Yelo

A Definitive Guide On How To Create An App Like Ubereats With Yelo

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CHECK OUT

Uber Eats

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Yelo

Chapter 1: The Pandemic Influence on the Global On-demand Food Delivery Business

The concept of food delivery may have been prominent for a few years, but the pandemic has propelled the industry into the future. The fear of contagion has driven the world to give up conventional dine-in outlets to order food from the comfort of their homes. Let's just say when all the businesses in the world were suffering unprecedented losses, the on-demand delivery businesses emerged as a fortunate anomaly. For them, 2020 was something of a renaissance and they did make some significant transitions to make the process easier, efficient and safer for people amidst the covid scare. Let's look at some of the stats to give credence to this remarkable transition, that not only saved restaurants from closing but also helped people adapt fast to the new normal.

1. 60% of U.S customers order delivery or takeout at least once a week and 63% of consumers agree it is more convenient to order food online than dining out with friends or family. ([Source](#))
2. Digital ordering and delivery has grown 300% faster than dine-in traffic since 2014. ([Source](#))
3. The on-demand food delivery business has witnessed an unprecedented surge worldwide with over 14% CAGR from 2018 to 2020. It has a potential for robust growth in the years to follow, even after the pandemic subsides. ([Source](#))
4. 87% of Americans who use third party food delivery services agree that it makes their lives easier and nearly one-third of respondents agreed they use these services at least twice a week. ([Source](#))
5. Taking into account the current market scenario, latest trends, driving factor and overall market requirements, the global online on-demand food delivery service market is expected to grow from $115.07 Billion in 2020 to $126.91 Billion in 2021, compounding at an annual growth rate (CAGR) of 10.3%. It is expected to reach 192.16 Billion in 2025 at CAGR of 11%. ([Source](#))
6. The top four U.S. food delivery apps (UberEats, Doordash, GrubHub, Postmates) witnessed an upsurge, with revenue rising to $5.5 Billion collectively from April through September 2020. The leading companies doubled their revenue from $2.5 Billion as compared to the same period the year before. ([Source](#))

1.2 What propelled the change?

With the number of COVID-19 cases increasing at an exorbitant rate, the COVID scare seems to be taking over the global markets all over again. But this time, the food aggregators no longer need to wait for the proverbial storm to pass. Over the past one year, the on demand food industry has become more efficient, faster and reliable than ever. Here's what propelled this incredible change:

1. Prompt Services

Customers appreciate fast and efficient deliveries which are enabled by a robust delivery system and an excellent communication model. Catering to an expansive network of providers, managing customers and delivery agents can get quite challenging, however the on-demand food delivery services ensure that all kinds of delivery issues are handled effectively from a single platform.

2. Personal Hygiene

Personal hygiene and safety have become a priority for everyone in the post-COVID world. The online food delivery businesses adhere to the health safety standards by facilitating contactless deliveries and payment modes which add to the trust factor, immensely.

3. Cost-effectiveness

The cutting edge technologies minimize human intervention by automating the delivery process which saves both time and cost in a business. The route optimization software, for instance suggests the shortest and fastest route for its delivery agents, making the entire process faster, and cost effective.

4. Real-time tracking

Real-time tracking enables both the business and customers to keep a close tab on the overall delivery efficiency and fill the gaps if needed. It also enhances transparency which cultivates trust amongst customers. Getting to know the estimated time of the delivery and the exact location of the delivery agent has become a requisite for customers.

5. Ease of doing business

The on-demand industry allows restaurants to expand its services geographically, which can be really expensive and time consuming when it comes to opening more dine-in outlets at different locations. Entrepreneurs no longer need large spaces, investments of millions of dollars in their war chest to build their own on-demand food delivery app.

1.3 A Holistic Approach To Fast & Efficient Deliveries

The cost of supply chain and logistics have become a key restraint for the online food delivery business. According to a Capgemini report, in 2019, the US retailers were at the risk of losing 26% of their profit with an inefficient last-mile delivery system. According to the report, businesses need to adopt a holistic approach to ensure fast and efficient deliveries. This includes,

1. Smart technologies
2. The right operating model for delivery
3. Innovative approach to manpower
4. Willingness to collaborate with consumers

The consumers' behaviour towards convenience and speed of delivery has drastically transformed ever since the pandemic struck. With some COVID centric restrictions still in place, it can only be assumed that the on-demand food delivery industry is here to stay and will not be slowing down any time soon.

Chapter 2: How To Make A Successful On-demand Food Delivery App Like Ubereats

2.1 Amazing facts and figures about Uber Eats

After achieving phenomenal success in the taxi-hailing business, Uber decided to enter the food delivery business in 2014 and named its venture Uber Fresh initially. The name was later changed to UberEats in 2015. The on-demand food delivery app is currently operational in 6000 cities across 45 countries worldwide and is still expanding. Here are some amazing facts and figures to know about UberEats. (Source)

1. Uber Eats is currently valued at $20 Billion.
2. Uber Eats generated $4.8 Billion in revenue in 2020, a 152% year-on-year increase.
3. Uber Eats is the most popular food delivery service internationally, with 66 million users.
4. The app controls 29% of the global food delivery market.
5. In Q2 2020, Eats generated more revenue than Uber's ride hailing platform.
6. Uber Eats gross bookings surpassed $30 Billion in 2020, from earning just $2.6 Billion in gross bookings in 2018.
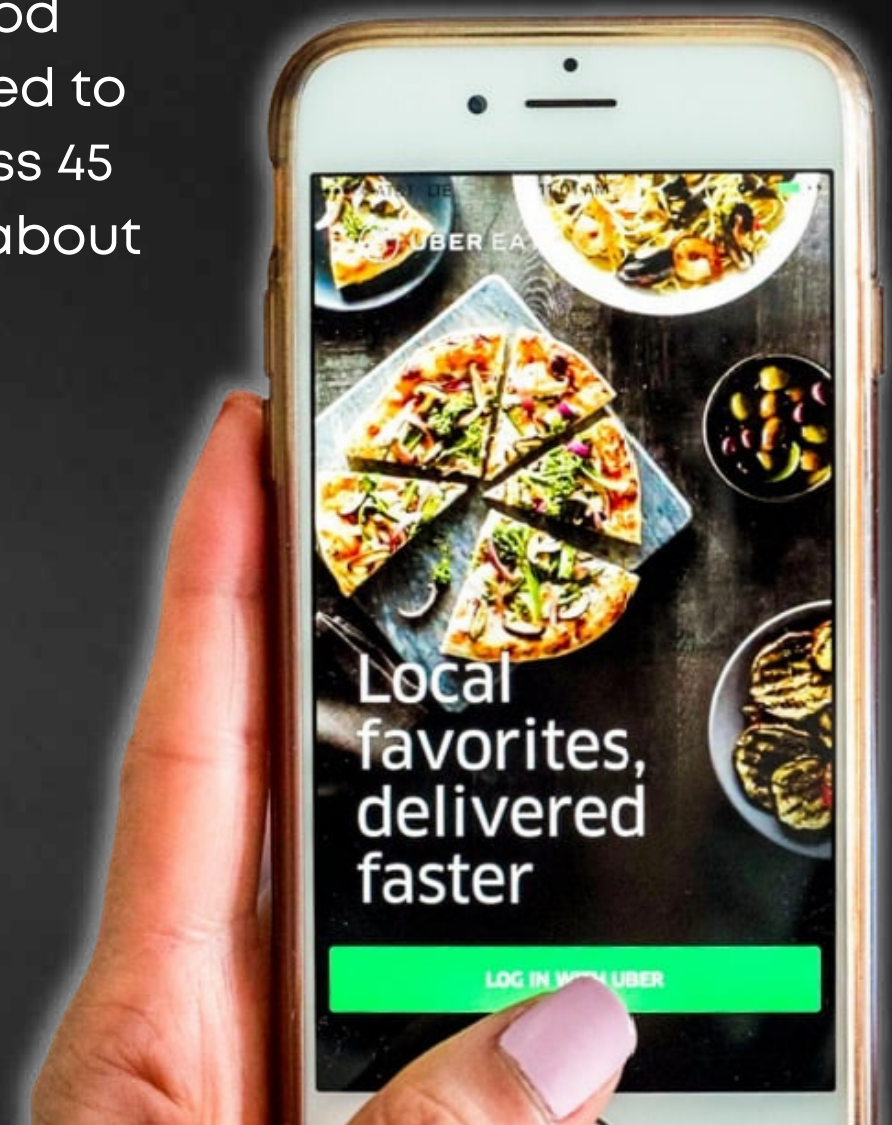
2.2 Uber Eats Three-way Marketplace Business Model

Uber Eats is a three-sided marketplace platform that seamlessly connects the delivery agents, restaurant owners and customers with Uber Eats at the center. Acting as a bridge between restaurants and food lovers, the platform has also become a valuable source of income for unemployed or part time service providers. Here's how it operates:

1. UberEats shares profit with the restaurant partners and delivery providers as part of commission on every order placed.
2. Customers pay a small delivery charge and sometimes, the cancellation fee. The complete customer fee model is explained in detail in the next chapter of this book.
3. Drivers earn through making on-time and satisfactory deliveries.
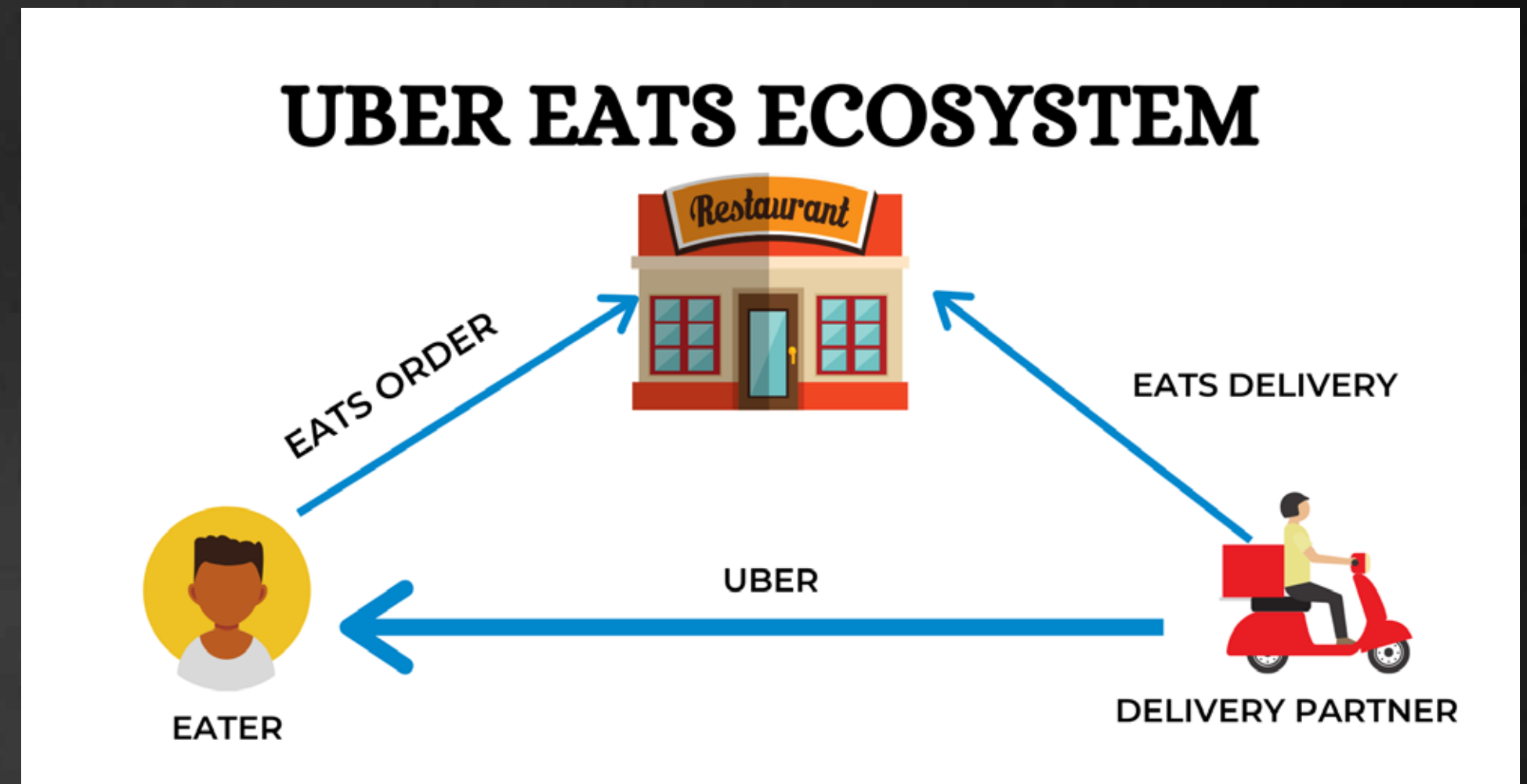
2.3 Revenue Flow of Uber Eats (Source)

1. Recurring Revenue Share from Restaurant partners

UberEats charges a 15% service fee on the order's subtotal and this commission is calculated on the gross amount, i.e. before any promotions or discounts are applied. The amount, however, does not exceed $4.50 and this fee is not applicable to merchants who deliver their own orders.

2. Delivery Fee

Delivery fees vary for each merchant based on the location and availability of the delivery agents. It is divided into three segments; pickup fee, delivery fee and per mile fee also known as mileage fee. A customer can also tip the delivery partner and the entire amount would be allocated to the agent alone.

3. Small Order Fee

A small order fee only applies when an order's subtotal is less than a certain amount and it varies geographically. For instance, it may charge a $2 for subtotals less than $10 or $3 for subtotals less than $15. This fee can be removed by adding more items to the cart.

4. Delivery adjustment fee:

Customers are charged for an update made after placing the order, like changing the delivery address. The delivery adjustment and items in your cart may be subject to tax based on your new delivery location. The adjustment fee also compensates for the extra time and effort on part of the respective delivery agent.

5. Marketing and Advertising Fee

Uber Eats also helps their restaurant partners cater to a larger customer base or attract new customers by running brand campaigns, regularly posting on social media and sending emails to the Uber's rider base.

2.4 What Else Contributes To Its Rising Success Rate?

UberEats cost saving techniques contribute immensely to its increasing popularity and rising success rate. In addition to a well segregated revenue model, here's what makes UberEats more cost-effective and efficient than its competitors.

1. Lesser Customer Acquisition Cost (CAC)

UberEats gets most of its users through cross-promotion on the Uber App. This saves a substantial marketing and advertising cost for the company.
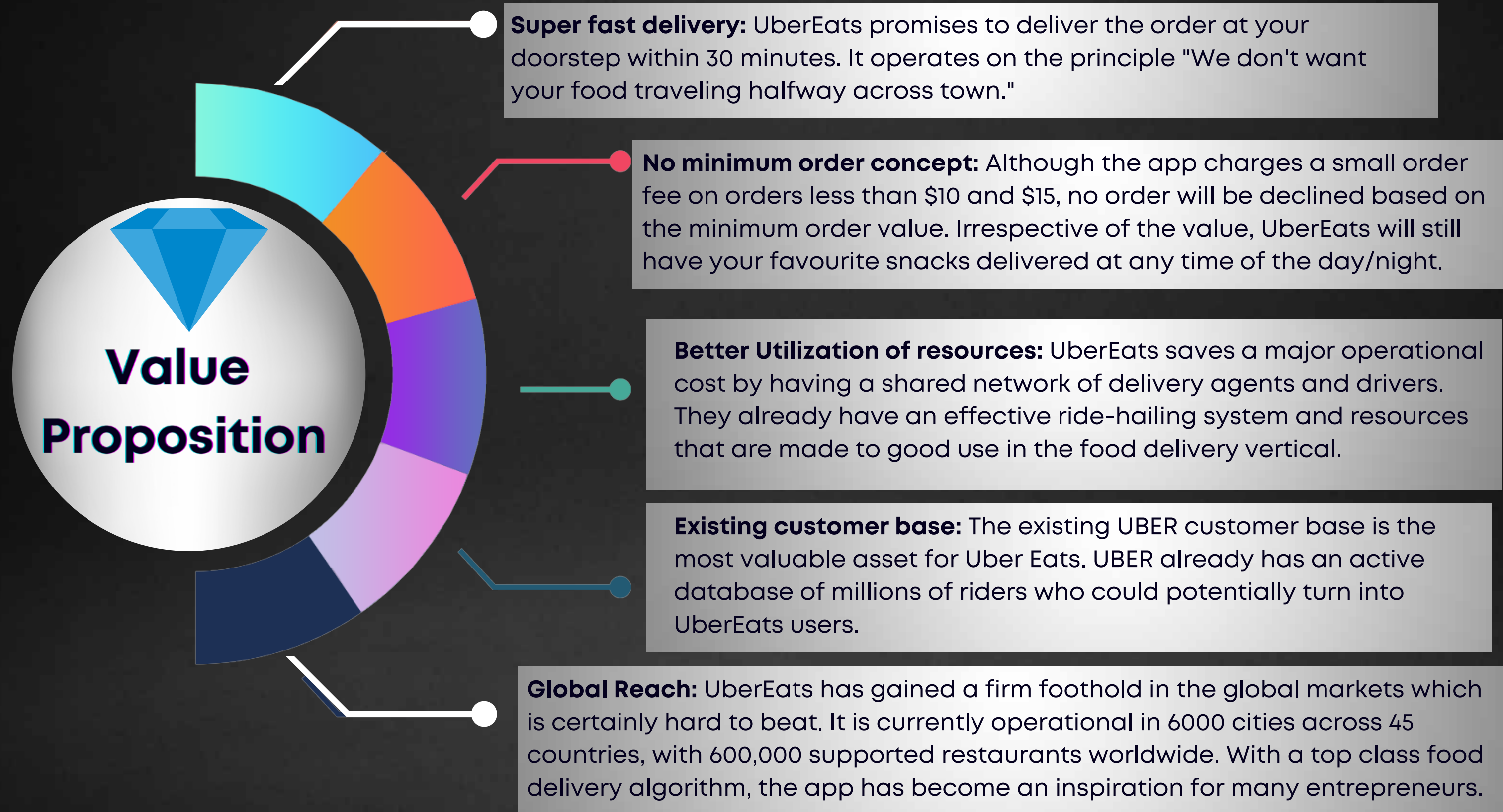
2. Shared Network of Drivers and Riders:

The drivers, sometimes also work as delivery agents or vice versa which eases the struggle of setting up a delivery network from scratch.

3. Savings on Logistics Costs:

A robust delivery management system helps the company save big on the logistics cost by automating tasks, enabling route optimization and improving the overall fleet efficiency.

2.5 Value Proposition

Value Proposition

Super fast delivery: UberEats promises to deliver the order at your doorstep within 30 minutes. It operates on the principle "We don't want your food traveling halfway across town."

No minimum order concept: Although the app charges a small order fee on orders less than $10 and $15, no order will be declined based on the minimum order value. Irrespective of the value, UberEats will still have your favourite snacks delivered at any time of the day/night.

Better Utilization of resources: UberEats saves a major operational cost by having a shared network of delivery agents and drivers. They already have an effective ride-hailing system and resources that are made to good use in the food delivery vertical.

Existing customer base: The existing UBER customer base is the most valuable asset for Uber Eats. UBER already has an active database of millions of riders who could potentially turn into UberEats users.

Global Reach: UberEats has gained a firm foothold in the global markets which is certainly hard to beat. It is currently operational in 6000 cities across 45 countries, with 600,000 supported restaurants worldwide. With a top class food delivery algorithm, the app has become an inspiration for many entrepreneurs.

Chapter 3: Five Step Guide To Building A Successful App Model Like Ubereats

The dramatic upsurge in the use of food delivery apps inspired many entrepreneurs to start their own food marketplace amidst the COVID-19 crisis. However, in order to create an app as successful as UberEats, one needs to gain a complete understanding of the market requirements, customer needs, prominent features, the right technologies and most importantly, a fast and efficient marketplace builder. Here's a complete step-by-step guide to develop a food delivery app like UberEats.

Step 1: Market Research

The first step to creating a food delivery app starts with knowing your target audience, latest food industry trends and the most prominent features and technologies. This can only be understood by conducting an in depth market research and competitive analysis.

Step 2: Select the Food Delivery Model

After conducting a thorough market research, the next step is to choose a food delivery model that meets your business goals and user requirements. The two types of food delivery models are:

-**Order only model:** which is only responsible for accepting and managing the order and the logistics support is handled by the restaurant.

- **Order & Delivery:** The Food delivery platform is responsible for accepting, managing and delivering the order. The apps that follow this model have their own logistics support.

Step 3: Choosing the right features

To build a successful food delivery platform, you will need to keep three types of audiences in mind- the customer, the restaurant owners and the delivery agents. Apps like UberEats are successful in providing a smooth experience to all the user groups by having:

1. An incredible customer interface that lets them order, manage, pay for or track their food with absolute ease.
2. The restaurant interface which allows restaurants to handle all kinds of operations seamlessly, right from store management, automated dispatching to having an all-inclusive dashboard.
3. The delivery interface that ensures fast and transparent deliveries with real-time tracking solutions and a robust route optimization software.

Step 4: Leverage the power of technologies

The right technologies will not only cater to your unique business model but will also provide a seamless user experience. The AI enabled food delivery apps are quick to learn the customers' preferences to make customized food recommendations, show delivery options (Like Uber Eats), monitor business performance by analyzing sales reports and suggest the best way forward to boost sales.

Step 5: Select the right marketplace building software

Now, building a food delivery app from scratch is definitely a long, expensive and time consuming process. And considering the pace at which the food industry is evolving, entrepreneurs today are looking for quicker, yet super efficient marketplace building solutions.

With a platform like Yelo, you can now create an incredible marketplace platform without getting into the nitty-gritty of coding or app development. Plus, this marketplace builder is an absolute time saver and is definitely the least expensive option for businesses that are just starting out. It will help you establish a full-blown food delivery platform in less than a day, that too without burning a big hole in your pocket.

In the next chapter, we will explore why you must choose Yelo to build your own food delivery marketplace.

Chapter 4: Benefits of using UberEats clone app
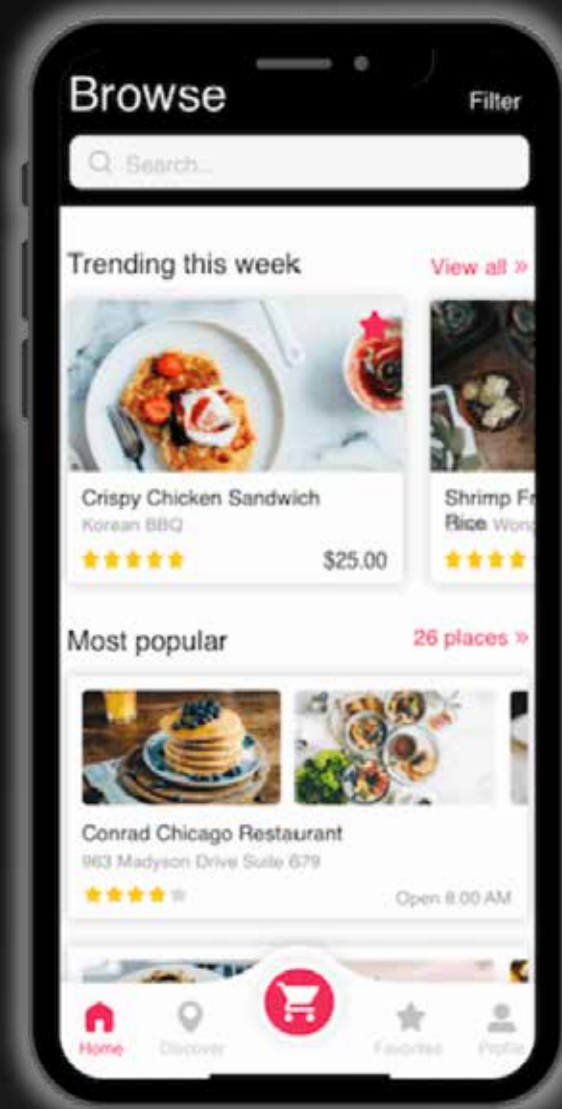
The on-demand food industry has proven to be one of the fastest growing industries in the past one year. The increasing popularity of apps like UberEats, Doordash, Zomato or Swiggy has made entrepreneurs invest in the booming sector like never before. The only big questions, however are:

How do we create an app as remarkable as UberEats or what exactly differentiates a successful app model from the rest?

Guess what? With successful pre-built app solutions like UberEats clone, creating a technologically superior and commercially viable on-demand food delivery marketplace is no longer a distant dream. Here's how..

1. App development is a tedious, time-consuming process and super expensive process. However, with UberEats clone, you can get your business up and running in less than a day.

2. Launching an app is easy but sustaining your business in an extremely tough marketplace is a completely different ball game. The clone app comes with a team of highly skilled professionals that helps you deliver top-notch services and customizable solutions.

3. The UberEats clone stript is the program source code of the app which eliminates the need for extensive coding. It replicates the features of the UberEats app, but is also 100% customizable and flexible to your unique business requirements.

4. Tried and tested by many entrepreneurs, the app saves a lot of time and money. The two separate dashboards (vendor and customer panel) provide complete operational and delivery transparency for restaurant owners and customers.

You can learn more about the UberEats clone app and a wide range of features that it offers in this link.
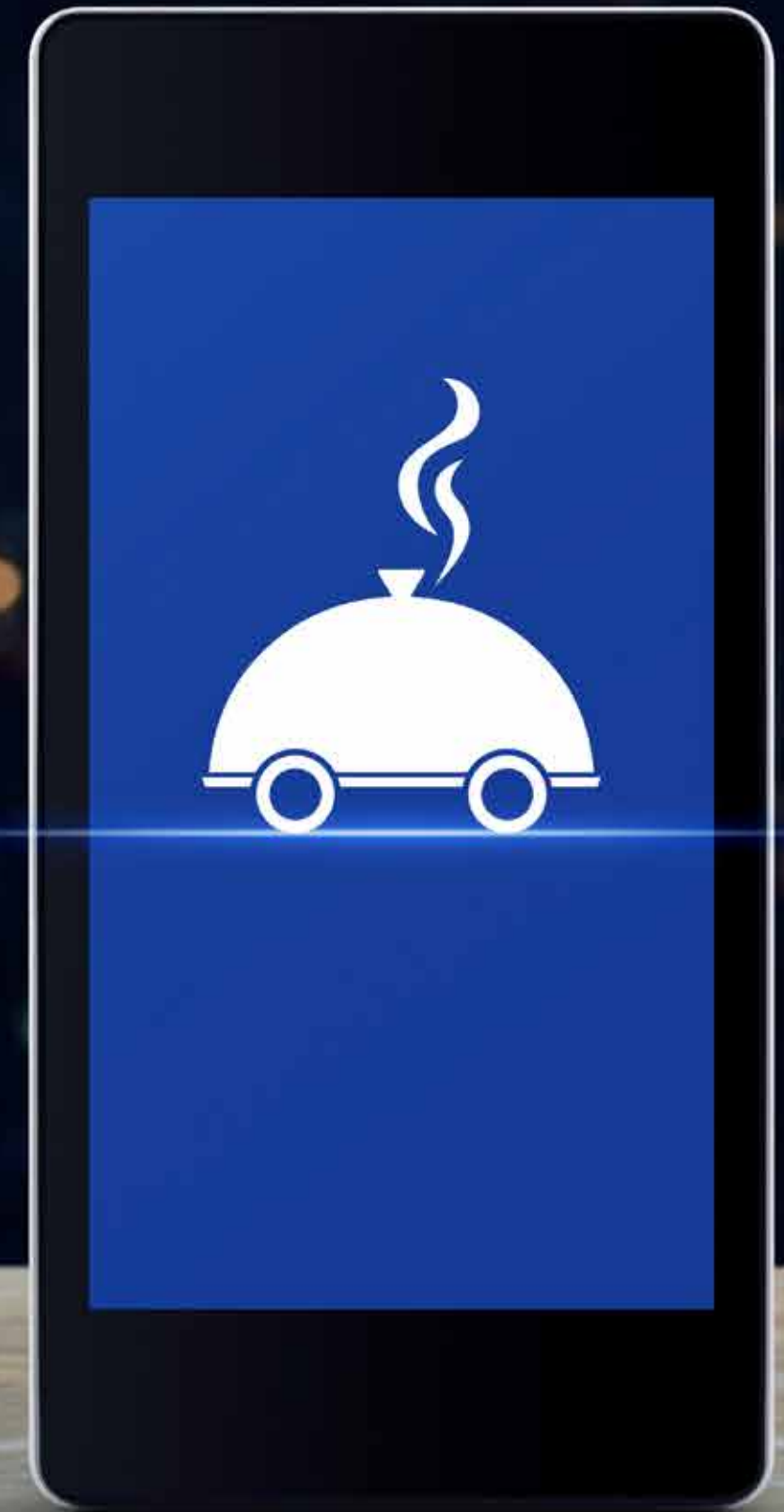
4.1 Why choose Yelo for an UberEats clone?

Well, matching upto the standards of leading food ordering marketplaces is quite a challenge. But what if we tell you that you no longer need to go through a gruelling app development cycle to build a successful online food ordering system? Yelo comes packed with all kinds of high-end features and technologies that are needed to sustain a marketplace. Here are a few more features that will help you get started in no time. Here's why you must choose Yelo to build an UberEats clone:

1. Unified dashboard for seamless restaurant management

A unified dashboard allows the marketplace owner to consolidate orders, manage delivery partners, update menu or enable/disable outlet locations without switching tabs or applications

2. Monitor Performance

Yelo's food ordering marketplace allows you to monitor business performance by tracking the number of orders received and cancelled and by managing the overall ratings and reviews to suggest the best possible improvisation strategies.

3. Analyze sales report

Yelo provides customized automated reports that helps you to tap into new business opportunities and enhance customer satisfaction rates.

4. Route Optimization software

The inbuilt route optimization software simplifies the delivery process for drivers and ensures timely deliveries for customers. The app auto suggests the shortest and fastest routes for deliveries that also help agents to make multiple deliveries on the same route.

5. Real-time tracking and alerts

High transparency and instant alerts or notifications have become a requisite for the online food delivery business. Customers need to know exactly where their order is and instant notifications give them a sense of assurance. Yelo keeps both the users and delivery agents satisfied with transparent order statuses and details.

6. Aims to enrich user experience:

Yelo offers highly personalised services and aims to enrich user experience at every step with integrated chat support and dynamic themes.

4.2 What makes Yelo the most affordable platform to build an UberEats clone?

Pricing is the deciding factor for starting any business. No matter how progressive the business model is, it always boils down to affordability. So here's what could shed the burden while starting your own food ordering marketplace

1. Yelo has a well segregated and affordable pricing structure that works for all kinds of businesses, big or small. The plans come with no hidden cost.

2. Yelo offers a 30% reduction in time and cost involved to launch UberEats clone.

3. Yelo can help you get started with as low as $30 per month. Could the giants beat that?

Chapter 5 Go live anytime!
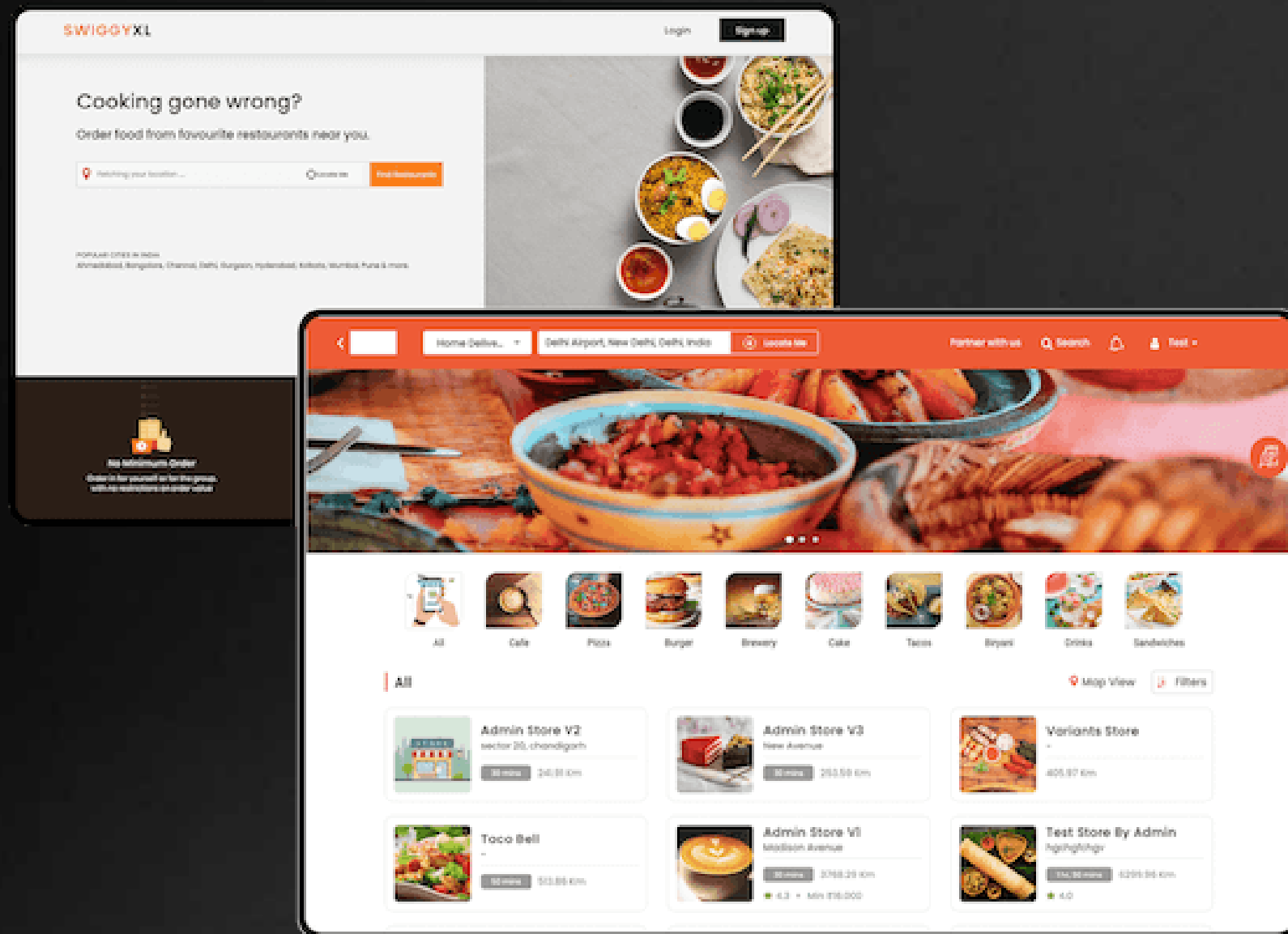
With just the right features and zero technicalities, you can actually launch a full-blown UberEats app clone in less than 24 hours. Yelo even comes with a simple pricing model that works for businesses of all kinds, scale and sizes. This means that the platform supports a hobby as much as any standard enterprise, allowing you to diversify at your own pace. You can check out the amazing pricing structure here!

Hey, there's absolutely no need to rush. If you're still unclear about its services, you can avail a free 14-day trial anyday to see how well it works for your business. :)

So, what are you waiting for? Sign up for a live demo now!