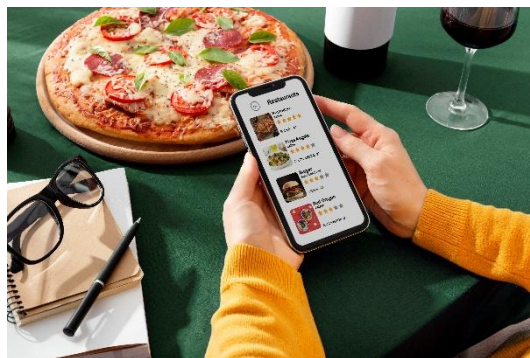


**Quote by Arun Moral, Managing Director, Primus Partners**

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## **Food delivery can be cheaper if we have access to consumer data: NRAI's Sagar Daryani**



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### **Article Content:**

#### **Synopsis**

**Daryani said that the marketing funnel can be much better if the customer data is known to the respective brands.**

Sagar Daryani, President of the National Restaurant Association of India (NRAI), on Tuesday discussed the issue of limited access to consumer data, which contributes to rising marketing costs. He noted that this situation is rendering food delivery as an expensive proposition in the present scenario.

"We don't have the data for our respective brands. Food aggregators Swiggy and Zomato have the entire tech stack; nothing stops them from migrating our consumers to their platform. So, we feel it is not a level playing field, and we have been cornered," he said during an interaction with ET Digital ahead of the NRAI Food Delivery Summit in the capital on Wednesday. "NRAI is working on the matter with its legal teams," he said.

Founded in 1982, NRAI represents the interests of over 500,000 restaurants through advocacy, training, research, and industry events.

Daryani said that food delivery can only become cheaper if commissions and marketing costs decrease. "For marketing costs to go down, we need to get a database, which we feel is our democratic right. My marketing funnelling can be better today if I know my customers. I can reduce costs by knowing exactly who I am tracking because today, as a customer, there is cross-pollination," he said.

The NRAI President further said that questions such as the frequency of app usage, the

timings of the app visits, consumption patterns, and whether the consumption is online or offline are all significant data points to funnel market spends in a better manner. "If my cost comes down, I will not keep my online pricing higher than offline pricing and will pass on that benefit to the customer," he said.

Daryani elaborated on the prevalence of this practice among food aggregators, stating that their rationale is rooted in the belief that the data should not be misused. "Data is their main asset. Today, whatever number they throw at us, we believe them blindly. We have no other source," he lamented.

In January this year, Zomato-owned Blinkit and Swiggy launched standalone apps Bistro and Snacc, respectively, for 10-minute food delivery. This was perceived as a setback for the restaurant industry, which had sought the intervention of the Competition Commission of India (CCI) regarding these unfair trade practices.

In January this year, Zomato-owned Blinkit and Swiggy launched standalone apps Bistro and Snacc, respectively, for 10-minute food delivery. This was perceived as a setback for the restaurant industry, which had sought the intervention of the Competition Commission of India (CCI) regarding these unfair trade practices.

In agreement with Daryani, Arun Moral, MD of Primus Partners India, explained that food aggregator platforms can utilise technology to potentially influence consumer preferences by offering personalised recommendations, manipulating search results, and utilising data to target specific demographics. To address this, he noted that certain tech interventions may involve data anonymisation and a differential privacy approach. "This will ensure that user data cannot be traced back to the respective individuals. Companies like Apple and Google have adopted differential privacy to enhance user data protection. Algorithmic transparency tools can help to make sure that recommendation and ranking algorithms operate fairly and without bias towards the platform's own services," he said.

In response to Zomato and Swiggy, restaurants are reportedly in discussions with ride-hailing app Rapido to add food delivery as a service on its platform, according to a report in ET in March. The report indicated that this would challenge the current commission structures imposed by Zomato and Swiggy.

The current developments in the food sector have particularly had an impact on the smaller food eateries. Alluding to how the smaller players in the food industry are faring, Daryani stated that they have it as 'very tough' right now. "There is a sense of fear, and they are finding it very difficult to survive. The smaller brands are feeling the heat. It just goes back to survival of the fittest. The industry looks very lucrative from outside, but from inside, when you enter, one can feel the pain deeply," he said.

Giving an insight into the new trends taking shape within the food sector, Daryani spoke about the popularity of K-pop culture. "The K-pop culture has come in. Every QSR, for instance, has Korean drinks. Wow! Momo does Korean momos, McDonald's does Korean burgers and KFC has Korean chicken. Besides this, Gen Z is ordering 75% more online, so the industry is becoming more deal centric. Restaurateurs are creating more products below Rs 100 since that is selling a lot. Gen Z is focusing more on value addition and value creation in regional cuisines. Another trend shows that innovation is also happening in the existing cuisines, like more cheese rolls or lasagna get delivered now," he stated.

Elaborating more on the emerging trends, the NRAI President said that frozen foods are fast gaining traction. "Frozen will become the new fresh. Especially for an Indian climate, the food made in the morning is not able to retain its healthiness quotient till evening. Frozen helps to keep the nutrients intact."

Talking about the fourth edition of the NRAI Food Delivery Summit 2025, Daryani said that the idea is to discuss the pain points of the industry for meaningful and sustainable solutions.

"We have topics like how to improve unit economics; quick commerce and how to make money out of it; how to make marketing more focused and the like. We also have specialised workshops on fund raising and investments."

The summit is expected to bring together industry leaders, entrepreneurs and technology innovators to discuss the current challenges and opportunities in the industry as well as within the food delivery space.