

“The Holy Grails of Digital Growth” Moderated by Skip Kimpel, CIO at 4 Rivers Restaurant Group

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Today's Speaker Panel



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Digital Terminology

Digital Channels – online points of sale including website, mobile app, food delivery service or ordering platform.

Digital Growth – increase in restaurant sales made on digital channels.

Digital Sales – purchases via website, mobile app, food delivery service, or ordering platform.

Digital Strategy – the approach a restaurant will take to increase its digital sales.

Food Delivery Service – third party operators like DoorDash, Uber Eats, and others.

Digital Promotions – restaurant promotions that are intended for use on digital channels.

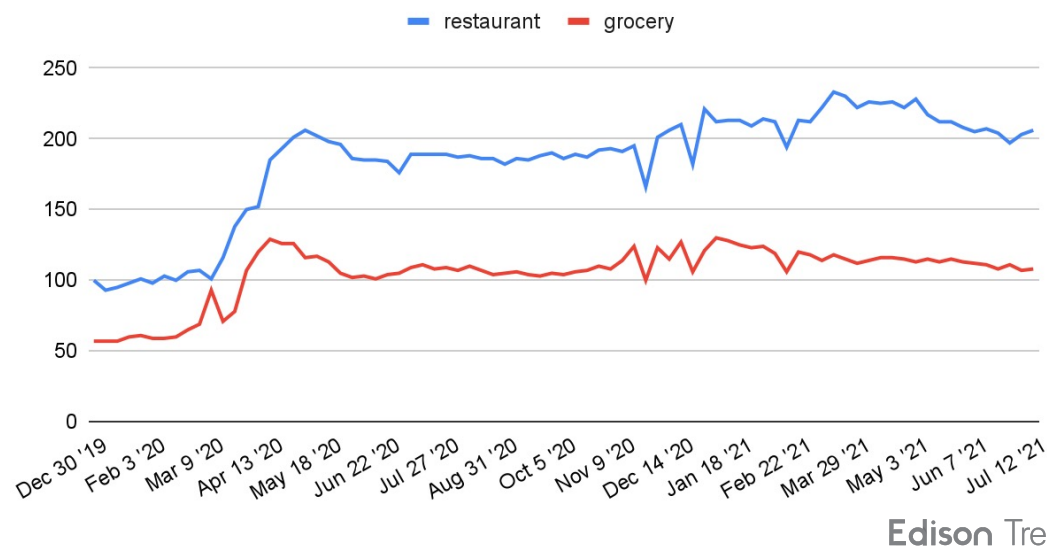
Digital Share of Wallet – how much market share a restaurant has against its competition specific to consumer spend on digital channels.

Digital Playbook – the variety of strategies and tactics a restaurant will use to grow digital sales.

Digital spend on restaurants up 106% since Jan 2020

Online Spend on Restaurant and Grocery Pickup and Delivery

December 30, 2019 - July 18, 2021



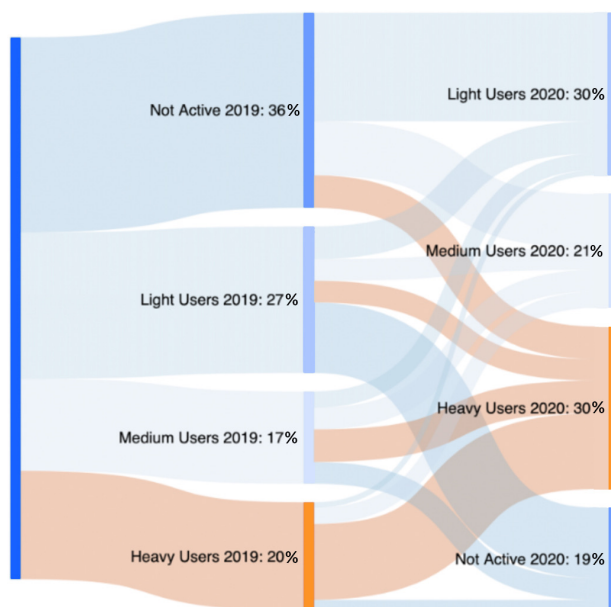
This analysis was based on over 10 million transactions. "Restaurant" includes 21 third-party services, 39 ordering platforms, and 76 restaurant websites. "Grocery" includes 49 grocery stores and ordering services, as well as Walmart, Sam's Club, and Target. It does not include pickup orders direct from Target, but does include Shipt.

How has consumer digital spend on restaurants changed since 2020?

- + In March through April 2020 digital spend increased an astounding 93% in response to the pandemic.
- + The week of July 12, Americans spent 9% more on digital restaurant purchases than the year before, and also 9% more than they spent on online grocery purchases (during the same week of July 12).

Digital Spend on Food Delivery Services Grew 101% YoY

Heavy buyers drove 89% of online food delivery service spend in 2020.



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How has consumer adoption of food delivery changed in the last two years?

- + Between 2019 to 2020, the overall number of users of third party food delivery services increased by 28% year-over-year.
- + Overall food delivery market penetration rose from 14% to 18% in 2020
- + 45% of food delivery buyers became active in 2020 after not having made any purchases in 2019.

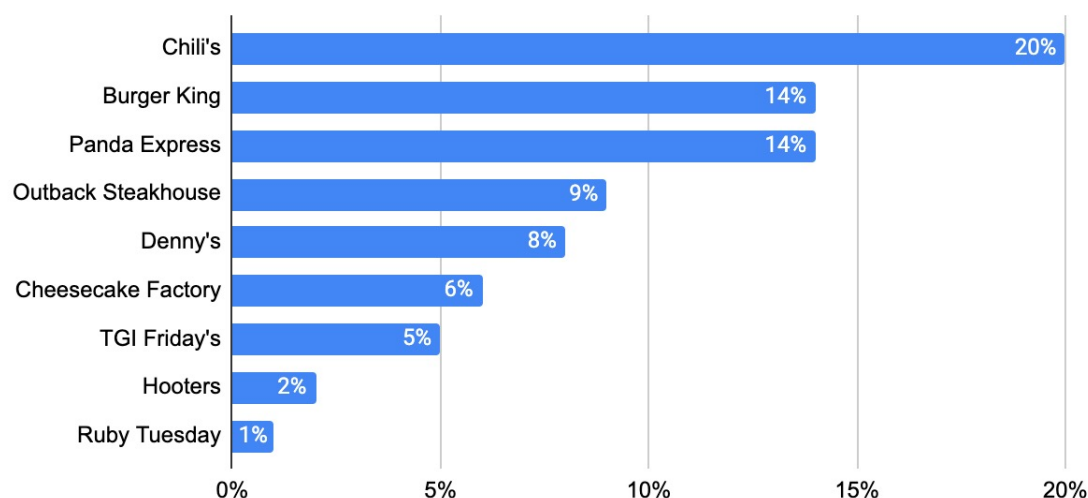
Chart shows estimated online food delivery purchase volume across third-party food service users, between January 1, 2019 - December 31, 2020 according to Edison Trends. "Not active" tiers include no purchases in the given year. "Light" tiers include 1-2 purchases in the given year. "Medium" tiers include 3-8 purchases in the given year. "Heavy" tiers include 9+ purchases in the given year. This analysis was performed on over 3,000,000 transactions from third party food delivery operators including Postmates, Caviar, DoorDash, GrubHub, UberEats, Order Up, Foodler, Yelp, Tapingo, Seamless, Eat24, Amazon Restaurants, NeighborFavor, WaitrApp, Delivery Dudes, Bite Squad, Eat Street, and Food Dudes Delivery.

Who are you actually competing with for digital dollars?

Applebee's Share of Wallet / Stomach

Percent of Online Applebee's Customers Who Also Made Online Orders at Each Restaurant in the Past Year

August 1, 2020 - July 31, 2021



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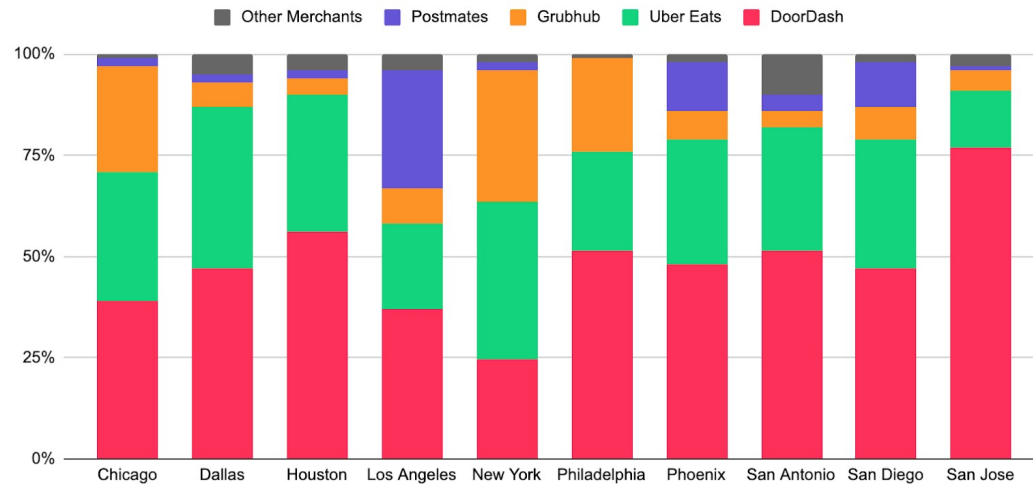
Who is actually competing for digital dollars?

- + Among customers who made an online order from Applebee's (direct or via third party) in the last year, 20% also ordered from Chili's.
- + Burger King and Panda Express tied for second, with 14% of Applebee's customers ordering there. Outback Steakhouse had 9%.

FDS Market Share Advantage Varies by City

US Food Delivery Market Share by City, Past Three Months

February 1 - April 30, 2021



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Chart shows estimated share of food delivery transactions in select cities, from February 1 - April 30, 2021, according to Edison Trends. Based on over 230,000 pickup and delivery transactions from food delivery services.

How did US market share of food delivery spend in 2021 compare to years past?

- + During the period of February 1 - April 30, 2021, DoorDash captured over half the market in Houston, Philadelphia, and San Antonio, and 77% of the market in San Jose.
- + Uber Eats took the lion's share in New York, capturing 39%, while out of these cities, the largest slice of the pie for Postmates (owned by Uber) came in Los Angeles at 29%.
- + Grubhub's largest share was in New York, where they had 33%.

Top 5 Appetizers & Sides Sold at a National Wings Chain

Digital Menu Optimization – Which items do your competitors sell most through digital?

January – June, 2020

Top 5 Appetizers Sold

1. Fries
2. Potato Wedges
3. Cheese Curds
4. Mozzarella Sticks
5. Fried Pickles

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Fries are the #1 appetizer/side menu item sold at this competitor through DoorDash.

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Q&A'S

Contact bizdev@edison.tech for a demo of Edison Trends, or more questions.

Learn more about Edison Trends at <http://trends.edison.tech>