

Vulnerable consumers, jobs and small businesses depending on food delivery platforms to halve fees

The Franchise Council of Australia is calling on food delivery services to halve their fees and share in some of the sacrifices being made by food retail and hospitality businesses.

“Vulnerable consumers who are not able to travel to supermarkets depend on home delivery for many of their supplies, and small businesses who are already under massive financial strain urgently need food delivery platforms like UberEats to lower their fixed fee delivery pricing,” said FCA CEO Mary Aldred.

“If food delivery platforms don’t share in some of the pain right now to help their partners in food retail survive, there won’t be a food retail industry left to support them,” Ms Aldred said.

“This would be catastrophic for vulnerable consumers who depend on home delivery platforms for food and meals they are not able to travel to the supermarket for, and for people currently clinging to their job in the sector,” added Ms Aldred.

“Of all the delivery networks, UberEats in particular will be experiencing a huge lift in volumes. Outside of delivery driver payments their costs remain fixed in most cases, and yet they are refusing to provide any flexibility in pricing” said FCA CEO Mary Aldred.

UberEats, which has around an 80% share of the delivery market in Australia, and is a highly profitable business, is charging food businesses around 28% of the total cost to the consumer.

“Delivery traffic is significantly up with little additional fixed cost that delivery platforms need to incur. The FCA is calling on food delivery platforms to halve their fees. A reduction of delivery fees is one of the most significant things that can be done right now to help franchisees and small businesses in the food industry to survive and provide the best shot at keeping people in their jobs.”

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The Franchise Council of Australia is the peak industry body for the \$146 Billion Australian franchise sector representing franchisors, franchisees and suppliers/advisors. www.franchise.org.au