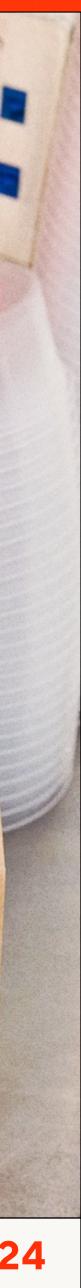
DOORDASH for Merchants

Restaurant & Acohol Online Ordering Trends

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

USEDITIC





The menu

FOREWORD

The evolution of hospitality

INTRODUCTION

Consumers are seeking rich experiences

KEY FINDINGS

How consumers are ordering food & drinks in 2024

CONSUMER HABITS & EXPECTATIONS 09

Online diners are putting their favorites on repeat



03

04

05



RESTAURANT ORDERING TRENDS 14

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

ALCOHOL ORDERING TRENDS 18

For hosting or personal treats, consumers use alcohol delivery

CONCLUSION

Tasty tidbits and takeaways from the data

METHODOLOGY

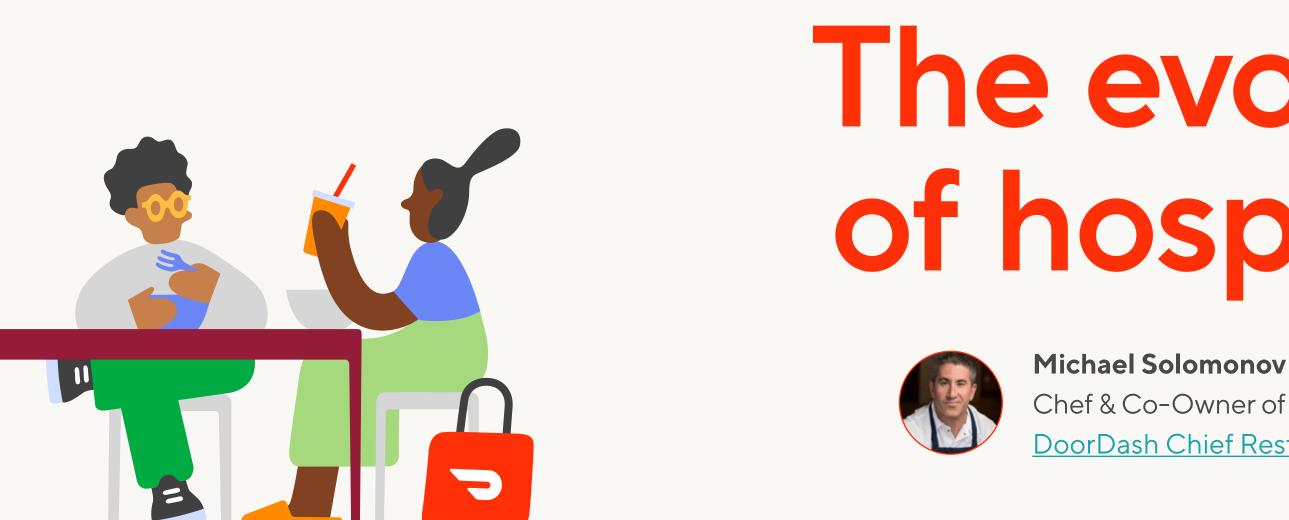
How we sourced the data for this report



25

28

FOREWORD

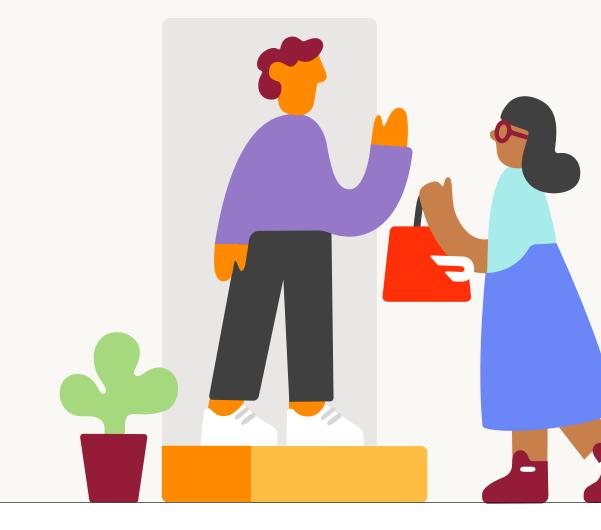


Like restaurants, consumers are also feeling the pinch of rising prices, but they're willing to The food and beverage scene is changing as fast as technology can evolve. And today, complacency is not an option. To deal with realities like <u>food and labor costs rising</u> more than spend on convenient, high-quality experiences. They want value and brands they can trust. 20% over the past five years, continued staffing challenges, and higher consumer expectations They're comfortable starting their dining search on their favorite online ordering app or social media channel. And as they browse, they're looking for transparency on menu selection and for digital options, operators need to double down on a culture of hospitality in order to thrive. 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.

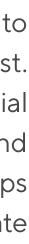
Hospitality requires us to personalize experiences at every turn. This can be the make-or-break for restaurants and local businesses. And when you marry a supportive employee culture with customers who feel like they're part of your community, you increase the chance that they'll keep coming back. At CookNSolo Restaurants, we prioritize doing good – and it's paid off. To grow in the current environment, we have to continuously evolve to meet today's consumer We invest in the digital tools and processes that make our restaurants enjoyable places to 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 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. takeaways gathered in this report will help you increase profitability, run your business more efficiently, and connect with more folks in your community.

The evolution of hospitality

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









INTRODUCTION

Consumers are seeking rich experiences

As the economy begins to turn a corner, consumers are beginning to get back to the experiences they love. More than a third of US consumers plan to <u>splurge on restaurants</u>, dining out, and bars this year, and many are prioritizing activities like travel and out-of-home entertainment. Experiential dining is booming, with <u>"eatertainment" venues seeing 25-30% more</u> foot traffic in 2023 than the previous year.

After a period of about two years where restaurants slowed down in tandem with consumer spending, the industry is rebuilding relationships with guests and rolling out loyalty programs, special promotions, and personalized marketing campaigns to reconnect. Consumers are also more interested than ever in personalized dining and ordering experiences, leading restaurants to invest in technology in all aspects of their business.

Along with a predicted rise in dining out and ordering takeout this year, we're seeing growth in back-to-office traffic. Almost 7 in 10 employees report having an office requirement in 2024, 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 1,522 consumers across the US in March 2024 and compiled exclusive insights from their behavior on DoorDash Marketplace.

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



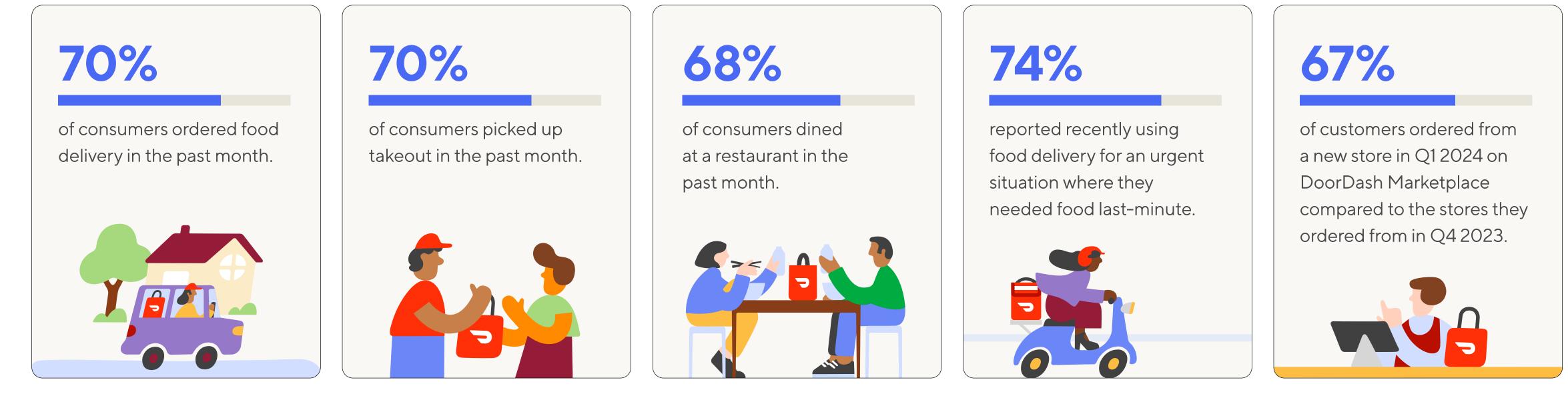




KEY FINDINGS

How consumers are ordering food & drinks in 2024

Overall consumer activities



68%

of consumers dined at a restaurant in the past month.



74%

reported recently using food delivery for an urgent situation where they needed food last-minute.



67%

of customers ordered from a new store in Q12024 on DoorDash Marketplace compared to the stores they ordered from in Q4 2023.





KEY FINDINGS

Restaurant and alcohol ordering habits



of consumers are using alcohol delivery more



49%

of consumers reported placing repeat orders at least once a week.

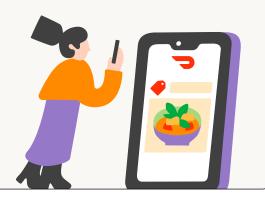


56%

of consumers choose restaurants they visit often when ordering food delivery or takeout.



of respondents prefer third-party apps for online

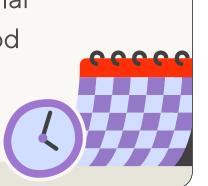


Friday & Saturday

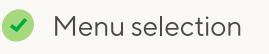
are the most popular days of the week to order food and alcohol, respectively.

6 PM

is the most popular time to order food and alcohol.



Top considerations when looking for new restaurants:



Menu pricing

Friends and family recommendations



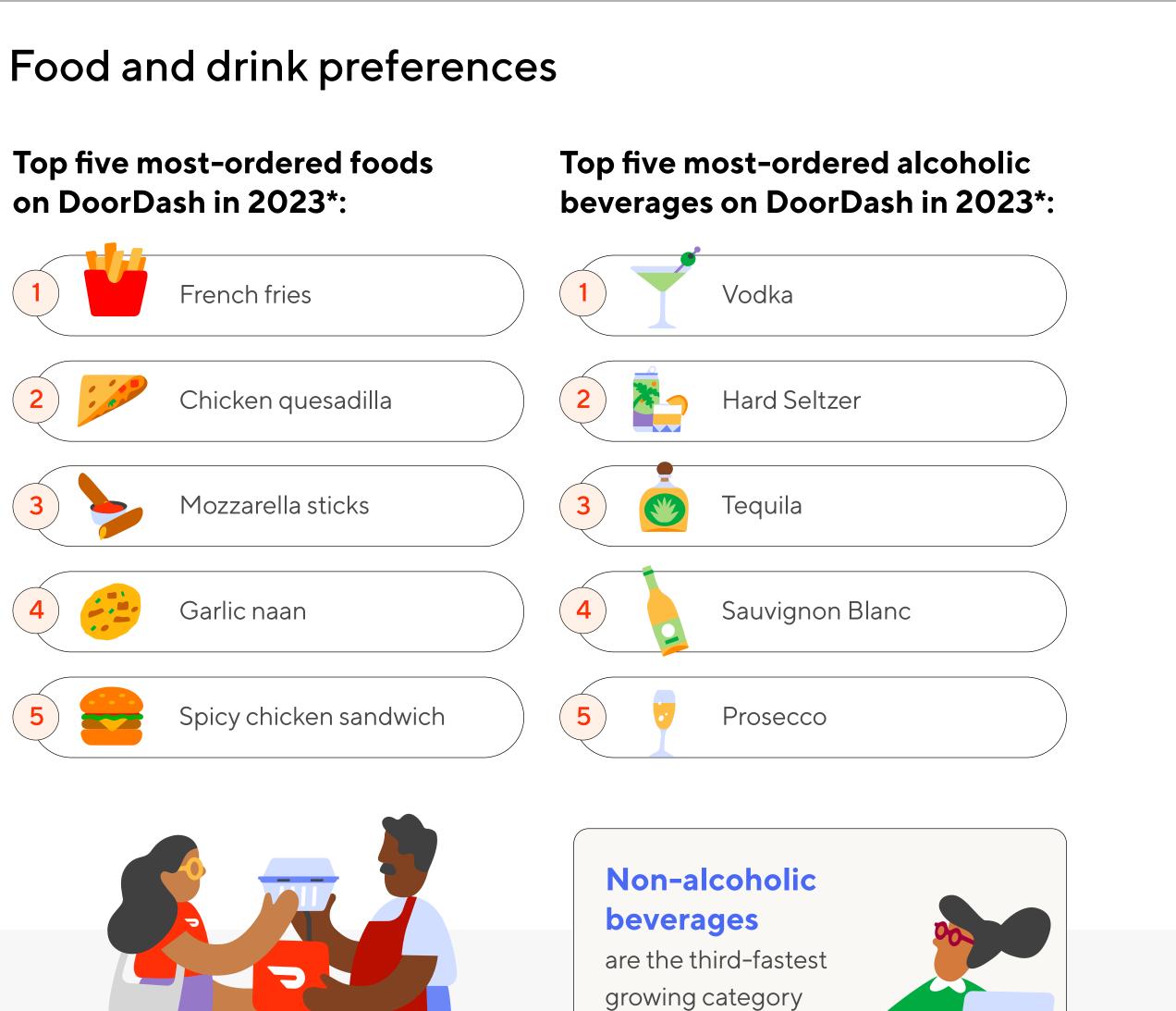


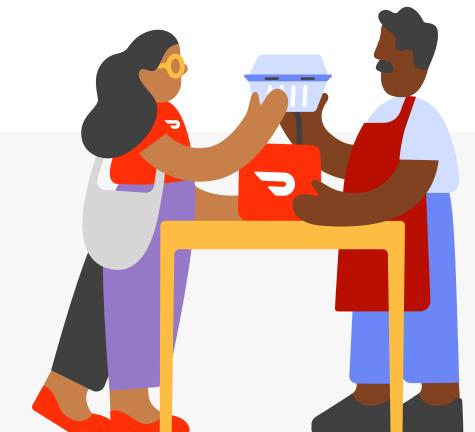
Restaurant takeout and delivery preferences

US consumers continue to opt for restaurant delivery and pickup, according to DoorDash data.

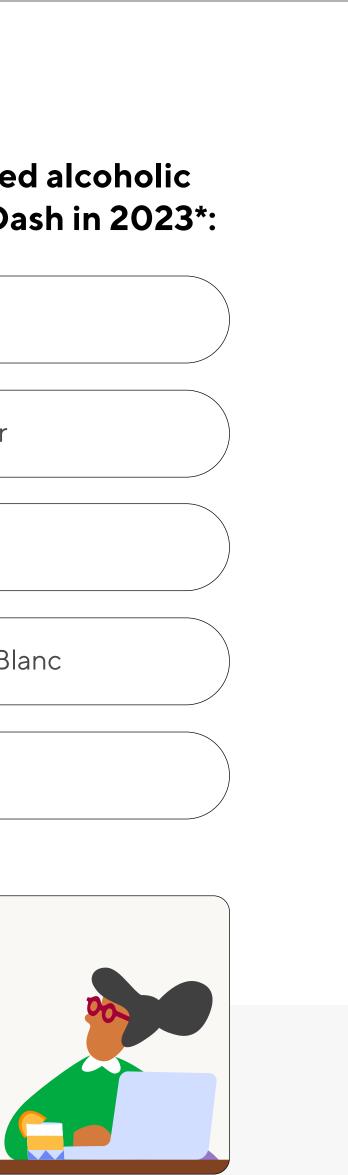


Must be 21+ to order alcohol. Drink responsibly. Alcohol delivery available only in select markets. *Source: DoorDash Dash From the Past: A Decade Delivered. Using DoorDash order data from January 1, 2023 to October 31, 2023. ⁺Source: Numerator, <u>What's in a Drink? The Non-Alcoholic Beverage Trend Continues</u>





within beverages.⁺



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 users 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.

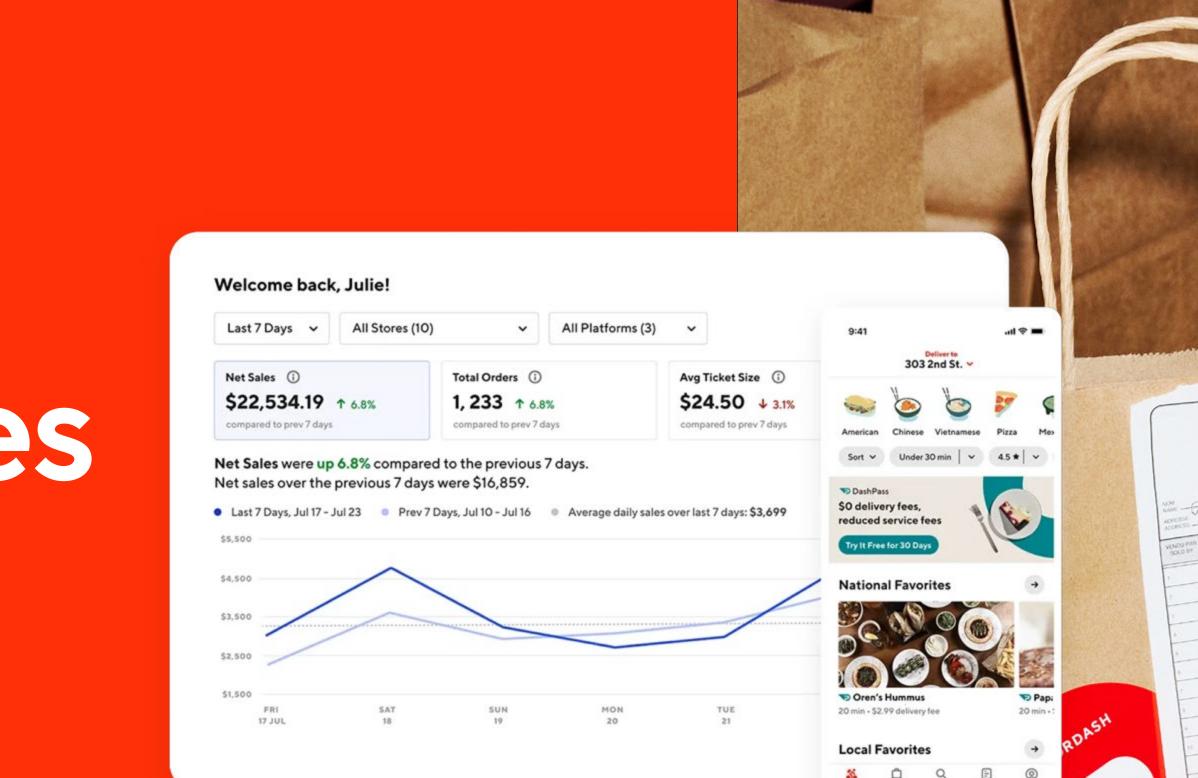


Merchants on DoorDash Plus or Premier get access to DashPass customers, who spend and order more.

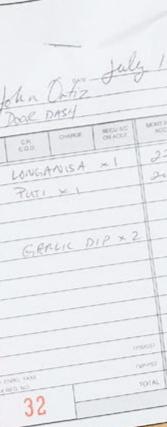


Use advanced analytics and growth features in the Merchant Portal to move your business forward.

Get started









CONSUMER HABITS & EXPECTATIONS

Online diners are putting their favorites on repeat

Over the past decade, much of the consumer dining experience has moved online. As DoorDash celebrated its 10th anniversary in 2023, we took a look at all the data we've gathered in that time, shedding light on what consumer preferences are consistent over time and what's emerged in recent years. We even found out the most-ordered food item on DoorDash of all time. (Got a guess? Read on to see if you're right...)

Our recent survey provided even more 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.

2024 Restaurant & Alcohol Online Ordering Trends - 9







US food and drink preferences

In our lookback of food and beverage data from the past ten years, some things have changed, while others have stayed the same. While we're not seeing any of the same top three food orders from 2013 (which were the chipotle chicken sandwich, pork potstickers, and tomato soup), strawberry cheesecake has held on as a popular dessert. Here's what consumers have been craving.



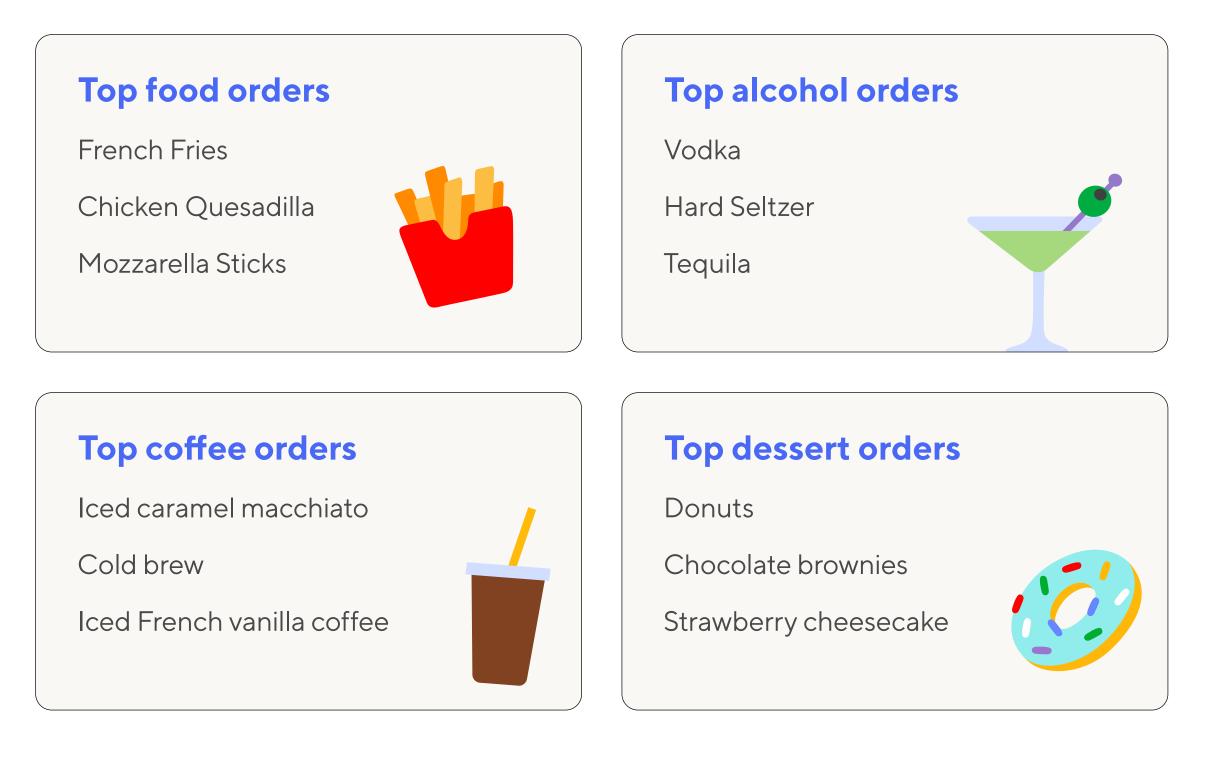
Top order of all time*



French fries

600M+ orders of french fries have been delivered by Dashers since 2013.

Top ordered food and drinks in 2023*





Business takeaway

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



Dining and brand discovery

Consumers are most concerned about menu selection, menu pricing, and recommendations from friends and family when choosing new restaurants. Consumers' reliance on food photos has increased 11% year over year, solidifying the importance of high-quality menu images.

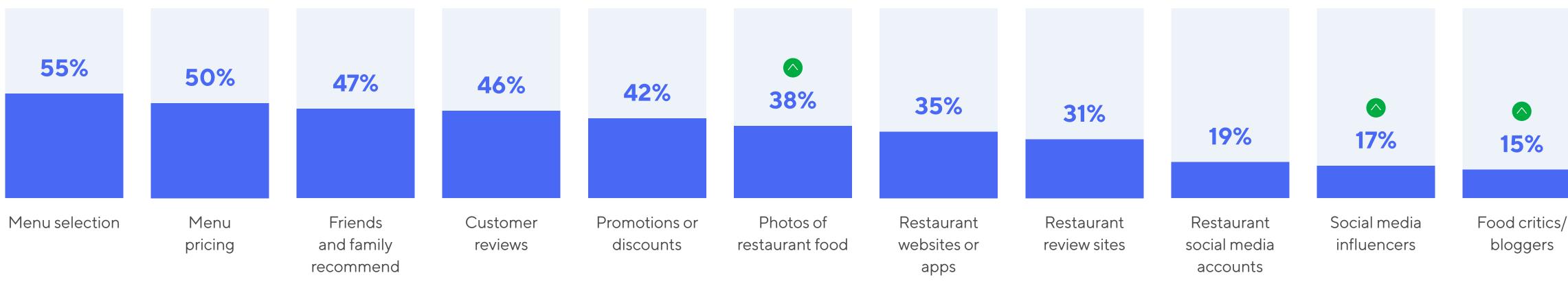
19% of consumers use restaurant social media channels and 17% turn to social media influencers when looking for new restaurants, up 21% year over year.

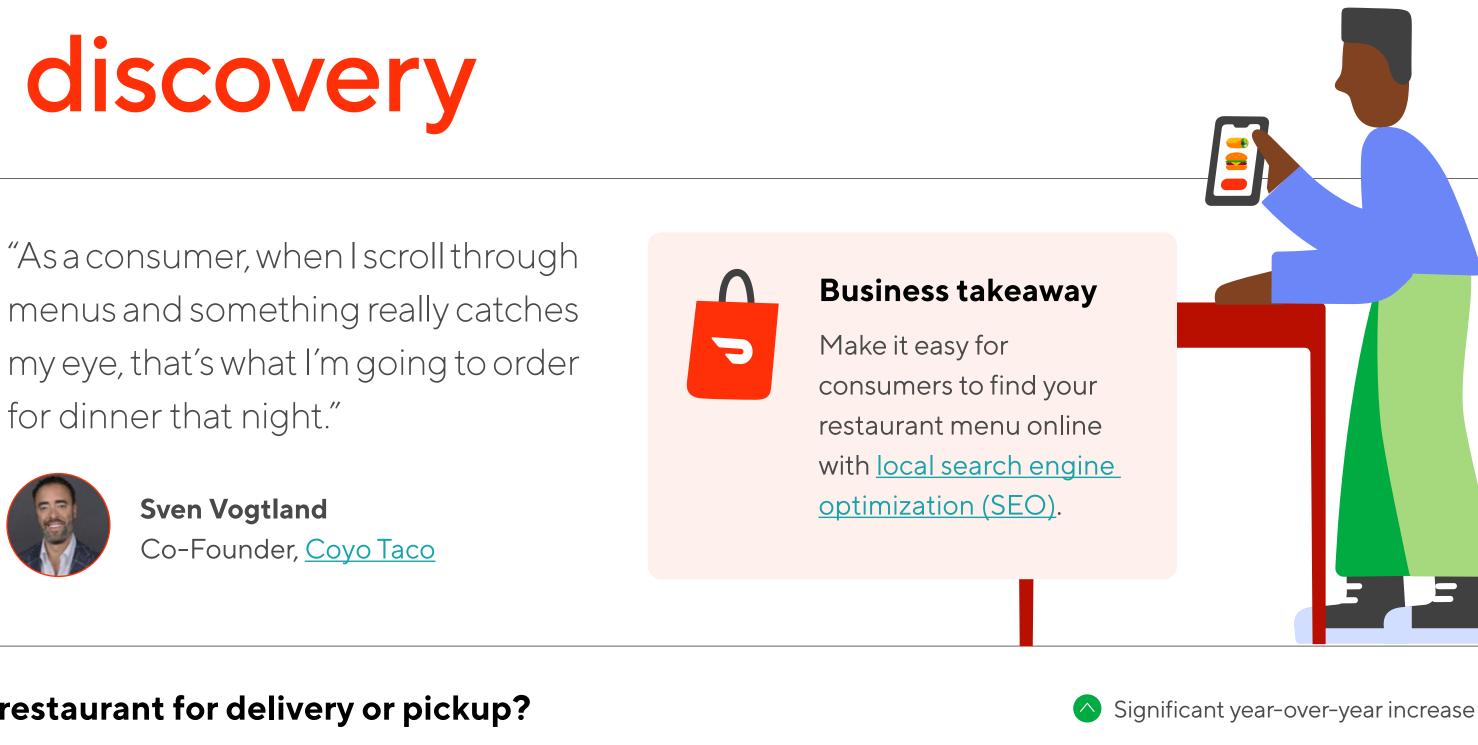
for dinner that night."



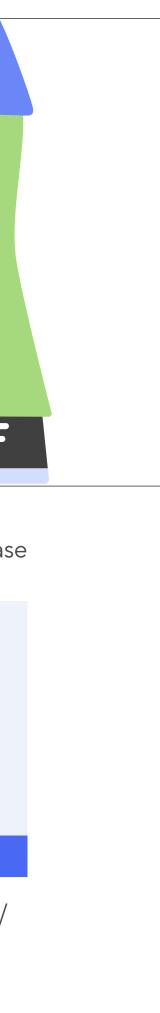
Sven Vogtland

Which of the following do you use to choose a new restaurant for delivery or pickup?





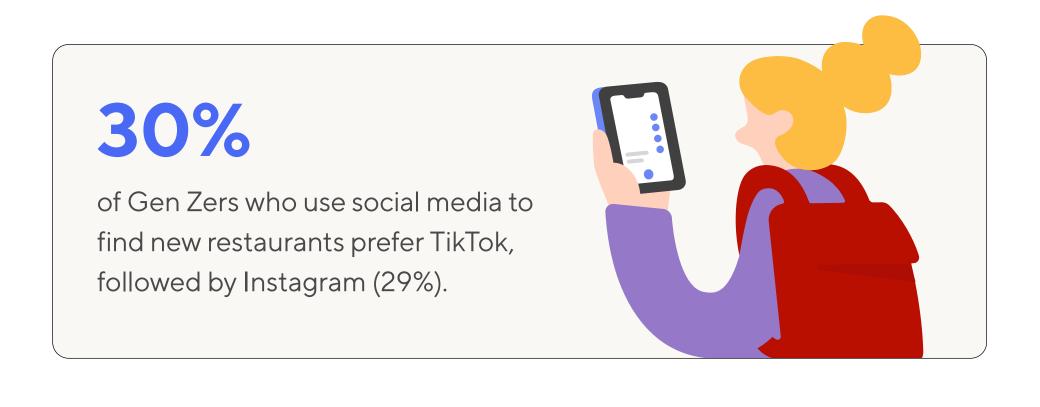




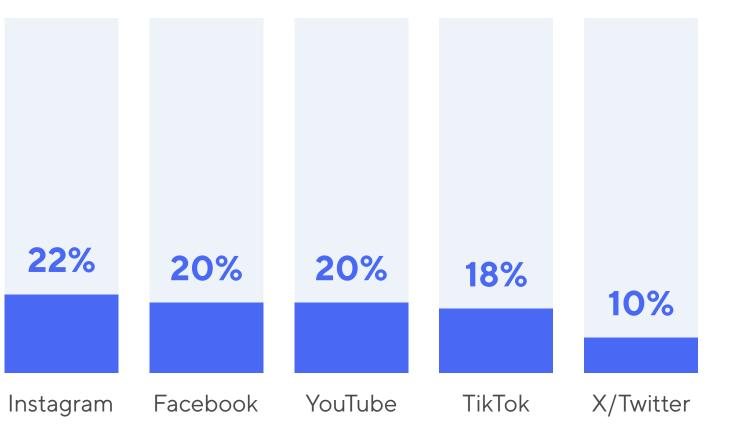
Social media as an awareness channel

Of those who use social media to find new restaurants, Instagram is the most popular social media platform overall. For Gen Z, TikTok is #1 – while for Millennials, Instagram is top, followed by YouTube.

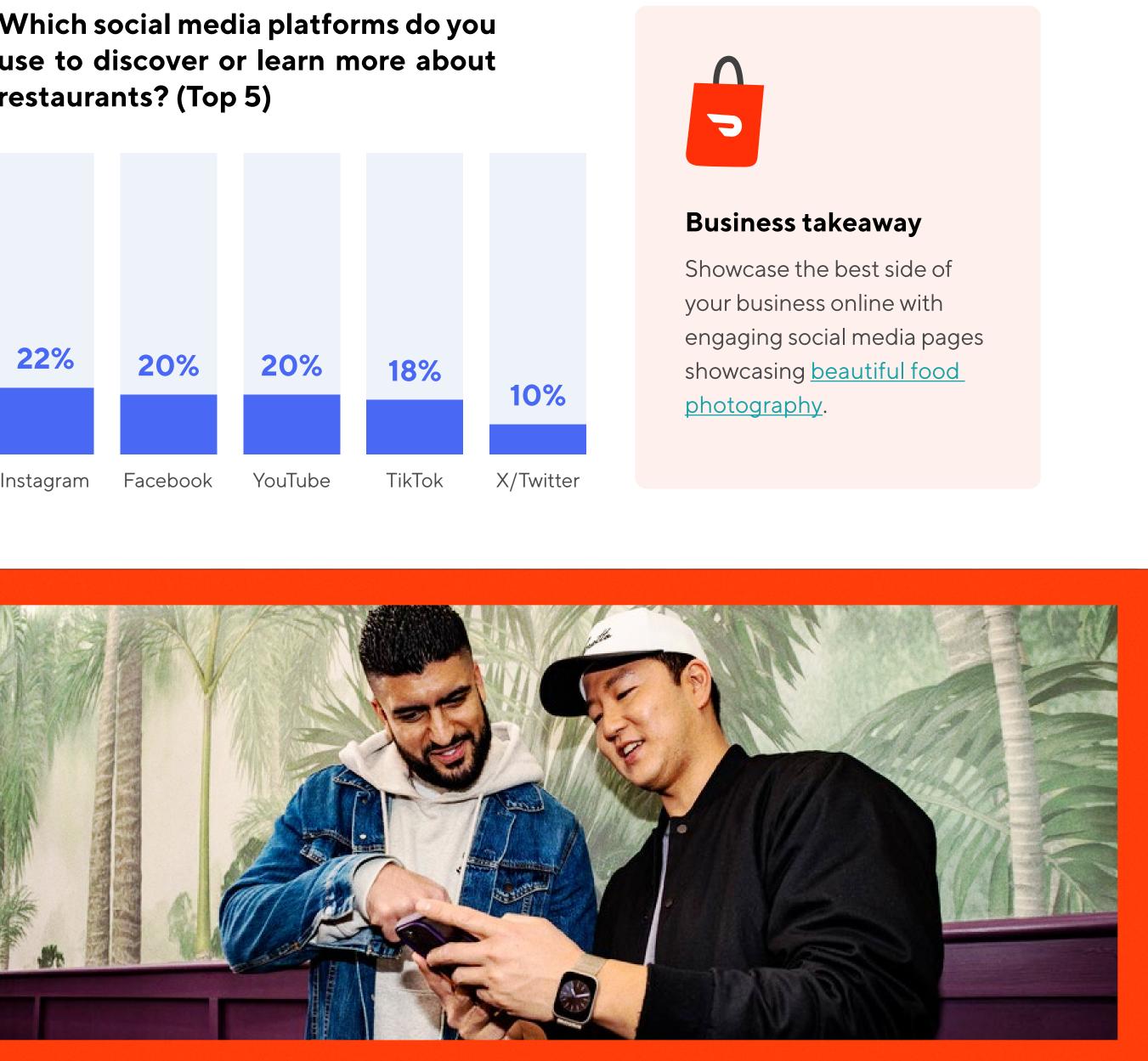
When looking at the gender breakdown of those who use social media to explore restaurant, women say their top platforms are TikTok and Instagram, compared to men's top choices of Instagram or YouTube.



Which social media platforms do you use to discover or learn more about restaurants? (Top 5)





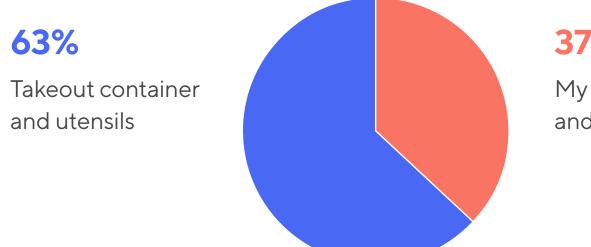


Dining routines

There's nothing like curling up in front of a new episode of your favorite show with your go-to meal. It's the ultimate cozy, convenient experience while working remotely, getting home after a long shift at work, or having friends over. And speaking of convenience – why do dishes when you can eat out of your takeout container? It's a win-win.

On the whole, consumers prefer using the original takeout container, but when looking at the generational differences, more than half of Baby Boomers use their own dishes and utensils. And 21% of Gen Zers most often eat delivery from the comfort of their... bed!

How do you eat delivery or takeout food at home?



37%

My own dishes and utensils

52%

On the couch

32% At the kitchen

or dining table

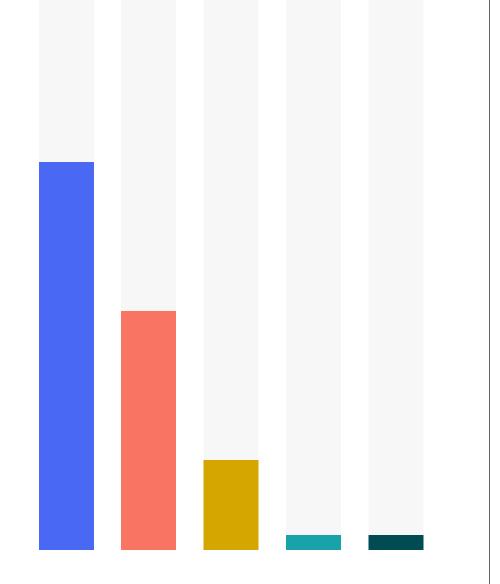
12% In bed

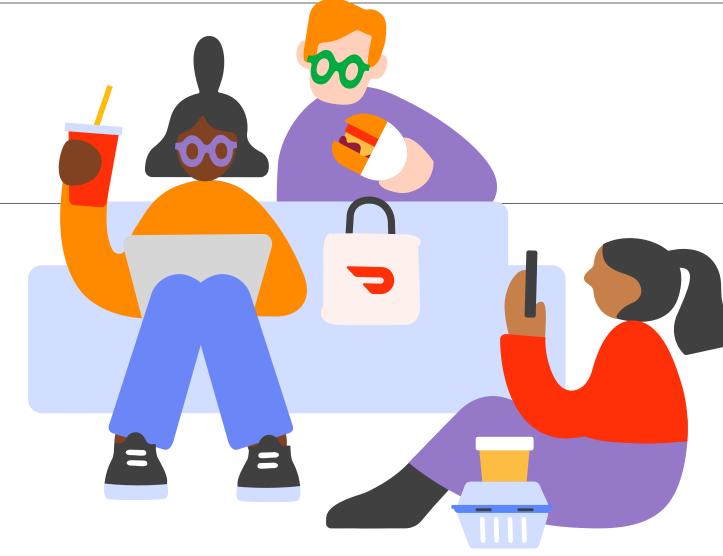
2% Standing

2% Outside

Where do you eat most often when you have takeout or delivery at home?

watching TV or listening to music





Э

Business takeaway

Younger consumers prefer sustainable businesses, and since most consumers report eating right from the takeout container, invest in high-quality, eco-friendly packaging to transport your meals.





RESTAURANT ORDERING TRENDS

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

People are creatures of habit - 56% of consumers choose restaurants they visit often when they order for delivery or takeout. And a new habit that's emerged in the past decade is the online ordering routine. For more than half of consumers (51%), third-party apps are their preferred way to browse for food and third-party platforms are the top channel for online ordering.

Third-party app users are more frequent orderers than their telephone-using counterparts – **four** in 10 consumers order via third-party app at least 5X per month compared to only two in 10 who order that often via phone call. On the onpremise side, nearly seven in 10 consumers report dining out at a restaurant in the past **month**, up more than 10% year over year.

"Without ordering platforms, we would virtually be ignoring a generation or two. If we turned off third-party, 35% of our business would immediately go away."

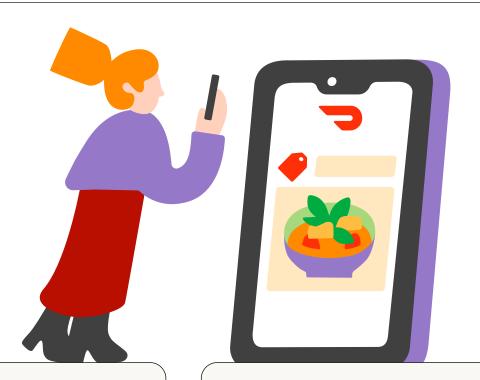


Jamie Schrotberger CEO, <u>Spread Bagelry</u>

On-premise

68% ◎

of consumers report dining at a restaurant in the past month. Compared to 61% in 2023



Online ordering

49% ◎

of consumers report placing repeat orders at least weekly. Compared to 43% in 2023 Restaurant selection

33%

of diners actively seek out local restaurants. Compared to 33% in 2023 Online ordering

86%

of diners order on third-party apps at least 2X per month. Compared to 85% in 2023

Significant year-over-year increase



Restaurant delivery & takeout preferences

Nearly three-quarters of consumers report using delivery for last-minute situations in the past month, and about four in 10 order delivery when hosting at home – both of which are steady year over year. Around seven in 10 consumers have recently ordered takeout or delivery from a restaurant, which is slightly lower than last year.

Last-minute delivery needs are more common among men – nearly 80% of men reported a recent urgent order, compared to 64% of women. Men are also almost twice as likely as women to have ordered last-minute food delivery daily or a few times a week. Looking by generation, it's more common for Millennials and Gen Zers to make last-minute orders than Gen Xers or Baby Boomers.

7

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.

Hosting

39%

of consumers order delivery when they host at home.

Online ordering

70%

of consumers report ordering delivery/takeout in the past month.







DoorDash restaurant ordering trends

Based on our data, ordering delivery and takeout tends to be a nice break from the hustle and bustle of everyday life. DoorDash users tend to order most often on Fridays, Saturdays, and Sundays after a long week of work. Orders spike around lunch and dinner, with 6 pm as the overall most common time, but late night and breakfast are rising in the ranks. Early morning (or late night) meals from 12 am - 5 am saw 44% growth year over year and breakfast orders from 5 - 11 am grew by 29%. This could be related to the <u>ongoing return to office</u> and changing routines of professionals.

People are also looking for something new -67% of DoorDash users ordered from a new store between Q4 2023 and Q1 2024, up from 48% at the same time last year.

7

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.



Marketplace.

FY 2023 vs. FY 2022

Marketplace.

FY 2023 vs. FY 2022

FY 2023 vs. FY 2022

Marketplace.



RESTAURANT SUCCESS STORY

How Spread Bagelry wins incremental sales with omnichannel customer experiences

Spread Bagelry brought Montreal-style bagels to Philly. Since partnering with DoorDash, they've scaled to a projected 70% year-over-year growth, and today they're considering franchising. "We build our restaurants in strong communities, and we like to be the cornerstone of those communities – providing a great alternative for a better fast-casual category, but also a friendly face," shared Jamie Schrotberger, CEO. By investing in their local neighborhoods, building relationships with their customers, and connecting with younger generations, they're growing like crazy. Another "X" factor for their growth? "People love bagels," adds Schrotberger.

"DoorDash provides our customers the ability to [choose] in-store or delivery, [and] allows us to hold on to that customer throughout their daily routine, no matter what it is."



Jamie Schrotberger CEO, Spread Bagelry

70% projected year-over-year revenue growth





Up to 55%

profit margins for DoorDash orders on busy days





ALCOHOL ORDERING TRENDS

For hosting or personal treats, consumers use alcohol delivery

Online ordering is convenient and a special treat for consumers. They turn to on-demand alcohol delivery when they want to treat themselves, or when they're hosting. When shopping for alcohol online, consumers order from a mix of liquor stores, grocery stores, convenience stores, and restaurants – and 40% report using on-demand alcohol delivery more than last year.

The most popular drinks that consumers report they order online for delivery have changed a bit from 2023 – last year, the top choices were flavored malt beverages (e.g., White Claw), hard ciders, whiskey, and ready-to-drink (RTD) cocktails. In 2024, consumers say their top beverages for online delivery are wine and champagne, beer, and RTD cocktails.

Almost a third (29%) of consumers report ordering low-ABV or non-alcoholic beverages. Younger generations are embracing "sober curious" lifestyles and gaining interest in "NoLo" (non and low-alcohol) drinks, both at home and when out at bars or events.

Most alcohol delivery orders are same-day or last-minute

Same day

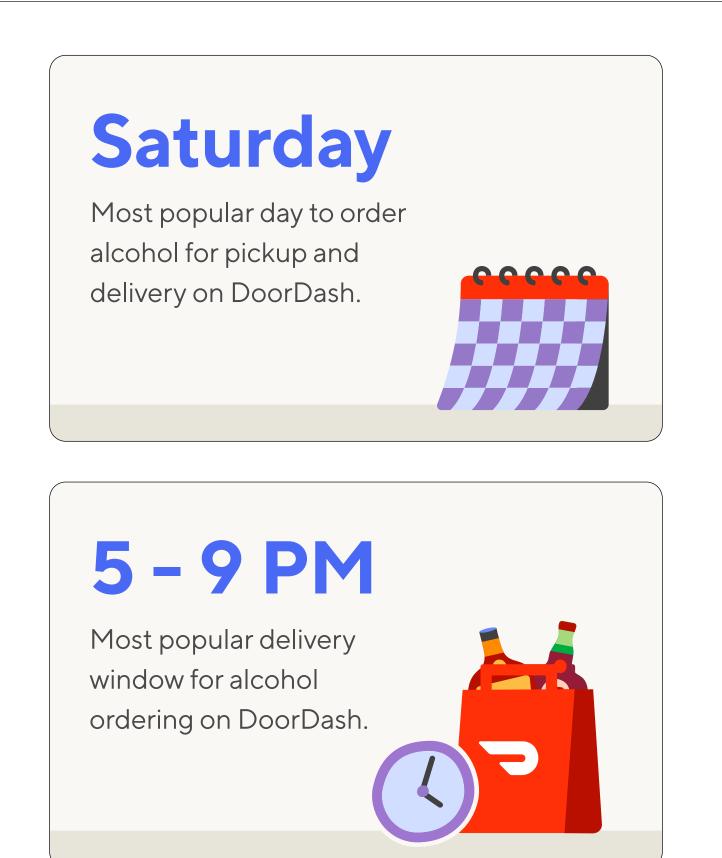
36%

Repeating order / subscription service

16% Last minute / urgent 15% One day in advance 13%



DoorDash alcohol ordering trends



*Source: DoorDash: Top 10 Most Popular Holidays for Alcohol Delivery

Top holidays for alcohol delivery on DoorDash*





Business takeaway

Strategically market <u>curated packages for</u> specific occasions that customers may be shopping for. How about a margarita bundle for Cinco de Mayo? Or a "Congrats!" bundle with prosecco and chocolates?





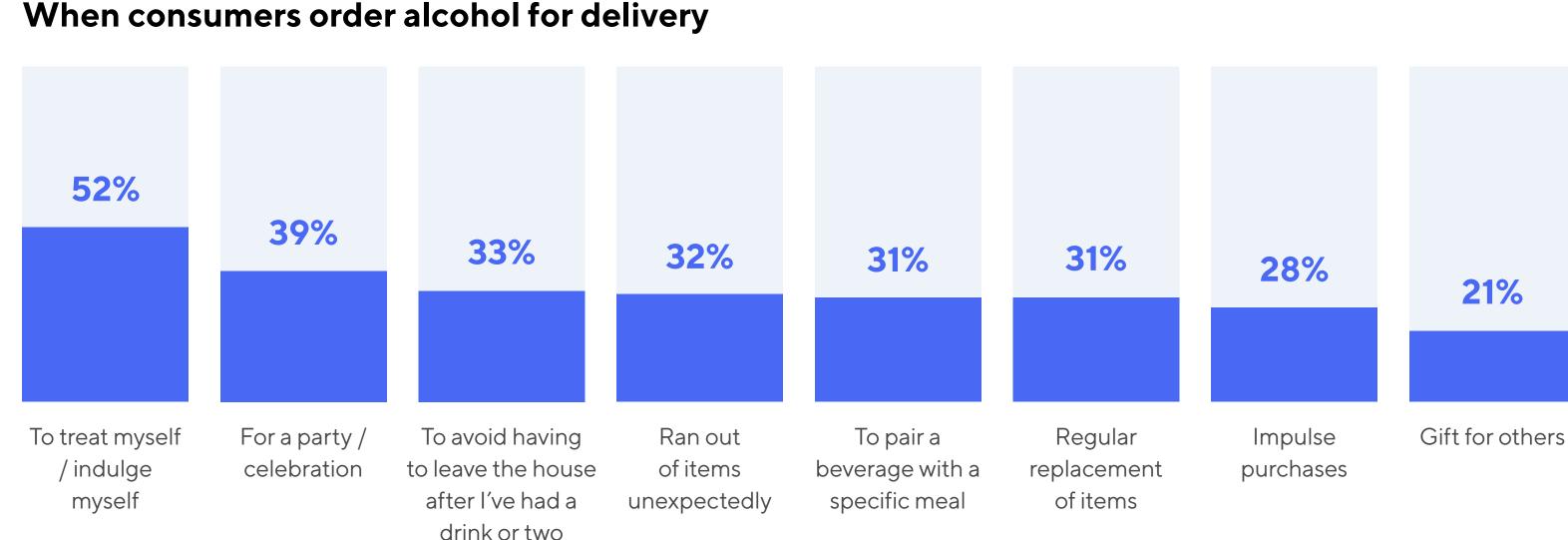


Alcohol delivery occasions

Year over year, consumers have cited that the top reason for ordering online is to treat themselves.

The second most popular reason to order alcohol for delivery (for the past two years) is for parties or celebrations. In <u>cities especially, fewer consumers</u> have cars, so delivery options help eliminate a major hassle for hosts. 22% of shoppers cited the ease of not having to carry alcoholic beverages home as their top reason for ordering delivery.

The market is seeing increased demand for prosecco*, in tandem with growth in wine ordering. This potentially indicates that consumers may be looking to use alcohol delivery for special occasions. Based on our survey data, 39% of consumers say they use alcohol delivery for parties and celebrations, and 21% for gifts. Additionally, our survey revealed that consumers are interested in the ability to customize their orders and messages for others.





Business takeaway

Consider your hours of operation and product offerings in the context of your <u>audience and customer analytics</u>. Experiment with promoting low and non-alcoholic drinks on the delivery menu and staying open later for delivery.

*Source: Numerator Insights 12ME 3/31/24 vs Prior Period







Alcohol delivery & pickup preferences

Delivery ordering

41%

of consumers report using alcohol delivery more than last year.

Pickup ordering

34%

of consumers report ordering alcohol for pickup more than last year.

Delivery ordering

58%

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

Convenience

39%

of consumers say the top reason they use alcohol delivery is being able to shop from the comfort of home.

"If I had to predict, I would say this is the way of the future. I think every liquor store should do alcohol delivery."



Tanisha Diggs Co-Owner, LA Liquors





ALCOHOL ORDERING TRENDS

Alcohol delivery motivations



Consumers are looking for ways to take stress and worry out of their lives. Convenience and time savings are driving factors for ordering alcohol online among all respondents, and safety is a persistent theme that's particularly top of mind for Gen Z and women.

Delivery helps consumers avoid going out after they've started drinking and more easily get bulky or heavy items like cases of wine and beer.



Business takeaway

Make safety a part of your business strategy. Place <u>clear</u> signage around your business that you offer delivery and get ready for celebrations in your community like Memorial Day, Fourth of July, and any local events.



Why do you choose to order alcohol via delivery rather than shopping in person?

It lets me shop from the comfort of my home

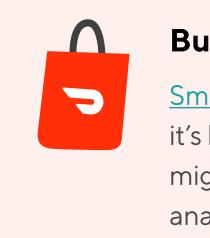
| 39% |
|--|
| It saves me time |
| 37% |
| I don't have to leave my house at an inconvenient time |
| 30% |
| It keeps me safe |
| 23% |
| I can use a delivery subscription service and save money |
| 23% |
| It makes it easier to buy items that are bulky or heavy |
| 22% |
| I can avoid bad weather |
| 20% |
| I can bundle multiple purchases from different stores in one order |
| 20% |
| I don't have to worry about parking or transportation to the store |
| 19% |
| It makes it easy to compare products / prices across stores |
| |

19%

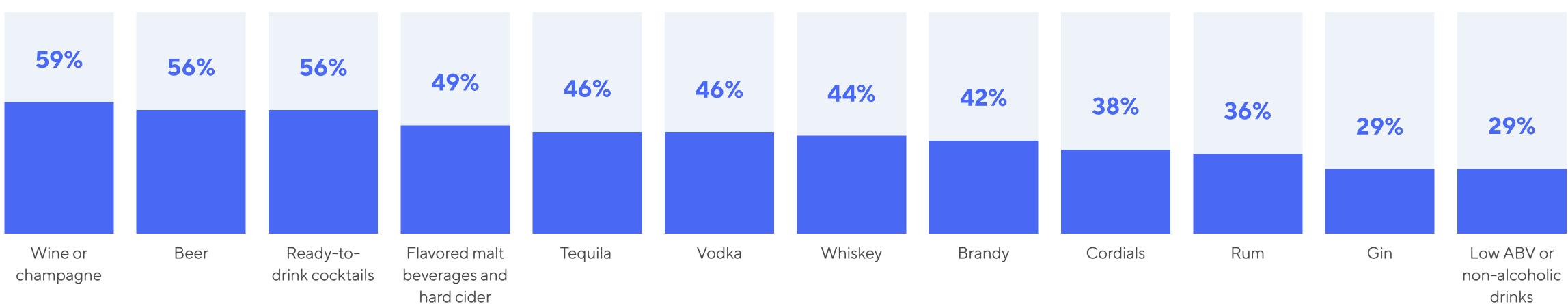


Most popular types of alcohol

Compared to last year, when the most-ordered type of drink for delivery was flavored malt beverages (e.g., White Claw) or hard ciders, this year, consumers say their favorites are wine and champagne. The super popular "hard seltzer" moment may be plateauing, bringing familiar favorites back to the forefront. Notably, low ABV and non-alcoholic drinks are gaining interest, especially among younger consumers, as the <u>third-fastest-</u> growing beverage category in the US.



Types of alcohol consumers ordered for delivery in the past 6 months



Business takeaway

Smart inventory management 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 analyze your stock and sales, and adjust orders from your suppliers.







How LA Liquors reached new customers and increased revenue with alcohol delivery

Tanisha Diggs and Michele Jacobs are co-owners of LA Liquors, the only women-owned liquor store in Washington, DC. After only one year in business, they're one of the top 15 stores in their area by volume, and have become a neighborhood staple. From 2022 to 2023, they nearly doubled their DoorDash sales and grew orders by 219%. They also generated over \$141,000 in sales through DoorDash marketing campaigns in a single year. "DoorDash has given us the ability to expand and have customers really experience us where we wouldn't have been able to before."



Tanisha Diggs Co-Owner, LA Liquors

\$15,000+

in average monthly DoorDash sales in the past 12 months.

Read the LA Liquors growth story \rightarrow

Nearly 2,000

new customers from DoorDash marketing in the past 12 months.

6.3X ROAS

on average for DoorDash Promotions campaigns in the past 12 months.





CONCLUSION

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, prioritize 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

Offer delivery and pickup on DoorDash \rightarrow

Find new ways to grow

DoorDash Product Guide for Restaurants \rightarrow DoorDash Product Guide for Alcohol Retailers \rightarrow

Connect with us







CONCLUSION

Action plan to grow your business in 2024

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

51% 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.

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 personalized offers to frequent shoppers that consider their routine.

Consumers want value and discounts.

50% of consumers' key consideration for new restaurants is menu pricing, and 42% look for promotions and discounts.



Take action

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

Consumers prioritize comfort when eating takeout at home.

More than half of consumers eat takeout food on the couch and 63% use the takeout 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.

Consumers continue to order from restaurants they trust.

73% of consumers reordered from the same store between Q4 2023 and Q1 2024 and 49% place repeat orders weekly.



Take action

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

Dinner parties and group meals are easier with delivery

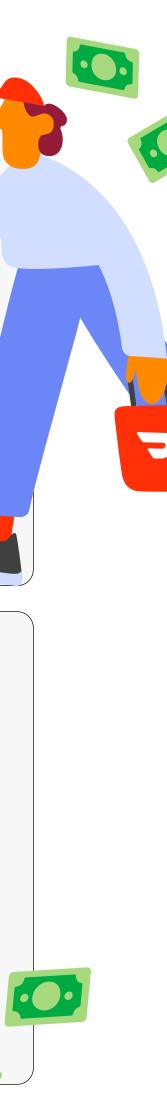
62% of consumers host or attend social meals at home the same or more than last year, and nearly 40% of hosts order delivery meals.



Take action

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

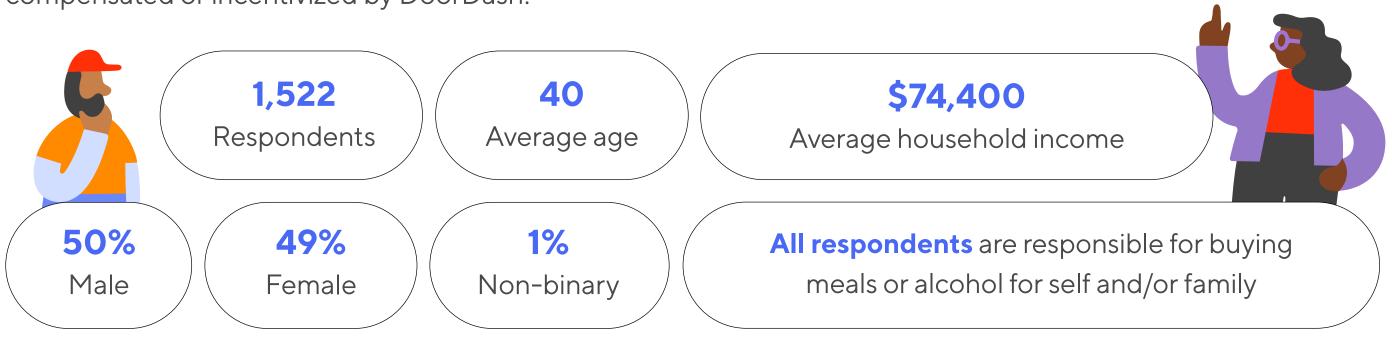




METHODOLOGY

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 incentivized by DoorDash.



In addition to survey data, we analyzed anonymized data from DoorDash and <u>previous DoorDash reports</u> including <u>DoorDash Dash From the Past: A Decade Delivered</u> to learn how food and alcohol ordering activities and preferences have changed over the past year, or compared to previous years.

Report created in collaboration with CXD Studio. www.cxd.studio | hello@cxd.studio





About DoorDash

DoorDash (NASDAQ: DASH) is a technology company that connects consumers with their favorite 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.

DOORDASH for Merchants