

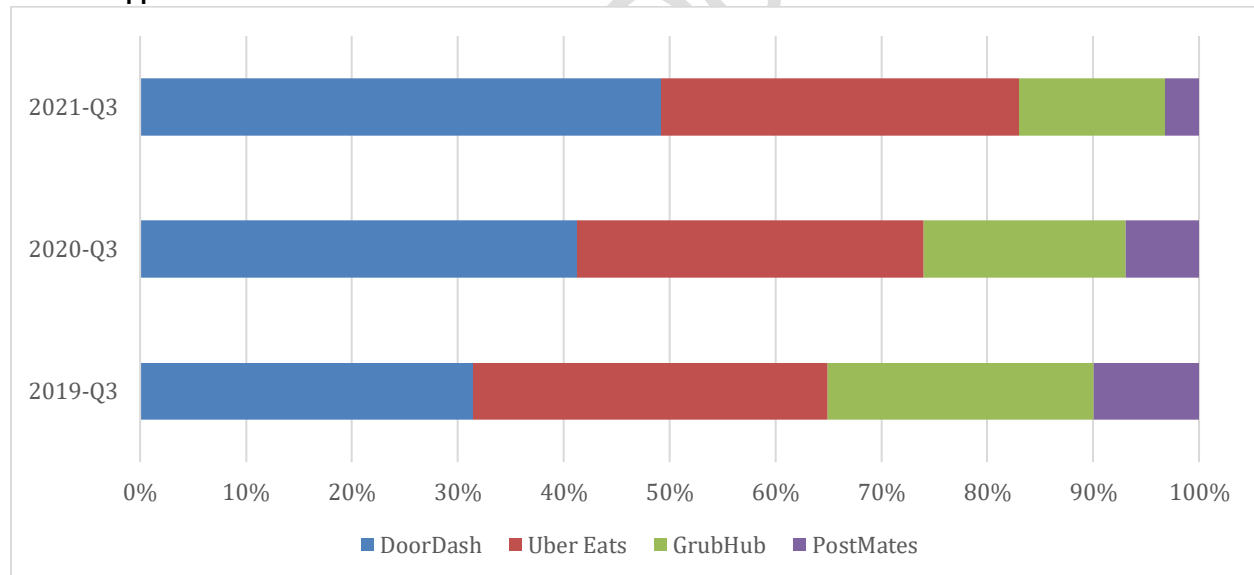
## Restaurant Delivery Apps

### It's a DoorDash and Uber Eats world; McDonald's is lovin' it

CIRP analyzed the US market for restaurant delivery apps, including DoorDash, Uber Eats, and Grubhub for the quarter ending September 2021. Based on this analysis, we estimate DoorDash had the largest share of users, followed by Uber Eats and Grubhub. Importantly, DoorDash and Uber Eats rely less on independent restaurants and more on national and regional chains. Both DoorDash and Uber Eats now have a similar share of orders for McDonalds.

In the September 2021 quarter, DoorDash had the largest market share, at 49%, as measured by most recent order (Chart 1).

**Chart 1: App used for most recent order**



DoorDash saw a steady increase in share in the past two years. Uber Eats saw its share steady at 32% in the quarter, unchanged in the past two years. DoorDash took share from Grubhub and especially PostMates, which saw their shares fall over the two years from 25% to 14% and from 10% to 3%, respectively.

The market for restaurant delivery appears to have consolidated between DoorDash and Uber Eats. They grew their combined share to 83% of the US market in the September 2021 quarter, up from 64% in the September 2019 quarter.

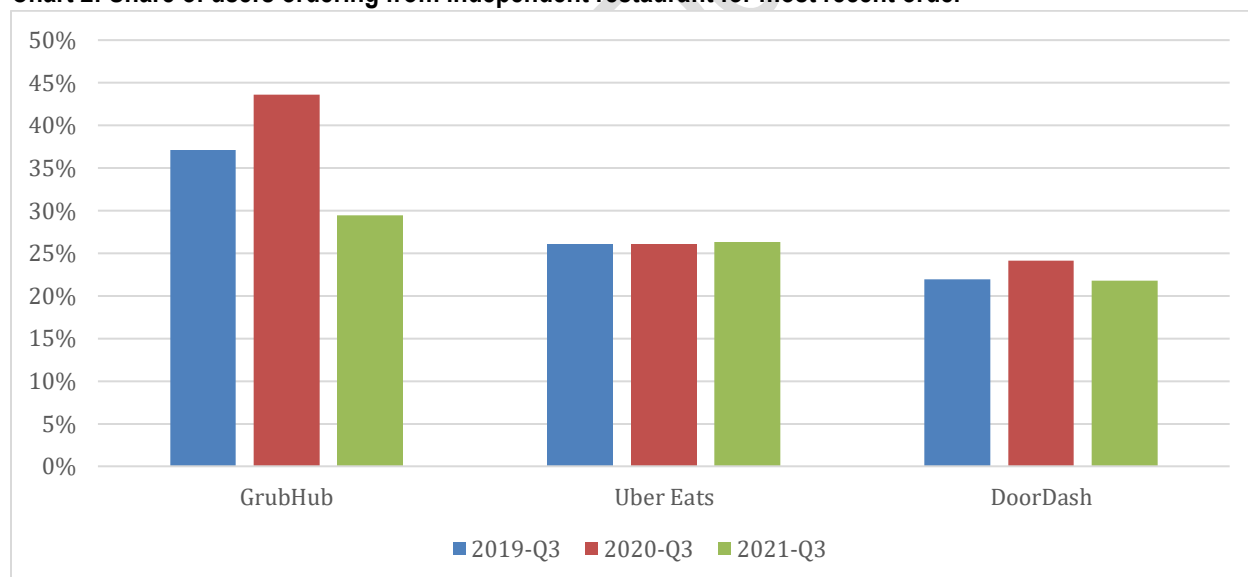
To understand the changes in this market, we analyzed a critical attribute of consumer behavior in the use of restaurant delivery apps. A significant strategic question for these companies is, do specific apps depend on orders from one or another restaurant brand, or do specific restaurant brands depend on one or another of the delivery apps? (See the CIRP analysis, “Restaurant Delivery Apps”, July 31, 2021)

We classified restaurants as either independent or national/regional chains. Independents are single location restaurants, or brands with a small number of locations concentrated in a single geographic area. Within chain restaurants, McDonald’s had a significant share of orders relative to all others, so we could analyze their relationship to apps separately. No other national or regional chain had more than 5% of orders on any one of the apps.

The distinction matters. As evident in their advertising and especially during the Super Bowl, at least Uber Eats and GrubHub promote themselves as champions of local restaurants, even as there is pressure to regulate their relationships with those independents and cap the delivery apps’ commissions and fees. Relationships with chain restaurants also bring needed scale and order volume.

DoorDash and Uber Eats each had a steady share of orders from independent restaurants. Over the two-year period, DoorDash had 22-24% and Uber Eats had 26% of its orders from independents (Chart 2).

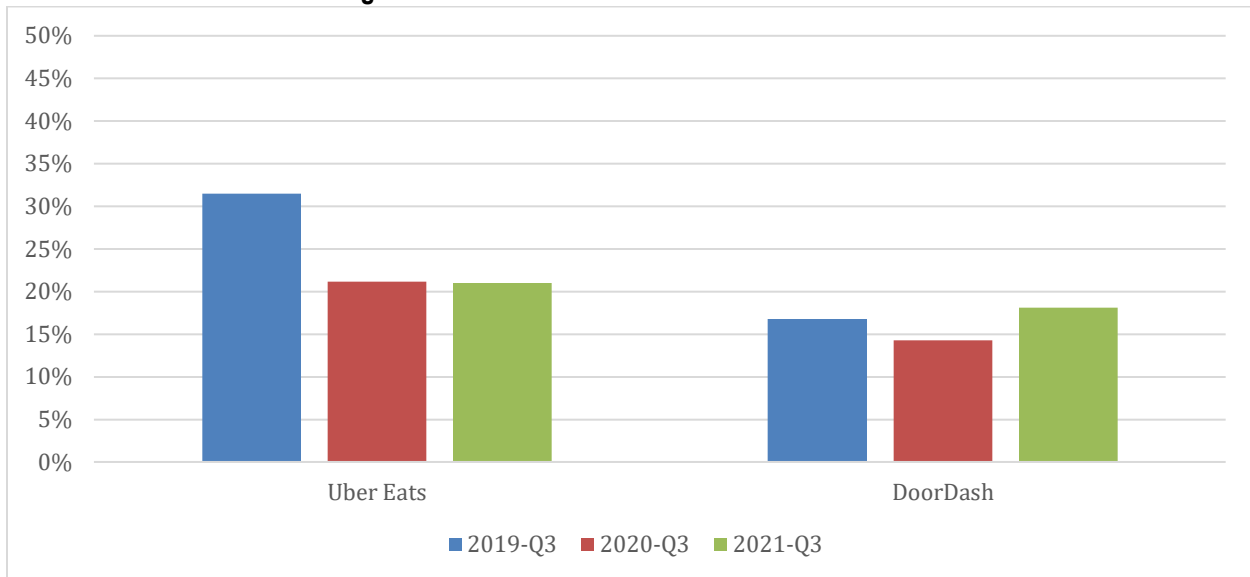
**Chart 2: Share of users ordering from independent restaurant for most recent order**



GrubHub had a much greater share of independent restaurants, at 44% in the September 2020 quarter. This decreased to 29% in the most recent September 2021 quarter, still higher than DoorDash and Uber Eats.

We also analyzed the share of orders at McDonald’s, the largest national chain restaurant in the U.S. Door Dash relied on McDonald’s for 18% of its orders in the September 2021 quarter, consistent with its share in the past two years (Chart 3).

**Chart 2: Share of users ordering from McDonald's for most recent order**



Uber Eats had a somewhat different trend. Uber Eats reduced its reliance on McDonald's, going from about one-third of its orders in September 2019 to 21% in September 2021. We did not have a sufficient sample size of GrubHub customers to analyze its share at McDonald's.

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