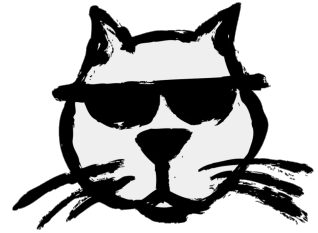


DeliveryCats Cooperatives
Independent Local Delivery Co-ops



A prototype for a better system

Organizational Plan Initial Ideas

Compiled by: Mavis Douglass
mavis@deliverycats.com

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Round Table Discussions

The overarching idea of the project is to lower the barrier to entry for regular people in a neighborhood to create an independent delivery cooperatives. In addition to an open-source platform we would like to provide something of a template that outlines the “best practices” of such an organization.

To this end, we will open a public forum to suss out those best practices. The forum will be available in February 2023 and open to the public. Until then discussions will be held on the project's Reddit page to finalize the tentative outline above. For the round table discussions, a dedicated forum system will be set up on the DeliveryCats servers. Each category on the final outline will have its own sub-forum. Outline discussions are at: www.reddit.com/r/deliverycats.

If you have expertise in any of the components above and would like to moderate that particular forum, please send an email to: admins@deliverycats.com.

1. Initial Ideas Introduction

Gig delivery currently sucks. Ways exist to make it better.

Good customers exist
Good drivers exist
Let's get together

On one hand it's probably not the safest move, to publish a rough draft. So many things will change before the final finished product.

On the other hand, what differentiates every blowhard with an opinion, from those who would receive the pass and run with it?

This document will outline initial ideas on how a local delivery cooperative would run. It's important to note that not all answers are evident at this time – hence the round table discussions set to begin in January. For now, please join discussions on our Reddit page toward finalizing the outline.

2. Vision

Good customers exist
Good drivers exist
Let's get together

It's not just a cliché. Gig delivery has proven *hugely* popular. But the current system sucks.

- Imagine drivers making \$30/hr gross or \$50/hr gross when running specials
- Imagine customers using *tasteful* colored lights as a low key beacon for their drivers
- Imagine customers receiving hot food, while it's still hot
- Imagine passengers being able to make multiple stops, as long as they pay
- Imagine 2x weekly regular shoppers – the efficiency – knowing people's preferences
- Imagine a platform that takes only \$1 from each task, and doesn't play games
- Imagine a platform encouraging true bartering with fair market labor rates suggested
- Imagine MATCHING smokers and non-smokers (well, separately)
- Imagine everyone being nice, *friendly* even – as if all were members of the same social club

These things are all possible. Customers already pay top dollar for shitty service. Imagine if we gave them good service! The mega-apps were first-to-market and have proven the concept. Gig delivery is here to stay. Specifically, THE MARKET is here to stay. Currently a half-dozen gig delivery mega-apps control almost all of the market share. What have they done with this power?

Ways exist to make it better. Arguments against capitalism aside, “a better way” is sound business.

We envision a system where neighborhoods can organize their own delivery co-ops for passengers, hot food, shopping, errands. A few honest people could oversee a small neighborhood of a few square miles (with caveats). A membership system has numerous benefits. A platform will tie it all together, and use the best qualities of Craigslist, eBay, and current gig apps.

Some innovative features planned are:

- Matching smokers and non-smokers with each other, with the “just don’t do it around me” crowd filling in the middle ground. This preference would also be listed on member profiles.
- Favorite drivers/customers/stores: Customer needs a ride every day, to and from work five days a week? Want lunch or dinner delivered regularly (or low key regularly)?
- 2x weekly regular shoppers, generous time windows, orders set up the day before with minimal changes allowed; so your REGULAR shopper knows your preferences -and- what to expect.
- Member restaurants running hot-foot specials meaning 5-10 people’s orders get made at once, designed to all be fresh going out the door at the same time – all to the same ½ mile area.

The most important aspects of the *DeliveryCats Cooperatives* system can be summarized as:

1. Economies of scale
2. Manage expectations
3. Trust with quality

3. Let’s Keep it Local – Cooperatives

Delivery cooperatives already exist, so on one hand there is no need to re-invent the wheel. Here is an informative article on gig delivery cooperatives from *Non-Profit Quarterly* dated 07/21/21:

[Delivery Co-ops Offer Growing Alternative to National Gig Delivery Services](https://nonprofitquarterly.org/delivery-co-ops-offer-growing-alternative-to-national-gig-delivery-services/)

<https://nonprofitquarterly.org/delivery-co-ops-offer-growing-alternative-to-national-gig-delivery-services/>

On the other hand, there are currently two options for would-be organizers. Both carry significant barriers to entry. A formal franchise-model exists, geared toward restaurants owners, where the parent company will come in and set everything up and basically train the founders. There is a minimum number of buy-ins (founding members) at a couple thousand dollars each initially, plus monthly dues of about \$200 per month. Out of these dues the co-op employs a fleet of independent drivers to make deliveries. The other option is for local organizers to piece together fragments of existing ideas and examples, and commission the development of their own app.

Appendix A lists and summarizes the first page of search results from Google as of this publication, for “independent delivery cooperative.” Those ten results primarily reference the franchise model above.

The vision of this project is to lower the barrier to opening a local delivery co-op, and empower *responsible* drivers and customers at the same time. The technology exists. Gig delivery mega-apps have paved the way as first-to-market and demonstrated the new industry’s best and worst dynamics.

4. First Look at Numbers

This takes into account a 3-sq-mi area in the suburbs, or about 5,000 household market. The minimum viable membership seems to be 150 (bare minimum to sustain) and 300 members (sustains comfortably). These minimums represent 3% and 6% of the households in that size area.

DeliveryCats Cooperatives

Chart 1 – Revenue Estimates by Membership

FIRST LOOK

	Subscribers												
Monthly	25	50	75	100	125	150	175	200	250	300	350	400	500
Mo Fee													
5	125	250	375	500	625	750	875	1,000	1,250	1,500	1,750	2,000	2,500
10	250	500	750	1,000	1,250	1,500	1,750	2,000	2,500	3,000	3,500	4,000	5,000
15	375	750	1,125	1,500	1,875	2,250	2,625	3,000	3,750	4,500	5,250	6,000	7,500
20	500	1,000	1,500	2,000	2,500	3,000	3,500	4,000	5,000	6,000	7,000	8,000	10,000
25	625	1,250	1,875	2,500	3,125	3,750	4,375	5,000	6,250	7,500	8,750	10,000	12,500
Frequency													
4x	100	200	300	400	500	600	700	800	1,000	1,200	1,400	1,600	2,000
8x	200	400	600	800	1,000	1,200	1,400	1,600	2,000	2,400	2,800	3,200	4,000
12x	300	600	900	1,200	1,500	1,800	2,100	2,400	3,000	3,600	4,200	4,800	6,000
Income	800	1,600	2,400	3,200	4,000	4,800	5,600	6,400	8,000	9,600	11,200	12,800	16,000

NOTES

- 1 This is a first look. It's not meant to be a hard estimate. Factors will vary greatly by area and operator.
- 2 This takes into account a 3-sq-mi area in the suburbs, or about a 5,000 household market.
- 3 Urban areas may be smaller in area but more members, and rural areas bigger but less overall people.
- 4 We recommend one membership covers a whole household, so multiple logins but address/names must match.
- 5 For those who work in the area, membership can be used at work.
- 6 There will be chum, meaning members will come and go. Goal is 300 members but may be less sometimes.
- 7 Everyone pays same membership – customers, drivers, restaurants – except retail like Walmart, Walgreens (\$0).
- 8 Ideally \$10/mo would be best for getting people to sign up. Over \$20 and a lot of people will drop out.
- 9 Memberships would likely end in .99, like 9.99 or 19.99. It's rounded here. At top tier the difference is \$5/mo.
- 10 Frequency is difficult to gauge. Some order once a week, some every day. We estimate average 3x per week.
- 11 Task fees are \$1 per task to the co-op. The rest of the task cost is the driver's labor rate. (Market rates or above.)
- 12 This chart is meant to be used with Chart 2 – Start up and Operational Costs.
- 13 Keep in mind that membership usually -starts- small, but WITH GOOD SERVICE customer base will grow.

DeliveryCats Cooperatives

Chart 2 – Start up and Operational Cost

FIRST LOOK

	START UP				MONTHLY			
	Minimum	Start Pro	Start Small		M-300	M-150		Minimum
A Corporate		800	750		40	40		
1 licenses	100	100	100	100	10	10	10	10
2 fees	100	100	100	100	10	10	10	10
3 services	500	500	500	500	10	10	10	10
4 supplies		100	50	50	10	10	10	10
B Insurance	2,500	2,500	2,500		1,200	1,000		1,000
C Office		2,200	1,050		585	160		
1 rent		1,000			500		100	
2 utilities		100			50		25	
3 equip		1,000	1,000	1,000	25		25	
4 supplies	25	100	50	50	10		10	10
D Promotion		2,550	850		1,010	260		
1 logos, website	50	550	100	100	10	10	10	10
2 services		500	250	250	0	0	0	0
3 spend	50	1,500	500	500	1,000	250	250	50
E Losses		0	0		75	50		50
F Taxes		0	0		75	50		50
G Operating cash	100	500	500		0	0		
H Contingency	100	1,000	500		0	0		
I Costs before staff		9,550	6,150		2,985	1,560		
J Staff		6,000	3,000		6,000	3,000		
1 admin		4,000	3,000	3,000	4,000	3,000	3,000	3,000
2 support1		2,000			2,000			
K Total expense	3,525	15,550	9,150		8,985	4,560		4,200
L Income (monthly)								
1 members					300	150		
2 subscriptions					6,000	3,000		
3 transactions					3,600	1,800		
M Total income					9,600	4,800		4,800
N Save toward expansion					615	240		600

NOTES

- 1 This is a first look. It's not meant to be a hard estimate. Factors will vary greatly by area and operator.
- 2 Minimum start up must include legal requirements, insurance, and consults with an attorney and accountant.
- 3 Insurance is a wild card. Depending on the admin it could be 1k or 10k to start. This is most important to track.
- 4 Monthly costs must include at least one full time admin. Someone has to run the co-op, and they deserve pay.
- 5 Some will say the numbers are too high or too low. This is geared toward people without access to big funding.
- 6 Revenue estimates come from Chart 1 and include monthly subscriptions and task fees.
- 7 The number at the bottom right, minimum monthly profit (to save) is tenuous because everything is at minimum.
- 8 Keep in mind that membership usually -starts- small, but WITH GOOD SERVICE customer base will grow.

5. Defining the Area and Scope

Let's acknowledge that people can do whatever they want. There is no single formula. Each cooperative would cover services and areas that makes sense for them.

It must be noted that the DCC system isn't a cookie-cutter solution. Even with our proposed organizational template meant to help novice entrepreneurs, new organizers cannot depend on one source of information alone. This is *not* a franchise. We don't have rules except broad ethical tenets like honesty, good faith, follow the laws, planning-before-acting, and they must consult *their own* attorney and accountant at least once. We strongly suggest that the founders take a genuine interest in relevant matters and continually strive to learn how those things work. "Failing to plan is like planning to fail."

Current gig delivery services offer passenger service, hot meal delivery, and grocery shopping.

This system will consider the same services, but carried out by local cooperatives created by and serving their own neighborhoods, probably in an average of three square miles in a suburban area.

Supply, demand, and services offered would vary by what that neighborhood wants and -will- support; plus whatever the founding members write in the organization's bylaws.

6. Committing to Ethics and Excellence; Membership

TRUST

The key to trust is dealing with people who care. That's the thing about a cooperative. Those who are there *want* to be there. By signing up, the participants are basically saying they value this service. Members agree to good faith (in words and deeds) at enrollment. The role of trust (and verification) will be discussed in several areas of the *Logistics* section.

MEMBERSHIP

Using a membership platform has a number of advantages and solves some issues up front.

- memberships weed out those who aren't serious
- not to be gate-keepy, but there's an avenue to throw out assholes
- monthly membership fees can be small or large, depending on (what the market will pay and the needs of the co-op such as insurance, advertising, a formal office, and support personnel
- service fees apply for gigs are for labor, with ALL but one dollar going to the driver/worker

It's important to note that the co-op itself is not meant to be a source of *unlimited* income flowing back to the administration. Of course there are baseline costs and there will be at least one full time admin and ideally one or two part time helpers. The *idea* of a co-op is that costs are not inflated just for profit.

7. Management – Administration, Routine Tasks, Start Up

START UP

The idea is meant to be based around neighborhoods. So in any one area there are some number of people who want to buy services, and some number of people who want to provide service. The neighborhood aspect plays a big role in logistics, which is discussed later. Some interested party would have to take the initiative and put it together and oversee it.

ADMINISTRATION

For administration, the *group* that started it would run it. We recommend a detailed “charter” be included in the organizational bylaws. (This topic will be an interesting round table discussion.)

Minimally, it would take one person who knew what they were doing to keep the overall organization running. That said, we recommend a small committee for honesty, new ideas, and less burnout.

ROUTINE TASKS

Like the status-quo systems, once operational the app will make most routine functions self-sufficient. The main admin (or however they delegate) will have to:

- Make sure all bills are paid; and all issues are handled, documented, and filed away
- Monitor the system and low-key watch for problems
- Read and respond to the emails (and regular mail) that are sent to the organization
- Make sure there are records of everything rated to money
- Backup the backups of important files – regularly
- Make sure everything is in order with supplies, paperwork, figures, and everyone happy

STRATEGIC TASKS

- Make sure all regulations are followed
- Manage marketing strategy – and make it happen
- Watch for long term problems and problematic trends
- Know when it’s time to expand or contract, be familiar with “the numbers”

DCC and COMPETITION

For DCC’s part, there’s no central regulating authority. For example, a group of jerks could start a cooperative and there’s no way to get them “removed” from a neighborhood unless they’re breaking laws. Each co-op would have its own name, NOT the “DeliveryCats” name. Our mission is to help empower people, not run their organization. We offer the open source platform, basically the software to run a delivery cooperative, basically free of charge. We can’t take the download back. **But in theory, the playing field would be level and another group...** of *pleasant* people could start another cooperative and do business with other *polite* people. Then the free market decides. We can only hope that people will *never* use our friendly ideas for discrimination, hate, or malfeasance.

8. App Tech: Design, Development, Maintenance

DESIGN

The open-source platform is the biggest component of the entire project. This base must be designed to the best of our ability. We look forward to round table discussions to suss out the best ideas. At first thought, we picture something more akin to Craigslist (with flavors of eBay and current gig delivery mega-apps) than the apps in their current forms. Templates are a big part of the initial ideas.

Services – For the big services (passengers, food delivery, shopping) there would be a starting template for each. Then the bartering system offers more templates for customers and drivers to tweak to their mutual satisfaction. For unusual requests there would be a Craigslist type forum system.

Profiles – Without being rude, people should be able to rate and review each other. But the anonymity of the internet makes people too brutally honest. You want to maintain cordial relationships with your neighbors, or most people do. Find a nice way to phrase your commentary even if it's critical. BUT THE BIGGEST boost about profiles is you can see things like whether the driver will help with luggage or whether the driver will do apartments, or if the driver is a smoker or allows smoking.

Bartering – This is a big deal. In the templates will be a chart of ideas, and the two parties can go from there. But it needs to be clear what the person is buying/providing. Are there stops? Is there luggage? Is there a wait at the restaurant? And what if something comes up after the order is placed? There are lots of ways to handle these things, hopefully with compromises to accommodate each party.

First thoughts for functionality:

- Memberships (logins, databases, dynamic interactions)
- Member profiles with preferences and location assessment (apt, stairs, etc)
- Payment processes
- Email capability
- GPS location services (usable data including mapping – is Google available or?)
- Dynamic restaurant/retail member specials page – not intricate but like a one-page list
- Dynamic list of options / preset minimum rate suggestion based off of profile (apt, stairs, etc)
- Dynamic lists of options, able to update on member and admin levels
- Matching based off of the above
- Pinging, locking on, bartering, in-task options, completion, photos, disputes
- Ratings system with private/public comments
- Chat communication between task-connected parties; archiving of these
- Comprehensive record keeping; daily reports generation and filing
- UI for these things, static informational pages
- A suite of admin tools including banning, refunds, disputes, editing, all reports and records
- Ability to assign an admin clerk who has limited management access
- Security protocols, backup systems, lock-out or re-boot systems, closure systems

It's also important that the system be designed to be what we intended: An open source platform. So it needs to be **packaged and documented** in such a way that others can set up and use the system with a reasonable learning curve. Finally, the system should be built to **handle customizing**.

DEVELOPMENT

DCC is actively raising funds to hire a development company create such a platform. We intend to go through a development firm instead of a single freelancer, to promote accountability and to avoid the appearance of impropriety.

The first phase is expected to run \$25k with a final total possibly into six figures. With the benefits of using a professional development firm comes a significant price tag. Round table discussions should uncover ways to vet prospective development companies.

Once paid and completed this platform will be open-source in a manner of speaking. It would be open for anyone to use to run a delivery cooperative. But it would also be technically open source as the files would be available to customize by each organization.

MAINTENANCE

Another benefit of using a professional design firm is the possibility of ongoing back end support.

This project's app is commonly called open source. Most open source projects are maintained by volunteers who happen to also be software engineers in their day jobs. The plan DOES NOT call for local organizers to tinker with the code. At most someone may have to call the developer's tech support only to report a problem, staying in reasonable contact to pass updates downstream.

It is our hope that software engineers also like delivery services, so the main co-op admins (not local) may yet put together our own development team at some point.

9. Hardware, interfacing, maintenance

Yes, maintenance is listed above but that is software maintenance. This section discusses hardware.

There is no special hardware involved. Everyone would use the platform on their own devices, logging in through the wonders of the internet and using login/password. Even admins would use their own desktop computer or laptop to log in and access reports and handle regular maintenance issues.

Some co-ops may offer to facilitate tablets for restaurants to run specials, for the advantages of buying in bulk and as a gesture of good will toward restaurants who have been put through the wringer from the current mega-apps. That's up to each co-op.

But each person's phone (or tablet for restaurants who want to run specials) would connect to the co-op software platform. Because customers place their own orders, either way it is very light (or zero) maintenance for restaurants.

10. Logistics

We go one-thing-at-a-time and make sure all needs are met, with all parties bartering in good faith. This section will focus on the main “task” system.

- trust/quality/managing expectations
- order/pick up/deliver/trading post
- the gig itself/passengers/shoppers/hot food

TRUST with QUALITY

Trust and quality are recurring themes in our co-op model. The two concepts go together. Drivers and customers will both be as empowered as possible. They can change the terms of a task between themselves if it becomes necessary due to unforeseen circumstances like extra stops, long waits, substitutions, even refunds.

The current system teaches us to be distrustful and think how easily this could be manipulated. Trust and quality. As a member of a small, LOCAL co-op, people don't usually shit where they eat. And if they do they'll get the boot.

The other side of that coin is that all parties agree as part of membership to REASONABLY to the best they can for the other party: try to be on time, don't barter below market rates, read the receipt and notes to make sure everything is there, accommodate last minute stops or luggage if able and compensated, GIVE NOTICE of these things and list them in the profile *Preferences* section.

MANAGING EXPECTATIONS

Managing expectations is huge. This should be a numbered section of its own. But it's key to logistics.

-----Tips vs Bids

Under the status quo base pay is crap! Absolute CRAP! How are they going to ask another human being to work for 20 minutes (using their own car, insurance, and gas!) for \$2.25? That's... insane. Coupled with the fact that customers pay \$10 in fees per order plus tip (what looks like a trifling) \$2. So the customer is paying \$12 (on top of inflated menu prices) and the driver gets \$4.25 and calls the customer cheap or the order never gets picked up. No. Fuck that shady shit.

Tips are bids. (DCC has no restaurant mark up either.) Recall the *ordering templates* discussed earlier. Those will ensure that payment for services is fair even if no tip is given. We still hope drivers will be tipped but now it goes back to a reasonable few dollars.

Let's be upfront. The customer is already paying market rates of \$30/hr for a contractor. They should expect and get good service. The driver should get that pay entirely, not a mega-app. Both parties should know what to expect.

--Preset Price Suggestions

When a customer signs up they will have a menu that shows a chart of suggested prices for different services from different vendors in the area. This will be determined based on distance and other factors (apartments, stairs, office building, etc).

-----Price vs Service

Some people are broke but still want service. The answer is to have the customer be more flexible with their order, so the driver can make a double out of it (using separate hot bag).

Other people want door to door service *without* being in a stacked order, and are willing to pay regular price. I envision a two-tier system, on-demand and cheap-o. This also addresses what customers want – service that matches their budget and expectations.

-----Live Bartering

Recall earlier when we described the ordering process? Live bartering has another benefit: both sides are more clear on what to expect. As part of the ordering process the customer orders the food directly. There will be a chart on the ordering page that suggests a starting bid amount that is already calculated based on the delivery distance and extra steps like apartments (or stops for passengers).

But recall that the customer would place their own order for food. Once the order is placed, the customer lets the driver (who has already accepted) know the ETA or if there is a problem.

ORDERING/DELIVERING

Oh man, this is exciting! So far we've laid the ground work for the players (reasonable people) and the platform (like CL with gig templates).

-----Trading Post

So you've got the two sides of the equation: Drivers and Customers. Drivers log on to the platform and mark themselves available. (No time limits or anything.)

-----Ordering

Customers log on and create an opening offer from the customizable templates.

You know how Facebook lights up a little green light if someone is online? Picture a page where there's a list of available drivers in that area. A mouse-over shows a quick profile like services, rates, and deal breakers. (Some people won't do luggage, stops, or smoking, but others don't mind if it's paid.) Green would signify available, blue for negotiating, yellow for hired / avail after, orange for hired / not avail after, and red would be unavailable.

Customers who want to hire a driver, pick one with a green or yellow light and ping them.

-----Acceptance

Drivers are encouraged to answer pings one way or the other, but everyone should understand that drivers shouldn't be distracted. We envision the ping carrying an automatic "hold on a minute" button, where the driver has five minutes timer to account for if the person is busy. The offer is sent to the driver. If they don't even acknowledge after a minute then the customer can ADD another driver to ping. If a driver is interested they can accept or send back an offer of re-negotiation. AGAIN, this is where memberships help! You don't screw over your neighbors, right? The template chart will show suggested labor charges. The idea is that customers meet or exceed that, unless they're looking for charity but they better have a good story and be willing to wait. We're not trying to waste drivers' time though. It's a fine line but memberships help because it's not shady characters just out for themselves.

Eventually someone will accept the offer or it will time out.

-----The Gig Itself (and Delivering)

Like current apps the app would track GPS and players would tick off milestones toward completion. We'll add bartering and profiles. Profiles come with preferences and "deal-breakers" (being late, stops, no car seat, smokers, etc). Bartering starts with suggested fair market rates, and should really only deviate when there are special circumstances for which to account (stops). We expect good faith by all.

For passengers, this is the simplest of the three services (passengers/food/shopping). The template provides suggested rates, add-ons, and an agreement on call-out fees in case the gig has to be canceled by either party. What's new is a "chrono" feature, an impartial timer to fairly gauge waiting time.

Personally as a former taxi owner, this author has many ideas. It will be interesting to participate in the round table discussions to see how those ideas might translate into "gig" driving of passengers.

For food delivery, there is an extra step in between ordering service FROM US and hiring your driver. The customer must make sure the restaurant is open and accepting orders, and how long the wait is. It seems cumbersome but generally people have favorite restaurants and they know the usual parameters. Like, everyone is open at 5pm. We don't need to know the exact wait time before you ping the driver, but have an idea of whether the restaurant takes a long time to prepare the food or are they quick.

So the customer who wants food would ping the driver and send the opening gig offer. The driver could tentatively accept, with a large but reasonable window of time. The customer then orders their food and sends a READABLE screenshot(s) of the order including items, order number, ETA, to the driver.

The driver can hard-accept at this point, or pass if something is different than the original offer (longer wait or ready too soon). In that case the customer's gig would be highlighted to other drivers so someone can accept it before the food order gets ruined. (Remember at dinner time it's busy so there should be drivers available. It shouldn't be a problem to have SOME driver accept the order, as all cooperative gigs pay reasonable labor fees.)

The food driver has all the info to make the pick up and the delivery. Drivers will attempt to double check that all items are present and in good order, including extras and straws. Drivers should use hot bags and not let anything contaminate the food, like smoke or cologne. I mean that's just good service, independent worker or not. If there are any problems, the driver will try to assist but really it's between the customer and restaurant if something goes terribly off the rails. (See *Refunds* below.)

Shopping is the most complicated. Ideally the customer would order online and just have the driver pick up the order. But for cases of shop-and-deliver, it's going to be a hefty labor fee because it's a labor intensive gig. Shopping can take a half hour if there are many items or if they're uncommon items that require a scavenger hunt. Oh, and heavy items will be heavily charged for labor. Someone will deliver a 24 pack of water to the 4th floor but it that driver will get paid a reasonable fee.

We can make the entire process easier by having: regular shoppers, 2x weekly appointments, combine customers so the shopper does several customers in one trip (twice a week), and mostly pre-ordering.

There would have to be some type of escrow where the customer pays ahead and the cooperative uses some type of Dash Card or something. This is where the whole works gets really complicated. See *Money Handling* below. (The round table discussions will be interesting!)

The most important factor would be having service providers (shoppers) that specialize in particular stores. That would be most helpful to finding all items.

Let's make it easy on people. Instead of clicking all varieties of milk as approved subs, just write in something like "req 2% but whole is fine for gallons, if nec go to half gallons" People usually know what they order, better than the shopper who maybe has never bought this food before.

So imagine regular shopping customer that have standing appointments TWICE A WEEK. The shopper will become accustomed to the customer's preferences. With it being twice a week it's not an overwhelming number of items.

Finally with orders mostly placed by the night before, the shopper will have time to leisurely explore the items so they know (mostly) what to expect for those orders.

There's "a lot" to designing a good platform, but this shopping aspect is going to be the most complicated aspect.

11. Talking to Stores, Restaurants

With delivery, relationships between stores/restaurants and drivers are very important, even if only mutual respect. (Knowing who's trustworthy.) This system is designed for customers to order their own food from a restaurant and just pay the driver delivery fee, so it takes most buggery out of the equation.

Ideal would be working with them to achieve extra efficiency. (See *Economies of Scale*.) If that opportunity exists, there might be partnerships like the "cheap-o" option, or the "hot-foot" specials where 5-10 people's orders get made / go out at once, all to the same ½ square mile area.

In the final plan this section will be filled with relationship building tips that scale with the size and scope of the local co-op. First thoughts are snail mail initially, then a phone call, and then a personal appearance with literature and token gift would be our recommendation.

12. Finding Customers and Drivers

Honestly, this is the easiest component of the entire plan. If a viable base number of drivers and customers exist, they can form a co-op. It can grow from there. The number one rule is just... play fair. So even if it is a small co-op, if service is good then word will spread and people will try it. Then it's up to the co-op to keep them.

Ideas for promotions are plentiful: Twice weekly regular shoppers (so convenient for both parties), wooden nickel tokens for bars to comp their patrons (and people to try the service like Costco's open house days), and it's actually STUPID easy to get on the local news. Their whole role is to highlight LOCAL things that matter to people.

The bottom line is that gig delivery has proven popular. The game has been the mega-apps' to lose, and they've done all they can to alienate everyone involved.

13. Connecting Customers and Drivers

Building on the above, find out what the customers want and give it to them. This can apply to drivers and stores/restaurants too. So much of the status-quo's failings stem from poor communication and mismanaging expectations. This is second-gear marketing. See also *Economies of Scale*. But if you listen to people and fill their needs, they'll purchase at a reasonable price / work for a reasonable price.

14. Pricing

Membership prices would be set by the co-op to cover their projected long term expenses. The (final) organizational template will have helpful tips on how to determine this.

For each individual task, this is where bartering and templates come into play. Keeping that in mind, there are several ways it can work: on-demand, cheap-o, and scheduled. For pricing, there would be a suggested minimum based on mileage, time, extras, and etc. Local co-op organizers can set their suggested minimums. The two parties can barter from there. This was discussed earlier in *Logistics* with offer/acceptance. We encourage full transparency between what the customer pays and what the driver gets. As a matter of fact, those two numbers should just about be equal.

The "cheap-o" promo plan is discussed in *Economies of Scale*.

15. Money Handling

This can get tricky too. Remember the template of proposed labor fees and the \$1 (or maybe a small percent, TBD)? That goes here. The three types of service (passengers, food, shopping) have different rates but nobody should work for less than a living wage. At the same time, one customer can't support one driver. (Or that customer would be paying by the hour, like \$25/hr.)

For a passenger it's the easiest to figure out. The deal would be struck somewhere between what the drivers asks PER MILE/MINUTE. Factor in stops, extras, and expected nuisance traffic in the beginning. The driver profiles should list their expected rates and services offered (non-smoking car, allows dogs, will do stops for a few extra dollars, will accommodate reasonable luggage/groceries).

For food delivery, the "neighborhood" aspect really comes into play as when the customer first signs up to be a member, they are shown proposed delivery fees. So the customer is already ordering their food directly, pays the restaurant directly, and the delivery fees come out of their co-op account.

Membership fees come out once a month. Customers can choose an amount to automatically refill also at that time, or they can add to their balance any time or at the time of ordering.

16. Accountability

Bad actors are easily addressed. They may get over on us once, but it won't happen twice because that's the benefit of being a member organization. Players are encouraged to play nice or risk being banned from the playground. Again, this should not be used to play politics or hold popularity contests. Discrimination for shitty reasons should not be tolerated. Yes, this is an oversimplified even idealized description. This plan is an outline of bullet points.

As far as refunds, here it gets tricky. On one hand, there should be a fee for the labor, if labor was performed, regardless of the outcome. On the other hand, customers are used to not being charged at all if an order isn't fulfilled. There will have to be a balance between these two.

An ounce of prevention – Hopefully everyone is acting in good faith, and the platform will have a template for restaurant-members who also pledge good faith efforts. The customer ordering through the restaurant for themselves so they know the if everything is in stock.

In the case of something needing substituting, like the status quo the parties should be able to chat. In the case of passengers, the original offer should have detailed stops (type, realistic time needed) or luggage or the need for a car seat. Hopefully there will be drivers in the cooperative, like shoppers, that specialize in handling luggage or carry car seats.

The difference between the status quo and my plan here, is that everyone pledges to act in good faith and we get ALL THE DETAILS up front so there are very few surprises (misunderstandings).

17. Support

What happens when things go wrong? Remember “Trust with Quality.” The chat exchange will document the details, because obviously one party has to explain it to the other.

It’s most important to handle the situation in the immediate, working out a solution between the two parties. Ideally this happens without escalating it to the support department.

Examples: Passenger wants to add a stop. Document it if you want proof, or just work it out between the parties. We suggest \$30/hr and using the co-op’s “chrono” (timer) feature if there has to be an impartial referee. Food customer’s order is not ready and will be delayed by 10 minutes? We suggest \$5 additional for every 10 minutes of *extra* wait. Everyone should get five minutes’ grace period but also be respectful of others’ time whenever possible. Shopping customer’s item needs to be returned. (Okay I’m coming up dry on that one. TBD.)

The point is, most things can be handled between the two parties. There will be options for adding or subtracting charges or items. If a customer OR driver needs to cancel, there’s a button for that. The system will automatically change the price or push a refund. The official support clerk will review later.

Again, an ounce of prevention helps a lot. Weed out bad actors before they muck up the works. Manage people’s expectations so people aren’t disappointed in the end. Everyone be a little bit understanding when things happen, but do your best to make it easier on the other party.

That being said, issues will no doubt arise. That’s why there’s a \$1 charge built in to each order, to pay for support clerks. For normal matters these won’t be live interactions, unless co-op members want to pay a much higher monthly fee to have someone on duty 24/7, forever. Regular items escalated to support will be handled the next day if not the same day for early issues. Someone will be on call for emergencies, of course. That person would either be the admin (low budget) or the part time assistant.

18. Profitability

Drivers want profit, customers want service. Restaurants want to do business without a lot of extra fees and hassles. We can all win here.

The cooperative itself isn’t meant to be profitable per se. There will be an inflow of membership dues each month to offset overhead (website and payment processing fees), administration, support, advertising, and contingency fund. Dues per month should reflect what’s necessary to cover those things and a *modest* reward for the founders – maybe 10% of the left over savings toward expansion.

Remember that the idea is about neighborhoods, not some rich dude setting up shops all over because he has the sheer resources. Membership dues should be as low as possible for the members, while still covering all the organizational bases including reasonable pay for admins.

19. Marketing

Earlier some marketing methods were mentioned, in the sections about finding customers/drivers and connecting with them, for the enrichment of all involved.

Marketing is a huge topic that traditionally covers everything from product design to packaging design, to which demographics to target the advertising. Marketing and advertising are not the same thing. Marketing is more strategic whereas advertising is more tactical.

We encourage co-op founders to learn at least the fundamentals of marketing. Here are some sources:

- [42 Powerful Local Marketing Ideas That Work \(+Examples!\)](#)
- [10 Local Marketing Strategies That Work](#)
- [20 Local Marketing Ideas You Need to Be Using in 2022](#)
- [The Ultimate Guide to Local Marketing - HubSpot Blog](#)
- [20 Local Marketing Strategies - Small Business Trends](#)
- [Master the Art of Local Marketing with these 12 Tips](#)
- [8 Practical Tips for Marketing to Your Local Community](#)

20. Economies of Scale

Ah, this is where it gets exciting! (Again!) So everyone thinks they need to make bigger tips to be profitable. What if drivers could make \$40 gross in less than hour, every hour during the busy hours? (To be clear, there will be exceptions due to unsustainable neighborhoods or a saturation of drivers.)

Recall that a cooperative is local. Promotions can be made/facilitated between restaurants and customers. Once customers come to know that you're dependable, they will order more frequently. With a certain level of paying customers... you can start playing with *efficiency*.

FOR FOOD DELIVERY:

Without giving away specific addresses, there would be a "cheap-o" option. Calling it that accomplishes two things: a comical marketing ploy and *manages expectations*.

Theoretically:

- Everybody in a neighborhood eats dinner.
- Some percentage regularly order delivery, even families order pizza.
- **All** of the deliveries are *relatively* local.
- Some percentage of people can't afford *market rates* for delivery and will be **flexible on time**.
- Some percentage of restaurants are willing to **coordinate because they want sales**.
- What you do is group them together within a half-mile area, all from the same restaurant.

First, coordinate with co-op member restaurants who *want* to fulfill bulk orders (five to be ready at the same time). Not every restaurant will want to go through the few extra steps this will require. A lot of places are still short staffed. But there are restaurants who will play ball if it means more sales. That's one of the benefits of a cooperative: you already know that people are coming to the table with good intentions of *getting something done*. Going forward there's a button on the app to toggle this queue.

Second, the software shows a continuous schedule of any restaurants that are open for bulk. Envision a page that's half hot spot map and half chart.

Third, when someone wants to order from a restaurant on the list (but don't need it immediately) they can click to add themselves to the queue. It won't show identifying info but the list WILL SHOW the count of each restaurant in each NEIGHBORHOOD. That way, people can look first and see that restaurant A has 4 people nearby who are open to a group run and only needs one more. If you're broke and like things from a variety of restaurants, that would work out great.

Fourth, this is where it gets tricky. In order for the five orders to be coordinated they'd have to be designated as such to the restaurant. This goes against our usual practice for on-demand service, of just picking up the food for a delivery charge. So our app would have to place the orders when the queue fills, and the restaurant would have to monitor our interface. And we would end up being the middleman between restaurant and customer. This is a huge step up in terms of logistics. In the planning stages, new cooperatives might list this as a "coming soon" feature.

Fourth, if not enough people in one area want the same thing... well we tried. We're trying to meet them half way, right? It's back to regular on-demand or DIY.

FOR PASSENGERS:

This is a little bit more difficult because you can't just double up *passengers*. Well you *could* service particular establishments. But what of the liability of one party turns into a creep? Not recommended.

The benefit of economies of scale for passengers is **a rising tide raises all boats**. In a busier market more drivers get runs, more customers get service, happy customers order more rides, rinse and repeat.

The biggest component of that is *regular customers*. Maybe it's a guy who got a DUI and can't drive to work for a while, only needs a ride there five mornings a week. (Or both ways.) Regular customers are also people or groups of friends who go out *sometimes* and want to know they have a reliable ride downtown and back. YOU CANNOT OVERSELL the peace of mind brought by *knowing* you can get a safe ride home after a night at the club/bar. They can go out more because it's not such an ordeal.

Drivers and customers can "favorite" each other (low key without being creepy) so that they get matched more often. Conversely, all co-op members would have a "politely decline further interactions" in their ride history, both customer/driver. Regular rides can be set up within the co-op app, not so the co-op can take a huge cut (the cut is \$1 and that offsets the Support department) but so that it puts everything in writing and solidifies the arrangement.

With regular customers, if someone has a flat tire or they need to stay late at work, theoretically the other party is more understanding. Things get handled without animosity. If necessary the ride can go back on the open market with a color tag that conveys a request of priority. Keep in mind the open market is small and interlinked. Another driver might not normally travel out of town but with the

priority tag it conveys that something happened to their regular ride. I mean, this is just an idea of how to take care of business on both sides of the equation (drivers and customers) and handle all the little unexpected things that come up daily.

Further, (and this goes more toward marketing but still touches on EoS): For the love of God and all things holy, PLEASE match the smokers and non-smokers correctly (drivers/customers) so everyone is happy. How hard is that? Have a check a box on EVERYONE's profile for smoker/non/indifferent (meaning as long as it's not done during the ride then it's good).

FOR SHOPPING:

Make no mistake, this service is neither cheap nor inexpensive. Customers pay good money (which shoppers deserve) and expect good service.

For an inexpensive option we have ideas for community postings

Those Shipt guys have it goin' on! Ever see them with their cart full of different bags/orders? On-demand shopping, rather *picking up shopped orders*, is a different service than a regular semi-weekly arrangement. There are people who would like twice-weekly regular shoppers that get to know the customer's favorite stores and favorite substitutions.

Part of the hassle for both driver and customer is everything being brand new again. Every order is different, every customer has different expectations. Every driver has a different level of knowledge and care. The co-op system is designed for a positive feedback loop: happy customers order more often, regular arrangements are *easier* for the driver, everyone's expectations are met, rinse and repeat.

COMMUNITY CHARITY

Charity begins at home, right? Here's our chance to do a good deed. We may win a new customer but if not, that's okay too. In my vision a community-charity page would exist for non-priority listings. The idea is something that maximizes flexible/convenience for a driver because the pay is very low.

For example: "Grandma in local high-rise broke hip, needs grocery delivery with cat food and litter, to be ready for pickup at Walmart at the driver's convenience. Offering \$5 and a batch of home made cookies." OR something along the lines of "Totaled my car, need ride to and from work tomorrow, will have money by the evening pickup." (In case they need to borrow money from a co-worker.)

And then if a driver who regularly services that area reads the charity page – let's call it what it is and yes shame people who are abusing it (no shame in genuine charity, everyone needs a hand sometimes) – can opt to schedule the order if it becomes convenient.

Of course there may be bad actors but we know people's home addresses. And this is *their* neighborhood / community. If they want to burn this bridge they can, but it'll only happen once.

21. Advertising

There are so many ways to advertise a QUALITY, LOCAL service. Several times in this document we've discussed building clientele organically. We expect to include a list of advertising tips as well as marketing tips, in the final draft.

One really good local advertising option is to sponsor local schools' sports teams, fund raisers, and yearbooks. For a small price your ad will be seen by a big portion of your service area. These type of ads are usually displayed for a decent length of time, often in prominent places. Yearbooks and school newspapers will show your ad forever in the archived edition. But most important, once that large portion of people become aware of your service, they will remember for future use AND tell friends.

- [5 Fundamentals of Advertising Campaigns | Pepper Content](#)
- [How to Create and Deploy Effective Ads | Higher Education](#)
- [5 Key Tips for Effective Newspaper Advertising](#)
- [5 Advertising Tips to Help Your Business Rebound in 2020](#)
- [3 Tips About Local TV Advertising - Extreme Reach](#)
- [6 Advertising Tips for US 2020 - Facebook](#)
- [Effective Billboard Advertising Design Tips](#)
- [30 Tips to Improve Internet Advertising | ZenBusiness Inc.](#)
- [15 of the Most Creative Billboard Ads From Around the World](#)

22. Adjustments

Even after an organizational template is determined, compiled, edited, and checked, new or better information may become available. We plan to update the template when appropriate and also post new information on the main co-op system website.

Also, each co-op may want to vary these suggestions based on what would work best for them. This is true during planning and roll out, but also as the organization evolves. It's important to monitor the system and grow accordingly.

23. Exit Plan

Every organization needs an exit plan, even if it's 100 years into the future when the original problem is solved. That's not the best summary of the concept, but that's the idea. In this case if the founders wished to close the co-op, it could be sold for the appraised value or just closed with 30 days' notice to members. It'll be interesting to see what the round table discussions say about this.

24. Conclusion

Good customers exist
Good drivers exist
Let's get together

Gig delivery currently sucks. Ways exist to make it better. This document is more than bullet points but not a complete business plan. It's an overview of the initial ideas to demonstrate a feasible concept.

The most important elements:

- Memberships have many benefits: remove bad actors, ensure that people care and act ethically.
- Trust and Quality go hand in hand.
- Planning ahead is often the difference between success and failure.
- Managing expectations is the ounce of prevention that saves a ton of headache later.
- Economies of scale is the concept of efficiency, and the key to sustainable operations.
- Bartering and suggested market rates can make the process more fair for both parties.

We envision a system where neighborhoods can organize their own delivery co-ops for passengers, hot food, shopping, errands. A few honest people could oversee a small neighborhood of a few square miles (with caveats). A membership system has numerous benefits. A platform will tie it all together, and use the best qualities of Craigslist, eBay, and current gig apps.

DCC is actively raising funds to hire a development company create such a platform. Once paid and completed this platform will be open-source in a manner of speaking. It would be open for anyone to use to run a delivery cooperative.

In addition to an open-source platform we would like to provide something of a template that outlines the "best practices" of such an organization.

Much of this text may seem an oversimplified, even an idealized, description. The overarching idea of the project is to lower the barrier to entry for regular people in a neighborhood to create an independent delivery cooperatives. We believe it can be a viable concept if planned and executed properly.

ROUND TABLE DISCUSSIONS

To this end, we will open a public forum to suss out those best practices.

The forum will be available in February 2023 and open to the public. Until then discussions will be held on the project's Reddit page to finalize the tentative outline above. For the round table discussions, a dedicated forum system will be set up on the DeliveryCats servers. Each category on the final outline will have its own sub-forum. Outline discussions are at: www.reddit.com/r/deliverycats.

If you have expertise in any of the components above and would like to moderate that particular forum, please send an email to: admins@deliverycats.com.

Appendix A

Google search results for “independent delivery cooperative”

Note:

A more comprehensive look would include other related search terms.
This is a first glance.

TEXT IN GREEN IS A SUMMARY FROM THE PROJECT'S POINT OF VIEW.

Let's Not Reinvent the Wheel

Delivery cooperatives already exist but haven't become mainstream. Let's see what we can learn from existing sources. Here is the first page of Google search results for "independent delivery cooperative:"

#1 – Delivery.coop

<https://delivery.coop/>

Google Search Result:

Delivery Co-op

[no date on google or shown for site copyright]

Delivery Co-op is a first of its kind employee and restaurant owned food delivery company focused on fair, inclusive, hyper-localized service.

Link Summary:

"Autonomous delivery, 400 Monthly Subscribers, \$20 Average Hourly Pay For Drivers, \$400k Restaurant Revenue with 0% fees, Monthly Subscriptions directly create great jobs for Delivery Drivers who share in the co-op ownership with Local Restaurants."

Sounds great. Several other links in this list are franchisees of this organization. For this organization,

#2 – Delivery Co-ops Provide an Answer to High Fees and Low Wages

<https://www.yesmagazine.org/economy/2021/07/13/delivery-fee-low-wages>

Google Search Result:

Delivery Co-ops Provide an Answer to High Fees and Low Wages

[Jul 13, 2021]

Delivery drivers—who are considered independent contractors—often earn ...

Link Summary:

"As of April, 937 Delivers includes 20 restaurants that contribute \$300 a month, plus \$2 per delivery. Customers living in a 6-mile radius of downtown Dayton can pick a participating restaurant on the co-op's website, and pay a flat \$6.50 fee per delivery. As of mid-March, 937 Delivers said it completed over 5,500 sales worth over \$185,000—all of which has stayed within the community. Restaurant owners partnering with 937 Delivers said their co-op fees come out to between 8% and 14% of monthly sales. Compare that to their DoorDash fees, which can top 30% of sales, thanks to monthly tablet rental fees and error and printer fees."

Good article. Long, well-written from Yes! magazine. Mentions the organization above, "Delivery Co-op." They are based in Lexington, KY and their model appears to be subscribing to single restaurant delivery. The article itself does a good job of describing the gig delivery industry's overall strengths and challenges.

#3 – Delivery Co-Op: A Solution to High Fees from Popular Food Delivery Apps

<https://www.independentwestand.org/delivery-solution-high-fees-popular-food-delivery-apps/>

Google Search Result:

A Solution to High Fees from Popular Food Delivery Apps

[Apr 23, 2021]

Different than other food delivery services, Delivery co-op has a subscription-based model with restaurant owners in mind.

Link Summary:

“After less than one year in operation, the Delivery Co-Op currently has 6 full-time drivers, about 400 monthly subscribers, and 7 local Lexington restaurants in participation. The goal of the business is to eventually launch in key cities throughout the country, like Miami, Louisville, and Washington D.C. but are seeing increased interest from restaurant owners and customers in the Louisville, KY, and Dayton, OH areas.”

Magazine article whose subject is actually the entity in search entry #1, Delivery.coop. This article is very informative. I can only quote a few lines due to copyrights. But do go and read the whole thing if the nuts and bolts of a delivery co-op interest you. (Wow, they do all that with only six drivers?)

#4 – Delivery Co-ops Offer Growing Alternative to National Gig Delivery Services

<https://nonprofitquarterly.org/delivery-co-ops-offer-growing-alternative-to-national-gig-delivery-services/>

Google Search Result:

Delivery Co-ops Offer Growing Alternative to National Gig Delivery Services

[Jul 21, 2021]

COVID-19 made many restaurants dependent on delivery services that charge high fees. But co-op services have emerged as alternatives.

Link Summary:

“All these businesses are based in some measure on a similar idea: If you are not seeking to extract large profits for Wall Street investors, that gives the business more room to charge local restaurants less and pay workers more. That said, a single dominant business model has yet to emerge.”

The article does a good job discussing different delivery cooperative styles and describes price structures from \$300/mo for restaurants, to \$25/mo for users, to \$6 per delivery, to \$49/mo just for the software. These are all different types of cooperatives, not all fees apply.

#5 – This delivery co-op will let restaurants own a piece of the profit

<https://www.restaurant-hospitality.com/delivery-takeout-solutions/delivery-co-op-will-let-restaurants-own-piece-profit-0>

Google Search Result:

This delivery co-op will let restaurants own a piece of the profit

[May 24, 2021]

Loco Co-Op sets themselves apart from other delivery platforms as a co-operative run and operated by stakeholder restaurants that own shares of

Link Summary:

“Sewell first tested out his co-op delivery platform four years ago by launching Chomp in Iowa City and Nosh in Colorado, though with these first two local platforms, the co-operative model was more loosely defined. Since then, the company has grown and launched local delivery co-ops headed by franchisees in Richmond, Va.; Knoxville, Tenn.; and Omaha, Neb. Within the next few months, Loco Co-Ops will also be launching in Las Vegas, Nashville, Orlando, Tampa Bay, and Los Angeles, with Orlando as a corporate store and the rest owned by franchisees.”

They will come in and provide all training and software and set everything up for the entire franchise, if you have 100 buy-ins at \$2k each. No shade, that’s great if you can swing it. Easy-peasy, but you pay for the convenience. This is aimed at restaurants.

#6 – Bike delivery cooperatives are changing the rules of the gig economy

<https://www.shareable.net/courier-cooperatives-are-changing-the-rules-of-the-gig-economy/>

Google Search Result:

Cooperatives are changing the rules of the gig economy

[Jul 15, 2020]

But mainstream gig economy delivery platforms pay delivery workers poorly. And because they're independent contractors, they don't get

Link Summary:

“Bicycle delivery workers across Europe, from Spain to Germany, are banding together to change delivery for the better. They’re creating platforms of their own that operate as cooperatives, so that riders own and manage their businesses and get paid and treated fairly.”

This article discusses the popularity of bike couriers in Europe, and how they’re moving toward independent delivery cooperatives.

#7 – Types of Co-ops

<https://uwcc.wisc.edu/about-co-ops/types-of-co-ops/>

Google Search Result:

Types of Co-ops - UW Center for Cooperatives

[no date on google; site copyright 2022]

By combining member demand, the co-op can provide better availability, selection, pricing, or delivery of products or services to individual consumers.

Link Summary:

“Cooperatives span many different activities and services from childcare to transportation, farming to solar energy, financial services to purchasing school supplies. Cooperatives are owned by their members, which could be consumers, producers/farmers, workers, businesses or organizations, municipalities, and other co-ops.”

This article has many linked examples of the different types of cooperatives (consumer, worker, producer, shared services, purchasing, and multi-stakeholder)

#8 – New co-op food delivery service hopes to keep local restaurants in business

<https://www.abcactionnews.com/news/in-depth/new-co-op-food-delivery-service-hopes-to-keep-local-restaurants-in-business>

Google Search Result:

New co-op food delivery service hopes to keep local restaurants in business

[Nov 18, 2021]

ST PETERSBURG, Fla. — There's a new delivery service in Tampa Bay hoping to be a life-saving ride for restaurants. It's called LoCo, a co-op

Link Summary:

“We estimate that those big monopolies GrubHub, DoorDash, and Uber Eats are taking somewhere close to \$2 million a month out of the Tampa Bay community.” ... “LoCo’s original concept started in Iowa four years ago. Today, it’s in five cities across the country, most recently starting up in St. Petersburg.”

This is a franchisee from the “LoCo” company referenced above.

#9 – How A Restaurant Owned Delivery Co-Op THWARTED Grubhub In Iowa City

<https://www.youtube.com/watch?v=nfhMIleht0>

Google Search Result:

How A Restaurant Owned Delivery Co-Op THWARTED Grubhub In Iowa City

[Aug 12, 2021]

But in Iowa City, restaurants fought back by creating CHOMP — a restaurant-owned delivery cooperative. They pay drivers a living wage and

Link Summary:

“GrubHub destroys local restaurants & exploits workers. But in Iowa City, restaurants fought back by creating CHOMP — a restaurant-owned delivery cooperative. They pay drivers a living wage and charge restaurants low fees. They’re already defeating GrubHub in Iowa City.”

This is a video discussing the LoCo concept described above.

#10 – Cooperative Logistics Network

<https://www.thecooperativelogisticsnetwork.com/index.php>

Google Search Result:

Independent Freight Forwarders Network

The Cooperative Logistics Network is an independent freight forwarders network where selected agents work in a safe environment to increase their business.

Link Summary:

“The Cooperative is a freight forwarder network that gives its agents the tools necessary to compete on a global scale.”

This is for freight, cargo, etc, on a global scale.

Appendix B

Market for Local Delivery Cooperatives

B1. Trends Forecast for Gig Delivery 2023

B2. Population Density for the US Market

Market for Local Delivery Cooperatives

As a first look, we'll explore two aspects: trends forecast for the gig delivery industry and average population density data.

B1. Trends Forecast for Gig Delivery 2023

To summarize the citations below, the gig delivery industry is huge (8%+ of US GDP) and is here to stay.

1. 18 Telling Gig Economy Stats in 2023

<https://www.northone.com/blog/northone/other/gig-economy-statistics>

“The gig economy contributed \$1.3 trillion to the US economy in 2020, at a 20% increase from the previous year. That’s a whopping 17% of the total US gross domestic product (GDP)! Statistics research predicts that 60% of the US workforce will be working on a freelance contract basis by 2027.”

These statistics are consistent with other references. Notice that number: 17% of US GDP is considered “gig work.” How much of that is actual gig driving? (Answer below.)

2. Food Delivery Trends to Watch in 2023 & Beyond

<https://onfleet.com/blog/food-delivery-trends-2023/>

“Gig drivers account for 57.8% of the gig economy.”

This piece is short on citations. It reads like the author’s personal analysis. However if it is to be believed, there is the answer to the question: 57.8% of 17 (entire gig industry GDP metric) is 9.8.

So **gig drivers** make up 9.8% of the entire US gross domestic product. (Professionals might hate this interpretation.) THAT’S A LOT OF COMMERCE! That’s all “gig driving” transactions!

Also this article brings up excellent issues to be considered for **strategic planning**. Forward thinking entrepreneurs can parlay these subtle insights into actionable plans. Numerous valuable gems of strategy are found throughout this article.

B2. United States Population Density

Cooperatives would work differently in densely populated areas and sparsely populated areas. For this model we will consider suburban areas in the United States.

It seems that the average suburban area has about 2,000 households per square mile, so a three sq mi area would be 6,000 households. Each household has an average of 2.6 people. But this all comes back to population density. It will be interesting to hear statisticians opinions in round table discussions.

For now, here are some references that shed a bit of light.

1. How AnySite defines density class in the DenClass column of the Census Tract table

https://customer.precisely.com/s/article/How-AnySite-defines-density-class-in-the-DenClass-column-of-the-Census-Tract-table?language=en_US

Density Classes

1.	Super Urban:	8,000 or more households per square mile
2.	Urban:	4,000-7,999 households per square mile
3.	Light Urban:	2,000-3,999 households per square mile
4.	First Tier Suburban:	1,000-1,999 households per square mile
5.	Second Tier Suburban:	600-999 households per square mile
6.	Exurban/Small:	100-599 households per square mile
7.	Rural:	0-99 households per square mile

2. Metropolitan statistical area

https://en.wikipedia.org/wiki/Metropolitan_statistical_area

There are 384 Metropolitan Statistical Areas.

3. List of United States cities by population density

https://en.wikipedia.org/wiki/List_of_United_States_cities_by_population_density

Some cities are really densely populated.

4. Urban. Suburban. Rural. How Do Households Describe Where They Live?

<https://www.huduser.gov/portal/pdredge/pdr-edge-frm-asst-sec-080320.html>

AHS Neighborhood Description Results: Specific Metropolitan Areas			
	Urban	Suburban	Rural
New York City	47.00%	49.00%	4.00%
Los Angeles	45.00%	54.00%	1.00%
Chicago	34.00%	61.00%	5.00%
Dallas-Fort Worth	30.00%	61.00%	9.00%
Houston	29.00%	63.00%	8.00%

AHS Neighborhood Description Results: Central/Outside Central Cities			
	Urban	Suburban	Rural
Metropolitan Areas	29.00%	57.00%	14.00%
Central Cities	51.00%	47.00%	2.00%
Outside Central Cities	14.00%	64.00%	22.00%

These charts get closer to the heart of the matter. Most of the US population seems to live in suburban metropolitan areas.

5. Average number of people per household in the United States from 1960 to 2022

<https://www.statista.com/statistics/183648/average-size-of-households-in-the-us/>

In 2022 there were about 2.5 people per household on average.

Thank You

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