

Mr D Food expects to double downloads in six months

Embracing online food delivery, Mr D Food's delivery service app has been downloaded more than 200,000 times in the last six months, and this number is forecast to double over the upcoming half a year.



Devin Sinclair, head of Mr D Food.

It is 100% owned by Takealot.com and backed by Tiger Global and Naspers. The latter has invested more than half a billion dollars into online food delivery businesses since May this year, with \$425 million going to Germany's Delivery Hero and \$80 million into India's Swiggy. Online food delivery presents a large opportunity and the industry has experienced strong growth globally with [Morgan Stanley estimating](#) that food delivery in the US alone is worth \$30 billion.

Devin Sinclair, head of Mr D Food, says, "We are currently taking over 100,000 orders per month through our app. We have a network of more than 1,400 restaurants, hundreds of drivers and we deliver to over 1,900 suburbs around South Africa. With projections that there will be 20 million smartphone users in South Africa within the next three years, we anticipate continued exponential growth and are forecasting that the number of customers using our app will double in the next six months."

Those expectations are supported by growth prospects for the South African industry. According to Euromonitor, less than 1% of food ordering in South Africa in 2015 took place online. That can be compared to penetration rates for online food delivery in more developed markets, which [McKinsey & Company has estimated](#) could reach as high as 65% per year. "So we are ripe for growth and our scalable business is ready," adds Sinclair.



Millennials' hunger for online food grows

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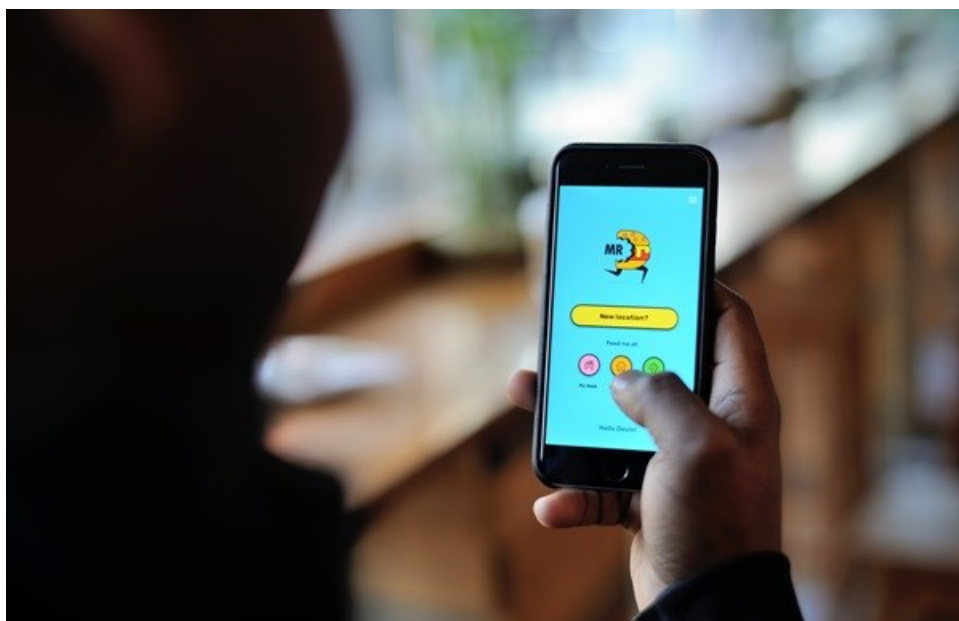


Growing out of Mr Delivery

Mr D Food started its life as Mr Delivery, the pioneering food delivery service with a 25-year track record. Sinclair says the move from a phone call based system to a digital, mobile focused offering was spurred by growing smartphone penetration, faster internet connections and increasing consumer demand for 'on-demand' digital services.

To morph the old Mr Delivery into the new digital Mr D Food offering, the company was substantially re-engineered by a new management team, led by Sinclair. As well as the building of new technology systems, the overhaul also saw the business model being adapted to maximise efficiencies as well as scale of the driver network through leveraging synergies with Takealot. A new brand and look was also recently unveiled.

“Mr D Food is now an end-to-end tech business, with over 95% of our orders placed through our app. Our customers order food via the app or our website, which sends the request straight to in-restaurant technology. The restaurant makes the food while innovative driver technology sends the closest available driver to the restaurant to collect the food and deliver it quicker than ever. Location-based geo-targeting and real-time order tracking make the system fast and effective.”



Time is of the essence

Sinclair says a major reason for the escalation of on-demand online services is the consumers' need for more time. “Commuting, grocery shopping and preparing meals all take up precious time from the busy modern consumer. The convenience of ordering a meal via an app and having it arrive within the time it normally takes to prepare a meal is appealing.”

“While there are competitors, we are strongly placed to fulfil our growth ambitions, thanks to our national footprint and strong relationships with South Africa's favourite restaurant groups, including Nando's, Spur, RocoMamas and KFC, among the restaurant choices we provide our customers. We are also the only online food delivery service in South Africa that provides cash on delivery as a payment option, an appealing choice for many consumers,” concludes Sinclair.

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