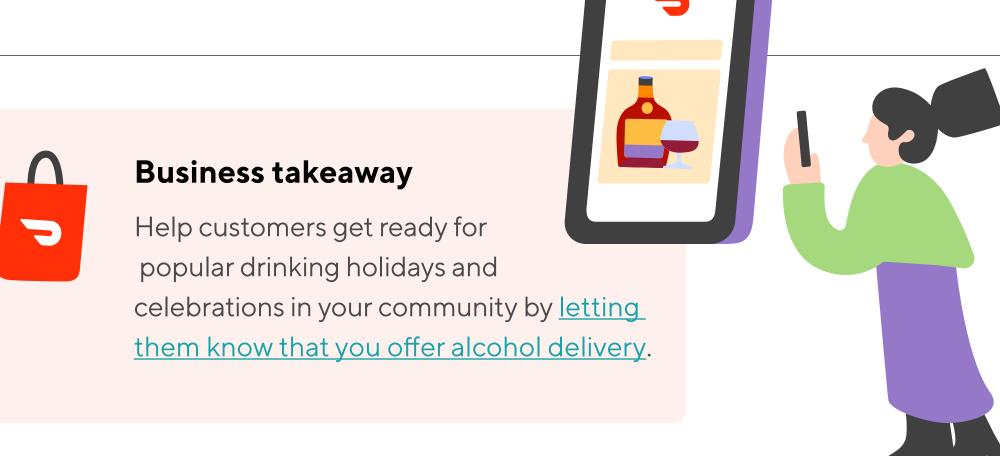
of consumers report ordering alcohol delivery via third-party apps in the past 6 months.



# Alcohol delivery motivations

Consumers are looking for ways to increase convenience in their lives. Respondents cited not having to leave the house (34% in Australia and 41% in New Zealand), time-savings (about 30% across both regions), and avoiding the hassle of transportation and parking (about 27% in both regions), as top reasons for using alcohol delivery services.

New Zealanders also noted convenience (30%) and the ease of comparing prices (28%) as priorities when choosing alcohol delivery. Around one in five shoppers in both regions cited the ease of not having to carry bulky alcoholic beverages home as their top reason for ordering delivery.





# Most popular types of alcohol

This year, consumers in Australia and New Zealand say they are purchasing wine and champagne, beer, and whiskey, and in New Zealand, vodka, gin, and rum are quite popular. The "hard seltzer" moment may be plateauing, bringing familiar beverages back to the forefront.

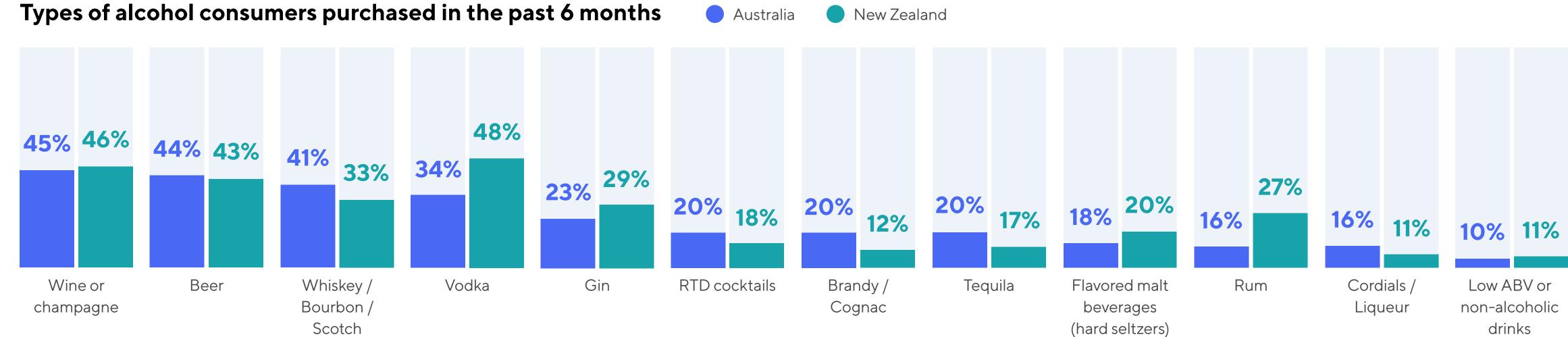
Notably, <u>low ABV and non-alcoholic drinks are also gaining interest</u>. One in ten consumers report ordering low-ABV or non-alcoholic beverages for delivery in the past six months.



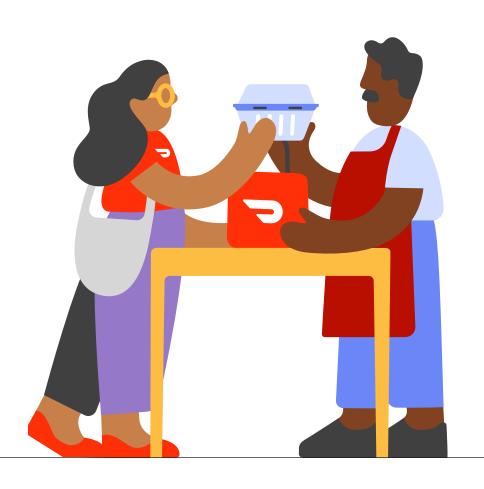
### **Business takeaway**

<u>Smart inventory management</u> can help improve profitability, and it's largely impacted by consumer trends. One month, hard seltzers might sell out, but the next, it's all about craft beers. Regularly analyse your stock and sales, and adjust orders from your suppliers.





# Tasty tidbits & takeaways from the data



Consumers today are looking for rich experiences, whether they're out and about or at home. They want to cut out stress wherever they can, and know that every dollar they spend will be worth it. For restaurants and alcohol retailers, going the extra step to get to know your customers and make it easy for them to find your store and buy from you will pay off. This generation of shoppers are loyal and tend to regularly place repeat orders.

To grow in the year ahead, prioritise your online presence, ramp up marketing efforts to appeal to consumers' needs, and infuse a hospitality mindset into everything you do.

# Explore our offerings

# Unlock more profits

Get started with the DoorDash Merchant Suite →

## Find new ways to grow

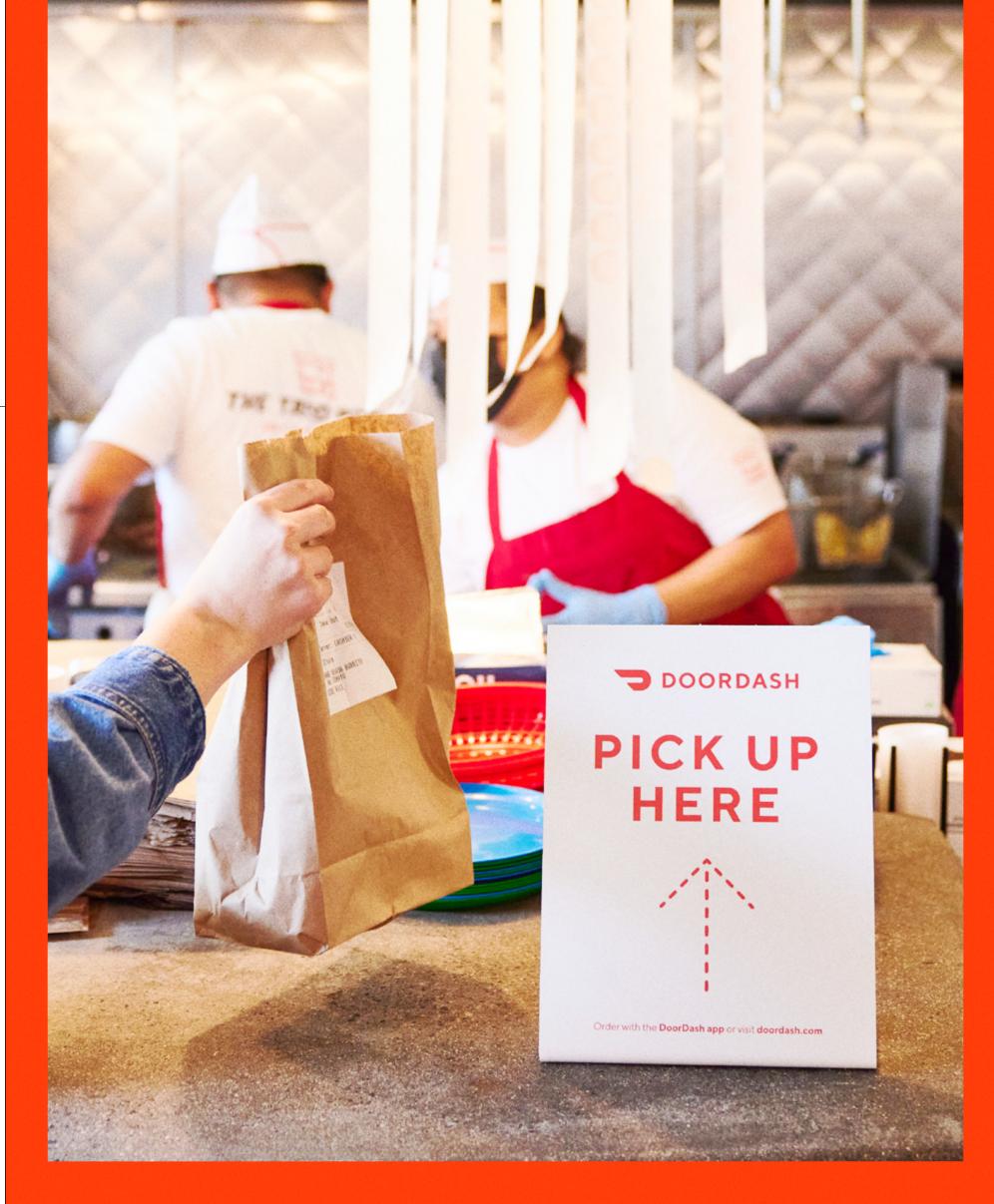
DoorDash Product Guide for Restaurants → DoorDash Product Guide for Alcohol Retailers →

### Connect with us











# Action plan to grow your business in 2024



# Third-party apps are consumers' favourite way to order delivery.

Over half of consumers report that their preferred method of ordering restaurant food delivery is via third-party apps or websites.



### Take action

Boost your visibility across third-party platforms like DoorDash and update your listings with keywords and high-quality photos.

### Consumers want value and discounts.

More than 50% of consumers' key consideration for new restaurants is menu pricing, and about 40% look for promotions and discounts.



### Take action

Offer specials based on your most popular items and market discounts to frequent customers.

# Consumers continue to order from restaurants they trust.

61% of Aussie consumers and 42% of New Zealanders reordered from the same store between Q4 2023 and Q1 2024 and about 40% place repeat orders at least weekly.



### Take action

Build up your relationship with existing or previous customers and share special marketing promotions for repeat guests.

# Ordering delivery food and alcohol is a special treat.

The #1 reason consumers order alcohol for delivery is to treat themselves and 47% try new delivery menu items as a treat.



### Take action

Curate bundles for occasions or meal pairings and send targeted offers to frequent shoppers that consider their routine.

# Consumers prioritize comfort when eating takeaway at home.

About half of consumers eat takeaway food on the couch and half use the takeaway container and utensils — not their own dishes.



### Take action

Invest in durable, eco-friendly containers and utensils and train staff to take care when packaging orders.

# Dinner parties and group meals are easier with delivery

More than 50% of consumers host or attend social meals at home the same or more than last year, and around 20% of hosts order delivery meals.



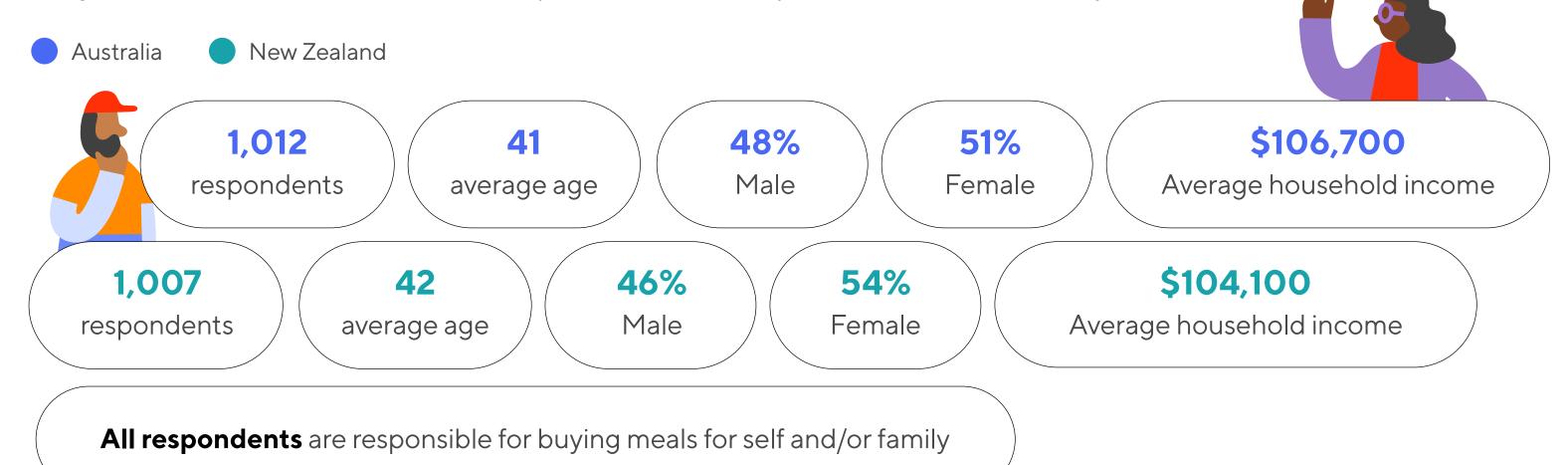
### Take action

Create packages for dinner parties, work meetings, or other celebrations that include everything the host will need.



# How we sourced the data for this report

This survey was conducted by Dynata on behalf of DoorDash from March 12-21, 2024. Our respondents spanned a variety of ages, careers, and income levels. Participants were not compensated or incentivised by DoorDash.



In addition to survey data, we analysed anonymised data from DoorDash and previous DoorDash reports to learn how food and alcohol ordering activities and preferences have changed over the past year, or compared to previous years.





### **About DoorDash**

DoorDash (NASDAQ: DASH) is a technology company that connects consumers with their favourite local businesses in more than 30 countries across the globe. Founded in 2013, DoorDash builds products and services to help businesses innovate, grow, and reach more customers. DoorDash is your door to more: the local commerce platform dedicated to enabling merchants to thrive in the convenience economy, giving consumers access to more of their communities, and providing work that empowers.