

# Challenges in Merchandising, Recommendation, and Search for Local Delivery Commerce

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## *Common Online Marketplace Challenges*

- New customers vs. existing customers
  - o New customers need to learn how the app works, don't know what is available
  - o Existing consumer often want to repeat purchase
- Short sessions
  - o Users want relevant products fast

## *Specific Marketplace Challenges of DoorDash*

- Large catalog
  - o Hundreds of thousands of merchants
  - o Hundreds of millions of products
  - o And growing
- Real Time
  - o Consumer demand is transient and time sensitive
  - o Merchant
    - Quantity for the product is limited
    - Can only fulfill a limited number of orders in a time window
  - o Dasher
    - Delivery capacity is limited
- Hyper Local
  - o Consumer demands for ASAP products limits the merchant radius
  - o Perishable goods limits delivery radius
  - o Density is essential for efficient utilization of delivery capacity geographically and over time

## *Marketplace Optimization Objective*

- Per session conversion? Per session profit?
- Long term health of the market
  - o Consumer LTV: increase product selection, quality, price
  - o Merchant LTV: build new merchants reputation, help merchants to improve quality

## *Varied Consumer Intents*

- Know what I want -> **Search**
- Open to Something New -> **Merchandising & Recommendation**