

## POSTMATES 2018 ECONOMIC IMPACT REPORT DETAILS HOW ON-DEMAND TECHNOLOGY HELPS RETAIL MERCHANTS GROW 4X FASTER

*The original on-demand platform enables higher earnings, small business growth and \$6.6 billion in economic growth in U.S. markets*

**SAN FRANCISCO, April 12, 2018** -- Postmates, the first and largest on-demand delivery network that can deliver anything from anywhere in minutes, today announced its first annual [Economic Impact Report](#) highlighting data that details how on-demand technology is helping local brick and mortar retailers increase their sales by approximately four times, while creating a \$18 of economic impact for every dollar spent on the platform.

In the United States, consumers spend approximately \$2.6 trillion locally on goods, groceries, and food. But as more and more of that commerce shifts online, on-demand tools aim to ensure that local businesses and small merchants are not overlooked or shortchanged in their growth. By connecting over 35 million households to local business across 300 U.S. cities, through the platform, Postmates not only sold over \$1 billion worth of goods from last year, but is also giving community merchants a means to compete in the digital economy.

“Rapid evolutions in commerce have not only transformed consumer behavior, it has transformed the face of our cities,” said Bastian Lehmann, co-founder and CEO of Postmates. “The promise of new transportation modes and new delivery models will only support the growth of local economies if we invest in smart, inclusive and sustainable growth for the local businesses that power our communities.”

By putting tools in the hands of brick and mortar storefronts, Postmates enables merchants to modernize and grow, creates flexible earning opportunities for its fleet of couriers, and connects customers to on-demand convenience.

Key findings of the report include:

- Postmates has driven the sale of over \$1.2 billion goods, parcels, and food since 2017;
- Postmates has driven \$6.6 billion in follow-on economic activity in communities it operates, across all sales, courier earnings and merchant growth;
- Nationally, merchants who partner with Postmates grow 3.7 times faster, than those who don't partner with Postmates
- Postmates fleet earned a collective \$216.8 million in 2017, with an on-the-job per hour earning average that is 153% higher than federal minimum wage

In market specific analyses, the report found that in Los Angeles alone, merchants grew at a faster clip on the Postmates platform (10X) than the national growth average (3.7X), and has generated nearly \$400 million dollars worth of earnings. “As we're already expanding rapidly, Postmates adds to our growth by adding additional customers to each restaurant by providing delivery, adding a significant percentage to our daily revenue and has increased our personnel staffing in the front of the house so we can handle the order volume,” said Danny Trejo, owner of Trejo's Tacos in Los Angeles, California. “This not only sometimes more than doubles revenue for a week, it adds jobs.” said

For more information about this report, please visit <http://postmates.com/impact>.

Postmates has the largest on-demand delivery fleet in the U.S. of 160,000 Postmates who operate in more than 300 cities -- providing access to over 270,000 partner & non-partner merchants on the platform. Postmates is also the largest on-demand delivery app in Los Angeles -- the largest consumer market in the U.S. The business now completes more than 2.5 million deliveries a month with an average delivery time is 35 minutes or less, and normal delivery fees are a flat \$3.99 and no service fee nationwide for Postmates Partner merchants. Postmates Unlimited subscription services offers no delivery fees from any merchant for \$9.99 per month or \$6.99 per month, when paid annually.

Postmates engaged Edelman Intelligence, a global research and analytics consultancy, to develop an economic impact model to measure the company's impact on the markets where Postmates operates. This included applying econometrics modeling techniques to over 80 demographic, industry and labor market characteristics over a seven-year period and across 300 U.S. markets. Results measure Postmates' incremental impact to the retail sector, food service and the local economies.

### **Methodology**

To measure the impact that Postmates has on the local economy, a matched-pair ANCOVA/ analysis is employed. This process pairs markets – with and without Postmates– to calculate differences in retail wage, employment, and GDP growth. Because many factors can contribute to differences in economic performance, data on other factors\* (or covariates) are included in the model, enabling us to isolate “The Postmates effect.”

Through this process, an index was created including Postmates sales, wages paid to couriers, distances, community characteristics, GDP, overall employment and unemployment by industry, local demographics, and other key metrics. The data is also being used to calculate a fact base containing a myriad of descriptive statistics on Postmates' contributions to the local economies and businesses in which it operates.

### **ABOUT POSTMATES**

Postmates helps people unlock the best of their cities – and their lives, with an insanely reliable on-demand "anything" network. Launched in 2011, Postmates has the largest on-demand delivery fleet in the U.S. of more than 160,000 Postmates operating in more than 50 U.S. metropolitan markets. It provides access to over 250,000 merchants and completes more than 2.5 million deliveries a month. Headquartered in San Francisco, with 550 employees, Postmates is building a movement. Have chips but no guac? Postmate it. Your date night? Postmate it. Game day? Postmate it. Run out of caffeine? Postmate it. Learn more: [www.postmates.com](http://www.postmates.com).

Media contact:

April Conyers, [april@postmates.com](mailto:april@postmates.com)