

Illustrative Delivery Unit Level Economics



At Steady State

	GrubHub Marketplace	GrubHub Delivery Potential Scenario 1	GrubHub Delivery Potential Scenario 2
Average Ticket Size	\$30.00	\$30.00	\$30.00
Commission Paid by Restaurant	15.0%	27.5%	32.5%
Commission	\$4.50	\$8.25	\$9.75
Average Delivery Fee Paid to GrubHub	\$0	\$2.75	\$1.25
GrubHub Revenue per Order	\$4.50	\$11.00	\$11.00
Credit Card & Customer Care Expenses	\$1.10	\$1.10	\$1.10
Payment to Delivery Partner	\$0	\$6.50	\$6.50
GrubHub Incremental Profit per Order	\$3.40	\$3.40	\$3.40
Incremental Profit Margin	76%	31%	31%

- ➔ In the Marketplace model, delivery fee is kept by restaurant (Approx. \$2-5 per order)
- ➔ GrubHub sets fees in the Delivery model, including fees paid by the diner and fees paid to delivery partner
- ➔ Efficiency of scale allows GrubHub to drive down cost to the consumer
- ➔ Actual average ticket size, commission rate to restaurant, diner facing fees and payment to driver partner will vary based on market

