

GROSS ADDITIONS STUDY – UK FOOD DELIVERY APPS

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INSIGHTS



STUDY BACKGROUND



Market Resilience & Growth:

The UK food delivery market, dominated by Uber Eats, Just Eat, and Deliveroo, has shown remarkable growth, with **projected revenue** expected to reach **£38.05bn** in **2024**.

Outlook:

With an **anticipated CAGR of 8.49% from 2024 to 2028**, the market volume is forecasted to increase to £52.78bn (US\$66.78bn) by 2028, reflecting the sector's robust potential and consumer demand for convenience.

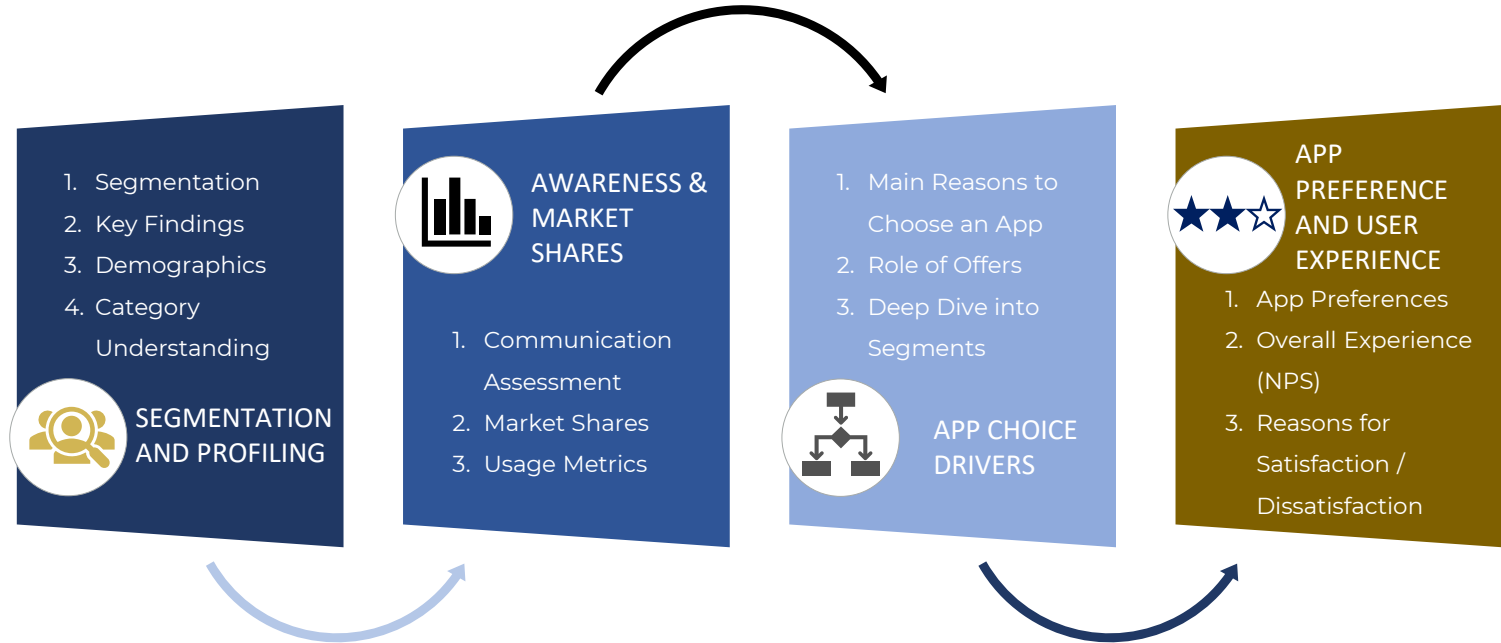
Research Need:

The evolving consumer landscape, particularly the surge of new app users, underscores the critical need to understand their preferences, usage, and satisfaction, providing actionable insights for service adaptation and strategic planning.

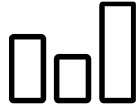
Strategic Insights:

This study aims to delve into the **decision-making of the new adopters, focusing on usage patterns, communication strength and experiences**, with the goal of guiding food delivery companies in enhancing competitiveness and meeting the dynamic needs of the UK's dining culture.

RESEARCH OBJECTIVES



RESEARCH DESIGN



- Quantitative Online Interviews
- Length of interview – maximum 10 mins
- Conducted from Feb 19th to Mar 7th, 2024

Survey Methodology



- Customers of food delivery apps in the UK who have installed and used the app in the last 3 months, both males and females

Target group



- Total Sample achieved: 408
- Across 7 regions
Midland, Northwest, Northeast, Southwest, Southeast, Greater London and Scotland/Wales/Northern Ireland

Sample coverage

KEY FINDINGS



KEY FINDINGS

Existing Consumers who have previously used food delivery apps in the UK and have installed a new app in the past three months

Fresh Consumers who have installed any food delivery app in the UK for the first time in the past three months

41%

Fresh segment constitutes a big proportion of UK Food Delivery Apps Market. With a CAGR of 8.49% in the next four years, it's a big opportunity for companies to gain substantial market share by targeting this group

77%

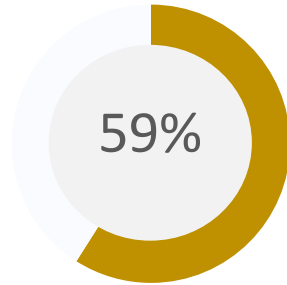
Approximate number of new joiners who are only using a single app. **Fresh** segment is mainly driven by **55+ years age group**

59%

Proportion of existing users, driven by **Lapsers (28%), Multi-App users (21%)** and **Dormant users (10%)**

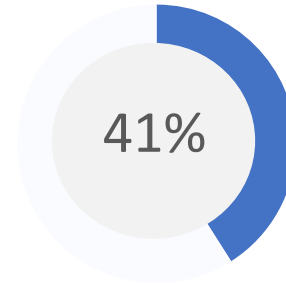
BROAD SEGMENTS IN THE GROSS ADDS (GA) MARKET

There are broadly two main segments among the UK Food Delivery Apps GA Market



Existing

Consumers who have previously used food delivery apps in the UK and have installed a new app in the past three months

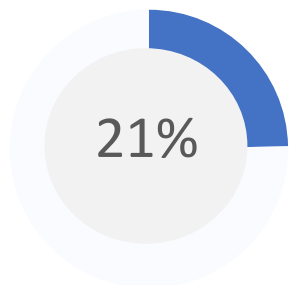


Fresh

Consumers who have installed any food delivery app in the UK for the first time in the past three months

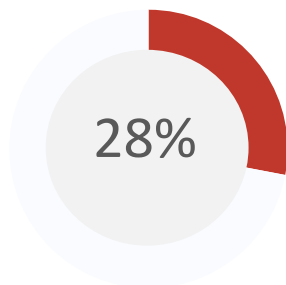
FURTHER DISTILLING EXISTING SEGMENT I.E., 59%

We have identified three key consumer segments among the **existing** users



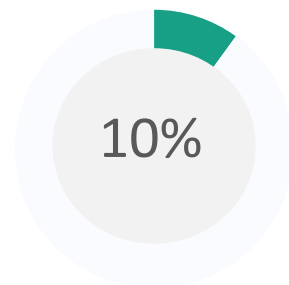
Multi-App Users

Consumers who would have installed single or multiple apps in the last 3 months but are currently using multiple apps



Lapsers

Consumers who have stopped using one food delivery app and have churned to a new app; currently using only a single app



Dormant Users

Consumers who have started using a food delivery app after a pause of more than a month

KEY FINDINGS

44% Social media is the primary source of awareness, followed by Word of Mouth and Television



Social media is driven by Multi-App users (60%) while Word of Mouth is a top source among Fresh users (44%)

61% **Uber Eats** dominates social media with regular, engaging Instagram posts that achieve the highest brand engagement. **Content themes** include **memes, restaurant promotions (e.g., £10 off offer on first order)** and **collaborations**



41% **Deliveroo** leads in Word of Mouth, possibly because of its offers and discounts for new joiners which they communicate frequently. Deliveroo users recall the **£10 off offer on first order**

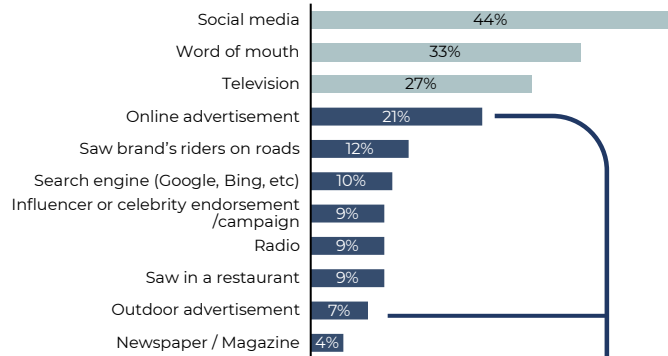


31% **Just Eat** leads in television, and **regularly promotes its famous ad 'Did somebody say Just Eat?'** featuring famous singers. Additionally, it is also a **major sponsor of UEFA Champions League this season**, with the final to be held in London

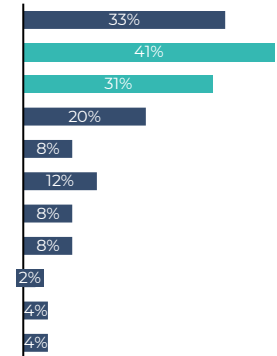
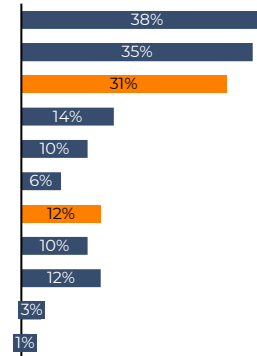
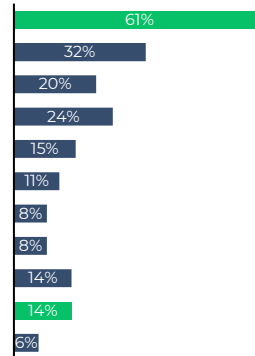


SOURCE OF AWARENESS: Social media emerges as the top source of awareness, followed by word of mouth and television. Uber Eats leads in social media and outdoor advertisements, Just Eat in television and celebrity campaign and Deliveroo in word of mouth

Overall



Uber Eats



among those who chose advertisements:

Uber Eats – more than 50% respondents were strongly influenced by promotional ads like 5% / 10% / 30% discount. Other advertisements recalled are awareness advertisements on television and billboards

Just Eat – majority of the users recall the awareness advertisement 'Did Somebody Say Just Eat' featuring different popular singers like Christina Aguilera and Latto

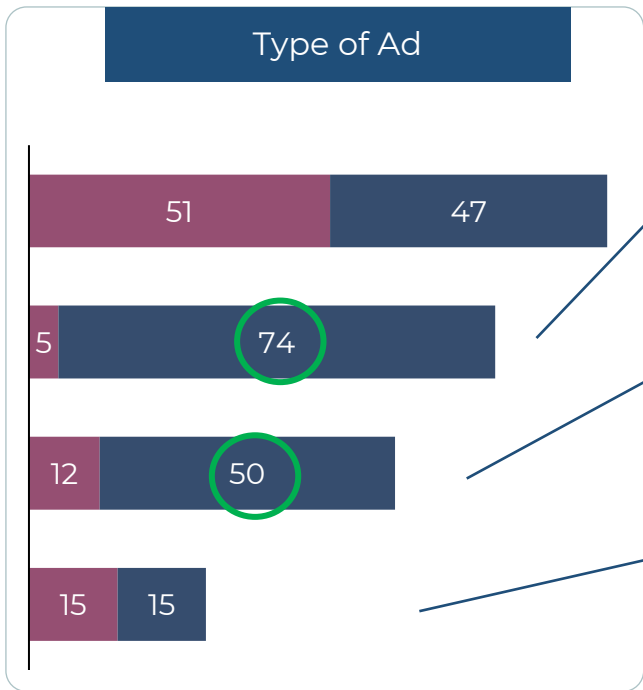
A, your FREE \$30 off expires soon!



AD THEMES:

Uber Eats mostly posts engaging content like memes and new restaurants which is a similar strategy as Deliveroo. Just Eat has a balanced proportion of promotional and awareness posts

■ Awareness
■ Promotion



Dec'23, Jan'24 and Feb'24 – Absolute Numbers

Higher focus on engagement posts. The **general theme** of social media posts revolve around posting **memes**, asking **engaging questions**, **introducing new restaurants** on the platform and **collaborations**

Posts more promotional content than Uber Eats, though the majority are focused on awareness and engagement. **General theme** of awareness posts mainly includes **promoting different restaurants and grocery store (ASDA)**

Balanced proportion of promotional and awareness posts. Promotional posts include up to **50% discount on groceries from Sainsburys, offers on ASDA and Coop and Friday offers**. Among awareness posts, **general themes** include **charity ads** and **restaurant promotions**



ubereats.uk 🌱 Unleash the power of plants this Veganuary at Farmacy, a 100% organic and the biodynamic farm to table concept! Experience incredible dishes crafted to absolute perfection. Bursting with colour and flavour, these dishes truly show the power of nature in dining. Welcome to Veganuary on Uber Eats!



deliveroo 🌱 Flipping the script with a bowl full of green goodness! 🥬

Brussels Sprouts from @ASDA for dinner? Because why not!

Embrace the unexpected - Anything Goes at Christmas! 🎄

#ASDA #Deliveroo #AnythingGoes #Filter



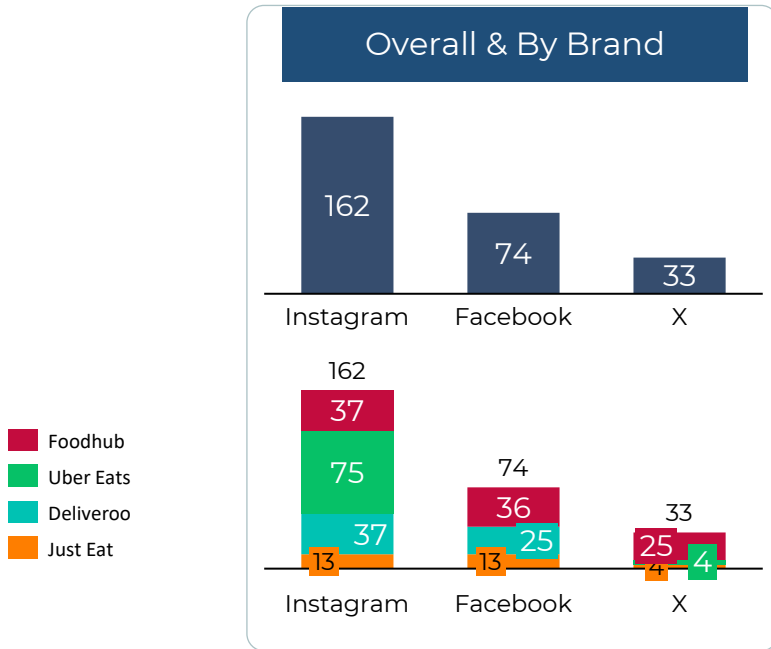
justeatuk 🍪 Make Terry's Chocolate Orange Brownies for a fraction of the price. Delish! 🍪🍪

These are the only festive brownies you will ever need! 🍪 @olibrandon

Get up to 50% off your grocery festive favourites including Terry's Chocolate Orange from @Sainsburys when you order from Just Eat! ❤️

MOST USED CHANNELS:

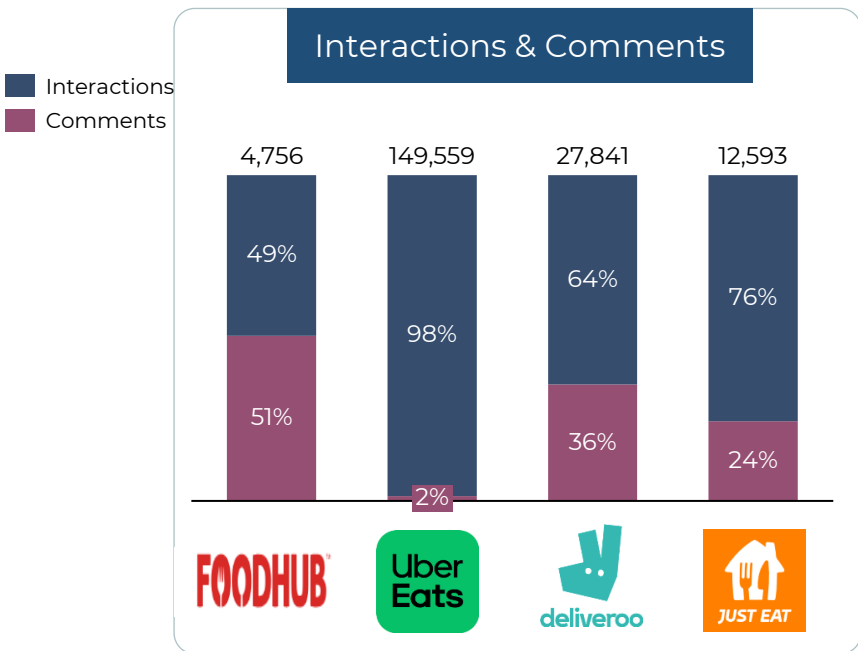
Instagram leads as the most used channel by brands, mainly driven by Uber Eats, highlighting the growing importance of the platform generating high engagement and viewership



Dec'23, Jan'24 and Feb'24 – Absolute Numbers

- **Instagram is the primary social media channel for communication** in the food delivery app industry, followed by Facebook and X
- **Uber Eats leads in Instagram channel** with the greatest number of posts (75), followed by Deliveroo and FoodHub (37 each)
- The choice of channels suggests a focus on platforms with high user engagement and visual content sharing capabilities. **Instagram is used more for reels** which are a popular choice among brands
- Unlike other brands, **Just Eat has a balanced proportion of posts for Facebook and Instagram**

INTERACTION AND COMMENT ANALYSIS: Uber Eats leads significantly in the interactions due to its engaging content and high reach



Dec'23, Jan'24 and Feb'24 – Absolute Numbers on top of the chart

- **Uber Eats leads significantly in overall interactions**, indicating a remarkable reach to a wide audience
- **Deliveroo is at the second spot**, with a relatively higher percentage of comments as compared to Uber Eats and Just Eat
- **Just Eat has the lowest interaction among the top three brands**, possibly because it has fewer social media posts
- **FoodHub** despite having the greatest number of posts, has the **lowest interaction**, potentially signaling low usership and reach
- Deliveroo's awareness posts had lower engagement (212.48 likes/hearts/interactions and 21.48 comments) compared to promotional posts (604.17 likes/hearts/interactions and 741.08 comments).

KEY FINDINGS



Just Eats leads in most installs in the last 12 months, but **Uber Eats slightly edges ahead in latest installed apps** **Deliveroo stands at third place**



Among segments, **Uber Eats leads in Multi-App users** and **Lapsers** and **Just Eat in Fresh** and **Dormant Users**. Interestingly, **Just Eat is also the most lapsed* app**

Brand Choice Drivers



Delivery time	38%
Availability in the area	30%
Less delivery / service fee	25%
Favorite restaurants	24%
Promotions/Offers	23%

Uber Eats

Dominates in 'favorite restaurants' (30%), 'word of mouth' (18%) and 'social media communications' (14%). Other drivers include customer reviews and better user experience



Leads in 'delivery time' (45%). Strong in 'good customer service' (23%) and 'favorite grocery stores' (17%). Other reasons include availability, less delivery fee and advertisements



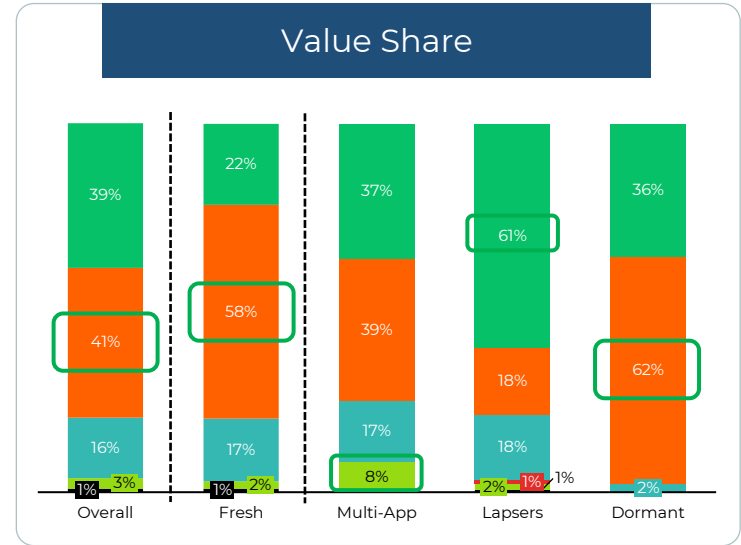
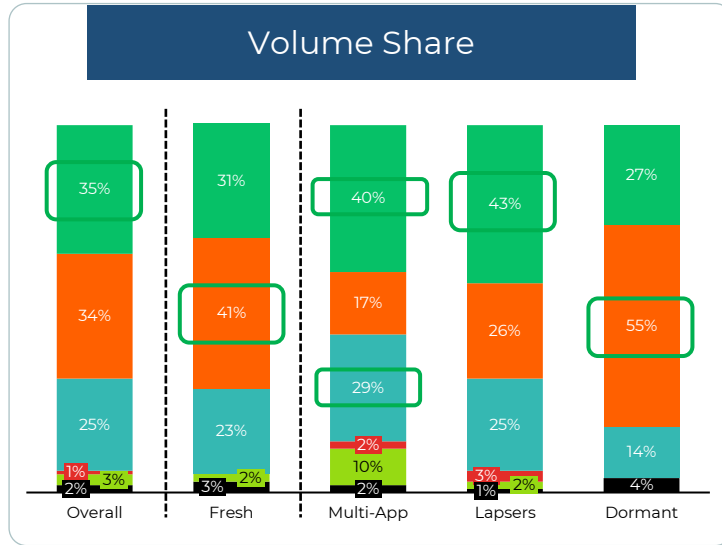
Strongest in 'availability in the area' (41%) and 'promotions/offers' (27%). Other factors include less delivery fee and word of mouth



*Lapsed app means the app which respondents stopped using

MARKET SHARE:

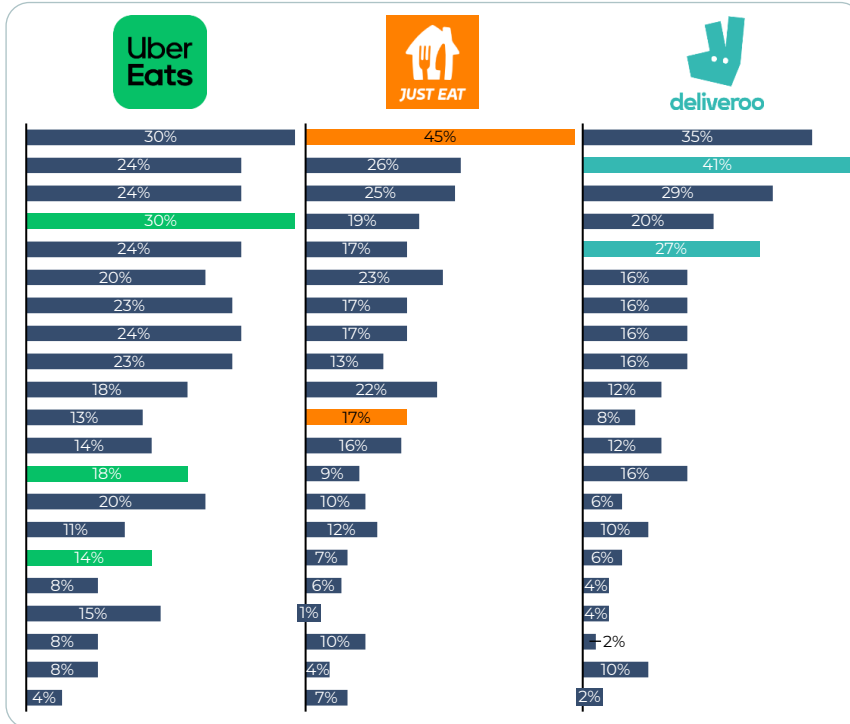
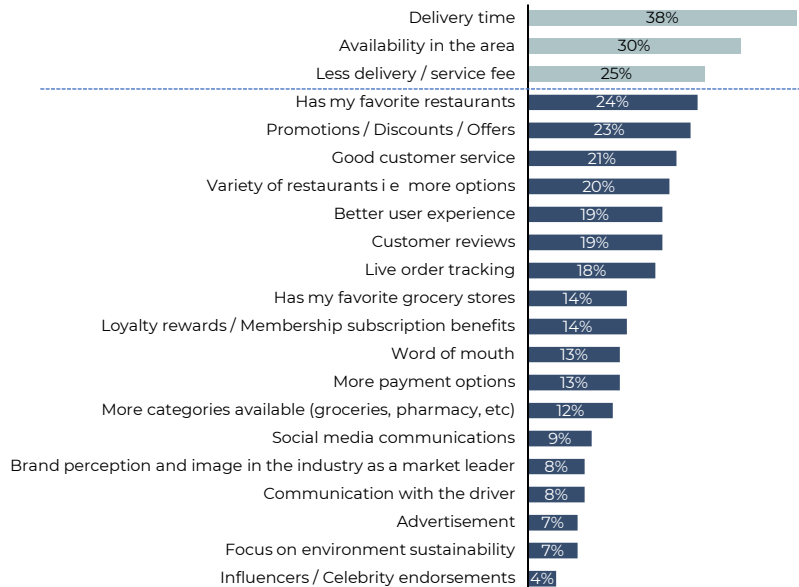
Uber Eats slightly edges ahead of Just Eat in terms of market share leader with Deliveroo at third spot. Uber Eats is driven by Multi-App users and Lapsers whereas Just Eat is higher among new joiners and Dormant users. In Value share, Just Eat leads, mainly driven by new joiners



Among the new joiners, Just Eat leads the market significantly; 10% higher market share than second placed Uber Eats. However, among existing segments excluding dormant, the share drops sharply

BRAND CHOICE DRIVERS – Overall: The key reasons to install or use the app are delivery time, availability in the area and less delivery fee. Uber Eats is strong in favorite restaurants and word of mouth, Just Eat in delivery time, while Deliveroo in availability and promotions/offers

Key Reasons of Installing/Using the App



KEY FINDINGS

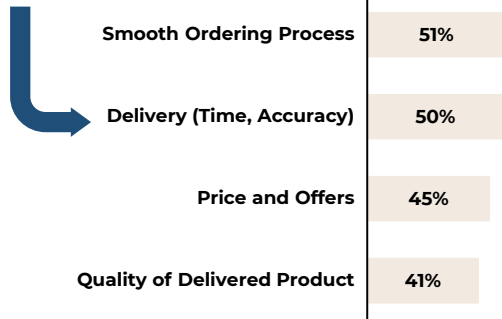


Uber Eats leads in overall satisfaction, followed by Just Eat. Meanwhile, Deliveroo stands at third place



Among dissatisfaction factors, Just Eat is highest in 'quality of products delivered' and Uber Eats in 'customer support'

Reasons for Satisfaction



Uber Eats

Dominates in 'overall delivery satisfaction', 'quality of product delivered' and 'billing and payment'

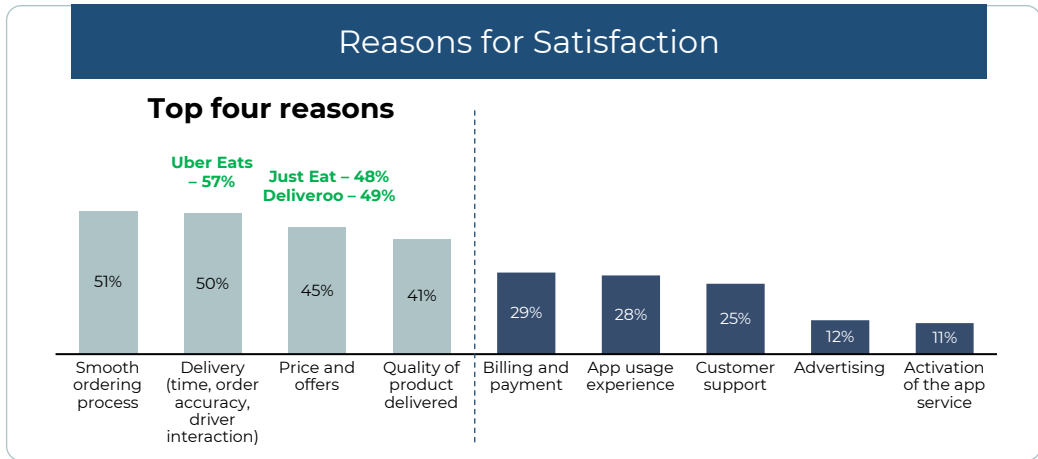
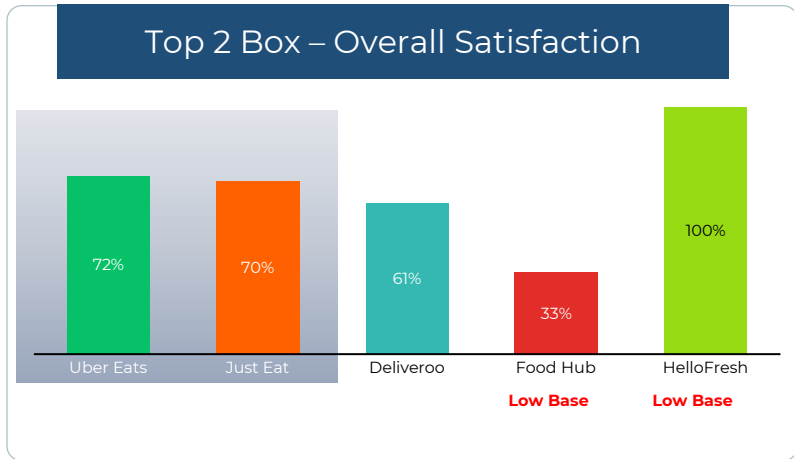


Strong in 'price and offers', 'app usage experience' and 'customer support'



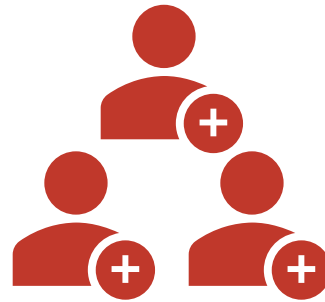
Higher in 'price and offers'

SATISFACTION: Uber Eats and Just Eat lead in the overall satisfaction with the users of both apps giving a 70% score. Deliveroo lags with only 61% satisfaction. The top reasons of satisfaction include smooth ordering process, delivery, price and offers and quality of product delivered



KEY FINDINGS

MEMBERSHIP SUBSCRIPTION



The top reason to get the membership is **free delivery (36%)**

**HIGHER AMONG
LAPSEERS FOR
BOTH BRAND
USERS**

The top reason to subscribe for Deliveroo Plus is to get **both 'free delivery' and 'exclusive discounts/offers' (52%)**

RECOMMENDATIONS

Maximize Promotional Impact:

Emphasize **introductory offers and discounts** prominently across all platforms, utilizing the proven effectiveness of such strategies as seen with **Uber Eats' and Deliveroo's word-of-mouth success**

Leverage Instagram for Engagement:

Despite having fewer followers, Uber Eats achieves high engagement, likely benefiting from boosted posts. All brands should consider **strategic boosting of key content on Instagram** to maximize visibility and user interaction

Enhance Customer Satisfaction:

Address key factors such as delivery quality and delivery issues to further improve user satisfaction. **Prioritize 'delivery time'** along with **competitive pricing and availability**

Leverage Analytics for Targeted Marketing:

Use data analytics to understand and cater to specific user preferences, such as **focusing on the 55+ age group within the Fresh segment** with tailored offers or features

THANK YOU