WEEKLY BRIEFING REPORT

Week ending 10 December 2023

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Peter Backman.

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My insight

I have a penchant for reading car number plates, sometimes they spell a word or a name (as does the plate on my car because I paid for the privilege of having P8 BKB - I'd be interested to know if any reader is able to decipher that?).

So I was intrigued a few months ago to read K10 SKS on a Range Rover - and that posed a question: what is happening to kiosks? When I was young, they were small cabins or sometimes a cubby hole (as in a cinema) where you paid for something and a person inside the kiosk completed the transaction for you.

Nowadays there is no person, no space even – just a computer screen that accepts whatever you want to tell it. That was all in my mind when I read three headlines from Propel last week: 'Wendy's UK kiosk usage sees 18% higher spend than at the counter', 'Snowfox Group launches new kiosk concept', and 'Heavenly Desserts franchisee launches brand's first kiosk-style location'.

It is clear that kiosks are replacing people – in the old days those people were 'flipping' burgers, or rolling sushi, or perhaps pouring chocolate over your dessert. Sure, someone, somewhere is going to do that but it's the screen – sorry the kiosk – that accepts the human interaction.

You can, of course, ask whether kiosks 'are a good thing'. Wendy's, Snowfox, and Heavenly Desserts seem to think they are and clearly believe that kiosks are worth investing in. So, to ask whether kiosks are a good thing or not, is irrelevant because kiosks are here, and are very much playing a growing role.

But an important question is what does this growth in the use of kiosks tell us about the nature of 'foodservice'? To answer that question it is helpful to view the sale of food as lying on a spectrum – at one end is the service model, based on heartfelt care that goes into the serving of food in a gourmet restaurant. At the other end is the purely mechanical relationship, epitomised by vending machines.

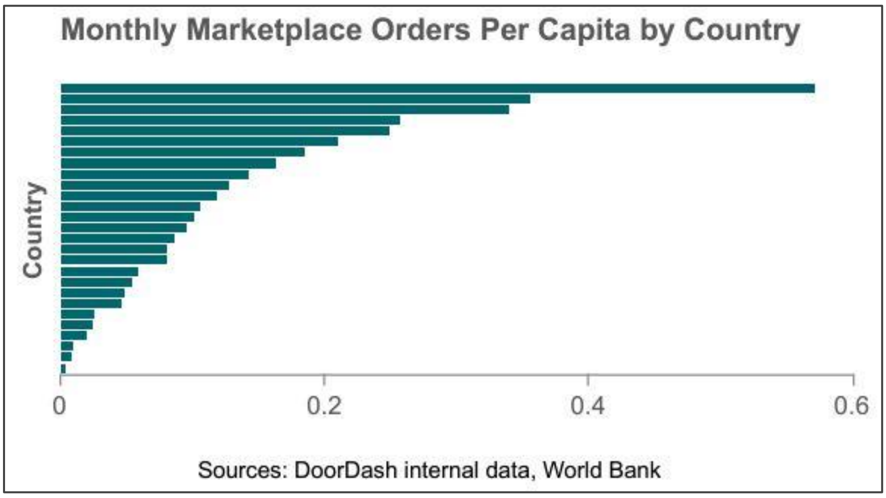
In between lie transactional relationships like supermarket shopping (where the customer might check out unaided or with the help of a check out assistant), fast food, food to go - and kiosks.

So the question, for me at any rate, is where do concepts like 'retailing', 'foodservice' and 'restaurant' lie? The answer is necessary, or at least helpful, for anyone who wants to understand how to position their offer: Is that offer a transaction? Or is it based on 'service'?

My numbers

A couple of weeks ago I had the pleasure of giving a lecture to a group of international students at the University of Surrey. I had been invited to talk to them about Business Statistics and what (in my words) 'they really really mean'. I talked about the need for data (the motive), how it should be compiled (the method), and what to do with it when it's available (the message).

It's a fascinating topic where numbers, pictures and words collide – and where confusion is one of the key factors and gives rise to misunderstanding, misrepresentation, and misuse.



And the resolution of this confusion is achieved through clarity – specifically being clear about the motives and clear about the definitions.

This was in my mind when I noticed a chart in the Investors Letter for Q4 2022 from DoorDash – compiled from DoorDash internal data and information from the World Bank.

It shows monthly (marketplace) orders on a per capita basis in the 27 countries in which DoorDash (and its recently acquired Wolt business) operate. But the chart is missing a key component – the names of the countries that each part of the chart measures. This might have been an error (maybe the person putting the chart together just forgot). However it arose, this is not unique to DoorDash – I see this sort of thing all the time - so I intend no finger-pointing at DoorDash. But nevertheless, this is a useful example of the confusion caused by lack of clarity.

Because of the missing information, we are in effect none the wiser other than there is, perhaps, more opportunity in some countries compared with others (who would have known that?). Questions abound: is the country with the highest per capita orders a large country (or a small one)? What, therefore, is the potential in that country (compared with the country at the other end of the scale? Or the opportunities in the 21 countries where fewer than 0.2 orders are placed by each person in a month? The questions mount up.

Does it matter that information is missing from charts like this? For that you need to ask: what is the audience? If it's a group of marketeers or strategists who need to plan and take decisions, then the missing information is probably crucial. But the audience for this newsletter is primarily investors and investor analysts. For them, it may just be about the message: there must be a huge untapped opportunity (because there is a wide range between countries and about three quarters of them see monthly orders of less than a third of the highest ranked country). In this context the actual detail is much less relevant.

As I say, when presenting data, motive is important, as is the method. But in this case, it's the message that really really counts.

The rest of this Weekly Briefing Report is a summary of short-term news in the past week:

News in the past week

Pubs

- Marston's LfL sales rose 7.4% in the last two months

Leisure

- Ten Entertainment to be acquired by Trive

Workplace

- Just Eat for Business says data shows Mediterranean cuisine is the top option for workplace lunches

Around the World

- SPSS LfL sales rose 22% over the last two months

We've just wrapped up a year-end review of the delivery game on **The Delivery Prophets** podcast. From Christmas turkey deliveries to the challenges of making delivery profitable, we've covered it all! It's been quite a journey in less than a year, from starting this podcast to now hitting the top 10 global restaurant podcasts.

And we're excited with the thought of sharing more insights in the new year. In the meantime here's a big shoutout to our fantastic guests who've shared their wisdom, and to all our listeners — your support keeps us going!

Find out more **here**.

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