Uber Eats

Reducing friction within the Eats experience: “Uber Spots”

Business pivot from Ride to Eats

Gross bookings for Uber rides declined 75% from the same quarter last year to over $3B while delivery gross bookings (aka UberEats) are close to $7B

- **Uber acquired Postmates in July 2020, increasing customers for their food delivery platforms**
- **With more food delivery customers across both Eats and Postmates, Uber must provide an efficient experience**
- **To sustain growth across all platforms, and for cross-selling, the Eats customer experience must be at least as good as Ride**

https://qz.com/1889602/uber-q2-2020-earnings-eats-is-now-bigger-than-rides/#:~:text=Most%20notably%2C%20its%20Uber%20Eats,than%20doubled%20to%20%246.96%20billion.

Current challenges that Eats faces (in priority order)

1. Order never arrives: Customer never received the order, food is delivered to wrong address, driver and customer never connect or take a long time to connect.

2. Customer is charged while restaurant is closed: Order is booked unknowingly for restaurants which are closed for service. Users with debit card are out of money with no food.

3. Customer receives incomplete order: Either order is missing items or order is wrong

   Solution: This is often the restaurants fault, cannot be easily solved without adding more time and cost for the driver in verifying the order. Same rating system used by Rides can be applied to the restaurants for improving their service accuracy.

Solutions for Current Challenges

1. Order never arrives: This is the problem I will address later
2. Customer is charged while restaurant is closed: Introduce a time delay between order placement and charge. Restaurant must accept order before charging; which allows for the user or restaurant to cancel order, thus improving user experience.
   - \+ Customer ordering flexibility
   - \- Adds lead time
   - \- Hard to determine whether a restaurant is open or no longer servicing
3. Customer receives incomplete order: This is often the restaurants fault, cannot be easily solved without adding more time and cost for the driver in verifying the order. Same rating system used by Rides can be applied to the restaurants for improving their service accuracy.
   - \+ Positive restaurant rating increases sales
   - \+ Customer satisfaction increase
   - \- Adds lead time for driver to verify order completeness

The Biggest Problem: Order never arrives

Context

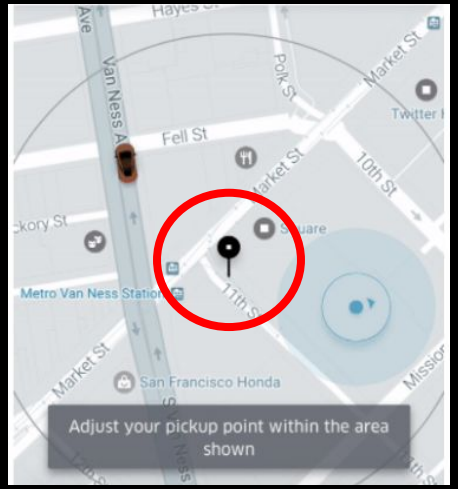
UberEats allows users to select an address and options for **delivery but this information is not sufficient or precise** enough to help the driver locate the customer.

Problem statement

Driver and the customer struggle to meet and complete the order due to insufficient location information.

Proposed Solution: “Uber Spots”

Allow customers to select a specific coordinate or “pin-drop” on the map around their address for delivery

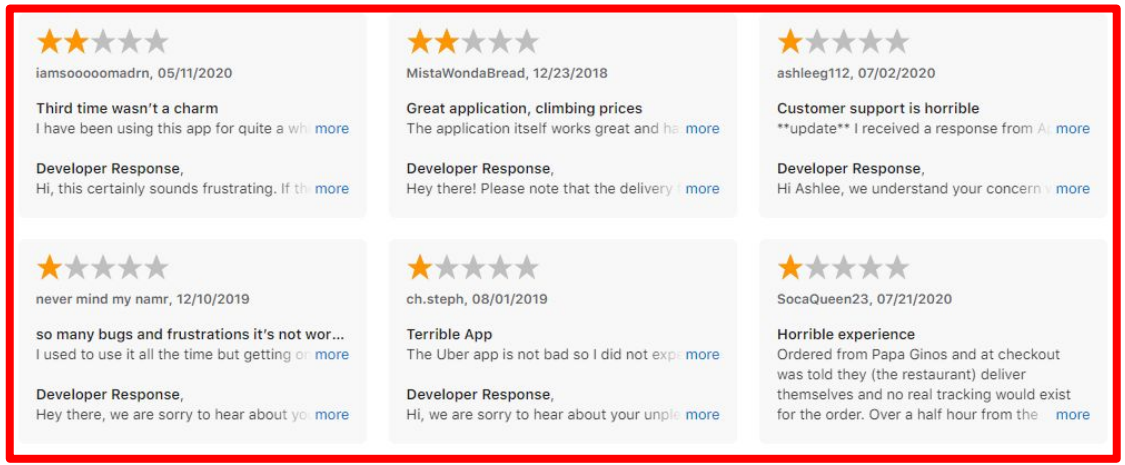


Specifying a GPS coordinate rather than an address provides another degree of precision, allowing both parties to know exactly where to show up

Value Proposition

- Improves driver and customer experience and satisfaction
- Driver can make more deliveries in the same amount of time
- Customer will get their food faster

Customer Feedback validates this hypothesis

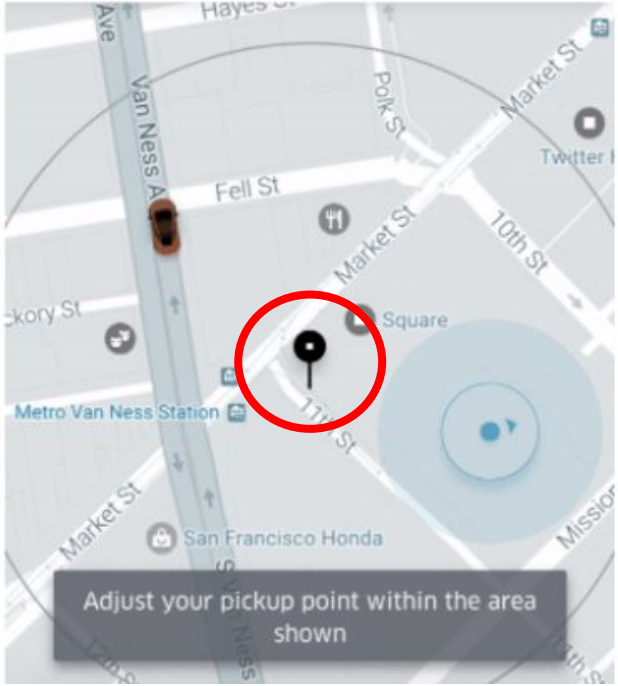


UberEats Reviews from iOS App Store

MVP of Proposed Solution

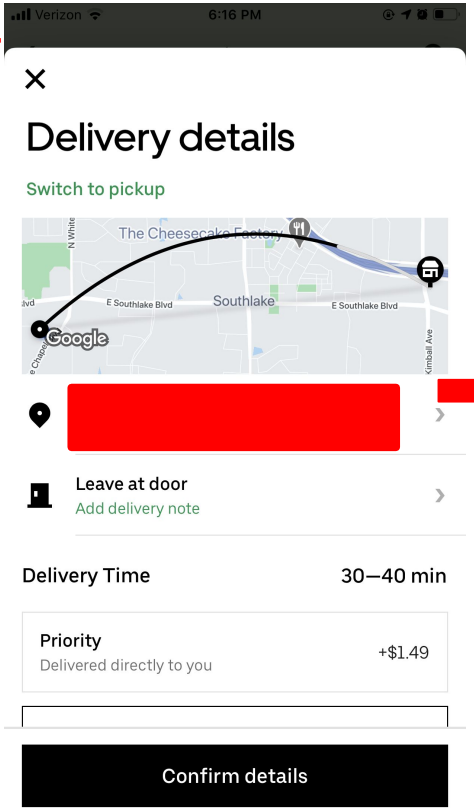
This feature exists in the Uber Ride experience.

Ride customers are able to specify a pin drop for pickup, so we can replicate this in Eats.



Potential User Experience Near Term

1



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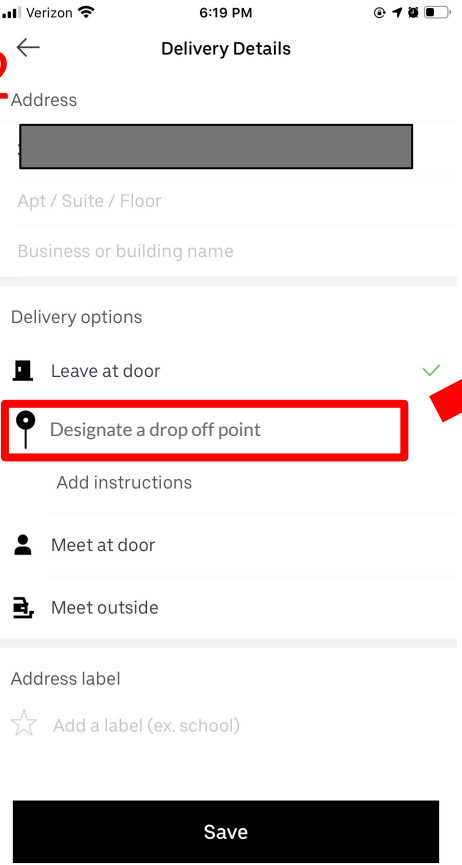

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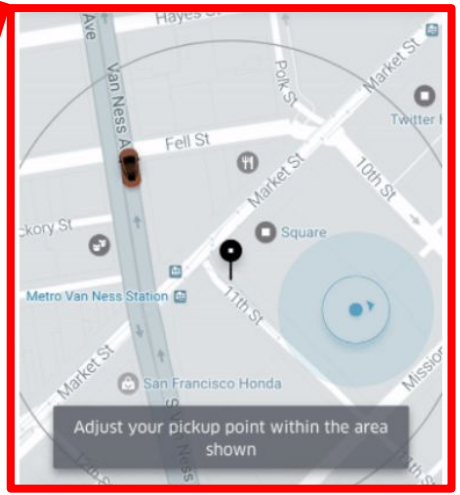
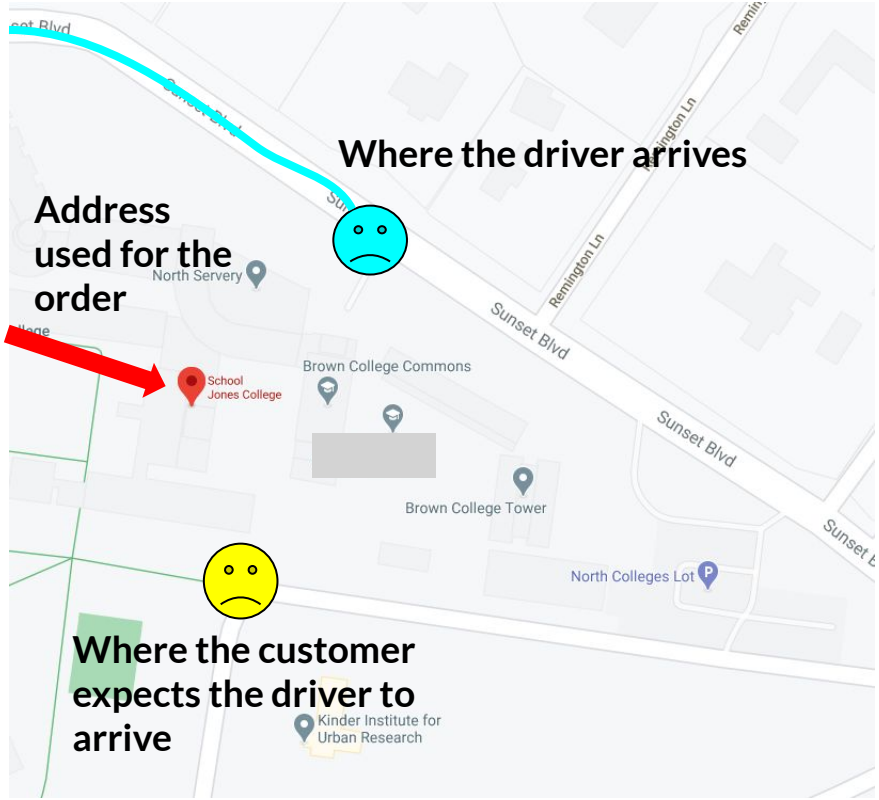
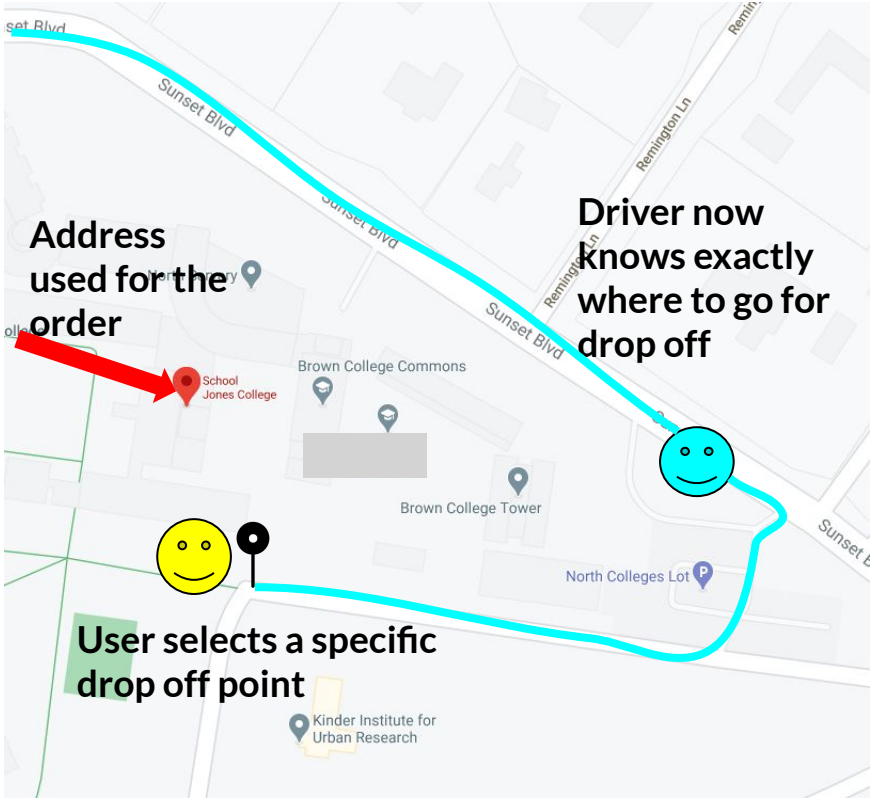
Add option: “Designate a drop off point”



Before Uber Spots



With Uber Spots



Go To Market Strategy: Hypothesis Validation

1. Pilot-test this feature in college towns and a subset of urban areas
2. Add a landing page for the user to understand how the feature works
3. Keep track of feature usage and which user profiles or locations tend to use the feature more
4. Iterate and tweak implementation as needed to optimize experience

Risks

1. Not all pin-dropped locations will be easily accessible by road
2. Users may not know themselves where they dropped the pin
3. Users may be confused by the additional capability of the feature

Go To Market Strategy: Success Metrics

Performance Metrics:

1. Collect mean time between driver arriving at address and driver marking delivery as complete with and without “Uber Spots”
2. Collect mean time between driver arriving at address and driver leaving for next delivery with and without “Uber Spots”
3. Determine % of deliveries that do not connect in a given region (before and after “Uber Spots”)
4. Analyze customer feedback where the feature is deployed

What Success Looks Like:

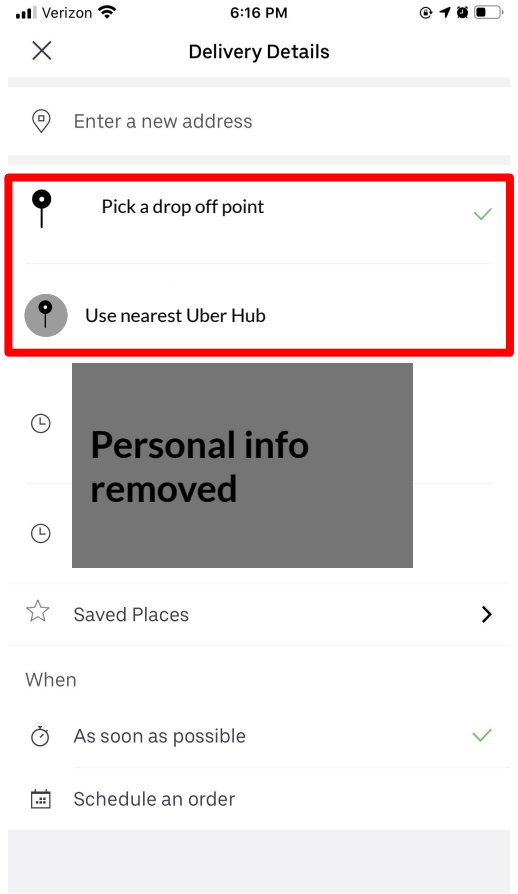
“Uber Spots” should help reduce the time spent by drivers waiting or looking for their customer to 0

Long Term Strategy

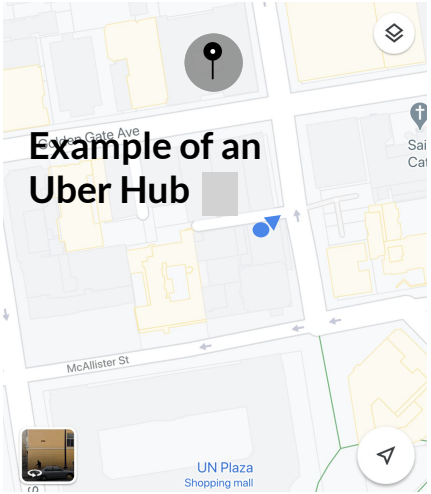
1. Successfully complete pilot test
2. Analyze metrics, refine “Uber Spots” user flow and deploy to more locations for further refinement
3. Gated approach for deployment to all locations
4. Extend “Uber Spots” across platforms:
    a. As multiple users designate an area as an “Uber Spot”, we can create “Uber Hubs”
        i. “Uber Hubs” are suggested locations at which users and drivers can meet at for Rides or Eats without having to use a pin-point drop anymore

Potential User Experience Long Term

1



Options Shown:
Either pick a Uber Spot or use nearest **Uber Hub**



2 Pick drop off point (Uber Spot)