

Food Delivery Takes Off Thanks to QSRs Eager for a Slice of the Mobile Market

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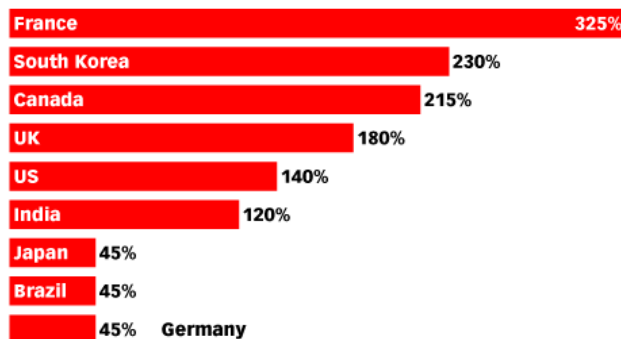
Caroline Cakebread

Takeout is so 2016.

Hungry consumers around the world ordered meals on mobile 130% more in 2018 than in 2016, and global downloads of the top five delivery apps grew 115% during the same period, according to research from App Annie.

Growth of App Sessions for Android Food & Drink Apps in Select Countries, 2018

% change vs. 2016



*Note: includes restaurant apps and food delivery apps; represents Android activity on InMobi's network, broader industry metrics may vary
Source: App Annie, "The State of Mobile 2019: Restaurants & Food Delivery," Jan 30, 2019*

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The NPD Group had similar conclusions and predicted that restaurant digital orders will triple in volume by the end of 2020, with mobile leading the way.

Mobile is quickly becoming a hot commerce channel. For 2019, we forecast that 82.6% of the US population will be mobile phone users, and 229.5 million people will use smartphone apps.

The uptick is driven in part by quick service restaurants (QSRs) eager to get in on the action. McDonald's launched "McDelivery" in partnership with UberEats in 2017 and celebrated hitting 5,000 US locations in 2018 with "Global McDelivery Day."

Not to be outdone, Burger King recently announced that delivery is available in 3,000 of its 7,000 US restaurants. The chain saw its app hit the No. 1 spot for daily downloads of food and drink apps in the US last December after a promotion for 1-cent Whoppers.

Panera, Starbucks, Moe's and Chipotle have followed suit. Panera CEO Blaine Hurst told Business Insider that those who don't hop on board could be left behind. "If I decide I want to try delivery, and they don't have delivery as an option, I'm going to try another restaurant," Hurst said.

The mobile opportunity isn't risk-free. Many of the major chains offering delivery through partnerships with DoorDash, Postmates and other third parties could lose control of the brand experience. For example, cold, soggy fries have plagued McDelivery since its launch, and Dominos, aware of its delivery woes, offers a pizza tracker to combat late orders.