



The Krumb: Dark Kitchens

Hints & tips to help you diversify



Dark Kitchens, Ghost Kitchens, Virtual Kitchens

Whatever you want to call them, they're built specifically for take-out.

No tables. No front of house. All ordering done online. A great way to relocate your restaurant and take your kitchen to people in their own homes.

Pros



Lower operating costs



Reduced rental prices



Quick launch



Easy digital monitoring and management

Cons



Increasing competition



Strong reliance on online marketing



No in-person customer interaction



Technology plays key role

Don't forget...

Although dark kitchens are not registered as restaurants or fast food joints, they still fall within the jurisdiction of the FSA. **They must be kept to food safety standards** & will be awarded star ratings on the Food Hygiene Ratings Scheme.

Planning a Dark Kitchen menu?

- **Make it focused** (typically 84 dishes on restaurant menus vs 57 for delivery)
- Offer **quality food**
- Opportunity for **menu customisation**
- **Premium price offer** typically +6% (covers commission costs)
- **Delivery bundles** offer greater average prices – leads to increase in frequency of purchase
- **Make sure dishes are robust** – from the hotplate to the back of a bike before reaching the table
- **Make it healthy!** Orders for healthy dishes +181% over 3 years
- **7 out of 10 people** want to see an increase of healthy options on food delivery apps (rising to 9 out of 10 18-24 year olds)

Winning dishes



+8pp



+5pp



+3pp

Why are businesses diversifying with Dark Kitchens / Delivery?

- **Ease pressure** on existing kitchens
- **Grow brand delivery availability** in under-served areas
- Grow delivery ability **without compromising in-store customer experience**
- **Appeal** to a different audience
- **Saves money** by not having to manage a restaurant
- **Open in weeks** - not months

- Increased **profit margins**
- A **growing** channel



Pre lockdown
This will only increase during the crisis.



Just Eat has seen continuous and strong growth.

FY 2015 FY 2019E
67.3m 134.1m

99%

UK orders in millions, 2015-2019E

FY 2017 FY 2019E
£17.73 £19.70

11%

UK average order value, 2017-2019E



Deliveroo is at the forefront of the Dark Kitchen boom with its 'Editions' premises.

The company finds & equips locations in industrial equipment & rents them out. You are responsible for employing & training kitchen staff.

The number ordering takeaway increases



Over a third of orders are made via an app



Top Tips for promoting your 'Dark' Kitchen online



Social Media Presence

keep your content engaging, dynamic and 'on brand'



Instagram

perfect for product photos, short videos, behind-the-scenes



Facebook

pull in customers & make them aware of promotions & offers



Twitter

to talk to customers



Online Referrals

Create positive referrals to get your business found more quickly online (Google, Facebook, Instagram all help)



Online Advertising

Boost posts to build traffic



Manage Reviews

Keep customers happy. Reply to all reviews - even the bad ones



Websites

Include 'order now' and 'special offer' buttons. Make sure the website is mobile friendly.



Food ordering app

Build your own or set up an account on Deliveroo, UberEats etc...



Menu Management

Keep menus attractive - pictures, accurate product descriptions. Unique names or combo deals add interest and increase average spend

Source: MCA Food Strategy Forum 2019