



An Update on Delivery, Ghost Kitchens, Virtual Restaurants and the
Future of Restaurants

1. Better packaging is the key to improving delivery experiences



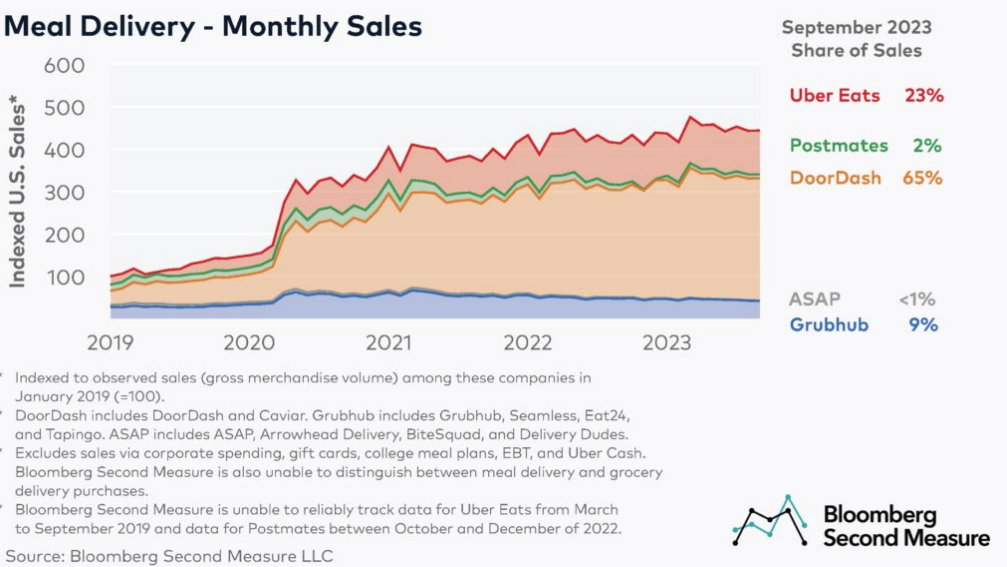
2. The Current State of Delivery: Impacted by Inflation

FINANCING

Restaurant sales showed some surprising strength last month

Restaurant and bar sales are up 9.2% over the past year despite a host of challenges, as consumer spending shows little sign of slowing down.

By **Jonathan Maze** on Oct. 17, 2023



I bought meals from Chipotle, Chick-fil-A, and McDonald's in-store and online. I was shocked by menu markups as high as 38% for the delivered food.

Nancy Luna Sep 9, 2023, 6:45 AM CDT

Your order will be ready at

Curbside Table Service Counter Drive Thru

When you get there
Pull up to the speaker and share your code.

Order summary

Subtotal \$10.19

Sales tax \$0.79

Total \$10.98

Quarter Pounder® with Cheese Meal

840 - 1080 Cal.

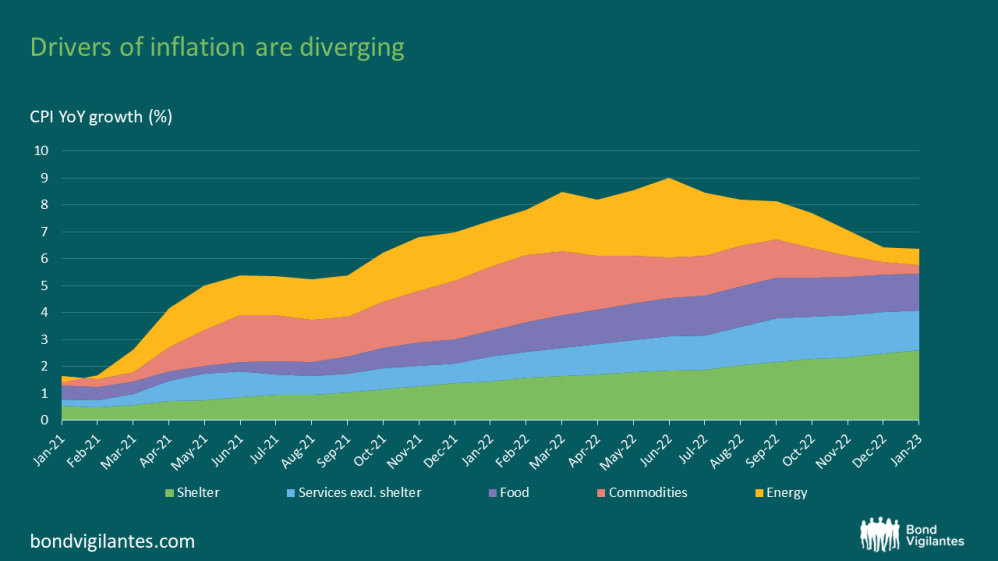
\$14.09

Select Option

Quarter Pounder® with Cheese Meal

840 - 1080 Cal.

In-person and delivery prices vary widely on the same food items found at McDonald's, Insider found. Screenshots/Nancy Luna/Insider



3. Bright Spots: Catering & Non-Traditional

Uber Eats Begins In-Seat Deliveries at Yankee Stadium

by Tom Kaiser | Apr 5, 2023 | News, Third-Party Delivery



Grubhub's Next Closed Campus: Naval Station Norfolk

by Tom Kaiser | Sep 13, 2023 | News, Third-Party Delivery



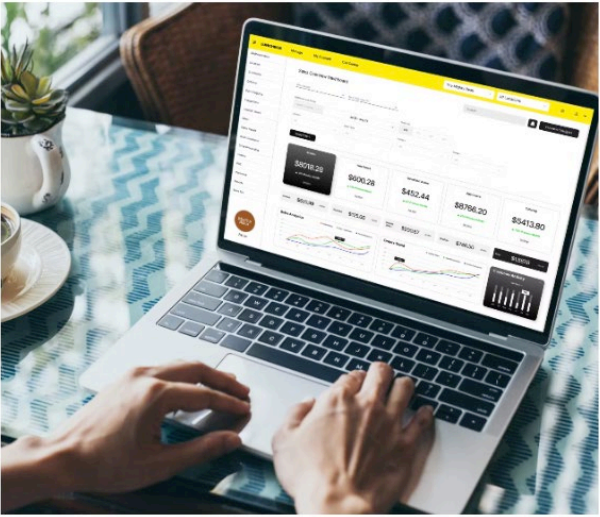
Olo's Brings Catering, Dynamic Pricing to its Restaurant Base

by Tom Kaiser | Oct 18, 2023 | News



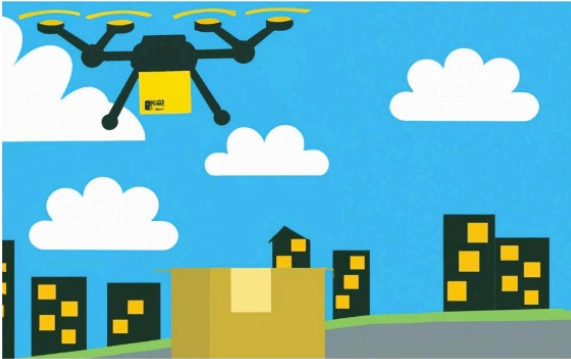
Inside Lunchbox's 'Hard and Heavy' Move into Catering

by Tom Kaiser | Sep 6, 2023 | News, Top Stories



4. The Drones are (Really) Coming

Report: Drones Have 94 Percent Lower Energy Consumption Per Package
by Nicholas Upton | Aug 18, 2022 | Automation, News



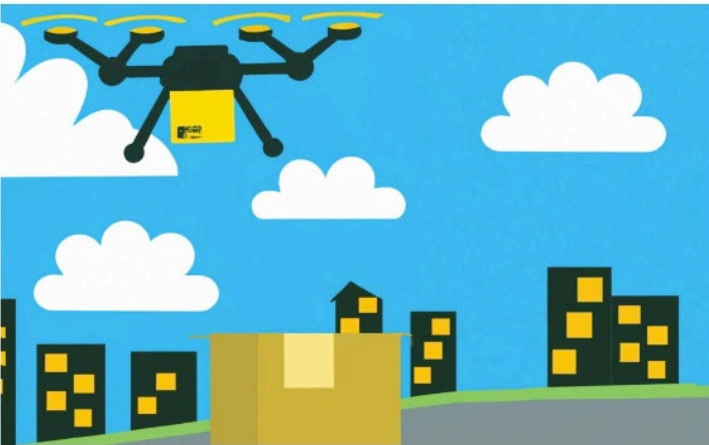
Mendocino Farms to Implement Drone Delivery, as the Sector Gains Momentum
by Bernadette Heier | Oct 18, 2023 | Automation, News



Flyby Raises \$4M, Launches Phoenix Drone Delivery
by Tom Kaiser | Apr 12, 2023 | News



Report: Drones Have 94 Percent Lower Energy Consumption Per Package
by Nicholas Upton | Aug 18, 2022 | Automation, News



Zipline Continues to Expand Drone Food Delivery in U.S.
by Bernadette Heier | May 18, 2023 | Automation, News



5. New Verticals Mask Meal Delivery Softness

Delivery

Pickup

2808 Anthony Ln S ▾

🔍

Search stores, dishes, products

Convenience

Grocery

Alcohol

Pets

Offers

Beauty

Flowers

➤

Trending

Acclaimed

Fast Food

Sandwiches

Chinese

Chicken

Pizza

Indian

Mexican

Asian

Seafood

Burgers

Healthy

DashPass

Offers

Pickup

Over 4.5 ★ ▾

Under 30 min

Price ▾

Enjoy 20% off your next 3 alcohol orders of \$30+. Code 30TWM.

Up to \$20 off. Now - 12/31. Must be 21+. Drink responsibly

Order Now

Don't be haunted by 30% off.

Shop Halloween decor and costumes for you & your pets.

Order now

Party City

SPIRIT

PETSMART

petco

GRUBHUB

1140 50th Ave NE

🔍

Search for food, convenience, alcohol...

Gopuff - Convenience, Alcohol, & More

815 Cedar Ave • (855) 400-7833

★★★★★ 111 ratings 78% Delivery was on time 90% Order was correct

Uber Eats

1140 50th Ave NE • Now

🔍

Food, groceries, drinks, etc

Devilish decor

Party City

40-60 min

Offers available

Go to store

Halloween Friends Gel Cling Decals 17ct

\$6.60

Light-Up Flying Ghost Hanging Halloween Decoration, 5ft

\$22.20

Hot Wheels Scene Setter

\$12.00

Barbie Dream Together Scene Setter with Jumbo Props

\$12.00

Baby Shark Paper Scene Setter, 4.1ft x 6.6ft

\$9.60

The Child Scene Setter - The Mandalorian

\$12.00

Disney Once Upon a Time Scene Setter 2pc

\$10.80

Paparazzi Plastic Scene Setter Add-Ons, 33.5in x 65in, 2pc - Awards ...

\$19.99

Purple Incandescent Plastic String Lights, 100 Bulbs, 21ft

\$19.99

Orange Incandescent Plastic String Lights, 100 Bulbs, 21ft

\$19.99

Spooky Friends Halloween Cardstock Cutouts, 30pc

\$19.99

Classic Pokemon Scene Setter with Props

\$14.40

Flower Bar

5.9 mi • 59 min • \$0 delivery fee

fooddemand

The Intersection of Food, Technology & Mobility

6. Next Wave of Ghost Kitchens and Virtual Restaurants

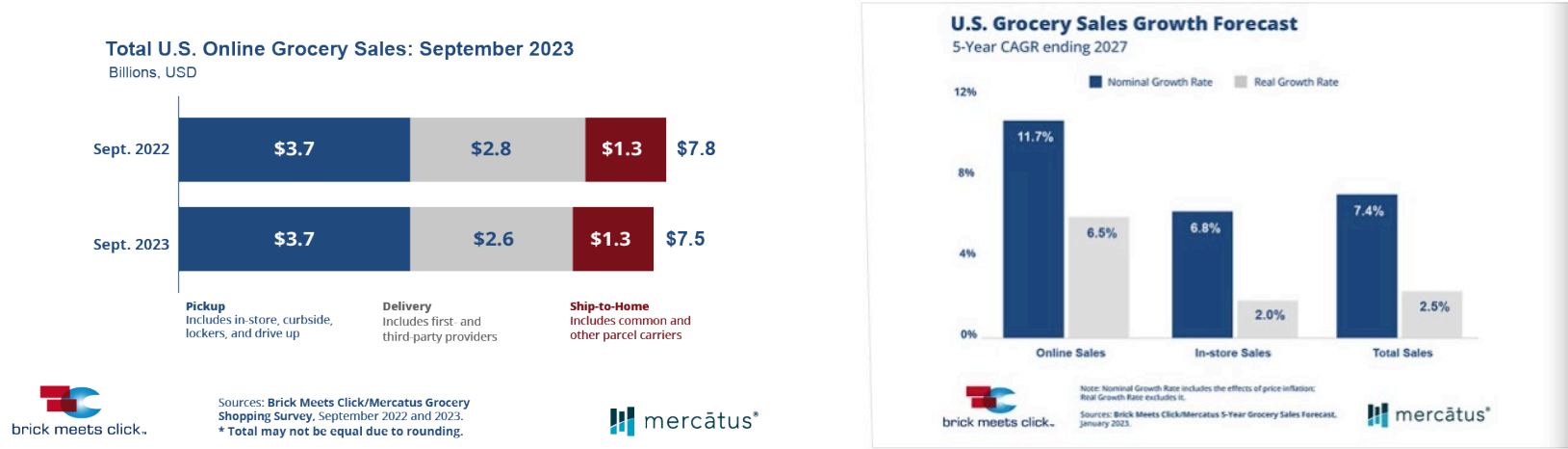


C3 Brings its Virtual Brands onto Private Jets

by Tom Kaiser | Oct 11, 2023 | News, Top Stories



7. Grocery Delivery Sales Moderating



Key Findings: September 2023 YOY

Lowest order frequency since pre-COVID

Most of the sales decline was driven by contractions in order frequency as the average number of orders per monthly active user (MAU) fell to 2.31, down 8% versus a year ago and only about 14% higher than the 2.03 orders per month posted in August 2019.

The downward movement in order frequency impacted most retail formats to varying degrees. Mass retailers experienced a 4% decline in order frequency among its MAU base, while Amazon’s pure-play segments dropped 7% and Supermarkets fell nearly 13% in September versus a year ago.

Q&A

Thank you!

- tkaiser@foodondemand.com
- FODC '24: May 8-10 @ The Bellagio