Inevitable, vulnerable, unprofitable: an inquiry into food delivery platforms in Europe

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Future of Work series

Working Paper 2024.10

etui.

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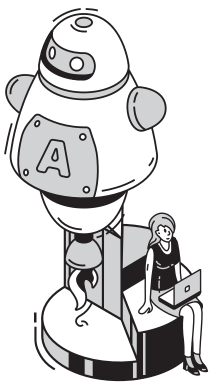

Future of Work series
Future of Work is a new series of ETUI working papers addressing the immediate challenges to the world of work posed by rapid and pervasive technological change. The aim of the series is to bring together cutting-edge research, analysis, projections and normative proposals regarding how technological developments are likely to affect the evolution of work and employment in the coming years. The papers in this collection provide new empirical evidence across a range of domains and disciplines to understand the impact of digitalisation on work, workers and workplaces. Together they serve as a basis to develop theories and conceptual frameworks and to suggest new directions for research. The series has a clear, forward-looking stance, drawing lessons from current developments to propose recommendations for future policy and practice.

Brussels, 2024

Print: ETUI Printshop, Brussels

D/2024/10.574/20
ISSN 1994-4446 (print version)
ISSN 1994-4454 (electronic version)

The ETUI is co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the ETUI. Neither the European Union nor the ETUI can be held responsible for them.

Contents

Abstract

App-based food delivery platforms risk hubris in their high-flying promises on business performance. As loss-making platforms, they can still count on (venture) capital investors keeping them alive, but the question is to what extent the latter will remain patient over the losses. Based on a scrutiny of business reports in conjunction with secondary research, this ETUI Working Paper maps and comparatively analyses three international operating platforms – Delivery Hero, as one of the largest platforms; Just Eat Takeaway; and the much smaller Deliveroo. In respect of each one of these, food delivery service has an almost *inevitable* embeddedness in urban economies today. Platforms' business model is partly based on network effects, meaning that the value of the food delivery service increases when more restaurants are offering food, more couriers are engaged in the delivery job and more customers are using the service. Those network effects are *vulnerable* as they can be challenged by courier associations and trade unions. Furthermore, platforms are under-delivering by traditional business benchmarks and they are *unprofitable* up to now, although performance indicators show progress over time. Funding from shareholder equity or debt financing is nevertheless still vital in today's changed investment climate.

Acknowledgements

Providing an analysis of additional data, this ETUI Working Paper is an updated and extended version of the forthcoming chapter 'Icarus in a coma: mapping food delivery platform companies in Europe', to be published in the edited volume *The Elgar companion to regulating platform work. Insights from the food delivery sector* (Edward Elgar 2025).

Introduction

App-based food delivery platforms bear a resemblance to Icarus. Like this character in Greek mythology, they risk hubris in setting out high-flying promises on environmental sustainability, social emancipation and their business prospects (see also Lord et al. 2023). However, labour unrest, attempts at stronger regulatory embeddedness and the search for alternatives to corporate platforms all raise the pressure (van Doorn and Badger 2020; Vandaele 2023). Whereas the Covid-19 pandemic boosted food delivery, today's unlocked cities are in less need of deliveries, which may question continued growth. Also, restaurants are faced with food price inflation, high energy costs and increasing rents, making them reluctant to pay the platforms' commissions. Couriers on motorised vehicles have been confronted with rising fuel prices since summer 2022 which, in turn, drives anger about low or declining earnings. As delivery work is often a side-job, increased wages in low-income sectors in the conventional economy might move couriers away from the platform economy on the supply side, while the cost of living crisis might shrink the budgets of urban households for convenient food delivery on the demand side. Above all, food delivery platforms encounter difficulties in achieving profitability, although venture capital investors are so far continuing to throw them a lifeline.

Based on a comparative, qualitative multi-case design, this Working Paper principally explores food delivery platforms as *companies* – a conceptual focus allowing for a more comprehensive understanding of the actors involved in platform work and their power relations. The analysis is grounded in the field of employment relations research and, as such, is undertaken in relation to the possible strategies through which couriers may challenge the platforms for improving their working conditions.

This Working Paper develops the argument that centre staging platforms' corporate structure enables the identification of how to build countervailing power as well as an assessment of its possibilities. To underpin this argument, a selection of transnational food delivery platform companies operating in Europe are mapped; specifically, Deliveroo, Delivery Hero and Just Eat Takeaway. They are diagnosed through the lens of strategic corporate research, combined with insights from the power resource approach, putting couriers at the heart. While it is almost *inevitable* that the food delivery service of these sizeable platforms has become embedded in urban local geographies today, their business model, partly based on network effects, makes them *vulnerable* to the resistance of courier associations and trade unions, and they remain *unprofitable* so far. Their employment model, based on regulatory arbitrage has also been challenged by labour advocates and others over time.

1. The business model of food delivery platforms

Before diving into the platforms themselves, this section analyses their business model as a means of better understanding their operational and financial performance. Platforms offered a destination for surplus capital hoarded after the financial crisis of 2007-08, linking them with the financialisation of the economy (Srnicek 2017). Close relationships between investors, start-up leaders and management typify the platform economy (Zwick 2023). Venture capital is identified as the main financial source for food delivery platforms, backing their business model's logic of capital accumulation and value capture (Ametowobla and Kirchner 2023). Venture capital can be considered 'patient capital' (Rahman and Thelen 2019), with investors tolerant of losses in the short-medium term with the prospect of monopolising rents in the long run through network effects, the latter implying the greater the number of buyers, sellers or users, the greater the value created by the offering (Langley and Leyshon 2017). Such 'patient' investor relations in the platform economy resemble those of industrial companies in the mid-twentieth century, although those relations were then motivated by the prospect of stable long-term productivity growth instead of prioritising market expansion through network effects (Rahman and Thelen 2019).

Whereas regional food delivery platforms active in niche markets might operate differently (Muszyński et al. 2022), the business model of the international operating platforms is essentially built on rents coming from digitally matching customers and restaurants and from practices of regulatory arbitrage.

The matching function involves charging a (distance-based) delivery fee to food-ordering customers and a commission to restaurants for each completed order. Especially the latter is significant in achieving economic profitability, which explains why platforms aim to build exclusive and longstanding relations with restaurants (Alvarez-Palau et al. 2022).[1] Rents in food delivery seem feasible especially due to the first-mover advantages deriving from positive feedback loops, enabling platforms to achieve strong market dominance in the localities in which they arrive first (Drahokoupil 2021). Investments in incentives like 'predatory pricing' (below cost pricing) for boosting network dynamics are therefore crucial (Shapiro 2023); that is, attracting and retaining restaurants and customers, especially as markets are highly competitive due to low entry barriers.

1. Restaurants could, of course, circumvent commission via their own (online) advertising and delivery service.

A critical mass of users, in turn related to city size, is required to guarantee a minimum volume of deliveries. Moreover, the value of the material delivery service increases with stronger network density (Drahokoupil 2021). Restaurants and customers are dependent on the number of the just in time workforce as the presence of more couriers reduces waiting times for both; equally, the more restaurants and customers, and thus orders, the lower the idle time for couriers. The influence of such network effects on delivery capacity explains why platforms try to discourage multi-apping; that is, couriers working for two or more competing platforms. Whereas network effects facilitate more effective demand coordination, and offer possibilities of organic growth, they are limited for food delivery platforms, having to be developed and sustained in every new urban context as scaling-up is impossible beyond the local area: delivery services are, quite simply, place-based.

Making profit is also contingent on an organisational model fostering regulatory arbitrage for lowering labour costs. This implies that (international) food delivery platforms prefer contractual arrangements with couriers over a genuine employment relationship associated with making social security contributions. Although employment status variation exists within the same platform or between markets or platforms, contractual arrangements are dominant in food delivery (Ametowobla and Kirchner 2023). Couriers have thus come to resemble the fissured workforce on steroids; yet fissuring itself is not new. Companies in the conventional economy have been franchising, outsourcing and streamlining activities to subsidiaries and subcontractors since the end of the twentieth century, with the aim of reducing labour costs as direct employment by a parent company is associated with more favourable pay and working conditions (Davis 2009; Weil 2014). There is a difference, however: while workforce fissuring by conventional companies is motivated by shareholder interests oriented to short-term profit, this contrasts with the ‘patient’ business model in the platform economy (Rahman and Thelen 2019).

The predominant model of self-employment allows for an asset-light approach. Fixed capital for platforms is thus minimised as couriers mostly bring their own smartphones and vehicles. Hinting at the Californian ideology of Silicon Valley, this is discursively obfuscated by reference to so-called ‘micro-entrepreneurship’ (Srnicek 2017), which might influence the mindset of couriers, possibly leading to self-exploitative behaviour (Vieira 2023) and undermining collective resistance (Barratt et al. 2020; Galière 2020; Schor et al. 2023). Contractual arrangements break delivery work into discrete tasks, colloquially known as ‘gigs’, as delivery services are concerted around culturally defined mealtimes. Although idle time is lessened, unpaid labour is nevertheless there in abundance due to ‘algorithmic performance pressures’ (Graham and Pulignano 2025). Labour costs are further reduced as the self-employment model is synonymised with piece-rate pay and minimal social protection – all of which are reminiscent of older work arrangements associated with precarious employment (Stanford 2017).

As sectoral platforms, food delivery is specialised in last-mile logistic services, part of the expansion and transformation of business logistics since the 1960s (Danyluk 2018). This ‘logistics revolution’ in capitalism implies an acceleration in the time-space compression of commodity flows due to technological and other advances. From this perspective, they are logistic platforms coordinating demand and lowering transaction costs for restaurants and customers. Algorithmic management optimises those transactions and is useful for monitoring and steering couriers and customers based on extracting and processing digital data, ensuring platform dependency (Franke and Pulignano 2023; van Doorn and Badger 2020). Moreover, algorithmic attempts aim at disciplinary control and productivity gains via gamification and performance-based scheduling, producing hierarchies among the just in time workforce (Griesbach et al. 2019; Heiland 2022).

Algorithmic management, with its essentially automated decision-making, also makes the building of relationships among couriers seemingly futile. Yet, the algorithms betray the presence of a labour-capital relationship since managerial authority and control, and information asymmetry, are built in (Gandini 2019); food delivery platforms as neutral, digital intermediaries or 'tech solutions' is a mere fable (Frenken and Fuenfschilling 2021). Bringing in a wider scope on corporate structure, therefore, beyond faceless management, can enable the identification of alternative points of leverage for couriers in their collective effort.

2. Combining strategic corporate research with a power research approach

This section lays out a heuristic framework for studying the corporate structure of platform companies, relying on strategic corporate research (SCR) and the power research approach (PRA). As a method for practitioners for preparing union campaigns, aiming to detect vulnerabilities and potential points of leverage in the broad corporate structure, strategic corporate research offers a comprehensive understanding of the targeted company and industry in which it is situated (Juravich 2011). Modern SCR has been developed in the context of the hostile union environment in the United States (US) for analysing ever-changing corporate structure and for supporting trade unions in launching comprehensive strategic campaigns in organising or collective bargaining. This marks SCR as relevant for studying food delivery platforms given that they equally foster union avoidance strategies.

Table 1 **Levels and areas in SCR**

Level	Areas
Command and control	Basic information; financial information; company history; corporate strategy; management; stockholders; board of directors; lenders; parent company; industry; and competitors
Operational level	Products/services; facilities; workforce; subsidiaries; raw materials/suppliers; transportation/distribution/dissemination; utilities; and customer/clients
Outside stakeholders	Safety and health; environment; other regulatory/legal; community; and political

Source: SCR website, see https://strategiccorporateresearch.org

Platforms do call out for an industry-wide approach: multi-apping means that couriers could simultaneously work for two or more platforms, which stands largely in contrast to the position of workers in conventional companies. SCR can, nevertheless, still be vital for selecting and targeting specific platforms for the improvement of employment terms and conditions across the whole sector. The SCR model itself discerns three levels of analysis for studying corporate structure: ‘command and control’; the ‘operational level’; and ‘outside stakeholders’, the latter especially allowing for a less workplace-based focus (Juravich 2011). Each level consists of a number of areas, in total 24, relating either to what is inside or outside the company – see Table 1. Those areas enable a delineation of the three levels and provide guidance to practitioners in their search for corporate information and data gathering. For each area a number of checklist questions could be asked.

This Working Paper pursues a dialogue between SCR and PRA. Whereas SCR puts the emphasis on corporate structure, PRA takes workers' structural position in capitalism as the point of departure for identifying the different power resources of the working class (Wright 2000). PRA analytically identifies several power resources for pursuing the collective interests of the working class through mobilising those resources. Five main power resources can be discerned: structural leverage, associational power, institutional power, coalitional power and ideational power (Arnholtz and Refslund 2024).

Structural leverage is fundamental in PRA: a power resource inherently contingent on workers' (un)lucky material circumstances within capitalist employment relationships in workplaces and in labour markets. Hence, leverage is conceptually separated into workplace bargaining power, arising from the specific position of workers within distribution or production systems; and marketplace, or economic, bargaining power, the latter being contingent on the possession of certain qualifications or skills desired by management, the degree of unemployment or the extent to which workers can live off other, non-market income sources (Wright 2000). However, structural power is a latent power resource: structural leverage especially manifests itself and gains momentum when workers collectively activate it through *associational power* in, for instance, trade unions or via the support of 'labour-friendly' political parties (Rhomberg and Lopez 2021). Building relationships in the political realm can be instrumental in seeking law-based *institutional power* for making decommodification possible in the economic nexus of the labour market (Vandaele 2024), with existing institutions being conceived of in PRA as the (robust) residue of workers' past achievements (Korpi 1983). *Coalitional power* refers to the power stemming from fostering alliances between workers' forms of associational power and actors beyond the workplace for voicing mutual support and achieving common goals (Tattersall 2010). Finally, *ideational power* can incorporate ideological beliefs, ideas and discourses and symbols as frames of reference, aimed at influencing the public debate through the press and media via meta-narratives on, for instance, social injustice (Frege et al. 2014). Both coalitional and ideational power are sometimes grouped into 'societal power' as they virtually transcend the other power resources.

Reference to SCR is largely missing in PRA as it tends to conceive power in a rather non-relational way, thereby losing sight of interactions with employer resources and the shifting nature of corporate structures. This analysis therefore aims to bring the PRA palette into SCR via a deductive assignation and mapping of the possible power resources of food delivery couriers to the three different levels of analysis of the SCR model – see Table 2. This should not be considered a prescriptive exercise; in practice, the dynamics and interactions between resources will be of significance in understanding power strategies (Arnholtz and Refslund 2024; Vandaele 2024). Moreover, specific (organisational) capabilities should also be brought into the equation as they have an impact on how resources are combined and mobilised by workers collectively vis-à-vis management, employers and governments (Lévesque and Murray 2010).

Notwithstanding those caveats, focusing first on associational power, this power resource looks especially pertinent at the operational level of the SCR model as this is where possible structural leverage via workplace and marketplace bargaining power is rooted. Both influence couriers' disruptive capacity in the labour market via a withdrawal of labour or any other manifestation of collective resistance.

Table 2 **Principal power resources of couriers in the SCR model**

Command and control level
• Institutional workplace bargaining power • Coalitional power with societal actors and ideational power both for influencing investors and shareholders
Operational level
• Interaction between structural leverage and associational power in the labour market • Coalitional with restaurants and customers in the product market and ideational power for influencing those actors
Outside stakeholders
• Building institutional power in the regulatory field via labour-friendly political parties • Coalitional power with societal actors and ideational power both for influencing (local) politicians, regulators, communities and public opinion

Source: author's elaboration.

The self-employment status of food delivery couriers might affect associational power negatively, however, since not all trade unions tend to be open to this status, either due to internal rules not allowing for it or because of legislation. In fact, couriers rather exercise associational power through non-union forms like self-organised, collective associations which either stay autonomous or seek cooperation with grassroot or mainstream unions (Borgi et al. 2021; Maccarrone et al. 2025; Vandaele 2021). Unions are thus not the only organisational form of associational power. Yet both PRA and SCR suffer from the same flaw: although SCR could be conducted irrespective of organisational form, unions have been the dominant point of reference, while associational power and other power resources have often been shifted in recent PRA in a 'reifying way' towards unions instead of workers.

Associational power might also play a role concerning the outside stakeholders of food delivery platforms: couriers can lobby labour-friendly political parties to influence lawmaking processes. The enactment, enforcement or expansion of labour rights can all contribute to couriers' institutional power (Joyce et al. 2023). Besides external stakeholders, institutional power also looks relevant at command and control level in structures like works councils or co-determination, which could theoretically assist in the search for stronger socioeconomic security. Where such institutional structures are present, they might thus add leverage to local unions in the home country of the company or beyond.

At command and control level, trade unions together with societal actors like NGOs could self-evidently gain access to shareholder meetings if they buy shares. Equally, crafting alliances with actors in the product market such as restaurants is possible at operational level, while such coalitional power with societal actors can be equally pertinent with outside stakeholders. Similarly, ideational power which damages food delivery platforms' reputation is relevant at all levels given its transcending character, with the platforms likely to be especially sensitive to investors and stakeholders in the financial market at command and control level; to restaurants and customers at operational level; and to (local) politicians and regulators, as well as local communities and public opinion, with respect to outside stakeholders.

3. Case selection and method

Although smaller platforms operating in local and regional markets can be analytically interesting as they might diverge from dominant business models, three internationally operating ones are selected here: Deliveroo; Delivery Hero SE (DH), which is the parent company of Foodora and Glovo, among others; and Just Eat Takeaway (JET). Platforms like DoorDash and Uber Eats, both based in the US, are important as they are competitors of these platforms in several European markets, although the analysis is restricted to European platforms for manageability reasons and for those of space. Deliveroo, DH and JET are listed companies nowadays, so business reports are publicly available.

Applying secondary research, a total of 29 annual reports, including accounting data, and other corporate material like codes of conduct have been examined in conjunction with the financial press and academic studies. Utilising the latter sources facilitates, in terms of the methodology, a highlighting of the non-explicit articulated practices of their business model in its wider context (Howcroft and Leaver 2024; Shapiro 2023). The period 2013-23 can, with regard to data, be almost fully covered.

Concerning the method, SCR is ideally conducted through a basic schema which systematically gathers information at command and control level, operational level and that of outside stakeholders (Juravich 2011). Not all areas can be covered in the analysis below. Primary research and other research methods and techniques are more suitable for collecting information in some areas, including those covering corporate decision-making and key relationships, whereas others are probably of less relevance for analysing platforms.[2] The areas within SCR that are covered here in outline are, at command and control level, basic information, financial information, parent company, competitors, corporate history and shareholders, the two latter areas in a concise manner; products/services and workforce at operational level; and other regulatory/legal regarding outside stakeholders. Corporate strategy and industry have already been considered in general terms when analysing the business model of food delivery platforms.

Also, while international food delivery platforms adapt to the regulatory and institutional environment (Ametowobla and Kirchner 2023; Muszyński et al.

2. The following SCR areas are far less covered or else not at all: management, board of directors, lenders; facilities, subsidiaries, raw materials/suppliers, transportation/distribution/dissemination, utilities, customer/clients; and safety and health, environment, community and political.

2022), this interaction will not be studied as it ideally implies an analysis of each and every labour and product market in which they are active. The same reasoning applies for exploring the competitors of the selected platforms across urban economic geographies. Instead, focusing on Europe, an overall picture through some telling snapshots will be sketched; it is evidently acknowledged that contextual and temporal contingencies should be brought into SCR in preparing actual campaigns.

4. Basic information about Deliveroo, Delivery Hero and Just Eat Takeaway

This section offers some basic information about Deliveroo, DH and JET to set the scene, partly with reference to their main competitors in Europe, and to identify formal sources of couriers' potential workplace-based institutional power. This section thus basically concerns areas at command and control level.

First, turning to the platform companies themselves, Deliveroo was established in 2013 with its headquarters in London, today being active in ten countries with five of them outside Europe. Its European market presence was larger before: activities have ceased in Germany (2019), Spain (2021) and the Netherlands (2022) as those markets were seen as detrimental to its business model. Deliveroo's flotation in 2021 was depicted as the 'worst Initial Public Offering (IPO) in London's history', losing more than 25% of its £7.6bn valuation on the opening day of trading (*Financial Times*, 31 March 2021), which could be linked to courier protests exposing morally and socially disputed practices like regulatory arbitrage. Workplace-based institutional power for couriers is practically absent, however; only Deliveroo's 'Rider Forums', unilaterally set up in some markets, theoretically enable them to share ideas and feedback informally.

Amazon is Deliveroo's major shareholder, holding a 13.2% stake; an investment that was finally cleared by the UK's competition watchdog, the Competition and Markets Authority (CMA), in 2020. One of the founders, Shu, is still chief executive officer (CEO). He earned a salary of £600,000 in 2023, on top of an annual bonus of £59,100 and a contribution of £22,800 to the company's pension plan – see Figure 1. On average, his salary alone has been augmented by 37.2% in the period 2014-23.[3] Shu's control over the platform is guaranteed via 'class B' shares providing extra voting power.[4] This dual-class share structure expired in April 2024, feeding speculation over a possible takeover although the CMA might be a burden here. DH, its rival, sold its 4.5% stake in Deliveroo for £77m at the beginning of 2024, less than one-third of the initial purchase price, triggering a fall in the shares of both platforms. Talks between Deliveroo and DoorDash, based in San Francisco and founded in 2013, over acquiring the British food delivery platform stalled in June 2024 due to differences about the company's valuation.

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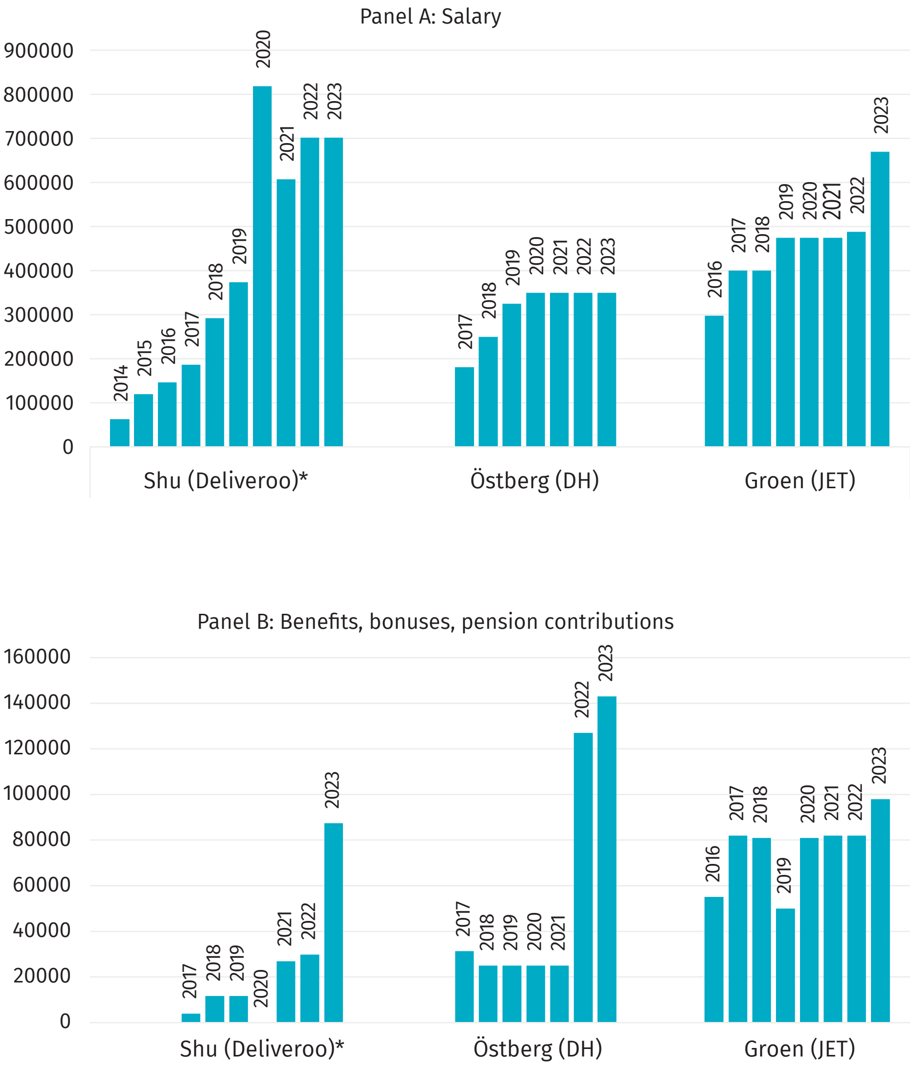
3. Nominal wages and the consumer price index annually increased, respectively, by 0.7% and 2.8% in the UK in the same period. Those calculations are based on the datasets 'Labour market statistics time series (LMS)' (KAC3) and 'consumer price inflation time series' (MM23). See https://www.ons.gov.uk

4. Shu sold £47m in shares to pay off a tax liability in 2021.

Figure 1 **CEO remuneration in Deliveroo, DH and JET**



Note: * exchange rate: £1 to €1.17.

Source: annual reports.

Berlin-based holding company DH started up in 2011, and its co-founder Östberg remains CEO. He received a base salary of €350,000 in 2023, together with fringe benefits of €25,000 and a short-term incentive of €118,000 – see Figure 1. His salary has increased, on average, by 12.6% in the period 2017-23. The group has been listed on the Frankfurt Stock Exchange since 2017, with the technology investor group Prosus, a division of the South African holding company Naspers, being the largest stakeholder with a share of some 25-30%. Using various brand names, DH is active in more than 70 countries across the Americas, Asia, Europe (with a discontinuation of the foodpanda brand in Germany in 2022) and the Middle East and North Africa. A partial sale of the loss-making foodpanda brand in south-east Asia failed in early 2024 although California-based Uber reached a deal with DH in May 2024 to acquire foodpanda in Taiwan for $950m; equally important, Uber committed also to buying $300m of newly issued DH shares.

A non-organic growth strategy partly marks DH. For instance, one year after its launch, the original Munich-based Foodora became a subsidiary in 2015, being active in seven European countries today after the platform announced it would end activities in Denmark in May 2024. Notably, the activities of Foodora ceased in Canada in 2020 after the Ontario Labour Relations Board ruled that couriers have 'dependent contractor' status (Gebert 2021; Lee 2023). In 2022, DH acquired the Catalan-based operator Glovo, founded in 2015, which currently operates across 25 markets in Africa, Asia and Europe; the platform left Slovenia in May 2024. Spanish social security authorities have investigated Glovo's classification of couriers both before and since the 2021 'Riders' Law' which presumes their employment status. If a back payment of social security charges and penalties materialises, then Glovo will require additional financing from its parent company; DH has only guaranteed such support until May 2025.[5] Also, both were raided in 2022-23 by antitrust regulators of the European Union (EU) investigating alleged market allocations, hiring practices and information sharing. DH warned investors in July 2014 that it might face an antitrust fine up to €400m.

DH has been a *Societas Europaea* (SE) since 2018; that is, a public company in accordance with EU corporate law. The platform states that this expresses its 'self-image as an internationally oriented company with European roots', yet its motives are probably less poetic in practice: SE status is often sought by German companies to circumvent stricter national rules on board-level employee representation (Keller and Rosenbohm 2024). This might be only half successful: DH employees started a procedure for establishing a works council in Germany – a far more vigorous type of employee representation compared to the required transnational SE works council currently in place – in early 2024, which turned out to be successful in the first round.[6] If further successes are forthcoming, a works council could then provide more tangible institutional leverage to tech workers vis-à-vis management in the home country. In addition, works councils are already present in some DH subsidiaries, such as in Foodora in Austria since 2017 (Geyer et al. 2023) and in Glovo since 2022, the latter in response to the platform's attempt to circumvent the 'Riders' Law' (Arasanz Díaz and Sanz de Miguel 2023).

Dutch-based JET is the result of a merger of two platforms in 2020: Amsterdam-based Takeway.com, founded by Groen in 2000, which went public at Euronext Amsterdam in 2016; and London-based Just Eat, established in Denmark in 2001 with an IPO at the London Stock Exchange in 2014. Both were originally online food marketplaces instead of delivery platforms and they continue to operate here alongside delivery work. Groen remains JET's largest shareholder with about 7% of the shares. His salary stood at €670,000 in 2023 – an increase of 37.3% compared to the year before – excluding benefits of €31,000 and a pension

5. Similarly, a possible reclassification of couriers to employee status in Portugal might result in payments ranging from €1.2m to €9.0m.
6. See https://www.workerheroes.com

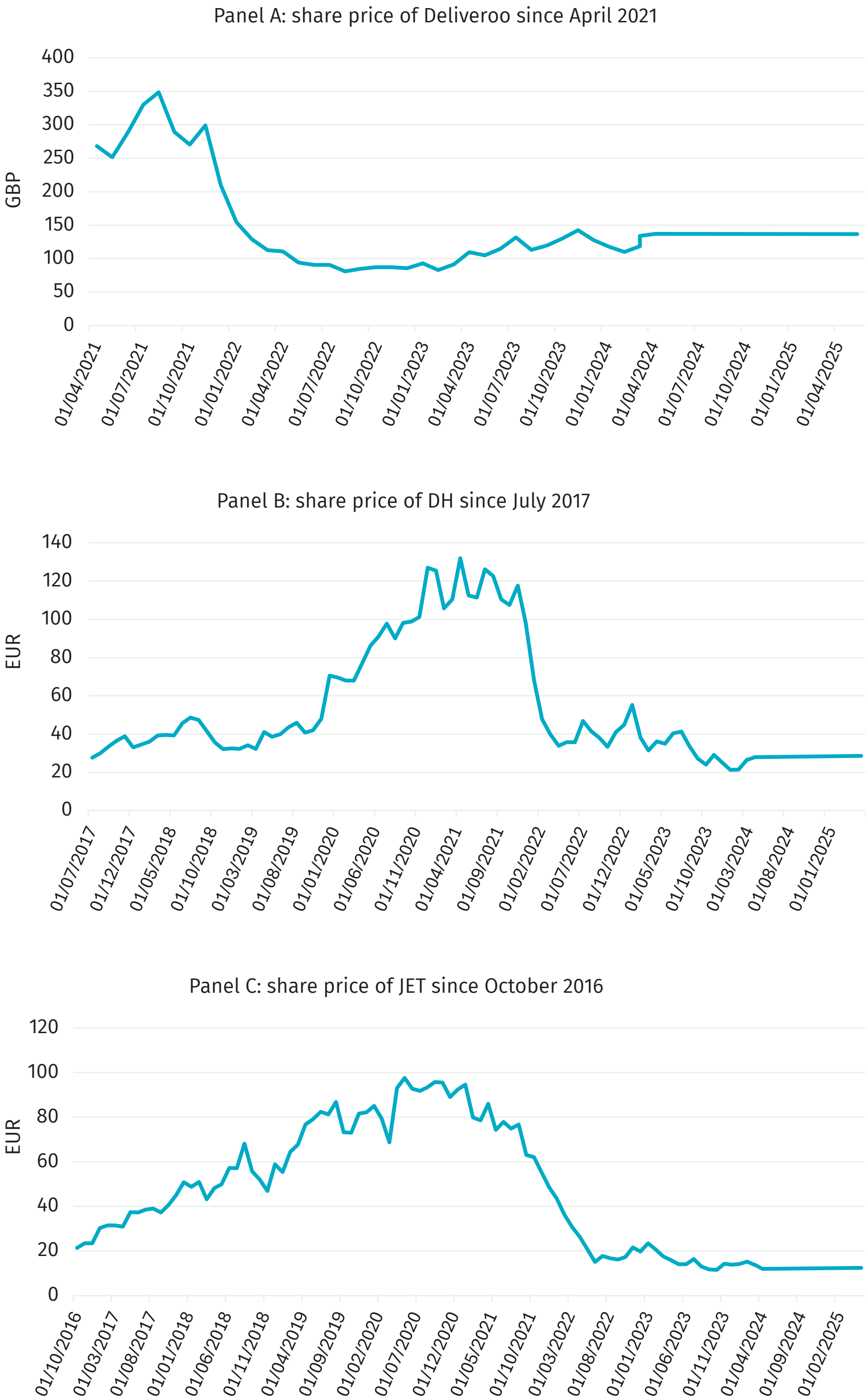
allowance of €67,000 – see Figure 1. His salary grew, on average, by 13.3% in the period 2016-23. The platform operates under diverse brand names in twenty countries in the Americas, Asia, Europe[7] and Oceania, for instance as Lieferando in Germany where, not without difficulties, works councils have been set up since 2017 (Maccarrone et al. 2025). A works council has also been present in its home country, the Netherlands, since the same date. Moreover, a special negotiating body was initiated in 2023 to discuss the establishment of a European Works Council.

Whereas both DH and Uber showed interest in Chicago-based Grubhub, founded in 2004, it was JET that bought this food delivery platform for $7.3bn in 2021. This provided JET with a base in the US, but one of its largest shareholders was sceptical about the acquisition from the start. Concerns about the acquisition were also raised when DoorDash entered European markets in 2022 through the $8.1bn acquisition of Wolt, a Finnish platform founded in 2014 operating in 27 countries, most in Europe. Grubhub reached a settlement of a purported $42m in 2023 with a stakeholder who had accused the platform of withholding data about financial performance. JET has been eyeing a (partial) sale of Grubhub since April 2022.

Compared to private ride-hailing platforms, food delivery sees a lower level of competition with established sectors in the conventional economy, although competition is fierce in food delivery as funding is more equally distributed compared to private ride-hailing (ILO 2021). Panels A-C in Figure 2 demonstrate how share values peaked during the pandemic, though at different timings, but have languished afterwards (in contrast to the CEOs' remuneration). Deliveroo's share price stands at about one third of its maximum value, but DH and JET are performing even worse. Market capitalisation stands at £1.93bn, €5.74bn and €2.61bn, respectively. To guarantee continued investor support, via improving future earnings per share, both Deliveroo (£304m) and JET (€300m) engaged in share buyback programmes or similar in 2023-24.

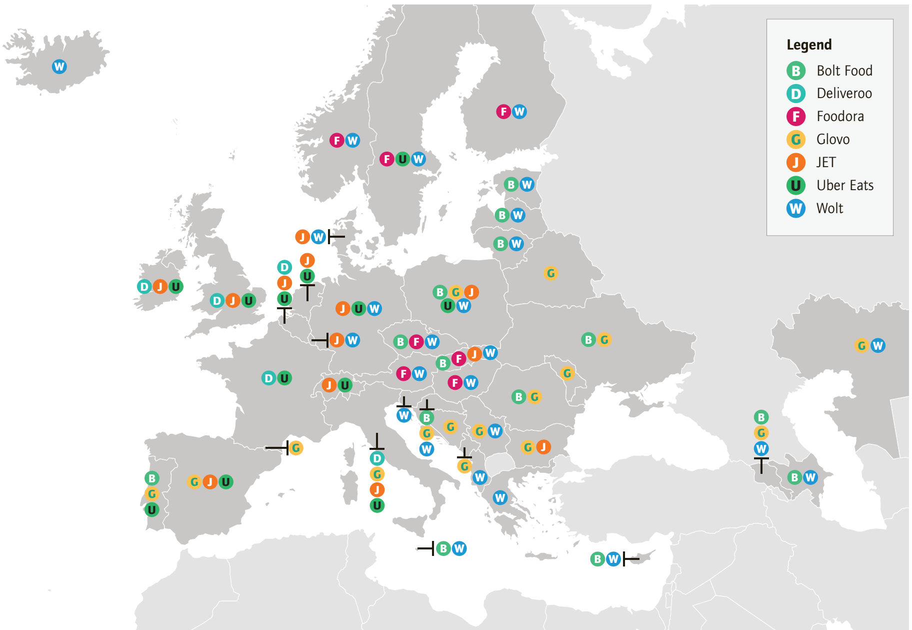
7. The platform ended loss-making activities in Norway, Portugal and Romania in 2022.

Figure 2 **Monthly share price of Deliveroo, DH and JET**



Source: Yahoo Finance, 4 June 2024.

Figure 3 **Geographical spread of major food delivery platforms in Europe (early 2024)**



Source: author's elaboration based on corporate websites with design assistance from Aymone Lamborelle.

Finally, Figure 3 maps the geographical penetration of the selected platforms with regard to their international competitors in Europe at country level. Thus, as a standalone app, Uber Eats was launched in 2016 by Uber and operates in 29 countries, of which twelve are European. Like Uber Eats, JET predominantly operates in western European markets. These two platforms, together with Deliveroo, are also active in Ireland and the UK. Large markets in southern Europe look equally strongly divided. Bolt Food, present in sixteen countries, established by the Estonian mobility company Bolt in 2019, and Wolt are both available in central and eastern Europe and Eurasia. Foodora and Wolt prevail in Nordic Europe. A duopoly of international platforms in these three regions seems typical but markets are more crowded in, for instance, Poland and Slovakia.

The above overview provides thus an indication of the degree of competitiveness between internationally operating food delivery platforms in national markets. It gives information to what extent network effects could be exploited as couriers pitting platforms against each other is assumed an effective tactic for improving working conditions in a given urban area as network effects in the labour market are crucial to platforms' business model (Maffie and Gough 2023). While ideational power becomes more relevant in the case of a powerful monopolist platform, where multi-apping would be no option, couriers guaranteeing to work exclusively for a single platform plausibly augments their associational power in competitive markets. In leveraging their power resources, the question is then to what extent can couriers reap dividends?

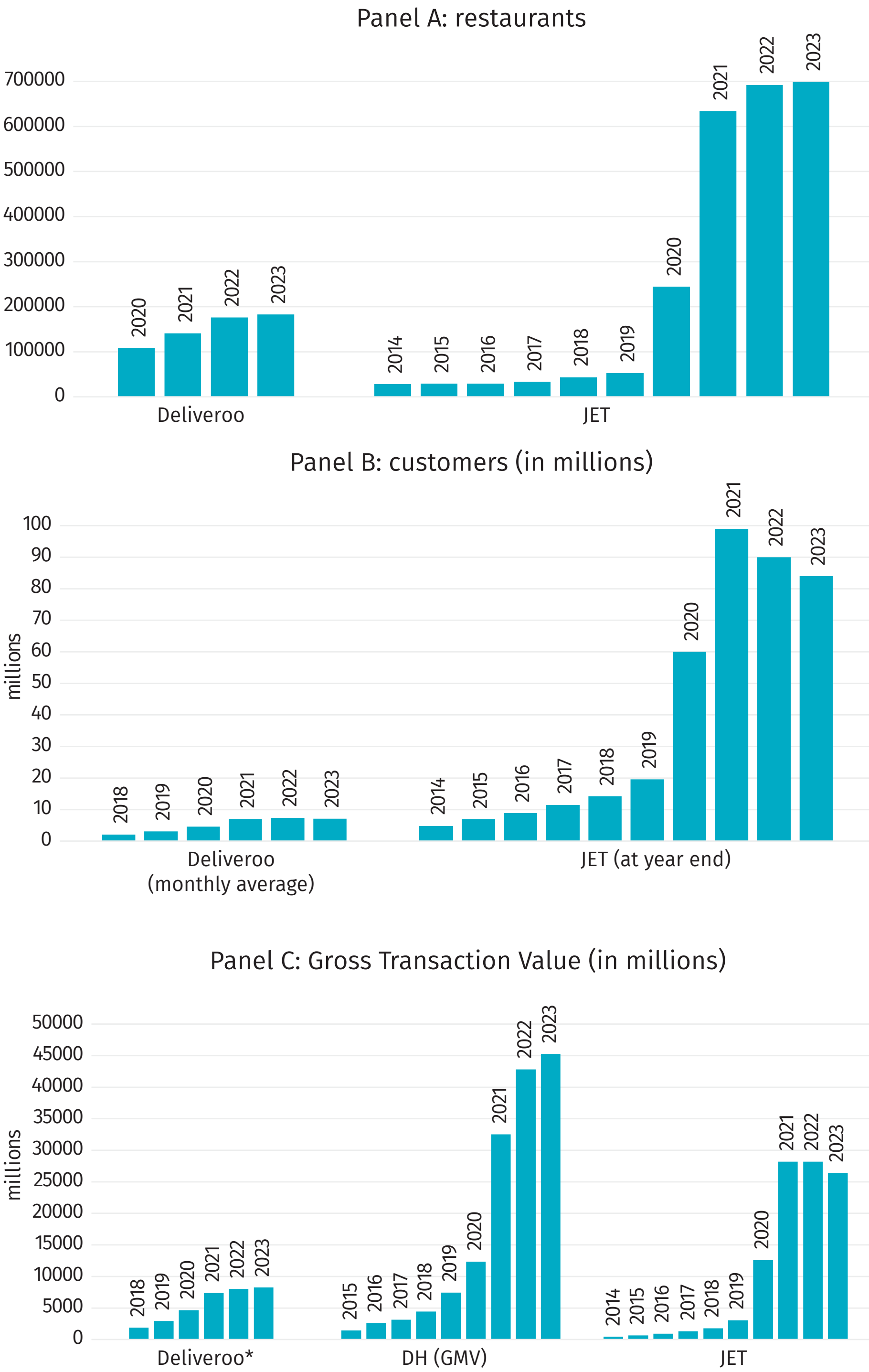
5. Financial and operational performance

This section turns to a comparative multi-year analysis of platforms' operating and financial performance, which relates to some areas at operational level within the SCR method. While a linkage with PRA cannot be directly made in this section, the analysis provides information about the possibilities and limits of couriers in their distributive claims in specific markets.

The platforms themselves highlight some indicators regarding their operating results; that is, the metrics considered as part of their 'investor-focused narrative' as they emphasise the 'ability to scale at speed and the prospects for capital growth (rather than profit)' (Howcroft and Leaver 2024: 11-12). The three indicators selected here are the total number of restaurants (including grocery stores for Deliveroo), with an impact on network effects; the number of active customers, reflecting market position and penetration; and gross transaction value (GTV), including customer delivery fees, or gross merchandise value (GMV) in the case of DH. Both provide information about the combined value of overall orders, which influences gross revenue development as platforms are highly dependent on the commission charged to restaurants.

Panel A in Figure 4 shows an overall expansion in restaurants for both Deliveroo and JET but growth slowdowns in 2023. Panel B depicts customer development. After significant progress in 2021, this has declined for Deliveroo, which the platform attributes to 'inflationary pressures' in 2023. JET has seen a fall in customers since 2022 as not all pandemic-gained customers have remained, especially in North America. The average monthly order frequency in 2023 reached 3.4 for Deliveroo and 2.8 for JET. Panel C demonstrates that DH is the largest platform in terms of overall transaction value, followed by JET and then, at a distance, Deliveroo. Pre-pandemic order value has continuously increased, with Covid-19 measures contributing to changed consumer behaviour. Deliveroo, however, attained a lower order value in 2023. Its main market is the 'UK and Ireland' geographical segment, with an order value of about £4.2bn, increasing from 47% of GTV in 2019 to 59% in 2023. DH and JET have also propelled order value through non-organic growth. For instance, DH's progress since 2021 can be ascribed to the acquisition of the South Korean subsidiary Woowa and also Glovo, contributing to the rise in GMV in 2022-23. Markets in Asia are especially important for DH though declining; order value there stood at €25bn (56.0%) in 2023, whereas European markets were €7.5bn (16.6%). JET's merger helps to explain its growth in order value in 2021. Slowdown and decline, in contrast, describe its post-pandemic development although order value is still significantly above pre-pandemic levels, reaching €16.5bn (62.5%) in 'Europe'. Its main markets in 2023 were the US, UK and Germany; southern Europe seems of lesser importance.

Figure 4 **Selected performance indicators for Deliveroo, DH and JET**

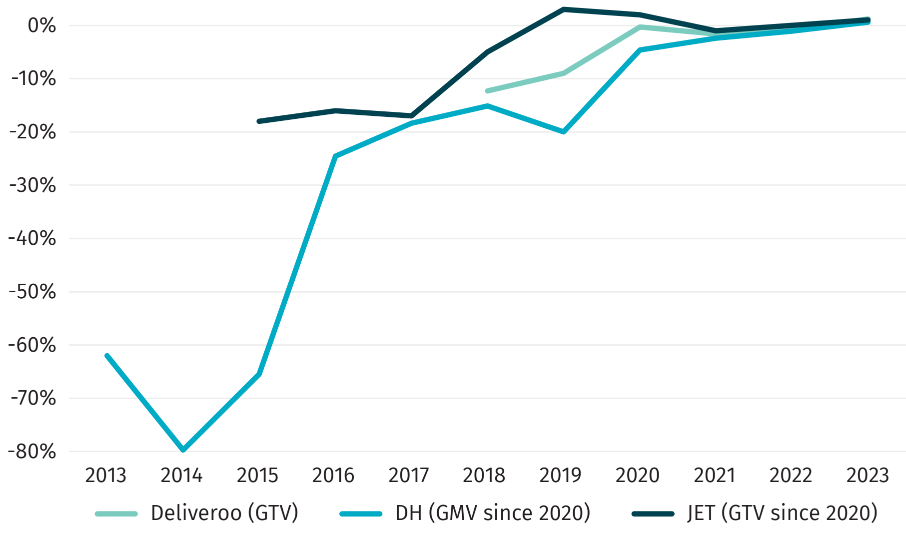


Note: * exchange rate: £1 to €1.17.

Source: annual reports.

Other revenue streams may include service fees for processing online payments, advertising (based on data extraction from consumers) and subscription-based models aiming to lock consumers into platforms' ecosystem of urban consumption. Furthermore, platforms have diversified their product offering beyond fast food delivery through quick commerce (henceforth: q-commerce) via their own on-demand services or in-store picks of groceries or other consumer goods (retail). Q-commerce in Deliveroo rose from 6% in the second half of 2020 to 13% in terms of total GTV in the last half of 2023, but commission rates are reported to be lower compared to restaurants. DH has started q-commerce, including via its small warehouses called 'Dmarts', mainly consisting of its own warehouse operations for selling on-demand groceries: revenue increased between 2020 and 2023 from 7.3% to 19.7%. JET piloted q-commerce in the Netherlands in 2022 and has been scaling up this business ever since.

Figure 5 **EBIDTA margin for Deliveroo, DH and JET, 2013-2023**



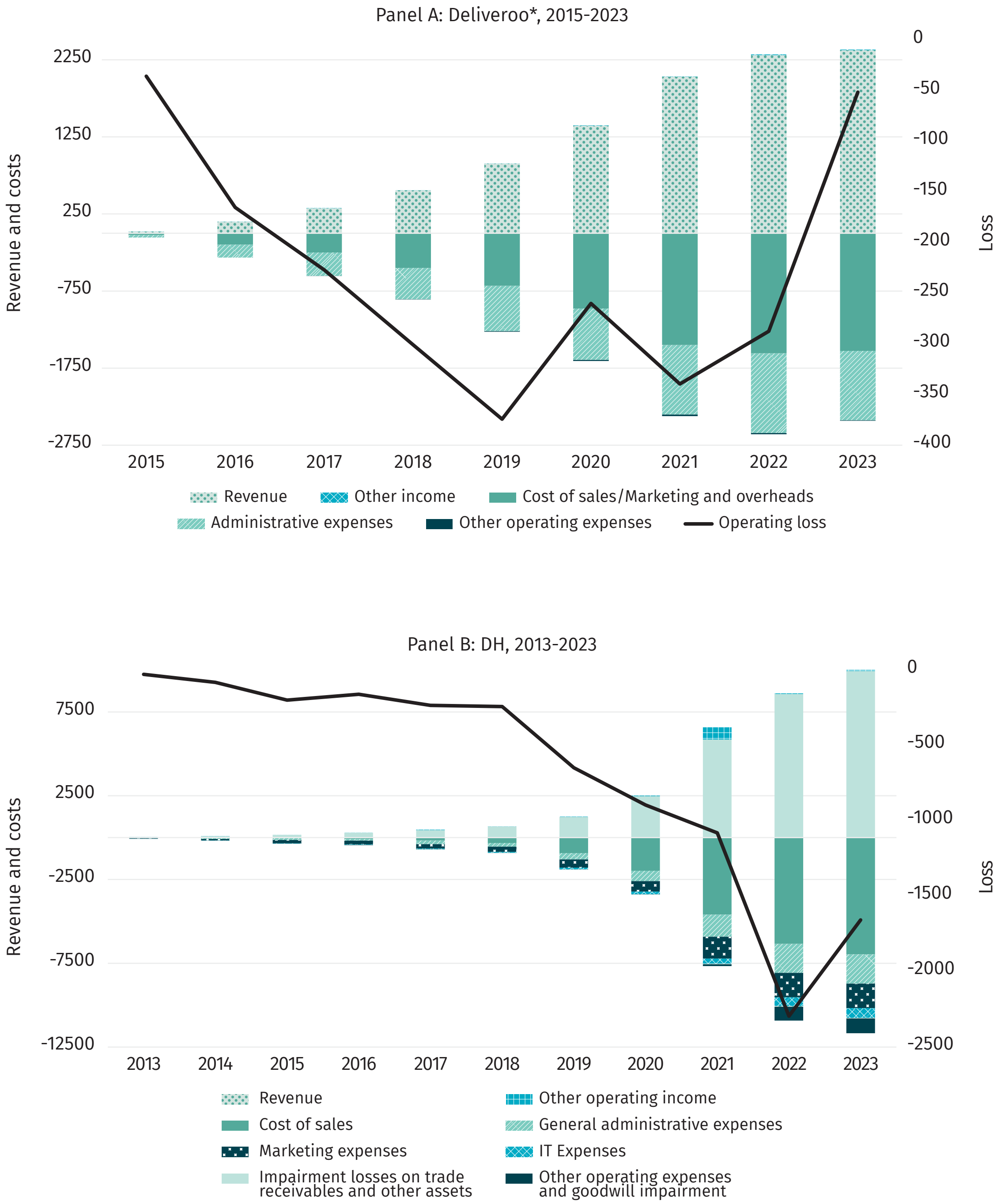
Source: annual reports.

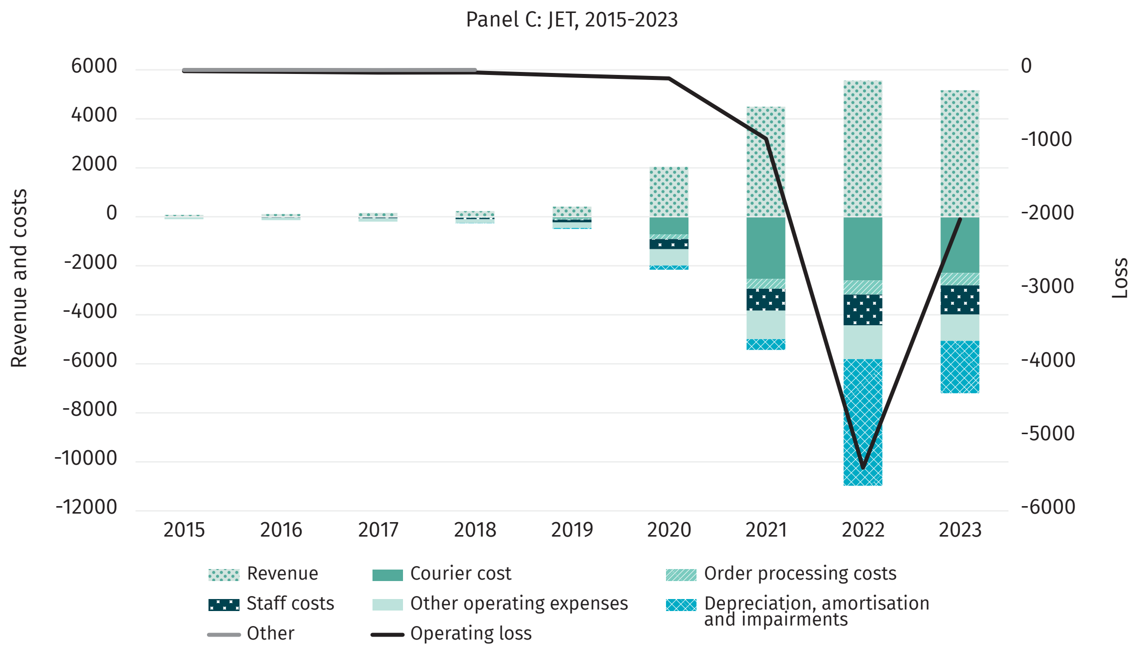
Figure 5 depicts the adjusted EBIDTA margin.[8] Margins are negative overall, but have improved over time for all platforms, a result largely of increased network effects and order value. All three platforms sketch a picture that might be a bit over-rosy, however, as that 'adjustment' to the margin is achieved via the exclusion of one-off, non-operating expenses. Differences between markets are apparent, implying that profitability can, nevertheless, be a battlefield for couriers. Deliveroo had a positive EBIDTA margin in 2023 (due to cost reductions), with the margin especially higher in the 'UK and Ireland' segment. DH's negative margin persists in its European segment because of 'marketing investment in connection with rebranding our Foodora business'. The measure was slightly positive for JET in 2020 and 2023, with the EBITDA margin being negative in the last year for

8. Earnings before interest, taxes, depreciation and amortisation – a measure of operational efficiency.

southern Europe, and Australia and New Zealand. JET claims that it has been profitable since its inception in its home market, the Netherlands. Put differently, focusing on more detailed product markets enables the loose identification of where couriers' distributive justice campaigns might be successful.

Figure 6 **Income statement and operating losses for Deliveroo, DH and JET (in millions, in euro)**





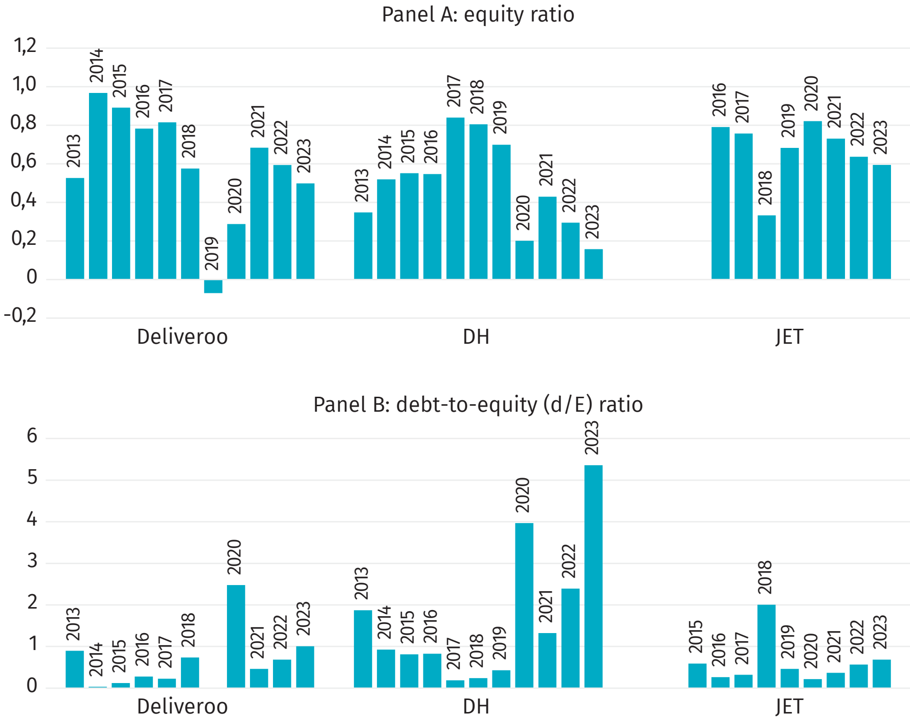
Note: * exchange rate: £1 to €1.17. Graphic design inspired by Howcroft and Leaver (2024).

Source: annual reports.

The bar graphs in Figure 6 depicting the income statements show (spectacular) increasing revenue over time but equally (astonishing) growth in costs of sales for Deliveroo, DH and JET. The balance of those dynamics is negative: there is an operating loss in all three platforms in every year considered - see the line graphs. Operating cash flow – how much cash the platforms have generated from normal, daily business operations – is negative for Deliveroo except for 2020 and 2023. DH has failed to generate a positive operating cash flow in any year. This also holds true for JET other than for 2018, 2020 and 2023. Negative income in Deliveroo has reached over €200m or even €300m since 2017 except for 2023 when the loss was €32m. Apart from 2019, with an overall income of €201.5m, attributable to income from discontinued operations, DH equally marks 'profitless growth'. JET has been confronted with escalating losses since 2021 due to the 'impairment of goodwill and acquired other intangible assets', which should be read as far lower Grubhub orders than expected due to competitiveness pressures arising from DoorDash and Uber Eats in the US.

In conclusion: additional, external financing is required to keep the beleaguered platforms alive; that is, to maintain and advance operations.

Figure 7 **Equity ratio and debt-to-equity ratio of Deliveroo, DH and JET**



Note: excluded debt-to-equity ratio of -15.3 for Deliveroo in 2019.

Source: panels A-B – author's calculation based on annual reports.

Panel A in Figure 7 indicates to what extent the platforms are financed by shareholders as opposed to debt. All have been reliant on 'patient' funding from shareholder equity, other than Deliveroo (before its IPO) and DH (in the last couple of years). DH is more leveraged compared to the conservative way that Deliveroo and JET fund their asset requirements. The latter two platforms note in their post-2021 annual reports how the context of low interest rates has altered: shareholders' patience has been challenged as 'investor appetite to finance growth companies decreased because interest rates rapidly increased', resulting in a shift from 'a growth-first mentality to focusing on improving profitability' and 'a de-rating especially for currently non-profitable technology companies [sic]'.

Assessing platforms' reliance on debt, Panel B's debt-to-equity ratio confirms that DH substantially uses debt financing instead of its own resources for its operations; existing credit lines were extended and amended in 2023. The platform nevertheless looks fragile and relatively unattractive to shareholders. The agreement with Uber in May 2024, under which Uber will buy new shares, brings some relief to DH.

While investor relations can be evaluated as rather difficult, the relations of the platforms with some of their couriers is even troublesome, to which the next section turns.

6. Possible actors at operational level for building power

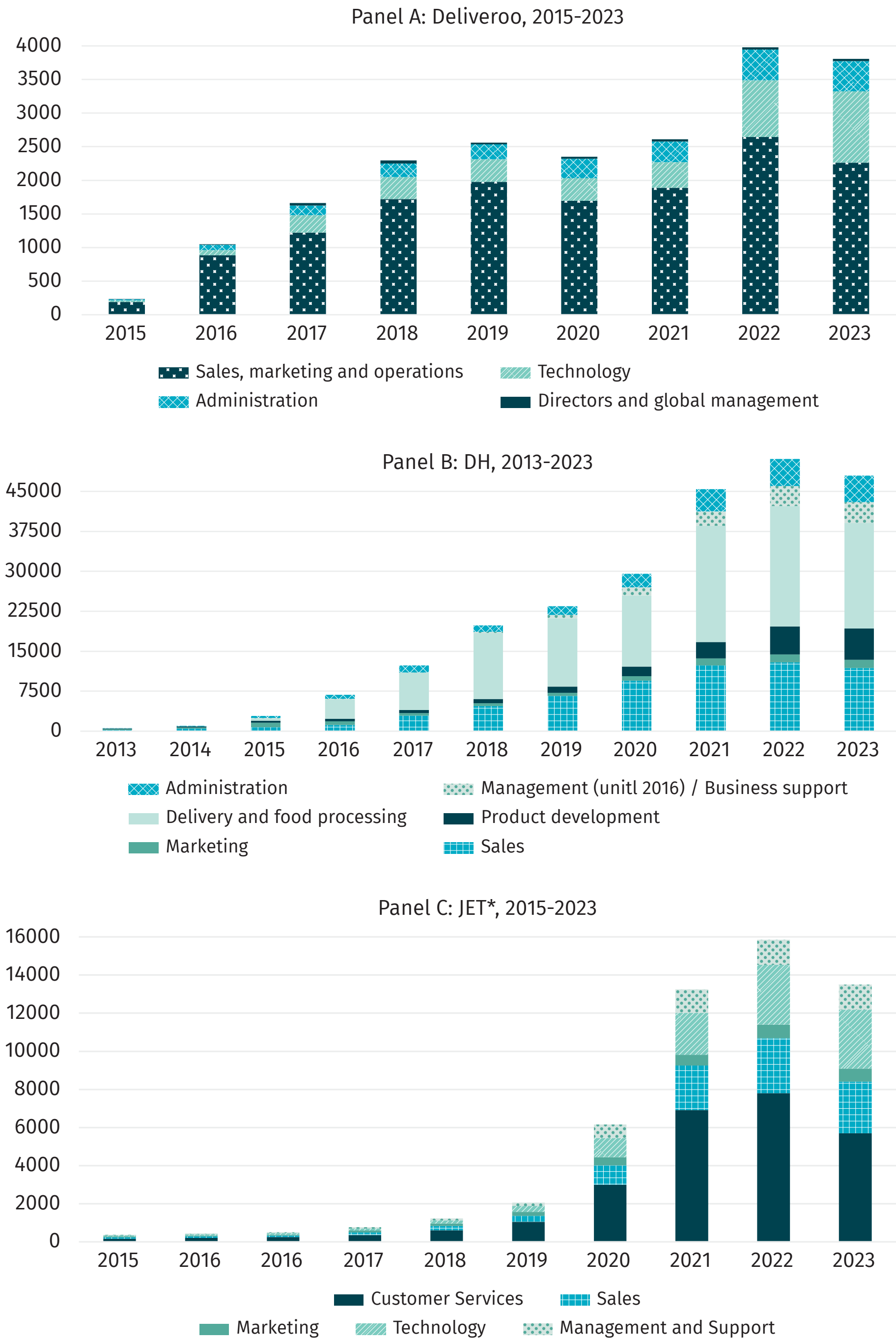
This section contrasts platforms' financial reporting with a presentation of research accounting for the various actors in the quadrangular relationship which applies in food delivery: their directly employed workers; the couriers; restaurants; and customers.

First of all, all three platforms evidently do employ workers in their own operations. Panels A to C in Figure 8 outline the actual size of the employed workforce in each, with different growth rates reflecting variety in business expansion. Workforce growth came to a halt in 2023 when they all laid off workers, on a particularly pronounced basis in JET, given the slowdown in orders after the pandemic-induced takeaway bubble. A 'redundancy process' affected 9% of the Deliveroo workforce, mostly in the UK. Subsequently, Deliveroo attributed to this process the 2023 decline in its score in the regular employee engagement surveys measuring loyalty and job satisfaction. Furthermore, a 6.5% workforce reduction was mainly felt in Glovo's Barcelona offices, foodpanda already having conducted layoffs in 2022. JET introduced a temporary 'hiring pause' that year, also sacking 170 head office staff in Just Eat in the UK and cutting 400 jobs in Grubhub in 2023. DH claims that the 2022 scores in its employee engagement surveys were on a par with the industry benchmark but, one year later, these were not contextualised. JET saw its scores as above average in 2023 despite 'restructuring activities'.

Providing a more detailed comparative picture of the non-courier workforce is not possible as departments are defined differently. Those associated with research and development have nevertheless been growing in recent years, suggesting that 'computational data expropriation' has gained more significance over time (Shapiro 2023; van Doorn and Badger 2020). Deliveroo's workforce employed in 'sales, marketing and operations' has relatively decreased over time, from 82% in 2015 to 59% in 2023, while the share of employees in 'technology' has risen from ten to 28%. An engineering centre in Hyderabad, India, employing about 200 technology staff, was set up in 2022 but was then closed, together with a Taiwanese hub, just one year later. Furthermore, most of the DH and JET non-courier workforce belongs to 'sales' or 'customer service/logistics' – both at 42% in 2023 – while 'product development' and 'product and technology' increased their share between 2017 and 2023 (respectively from 11% to 21%; and from 13% to 23%). DH's largest 'tech team' works at the Berlin headquarters, although it was hit by staff reductions in 2013, while tech hubs will be shut down in Taiwan and Türkiye[9].

9. In June 2022, the United Nations agreed to change the spelling of the country known in the English-speaking world as Turkey to Türkiye.

Figure 8 **Workforce in Deliveroo, DH and JET**

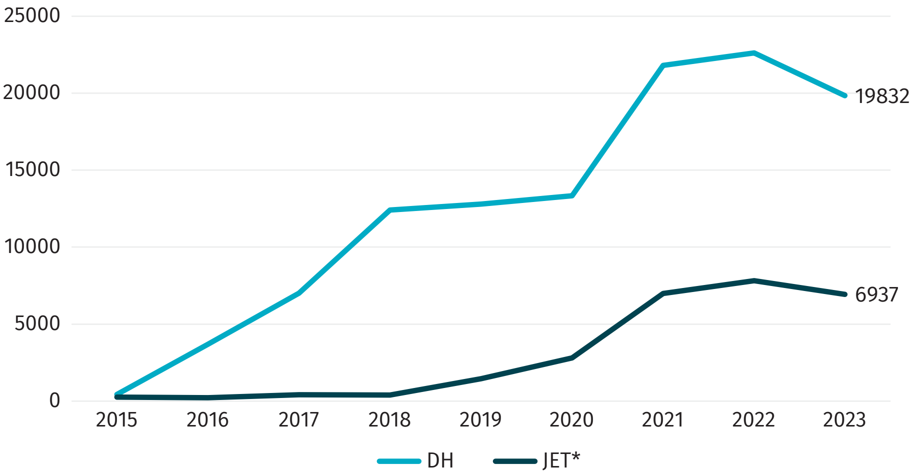


Note: * full-time equivalents; annual averages except year-end data for JET until 2017. Excluded: 'Product' and 'Restaurant services' for JET standing at, respectively, 23 and 7 in 2015 and 21 and 7 in 2016.

Source: annual reports.

Developments hint at a stronger focus on process optimalisation and innovation in platforms' technological architecture with the integration of artificial intelligence, especially in tailoring consumer preferences. The tech workforce's partial outsourcing offshore, alongside that of others, undermines structural leverage, however, and adds to the complications in building associational power which thus requires a cross-border approach. Moreover, a prerequisite for confronting the platforms as employers is that tech workers also self-identify as workers alongside their prevailing identity cherishing entrepreneurial values (Rothstein 2022). Yet, although management-controlled online systems are challenging for building associational power, they may still act as an entry point for organising the high-paid tech workforce (Vandaele and Piasna 2023). Also, coalitional power between them and low-paid couriers cannot be excluded: a shared migrant background might be helpful in the local context in overcoming possible differences in terms of loyalties towards the platforms, interests and attitudes towards collective representation (Niebler 2023).

Figure 9 **Directly employed couriers in DH and JET, 2015-2023**



Note: * full-time equivalents; annual averages except year-end data for JET until 2017.

Source: annual reports.

Turning to couriers, Deliveroo does not employ them directly, although an estimate of the total number is available. That has fallen from around 180,000 (2021) to 150,000 (2022) and to 135,000 (2023) because of declining order value and the 'optimisation' of network dynamics. A very small percentage of the global courier workforce of DH and JET are genuine, direct employees – see Figure 9. For DH it can be calculated that employed couriers accounted for less than 1% in 2023.[10] Also, their distribution is highly concentrated: for instance, 60% of JET's employed couriers are in Nordic Europe; the rest are in southern Europe. Where couriers are employed, not only minimum legal standards apply but collective

10. The number of non-employed couriers has increased: from 700,000 in DH (2020), to over 1,400,000 (2021) and 1,700,000 (2022), to 3,000,000 (2023); the last, remarkable, rise remains unexplained. More than 800,000 DH couriers made at least one delivery in 2023. There are no data available for JET.

agreements might also then have to be negotiated, advancing couriers' institutional power (Geyer et al. 2023). Recent market dynamics have put more pressure on the courier employment model: both DH and JET moved to third-party models in some markets, causing a more than 10% drop in employed couriers in 2023. JET has announced in July 2024 to stop its activities in France.

Deliveroo has built relationships with the GMB, an affiliate of the Trades Union Congress, in its home market since 2022, signing a voluntary partnership agreement.[11] The agreement implies that Deliveroo will consult with the union on issues like benefits, health and safety, and diversity and inclusion. In turn, the GMB is able to represent and support members in Deliveroo in resolving certain issues directly with the platform; some progress has recently been made by setting a minimum pay floor. The agreement recognises the employment status of platform couriers in the UK as 'self-employed'. The Supreme Court confirmed this status in 2023, implying that Deliveroo is not required to engage in collective bargaining, to the disappointment of the Independent Workers Union of Great Britain, the grassroot union which brought the case. Deliveroo considers the agreement with the GMB as 'a blueprint to support positive engagement with unions in other markets'. Apart from a disputed collective agreement with the Italian corporatist Unione Generale del Lavoro (General Labour Union), signed in 2020, and having entered into social dialogue in France in 2022, Deliveroo's engagement with couriers is otherwise restricted to surveys, an in-app feedback tool and focus groups. More than four in five couriers are '(very) satisfied' according to the monthly surveys run by the platform. A critical mass of couriers looks not entirely satisfied, however: strike-banned migrant couriers in Deliveroo even dared to take industrial action against pay cuts and long working hours in the United Arab Emirates in 2023.

There is indeed no lack of evidence of couriers' social protests across Europe and beyond (Stuart et al. 2025; Umney et al. 2024), more than likely driven predominantly by those who 'are significantly more (or even completely) dependent on their gig earnings' (Schor et al. 2023: 14) – heterogeneity is simply abundant among couriers (Mendonça et al. 2024). How digital online communities can nevertheless form breeding grounds for couriers' associational power and collective resistance is well-documented (Bonini et al. 2024; Tassinari and Maccarrone 2020; Hau and Savage 2023; Kougiannou and Mendonça 2021). This must be offset against the algorithmic management of food delivery platforms creating and exploiting divisions in the transient courier workforce (Mendonça and Kougiannou 2023) and, thus, in their rather weak marketplace bargaining power; nevertheless, being attached to transportation, couriers possess some noteworthy workplace bargaining power compared to most other types of platform work (Vandaele 2021). Indeed, they hold a strategic position in the supply chain: couriers are the rope stretched between customers and the 'uber'-platforms, delivering food ordered from restaurants at the arranged time. Attempts at utilising their disruptive capacity typically tend to be local and short-lived, as well as being well-timed in high-demand hours for maximising disruption. Deliveroo's

11. See the GMB website: https://www.gmb.org.uk/private-sector/logistics/deliveroo-hub

disastrous IPO has demonstrated that strikes nevertheless feed into ideational power. Equally, DH considered strikes in its 2022 risk report to have 'negative effects' on 'delivery services and associated gross profit losses as well as [causing] reputational damage'.

Restaurants in the product market are also of interest at operational level; they might offer courier associations opportunities for coalition-building intended to build pressure towards the enforcement of existing regulations or, otherwise, for new, better versions. Differentiation can be made between types of restaurant. First, individual restaurant owners might be inclined to support protesting couriers as they could suffer from high commission charges despite benefiting from a broader customer base through the food delivery platforms (ILO 2021). Notably, the revenue take stood at 28.7% for Deliveroo in 2023, while commission fees represent 41.2% of DH's revenue; no recent public information is available for JET. Second, targeting restaurant chains like McDonalds seems fruitful for two reasons. They strongly guarantee network effects as platforms have often built longstanding 'partnership' relations with them. In addition, comprehensive campaigning can enable food delivery couriers to connect with (equally) low-paid hospitality workers in the conventional economy, as the 2018 fast food shutdown in the UK evidenced (Cant and Woodcock 2020). Third, targeting delivery-only kitchens has a very direct impact on platforms' revenues as they go together with purchases or leases and depreciation costs. 'Editions' – dark kitchens; that is, restaurants selling meals only through delivery – grew from about 200 in Deliveroo in 2019 to over 380 in 2022, but their roll-out is now decelerating.[12] They accounted for 10-15% of total orders in certain zones in 2022, according to the British platform.

Finally, building alliances with customers for improving couriers' working conditions seems more ambiguous. Ordering food and tipping entail 'at least passive endorsement' (Healy and Pekarek 2023: 249) of platforms' business model, while this very same model cannot avoid abusive customer behaviour (Schor et al. 2023). Furthermore, consumers who evaluate the delivery service via ratings systems are contributing to the feeding of the algorithms surveilling the couriers. Also, importantly, platform owners or investors aim to forge alliances with their consumer base (Culpepper and Thelen 2020; Rahman and Thelen 2019). They do so as a means of influencing the political field for legitimising and securing their business model, especially its reliance on regulatory arbitrage, achieved through rhetorically invoking the flexibility of contracted couriers alongside consumer interest in low prices and convenience, and, if needed, mobilising the consumer base. This investor-consumer alliance thus questions whether consumers could ever be an ally.

Alternatively, there might be growing consumer awareness about couriers' working conditions such that consumer choices could shift, while consumer activism is possible (Goods et al. 2024). One way to pursue such activism is via the promotion of courier-led platform cooperatives as local alternatives (Christiaens 2024). Yet

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12. The number of dark kitchens in Glovo is unknown.

their charm seems limited (so far). They are predominantly active in niche product markets, while platform cooperatives especially seem (only) to appeal to those consumers who are morally inclined to pay more for better working conditions or who attach strong importance to environmentally friendly production or distribution (Muszyński et al. 2022; Smith et al. 2021). Stimulating consumer activism looks a more fruitful route, one example being the social media campaign "#cancel_efood" in Greece in 2021, proving that consumer activism can support couriers in their resistance. After the unilateral decision of efood, a food delivery platform acquired by DH in 2015, to alter couriers' contractual terms, anticipating the further flexibilisation of labour law, consumers supported the protesting couriers, discrediting the platform and putting the blame via social media on the government (Vrikki and Lekakis 2023). Apart from reputational damage, at least equally important, consumers negatively rated or deleted the efood app so that network effects weakened, resulting in efood reverting its decision.

7. Outside stakeholders: action-reaction in the regulatory field

This section highlights how platforms' corporate practices affect the external stakeholders who may challenge their legitimacy, in particular regarding the regulatory/legal field in which they operate.[13]

Business model framing has been vital for food delivery platforms, enabling them to gain organisational legitimacy especially as they are start-up companies with no history of economic performance (Howcroft and Leaver 2024; Shapiro 2023). Portraying themselves as intermediaries or tech companies has also allowed them to circumvent stricter regulations and not assume full responsibility as an employer vis-à-vis couriers. It looks increasingly difficult to hold on to such legitimacy-building narratives, however, as their recent policies towards couriers are blurring independent contractor status. For instance, Deliveroo's UK couriers have been provided with accident and injury cover and third-party liability insurance since 2018, as well as with earnings support for those couriers working regularly with the platform since 2021; they are also entitled to a one-off lump sum payment following the birth or adoption of a child. Platforms like Deliveroo lean thus towards 'privatised social protection systems' (Rolf et al. 2022) undermining states' post-1945 welfare functions.

Codes of conduct in DH and JET 'respect' the right to freedom of association and to engage in collective bargaining. A 'fair pay initiative' since 2021 in DH should guarantee that couriers are 'compensated fairly', while the platform aims to reduce the accident rate per delivery. JET has, since that same year, launched a survey amongst its employed couriers for improving employment policies. All the platforms have modern slavery statements in place condemning forms of exploitation and discrimination such as forced labour, child labour and human trafficking. Media reports have revealed, however, the existence of a digital shadow market for account sharing with underage teenagers or undocumented migrants ('despite' facial recognition technology) (see also Mendonça et al. 2023). Equally, occupational health and safety risks, including (fatal) injuries due to traffic accidents, are being widely reported (Gregory 2020). Furthermore, data protection authorities and courts across Europe have contested platforms' algorithmic management as infringing data protection rights and violating non-discrimination laws (Potocka-Sionek and Aloisi 2025).

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13. Actions undertaken to support local communities via charity partnerships and to increase sustainability via reducing food waste, plastic waste and carbon emissions and other greenhouse gases are not reported here.

Above all, it is the employment status of couriers that has increasingly provoked controversy over time. The question of this status largely influences their institutional power – a power resource that can be Janus-faced. For instance, independent contractor status implies that they are mostly, but not always, stripped of individual and collective labour rights; yet this means, equally, that (strict) regulation on industrial action is likely not to apply to them. Changes to independent contractor status are considered a principal risk by Deliveroo, about which it confesses its 'low risk appetite' (sic). The platform assures that it 'will be involved in regulatory investigations, audits, claims, court cases and appeals, as well as individual and collective legal claims in any market'. Similarly, contractors' employment status is evaluated as high risk by DH; JET also has 'minimal appetite' for 'restrictive (or changing) laws and regulations'. DH applies a 'chameleon-like' style (Ilsøe and Larsen 2023; Jesnes 2024); its subsidiaries simply adjust to the varying regulatory contexts regarding employment status. JET's CEO follows a publicly understanding tone which is supportive of the EU Platform Work Directive (Groen 2021). Yet, as mentioned before, at a global level, most JET couriers are externally employed, either via reliance on third-party providers, which was reduced in 2023, or as independent contractors. Moreover, the direct employment model introduced for Just Eat UK couriers in 2020 shifted back to a self-employed contractor model three years later, with impacts on 1,700 couriers across six cities. JET had already moved to a similar model in most of France in 2022 and was planning to do so in Paris during 2024 (with an impact on about 100 jobs) but then announced to simply close its business in France.

Protection of this regulatory arbitrage-based business model via lobbying in the political field is secured both financially and organisationally.

Financially, this requires the hoarding of reserves for legal rulings and regulatory and contractual matters. Legal provisions in 2023 amounted to £113.9m in Deliveroo; €111m in DH; and €78m in JET. With some notable exceptions, such as France and the UK, platforms' 'war chests' have not been able to avoid embryonic urban-based policies for more social protection and the reclassification of couriers' employment status. Couriers are considered genuine employees in several European countries either via tailored-made legislation, like in Spain, or through court decisions as a result of litigation actions by trade unions or otherwise (Hießl 2022). Even so, regular retightening is not always effective given the 'recoding capacity' of platforms via modifications in their algorithms or contracts (Frenken and Fuenfschilling 2021: 107).

Organisationally, platforms have established their own employer associations at European level, mainly for enhancing their lobbying power, and some are members of traditional associations at national level; platforms active in Italy established AssoDelivery, their own association, in 2020 (Piasna 2024; Vandaele 2023). Deliveroo proactively 'engage[s] with regulators', especially at EU level, 'to discuss proposals or consultations' or 'to explain the importance of flexibility' for couriers. Similarly, DH is 'continuously seeking alignment with local authorities on disputed freelance rider models' and the platform adds that operations might discontinue in markets where reclassifications ensue; JET 'intends to continue to defend itself vigorously' in matters of 'alleged misclassifications of independent contractors'. The adaptation of the EU Platform Work Directive in early 2024 denotes that its transposition and implementation in Member States will equally become the object of platform lobbying.

Conclusions

This Working Paper comparatively studies selected aspects of the corporate structures of Deliveroo, DH and JET and their operational and financial performance in relation to the possible power resources of food delivery couriers. Combining insights from strategic corporate research and the power resources approach, it explicitly refers to platforms for what they genuinely are: companies with employer accountability and responsibilities to build relationships with their (courier) workforce, courier and tech worker associations and trade unions. The analysis suggests three key findings.

First, food delivery in the platform economy is almost *inevitably* part of local urban economies but it is still a relatively young sector; all platforms are still founder-led. They have also kept privately-owned status for a relatively long time, allegedly to escape stock market pressure to turn profitable (Howcroft and Leaver 2024). The platform landscape is still in flux in Europe (and beyond), moving to consolidation, with some platforms merging with others or acquiring competitors in the battle for market dominance. While regional patterns of alternating duopolies in Europe more often than not prevail between Deliveroo, DH and JET and their main competitors, competition seems especially fierce in some larger markets.

Overall, in terms of revenue, DH is the largest platform followed by JET and the much smaller Deliveroo. Acquisitions or mergers characterise DH and JET, boosting geographic expansion and revenue development; Deliveroo is focused on organic business growth but might itself be a future takeover target. Deliveroo shows relatively stronger financial viability compared to DH, which looks riskier; JET is struggling with its takeover of Grubhub. In the meantime, Deliveroo and JET are trying to placate shareholders with share buyback programmes or otherwise aiming to increase future earnings per share; DH has managed to extend and amend its lines of credit.

Second, regulatory arbitrage, together with the harnessing of network effects, underpins platforms' business model. Yet those effects simultaneously expose platforms' vulnerability as they open up possibilities for couriers especially in those markets where sustainable profitability has been achieved. This requires an industry-wide focus where two or more platforms are active in the urban context. Combining power resources and the interaction between them hints at least three possibilities here: through leveraging structural power, courier associations and trade unions could pit platforms against each other; likewise, they could target dark kitchens and restaurant chains in campaigns as these, in all likelihood, guarantee the network effects; lastly, fostering coalitional power, by building ideational power with consumers for making threats on social media to delete delivery apps, equally targets the network effects.

Couriers' coalitional power can be developed with platforms' tech workforces, especially where the latter have emerging workplace-based institutional power. While rights derived from workplace-based institutional power at European level are in general weaker than those at lower levels, they denote nevertheless the importance of a multi-scalar approach to organising couriers in their location-based delivery job (see also Herr et al. 2021). It is still early days, however, since those institutions at workplace level are still weakly developed or in the making. Furthermore, platforms have not entirely abdicated their role as employers: the tech workforce inserts them in the conventional economy, although the post-pandemic era has induced them into cost-cutting measures, among others reducing their workforce. Similar to courier protests, these measures could further damage platforms' reputations.

Third, the operational and financial picture is nuanced for each platform but sustainable profitability is still not lurking just over the horizon. All three platforms continue to be *loss-making*; the accumulated deficits stand at about £1.8bn for Deliveroo (2014-23), €8.6bn for DH (2013-23) and €7.9bn for JET (2014-23). Put differently, and putting aside the issue of regulatory arbitrage, food delivery platforms are, hitherto, viscous financialised cash burning juggernauts, while CEOs' pay rises stand quite in contrast with platforms' performances. As a corollary, 'platform companies leverage their valuations to access cheap capital, acquire competitors, access new markets, and then repeat – even if the increased market share never yields expected profits' (Shapiro 2023: 206-207). Whereas the pandemic largely contributed to more customers and greater order value for all platforms, the post-pandemic era shows a decline in customers and a slowdown or even decline (in the case of JET) in terms of order value even though this remains well above pre-pandemic levels. In addition, product differentiation via q-commerce has marked the last couple of years. This looks relatively more developed in Deliveroo and especially DH; it stands in its infancy in JET. Cash generation from operating activities is nevertheless either negative or low and this equally applies to profit margins although the latter are improving over time, somehow justifying 'patient' investor relations. Yet it is still 'cold pizza' that is being delivered in terms of profitability.

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All links were checked on 12.04.2024.

Cite this publication: Vandaele K. (2024) Inevitable, vulnerable, unprofitable: an inquiry into food delivery platforms in Europe, Working Paper 2024.10, ETUI.

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D/2024/10.574/20
ISSN 1994-4446 (print version)
ISSN 1994-4454 (electronic version)