CASE STUDY

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Food delivery in the GCC: how a convenience habit became a market

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Food delivery in the GCC has grown from a convenience into a core retail channel. What the shift to loyalty, new entrants and non-food delivery means for restaurants and consumer brands.

Summary

Food delivery in the GCC has moved from a convenience service to a core channel for restaurants and, increasingly, for everyday retail. Saudi delivery platforms processed around 290 million orders in 2024, and the region's largest platform grew its gross merchandise value by 28% in 2025 to USD 9.5 billion.

The market is now entering a second phase. Growth is moderating, a well-funded entrant has taken share in Saudi Arabia within months, and platforms are competing on loyalty programs and on what else they deliver beyond meals. Each of these shifts raises specific decisions for restaurant chains and consumer brands that sell through the channel.

Market context and size

Delivery accounted for an estimated 32% of GCC foodservice spending in 2025, in a foodservice market of about USD 62 billion ([industry estimate](https://www.kenresearch.com/industry-reports/gcc-foodservice-market)). Saudi Arabia and the UAE together represent roughly three-quarters of that demand.

Published estimates of the online delivery market itself range from about USD 8 billion to USD 19.5 billion for 2025, depending on whether grocery, delivery fees and direct restaurant channels are included. The range matters less than the direction: every estimate shows sustained growth, and Saudi Arabia is consistently placed as the largest single market.

Two structural conditions support the channel. Electronic payments reached 85% of Saudi retail payments in 2025, which removes friction from app-based ordering ([industry estimate](https://www.kenresearch.com/ksa-food-delivery-market-outlook-to-2028)). More than 70% of delivery transactions in Saudi Arabia and the UAE were completed through mobile applications.

Saudi Arabia: scale, and a new entrant

Saudi delivery platforms processed around 290 million orders in 2024, of which Jahez handled 91 million, about a 32% share by volume ([Argaam](https://www.argaam.com/en/article/articledetail/id/1797122)). Nearly half of Jahez's orders in late 2024 came from outside Riyadh, which indicates that demand has spread well beyond the capital.

Keeta, the international arm of a large Chinese delivery group, launched in Saudi Arabia in September 2024. By the end of 2025 it reported more than 150 million orders, over 50,000 restaurant partners and more than 38,000 riders across 23 cities ([Zawya](https://www.zawya.com/en/press-release/companies-news/keetas-2025-year-in-review-shows-how-saudi-arabia-ordered-food-and-saved-more-wxa1989e)). Industry analysis at the time indicated that its early share came mainly from smaller platforms rather than from the two established leaders.

The established players continued to grow, at a slower pace. Jahez reported 111.6 million orders in 2025, up 5.3%, with gross merchandise value up 10.8% to SAR 7.2 billion and an average order value of SAR 64.9 ([Jahez FY2025 results](https://www.zawya.com/en/press-release/companies-news/jahez-reports-fy2025-results-with-108-gmv-growth-while-maintaining-profitability-in-a-highly-competitive-market-q73hrml4)). The rise in average order value suggests that customers are placing larger baskets even as order growth moderates.

From acquisition to loyalty

As growth moderates, the leading platforms are shifting effort from winning new customers to deepening the value of existing ones. Talabat grew 2025 GMV by 28% to USD 9.5 billion, with revenue up 33% to USD 3.9 billion and net income of USD 464 million ([TradeArabia](https://www.tradearabia.com/News/389296/Talabat-posts-28_Percent-GMV-growth-in-2025-sets-100m-for-expansion)). For 2026 it guides to 11 to 14% GMV growth, citing normalization at scale and softer consumer spending in Kuwait and Qatar ([FAB Securities](https://fabsresearch.bankfab.com/ResearchPortal/Download/Index/1381)).

Paid subscription programs are the main lever. Talabat Pro subscribers more than tripled in 2025 and now make up 25% of customers while driving 47% of GMV ([FAB Securities](https://fabsresearch.bankfab.com/ResearchPortal/Download/Index/1370)). In Saudi Arabia, HungerStation Plus passed 10 million subscribers and 100 million orders by mid-2025 ([Mubasher](https://en.sharikatmubasher.com/media-hub/news/21489246/hungerstation-plus-surpasses-10mn-subscribers-100mn-orders?lang=en)).

Promotions are increasingly funded by restaurant and brand partners rather than by the platform. Talabat reported USD 588 million in partner-funded customer savings in 2025, equal to 6.2% of GMV. For a restaurant chain, that figure is effectively a marketing budget allocated inside the platform.

Beyond food

The platforms are extending the same habit to groceries, pharmacy and retail. Jahez grew non-food GMV fourfold in 2025, lifting its share of group GMV from 2% to 7% ([Jahez FY2025 results](https://www.zawya.com/en/press-release/companies-news/jahez-reports-fy2025-results-with-108-gmv-growth-while-maintaining-profitability-in-a-highly-competitive-market-q73hrml4)). Talabat expanded its dark store network and counts its grocery and retail vertical as a growth driver across both GCC and non-GCC markets ([Talabat Q3 2025](https://corporate.talabat.com/news/corporate-website-news-item-9/)).

The region is also consolidating across borders. Jahez acquired Snoonu in Qatar in October 2025, which contributed SAR 626.8 million to group GMV in its first months. Talabat, for its part, reports more than 80% of its GMV from GCC markets.

For consumer brands, this means the delivery app is becoming a shelf. Category position, pack sizes and promotions on these platforms now shape purchase in the same way that in-store placement does in modern trade.

What it means for brands and restaurants

The public numbers describe the platforms; they say little about the customer on the other side of the order. The decisions facing restaurant chains and consumer brands in this channel depend on that customer, and each can be answered with focused research.

| Decision | What needs to be understood | Typical approach | | --- | --- | --- | | Which platforms to prioritize, and how to split effort between them | Platform overlap, loyalty and switching among the brand's own customers | Survey with platform usage and switching measures | | How much to invest in partner-funded promotions | Which offers move order frequency and basket size, and which only subsidize orders that would happen anyway | Choice modeling and promotion testing | | Whether to build offers for subscription members | How subscribers differ from occasional users in frequency, basket and price sensitivity | Segmentation on behavior and value | | How to adapt the menu or range for delivery | What travels well, what drives repeat, and where the delivery experience falls short of dine-in or store | Journey research and in-home usage testing | | Whether to enter a new GCC market through platforms | Demand, competitive density and platform terms in the target market | Market entry assessment |

The platform itself is a source of data on what was ordered. It does not show why a customer chose one brand over another, what they would have done without the promotion, or how the brand is perceived once the order arrives, and answering these questions requires research with the brand's own customers.

Sources

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