

Deliveroo, Riders and Restaurants

About Deliveroo

Deliveroo is a UK tech success story. Founded in 2013 with a handful of riders and partner restaurants, we now work with 80,000 restaurants and 60,000 riders across 500 cities in 13 markets to deliver amazing meals straight to customers' front doors. The company's founder, Will Shu, was our first rider and still makes deliveries to this day.

We are proud to be a British company headquartered in London, with 2,500 employees around the globe and 1,500 in the UK.

At a time when the high street is facing challenges, Deliveroo is helping restaurants grow and take on new staff by increasing sales and revenue. Independent analysis by Capital Economics has found that Deliveroo has helped create 25,000 jobs in the UK restaurant industry since its launch six years ago, with the potential to support 70,000 restaurant jobs by 2020. The study also found that Deliveroo helped its UK partner restaurants and their supply chains generate additional revenue of £1 billion in 2018, including £320 million for independent restaurants.

How does Deliveroo work?

Deliveroo provides a platform allowing customers to identify and order from their favorite restaurants, and for the food to be delivered to them.

Customers are able to order through two routes: the Deliveroo app and the Deliveroo website. Customers provide their delivery address in the app or website, which determines which restaurants they can order from. We are constantly looking to increase selection and give customers the best possible choices of great food in their local area. The number of restaurants that a customer can order from is determined by the density of restaurants partnering with Deliveroo in that specific neighbourhood - put simply this means that customers in large cities will typically see a larger selection of restaurants than customers in smaller towns where there are fewer restaurants.

When customers order through Deliveroo, the price they pay for each menu item is set by the restaurant. Once the customer has selected all the items they wish to order, the customer will then pay for their items through our secure payment system. The customer will also pay a small 'customer delivery fee' and 'service fee'. The customer delivery fee is variable and is primarily determined by the distance between the customer and the restaurant. Alternatively, customers can choose to purchase 'Deliveroo Plus', which means that they pay a monthly subscription in return for no delivery fees.

A self-employed Deliveroo rider then delivers the meal to the customer. The focus of the Deliveroo model is "last mile" delivery, and Deliveroo utilises the latest technology to ensure that the food is delivered to the customer in the most efficient way. Deliveroo's real-time dispatch algorithm, 'Frank', constantly looks at available riders and orders, and then every two seconds, evaluates the most efficient way to dispatch them. This decision process is based on (i) machine-learning predictive models of when the food will be ready; (ii) how long every part of the delivery process will take; and (iii) which rider is best placed to fulfil that specific order based on distance, type of location and other factors. The result is that customers get an even more precise indication of when deliveries will arrive.

About Riders

Central to our popularity with riders and our success as a business is the flexible nature of the work that we offer - allowing riders to be their own bosses. Our fully flexible fee per delivery payment model means that riders choose when they ride, can work with other companies - including competitors - at the same time as they are riding with Deliveroo, and can decide how often they work with us. They can fit their work around their life, rather than their life around their work.

Riders value the flexibility that self-employment provides. In a recent survey, 80% of riders in the UK said that flexibility is what they value most about working with Deliveroo. A majority of riders work for fewer than 15 hours a week. There is no other type of work that allows you to work whenever or wherever you want; no other work that allows you to both plan where to work but also cancel right up to the last minute if you wish; and no other type of work that allows you to work for a competitor at the same time.

Riders on average across the UK make over £10.00 per hour working with Deliveroo, well above the National Living Wage. 84% of Deliveroo riders are happy or very happy working with us. People want the ability to fit work around their lives and many of our riders have other commitments. Around half of Deliveroo riders (47%) are students and 28% have caring responsibilities.

Deliveroo Rider Requirements

As riders are self employed we do not control their hours or where they work. However, to ride with Deliveroo, potential riders must meet certain criteria, like:

- Riders must have the right to work in the UK, and must be able to demonstrate proof of address.
- Riders must have no criminal record and must be over 18 years of age.
- All scooter riders must be properly insured.

Riders must also complete an on-boarding session where they meet with a Deliveroo operations representative in their area, who checks their documentation in person.

The Deliveroo rider contract is clear that, when working for Deliveroo, riders must not breach the Highway Code. Deliveroo's Rider Support teams are in regular contact with riders to remind them of these responsibilities.

Rider Deliveries

When riders are logged on to the Deliveroo app they will be offered the opportunity to accept deliveries. It is up to them whether they accept each delivery or not. They are paid a fee per delivery that is calculated using various metrics including things like distance of the delivery and the level of demand. Additional payments can be added for things like delays at the restaurant in the unlikely event that food isn't quite ready when the rider arrives.

Our 'Frank' dispatch algorithm is used to match riders with orders. The algorithm also constantly updates riders on the optimal route to deliver the order. The combination of this mapping, and including the distance of the delivery in calculating the fee for each delivery means that there no incentive for riders to speed or drive dangerously.

Because riders are paid for each delivery they undertake, there is also no incentive for them to delay time between deliveries, or for groups of riders to cluster at an Editions site.

Deliveroo's Commitment to Riders

We care about the wellbeing of the riders who partner with us. We were the first company of our kind to offer riders free insurance against accidents and third party damage. But we also want to go further and have have called for changes to the law to ensure that we can offer riders additional benefits, such as sick pay, without jeopardising the flexibility that self-employed status brings and which riders value highly.

We also care about the safety of our riders. We run regular safety workshops across the country and provide a range of safety kit, free of charge to riders, including reflective jackets and thermal bags. We also offer riders access to Portify, an online service where they can receive discounts on necessities like bike repair shops, breakdown cover and life insurance.

We closely monitor what riders tell us about the safety of the areas they work in. We are clear that if a rider does not feel safe delivering to an area they should not do so, and have a contact line where we encourage riders to let us know about any concerns. We work closely with the police to highlight areas where riders feel unsafe or traffic danger zones.

Finally, we support riders in other ways. In August 2018 we announced a scheme which gives riders who partner with us access to hundreds of online courses free of charge in conjunction with education and vocational training provider Open Classrooms. Deliveroo also created a scholarship scheme to give away a hundred bachelor's degrees from leading universities that only riders can apply for.

Deliveroo's Commitment to Restaurants

Deliveroo is passionate about supporting restaurants. We work closely with all our restaurant partners to make sure they are as successful as possible. When we partner with restaurants and they join our app, they have access to our system to help them see and fulfil orders and use our rider network to deliver them. We then charge a commission on orders.

In addition to providing restaurants a place on our app, helping them reach new customers, Deliveroo also works to provide a range of other support for restaurants. This includes access to services like Worldpay, which helps reduce the cost of processing payments, and marketing support, enabling restaurants to run offers to help promote their business.

We are in regular contact with our restaurant partners about how we can help them improve and grow. This includes access to insights about what menu items are popular, of what customers have searched for in their area. This can help restaurants target and personalise their menus in a way not previously available to smaller local businesses. We also work nationally to champion issues facing the restaurant industry through events such as our Restaurant Conference, and campaigns on issues such as business rates.