

We have a head start over rivals in rapid grocery delivery market, says Deliveroo founder Will Shu

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[Deliveroo](#)'s co-founder Will Shu believes his firm has a "head start" over [rivals](#) in the race to dominate the [UK](#)'s speedy grocery delivery market, which is seeing intensifying [competition](#).

The fast-growing sector has exploded in 2021, with the [likes](#) of Getir, Zapp and Weezy all vying alongside Deliveroo and [Uber Eats](#) to be [Londoners](#)' app of choice for last-minute vegetable and snack deliveries.

Adverts for all have popped up everywhere from [Instagram](#) to the [Tube](#) in recent months, many offering at least £10 off a first order. Most promise to deliver your oat milk within 15 minutes. The sector is estimated to be worth over £14 billion in the UK alone.

Deliveroo, which revealed its half-year results on Wednesday, is spending on growth in the space and said it had made "further traction" in the first six months of 2021.

Grocery delivery now makes up over 10% of Deliveroo's UK revenues, and the firm said it had around 1,800 grocery sites live with major partners by July – up from 1,200 at the end of 2020. It offers food from stores including Co-op, Aldi, Waitrose and Whole Foods.

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Former investment banker Shu, 41, co-founded the food delivery firm in London in 2013. It has grown to span continents, and netted 7.8 million monthly active consumers between in the first half of 2021.

The American-born founder-CEO told the Standard Deliveroo stands out from other ultra-fast grocery delivery competitors because the company has “content others don't have”.

He said: “We built the on-demand grocery market – we were the first ones to launch this two years ago with a partnership with Co-Op. The percentage of our [business](#) that is represented by grocery continues to grow and grow and grow.

“We have a very, very big head start in the UK grocery on-demand market, we work with most of the major grocers out there, many of them working with us on an exclusive basis... We do have content that others don't have.”

He added: “Half of people do not want to pre-plan what they eat, that's just a fact. So for us seeing that transition and shift is really exciting, and we're at the forefront of it.”

The company sees supermarkets as partners and can access their shops, as well as utilising so-called “dark stores” – small

local distribution centres. Shu argues this gives Deliveroo an advantage over smaller operators who often have only distribution sites, or do not have those consumer-trusted supermarket brands on board.

Overall, the founder believes the competition in the sector will benefit consumers.

He said: "I think the innovation that's happening is great, to be honest, I think it's really interesting and great for the consumer."

Rapid grocery delivery firms, which have received millions in venture capital injections since the pandemic hit, compete on their apps' interfaces and technological offering.

Deliveroo just hired Devesh Mishra as its new chief product and technology officer (CPTO) from Amazon. (The giant has a significant stake in Deliveroo.) Shu said Mitra will take the company "to the next level" in its tech evolution, and help attract "top tier tech talent to London".

Deliveroo is currently hiring for 400 tech roles. Mishra spent the last 16 years at Amazon in a number of senior roles and saw the giant's "backbone", Shu added.

Rider treatment is another competition point in the grocery delivery space. Nearly all of the new grocery delivery apps pay an hourly rate, some employed via agencies, and provide riders with a bike or e-bikes.

Deliveroo has faced criticism over the pay its riders receive, and saw strike action on the day of its public debut.

But on Wednesday Shu said over 90% of riders with Deliveroo in May were still working with the company in July, despite the ongoing staffing crisis seeing huge numbers of jobs on offer in traditional retail and hospitality roles.

"People are choosing to work with us," he said.

The new grocery delivery apps competing for Londoners' orders:

Gorillas

Gorillas is Germany's fastest "unicorn" (a startup valued at \$1 billion or more). The app claims it is "faster than you", with a delivery time of 10 minutes or less. It launched in Berlin in May 2020 and came to London in March. It also operates in the US, Spain, Italy, the Netherlands and Belgium.

The company has faced protests from its riders in Berlin, who have staged a series of protests over pay and equipment.

Gorillas has insisted it cares about riders and has been "in continuous exchange with them to get their feedback and their perspective in order to make things better for them".

Getir

Istanbul-based Getir, founded in 2015, promises "cold beer in minutes" delivered on its purple and yellow scooters. It is Europe's leading player in the grocery delivery space, has raised nearly \$1 billion and has been valued at around \$7.5 billion.

Backers include tech investor Sir Michael Moritz and the Abu Dhabi sovereign wealth fund. Like Deliveroo, it is expanding rapidly.

Zapp

Zapp only launched in West London earlier this year, but now covers most of central London and has raised \$100m from investors including former Amazon UK boss Christopher North. The company now has over 30 stores and warehouses, with a headcount of more than 200 employees in its London headquarters.

It pays riders an hourly wage and promises delivery on e-bike within 20 minutes, 24/7, and offers tobacco and over-the-

counter medicine as well as groceries.

Weezy

Weezy launched last summer in response to the pandemic-fuelled demand for home food and other deliveries. It promises to deliver within 15 minutes and has raised over \$20 million in cash from venture capital firms including New York-based fund Left Lane Capital, and UK-based funds DN Capital and Heartcore Capital.

Its deliveries are made on bikes or electric mopeds, and founders Kristof Van Beveren and Alec Dent, plan to have at least 45 “fulfilment centres” across the UK by the end of 2021.

Dija

Dija, which was founded by former Deliveroo execs, also promises to deliver within 10 minutes. It has been backed by London-based Blossom Capital, and Sweden-based Creandum – backer of Klarna and Spotify.

The app even pledges three months of free delivery if the goods don't arrive in a 10 minute time-slot.