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Restaurants are at war with Uber Eats, Grubhub, and DoorDash over profit-hurting fees. These 7 food-tech startups have raised millions to help restaurateurs win.



Owner; Coco; Lunchbox x Spread; foodboss; LoCo; UberEats; Grubhub; Doordash; Samantha Lee/Insider

- **Restaurants say delivery fees from apps like Grubhub and DoorDash are crushing them.**
 - **Tech startups like Lunchbox and Owner.com are trying to level the playing field for restaurants.**
 - **These disruptors are charging lower fees and sharing consumer data with restaurants.**
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The pandemic has forced tens of thousands of restaurants to close. Those that survived have learned to embrace technologies for digital orders, including partnering with delivery apps like Uber Eats, Grubhub, and DoorDash.

But now restaurants are looking for alternatives to these delivery companies and their hefty fees, which can be up to 30% per order. These startups charge restaurants substantially smaller fees for delivery and share consumer data — information that the bigger players share infrequently.

"I think the decisions that operators are making today about their technology infrastructure is going to go a long way towards supporting the business of the future," Brita Rosenheim, a restaurant-tech strategist, said at a recent food-tech conference.

That means delivery is here to stay. According to the market-research firm the NPD Group, there were 4.6 billion delivery orders for the year that ended in April, up from 2.4 billion for the year that ended in April 2020.

These seven food-tech startups bill themselves as antidotes to Uber Eats, Grubhub, and DoorDash.



Coco is a last-mile delivery startup that uses robots. Coco

Coco

Coco uses hundreds of remotely piloted robots to deliver food from more than 50 restaurants, convenience shops, and grocery stores in Southern California.

Zach Rash, who studied computer science and electrical engineering at UCLA, launched the company in April 2020.

The timing was right, as restaurants were looking for contactless ways to deliver food to local customers during the pandemic, Rash told Insider. Coco charges restaurants an average of \$5 to \$6 per delivery.

"Our objective is to make sure the merchant is profitable with delivery, which isn't always the case with conventional delivery partners," Rash said.

Coco's fleet of robots can be found scooting around the sidewalks of the greater Los Angeles area, including Santa Monica.