INDUSTRY WEEKLY DIGEST

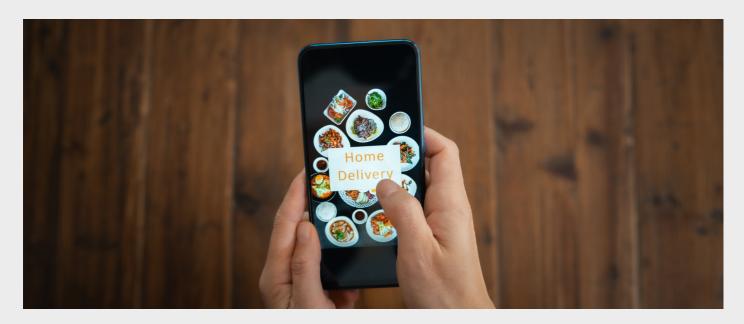## YOUR WEEKLY DIGEST OF CONTEMPORARY INDUSTRY TRENDS

DELIVERING VALUE

Optimising the use of food delivery platforms

As the volume of restaurant food delivery delivery increases, restaurant managers and food delivery couriers are finding clever ways to make the most of food delivery platforms. While delivery platforms provide restaurants and couriers with new opportunities, they also present unique challenges that must be addressed through collaboration between researchers and practitioners.

In this week's Industry Digest, Brana Jianu and Dr Aarni Tuomi expand on these opportunities and challenges and share insights from their recent research.

Have a great weekend!

THE OPPORTUNITIES AND CHALLENGES OF FOOD DELIVERY FOR RESTAURANTS AND COURIERS

Brana Jianu and **Dr Aarni Tuomi**

Recent years have seen an increase in the importance of delivery for restaurant operators. Covid-19 exacerbated this trend, boosting consumer adoption of delivery apps and requiring operators to develop new ways to accommodate shifting customer preferences. Despite restaurant-goers moving back to on-premises dining faster than anticipated, inflation-driven rising costs once again direct consumers from higher-end offerings to lower-cost convenience and comfort. Restaurants' reliance on food delivery platforms (e.g. Deliveroo, Just Eat, UberEats) brings new opportunities, but also challenges to hospitality management.

In our research, we explore how chefs, restaurant managers and food delivery couriers 'game the system', i.e. capitalise on food delivery platforms. From making changes to the physical infrastructure or service process of the restaurant by e.g. installing heated pick-up lockers or cubbies and prioritising on-premises over online orders, hospitality employees are finding ingenious ways to optimise their usage of platforms. On the delivery side, couriers are finding ways to optimise task bundling and routing (and thus, earnings potential), as well as share tips and tricks to ensure food and drink products are kept well and fresh during the delivery by e.g. adding their own extra plastic bags or reinforcing existing packaging with their own tape.

Our research also highlights the power that platforms have over both restaurant employees and couriers, as it regulates the vast workforce by algorithmic management, restricting their agency and providing narrow corridors of action. This is shown, for instance, by unrealistic preparation and delivery time estimates platforms force on their users, along with worry over algorithmic performance reviews.

Ideally, food delivery platforms should offer restaurants access to new markets and a springboard for menu innovation, as well as new form of flexible employment for couriers. However, as often is the case with new technologies, tech adoption is faster than setting guardrails. In the case of food delivery platforms, some important questions to consider include marginalisation of workers, the lack of collective bargaining and migration policies (e.g. work visas) that do not appropriately cater for platform-based work.

Further reading on Algorithmic management and professional growth in platform economy and Algorithmic management grows more common among service businesses are linked here