

## **Deliveroo Editions**

### **What is Deliveroo Editions?**

Deliveroo Editions provides bespoke, fully-equipped, state of the art kitchens to restaurant partners allowing them to launch delivery-only menus catered for local taste. Using Deliveroo's insights, we can help those within Editions kitchens to fulfil local consumer needs and grow their business.

Deliveroo Editions has partnered with a range of restaurants across the UK, from established brands who are not able to cater for delivery demand in their existing bricks and mortar sites, such as Chipotle and Wagamama, to people just starting out in the food industry who want to trial their product and establish their business without the huge upfront costs of a brick and mortar restaurant.

Experience of Editions restaurants has been overwhelmingly positive. By leveraging Deliveroo's analytical insights to support Editions kitchens, partner restaurants have seen sales increase by up to 400% in some cases. More generally there have been numerous examples of restaurants using their place in an Editions site to grow their brand and achieve key business goals without the capital cost constraints typically associated with starting a restaurant.

### **How does Deliveroo Editions work?**

The Editions kitchens are staffed and operated by restaurant partners. Each partner is allocated a kitchen 'pod' and has access to shared dry and cold storage areas, as well as the shared dispatch area. Food is prepared and cooked within the kitchen pods by the restaurant partners and delivered to customers using Deliveroo's fleet of riders.

The on-site Deliveroo Editions team provides a dispatch service and is responsible for managing the interaction between restaurants and riders. In addition, the on-site team is responsible for managing the shared areas and ensuring that everyone on site complies with the site rules and regulations.

Each order that is serviced by Editions kitchens is processed in the following way:

- The customer creates an account on the Deliveroo app;
- The customer logs on to the Deliveroo app and places an order with the restaurant located at the Editions site. Sales do not take place at the Site and there is no ability for customers to collect an order at the Site themselves. The transaction occurs entirely online and is completed via the online app;
- The restaurant receives notification of an order being placed and, once it chooses to accept the order, prepares and cooks the food;
- Deliveroo's 'Frank' algorithm will assign a rider to the confirmed order. The rider must accept the delivery;
- When the food is nearly ready, the Deliveroo app will notify the rider to go to the Editions site and pick it up;
- When the food is cooked, it is packaged and marked with the order number, and then taken to the shared dispatch area, to be collected by the assigned rider;

- The assigned rider collects the order from the Editions site and delivers the food to the customer. In practice, orders are “stacked” where possible for efficiency so that the rider is often carrying more than one order;
- The customer can monitor progress of their order using the Deliveroo app.

Each restaurant partner is separately registered as a food business with the local authority, in addition to the Deliveroo Editions central operation. Partners will not be allowed to trade if they score a food hygiene rating of 3 stars or less (unless they are awaiting inspection).

Deliveroo is responsible for all site maintenance, including equipment and building repairs.

### *Why do restaurants want to join Deliveroo Editions?*

Deliveroo does not charge partners a rent to occupy an Editions kitchen. Instead, Deliveroo will take a commission against all orders made via the Deliveroo app. There is therefore zero upfront cost for partners to move into an Editions site - all they are required to do is source chefs and ingredients. At a time when soaring costs are forcing many independent restaurants off the high street, Deliveroo Editions is appealing to restaurants as it gives them the chance to launch, expand and test new innovations at minimal cost, creating in excess of 1,000 new restaurant jobs across the UK.

Further, Deliveroo uses insights to identify cuisine gaps in the local market and predicts which menu items will succeed in each area, thereby reducing the risk of business failure for restaurants. The Editions concept also allows food entrepreneurs to prototype new food products and/or brands with the benefit of insights from Deliveroo. This in turn supports small businesses and start-ups to launch, trial their products at low risk, both helping new chefs launch for the first time and more established restaurants to reach customers in new places.

In addition, Editions goes one step further using customer feedback to help chefs refine their product offering. Deliveroo is also able to help restaurant owners tailor their menu items using information on the conversion rate (how many people consider vs. purchase from the menu), giving them insights around menu items that are proving popular for customers in their area.

### *How does a restaurant join Deliveroo Editions?*

Space at Editions sites is often in high demand. Deliveroo therefore works closely with restaurants looking to enter Editions to make sure that they have everything they require to succeed. The process of joining an Editions site typically takes between 8 - 12 weeks.

- **Step 1:** The Editions team will identify restaurant partners interested in an Editions kitchen, and/or target specific partners based on cuisine type. Restaurants must meet certain criteria to be able to take space in an Editions kitchen, including things like food safety ratings and ability to service customer demand. This is a flexible process designed to ensure that those entering Editions kitchens are supported to succeed.
- **Step 2:** Depending on the type of restaurant, and their existing level of experience, Deliveroo will work with them to help shape their offering at the Editions site. This can include things like working through their business plan, or their existing P&L.
- **Step 3:** Deliveroo will work with the restaurants to identify their kitchen needs. This includes discussions about the kind of cookers they need, whether they require bespoke equipment such as pizza ovens, and how they would like the kitchen to be set up.

- **Step 4:** The restaurant partner will undertake a site induction, where the site rules and regulations are explained to them. This will also include an equipment demonstration . Deliveroo provides the restaurant partner with all that they need to take orders, including a tablet set up with our restaurant app.
- **Step 5:** Partners move into the Editions site and are launched on the Deliveroo app to start serving customers. Each partner in occupation has its own restaurant page on the Deliveroo app, separate to any bricks and mortar site they may have.

### *What support does Deliveroo provide a Deliveroo Editions partner?*

Throughout their time in Editions, restaurants have access to advice and support aimed at helping them refine and grow their offer. This includes Deliveroo analytics on what is selling well and what customers are looking for, to help restaurants ensure they are maximising value to consumers.

Deliveroo also offers partners access to a range of other benefits designed to support them and reduce their costs. This includes access to worldpay, which can reduce processing fees on payments; free trials of tools to create a website and build an online presence; and access to a free employee benefits package that includes discounts and wellbeing packages.

In addition, we are working hard to help restaurants using Editions sites reduce their food costs through our food procurement service, where we look to source the ingredients they need at lower prices. At a time when costs of raw ingredients are increasing, this is an important way in which we can enable restaurants using Editions to focus investment on staff or reducing prices to consumers. Deliveroo is also helping these restaurants reduce their environmental impacts through schemes such as our partnership with Olleco, who recycle cooking oil. Since the Islington Editions site opened in October 2017, the amount of oil recycled has been equivalent to taking 40 cars off the road. These types of schemes would not be available to restaurants of this size without Deliveroo's support.

On top of this, the dedicated on-site team works closely with the restaurant partners day-to-day to ensure they have everything they need to be able to trade safely - including access to food safety training and support.