

Move over drive thrus; the drive-in is here

Nick Weir, co-managing director, Shelley Sandzer

Drive thru' restaurants are not new. McDonalds pioneered the trend in the UK in 1986, and was soon joined by Burger King, Pizza Hut and KFC, all of whom have had a long-term presence. More recently, the likes of Starbucks and Costa have entered the fray, providing the public with ever more choice and convenience.

Expansion of drive thrus is a lengthy and complicated process due to planning permission issues though. Typical locations are usually on the edge of town where traffic is already a problem, so local authorities face vociferous objections from residents while highways approval tends to be problematic.

Despite these difficulties, however, another wave of fast food US operators is driving new growth. Tim Hortons, Five Guys, Krispy Kreme, Wendy's, Taco Bell and the latest entrant, Popeye's Chicken, mean the busy vehicular roadside sites are fiercely competed for. Land values have gone up as a result, and that is before throwing into the mix Amazon gobbling up as much space on the edge of town as possible for distribution centres. Combined, it is creating a bubble sector.

Our motorway service stations are going through a renaissance too, with every operator in the sector upping their game. A cheese sandwich and a warm cup of coffee from Upper Crust is no longer acceptable to the ever-more discerning EV-driving public.

Asda's Issa brothers recent acquisition of Leon and Caffè Nero is another interesting move, and the former has already secured a number of drive thru locations. In short order, green juices and salads will be taking on burger and fries as a meal option for the travelling masses.

Yet while demand for drive thrus is showing no sign of dissipating among consumers for the reasons that cause such consternation to local residents and highways departments, there is a new concept emerging: the drive-in.

Led by consumer demand, the drive-in is fast becoming the next big opportunity for operators.

Travelling north along the A1 from London, one passes an ever-growing number of new Starbucks and McDonalds outlets right on the roadside. While not that remarkable in isolation, after all planning is typically easier and there are many farmers very happy to realise additional value by selling relatively small plots, closer inspection reveals something new.

What makes these new sites interesting are the significant number of EV charging points each provides.

So why is this happening? The answer is that the growth in EV sales, which Elon Musk recently commented is reaching a tipping point, is leading to widespread 'range anxiety' among consumers. The need to know with certainty where a top-up charge can be found, particularly on longer journeys, is fuelling the growth of the drive-in, leading to ambitious roll-out programmes by operators, backed by the weight of the government to meet its pledge to go all-electric in 2030.

And what is happening along the A1 is just the beginning. The pressure is on to deliver the infrastructure the length and breadth of the UK. With charging times typically ranging from 30 minutes to an hour for a useful top-up on the latest EVs, that creates an opportunity for operators to feed and water drivers and their passengers while they wait.

It is an opportunity not limited to longer distance travel either: the drive-in is set to take off in urban locations too.

One can see former industrial sites, typically located close to major trunk roads such as the North and South Circulars, being snapped up by savvy landlords and operators keen to establish a significant drive-in presence while EV sales are building. In simple terms, London does not have enough off-road residential parking to charge EVs if ownership levels reach the government's targets. So owners are going to need to find alternatives. Combined with flexible working, drive-ins as a place to meet and eat while charging will soon be a common reality.

Now healthy food on the move has entered market too, it poses the question whether some more quality dining operators enter the sector to cater for this new demand. And why not? This could be a new revenue stream for those more premium operators seeking growth, particularly when combined with consumers' need to address EV range anxiety.

It is an exciting time and one our innovative, entrepreneurial sector is already rising to. An even greater choice of fast, fresh and healthy food while we charge our cars will soon be only a quick pit stop away.

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