

WEIGHING THE PROS AND CONS OF THIRD-PARTY DELIVERY



With Statista forecasting online delivery revenues of more than **\$32 million by 2024**¹ and the pandemic causing dine-in closures or capacity restrictions, offering delivery is a no-brainer for most restaurants. However, operators must determine whether they have the infrastructure (and will) to handle the logistics of delivery themselves or whether they'll rely on third-party services such as Grubhub, DoorDash and Postmates.

Is third-party delivery right for your operation?

PROS

BOOST REVENUE

Third-party delivery service has been found to help restaurants increase monthly takeout revenue by an average of



REDUCE INFRA-STRUCTURE COSTS

Restaurants get access to the delivery platform's:

- ✔ Fleet of Drivers
- ✔ Order Tracking
- ✔ Secure Payment Systems

ACCESS NEW CUSTOMERS

Restaurants gain exposure and earn business from the platform's loyal users. In April alone:

Third-party delivery orders
increased 204% year-over-year

Restaurant app/website orders
increased 72%³

PRIORITIZE FOCUS

By outsourcing delivery, restaurants can devote more **time and energy** to their core mission—serving up great food and beverages to customers.

CONS

INCREASED OPERATIONAL EXPENSES

The cost of doing business with third-party delivery services ranges from **15% to 30% per order**. Added costs can result in a loss for restaurants, which typically operate at **2% to 7% margins**.⁴

LOSS OF CONTROL

35% of customers⁵ who use third-party delivery services experience a problem—such as longer-than-expected waits, cold food, or the wrong order.

79%
blame the restaurant for these problems.

CUSTOMER DATA DISCONNECT

If your restaurant uses a third-party platform, typically **they, not you, own the customer data**, and sometimes they sell that data or share it with competitors.

POTENTIAL COMMUNICATION CHALLENGES

Changes to your menu or hours of operation can be **difficult to update** on short notice when outsourcing to a third party.

Find best practices for working with third-party delivery providers and more on [Saputo Foodservice's blog](#).

