New York City 2023 Community Impact Report





DoorDash in New York City

Introduction

DoorDash was started with a simple mission: to grow and empower local economies. We want to make sure that every business across the five boroughs can succeed and every community can flourish. In order to achieve our mission, DoorDash has to work for all of our stakeholders.

We're proud that last year in New York City, our platform created flexible earning opportunities for thousands of Dashers, helped local merchants across the boroughs grow their businesses, and brought the convenience of food delivery to busy New Yorkers, including those in low-income communities and communities of color.

However, we're already beginning to see the damaging effects of extreme new rules on New York's economy that undermine this impact – including huge losses in revenue for small businesses and fewer offers and earning opportunities for Dashers.

Growing and Empowering the New York City Economy







In 2023 in NYC:

Dashers: Over 100,000 Dashers earned over \$300M¹

Merchants: Over 15,000 total merchants were on the DoorDash Marketplace at the end of 2023. **Merchants made over \$1B in sales** on the DoorDash Marketplace over the year.

Underserved communities: 39% of deliveries in the city were made to consumers in low-income communities and 69% of Dasher earnings were made by Dashers in low-income communities.

71% of deliveries in the city were made to consumers in communities of color and 85% of Dasher earnings were made by Dashers in communities of color.

¹The sum of Dashers active in all boroughs can exceed the overall city total as Dashers can be active in multiple boroughs.

Across the Boroughs: By the Numbers





Bronx Dashers: Almost 30,000 Dashers earned over \$30M

Bronx Merchants: Over 1,500 total merchants were on the DoorDash Marketplace at the end of 2023.



Brooklyn Dashers: Over 50,000 Dashers earned over \$90M

Brooklyn Merchants: Over 4,500 total merchants were on the DoorDash Marketplace at the end of 2023.



Manhattan Dashers: Over 40,000 Dashers earned over \$100M

Manhattan Merchants: Over 6,500 total merchants were on the DoorDash Marketplace at the end of 2023.



Queens Dashers: Over 50,000 Dashers earned nearly \$50M

Queens Merchants: Almost 4,000 total merchants were on the DoorDash Marketplace at the end of 2023.



Staten Island Dashers: Almost 8,000 Dashers earned over \$15M

Staten Island Merchants: Over 500 total merchants were on the DoorDash Marketplace at the end of 2023.

- 4

Expanding Food Access

Launched by DoorDash in 2018, Project DASH empowers social impact organizations – such as food banks and food pantries – to work with Dashers and use DoorDash technology to increase access to food in their communities. Since launch, Project DASH² has powered over 420,000 deliveries from food banks and food pantries, fulfilling an estimated 4.8M meals in NYC.

> "Partnering with Project DASH has been instrumental in helping Masbia Soup Kitchen scale our services and impact in New York. Project DASH has also been key in providing New Yorkers with kosher meals and groceries during key religious moments and throughout the year. Home delivery is a crucial tool in combating food insecurity, and we look forward to furthering our partnership with DoorDash to break barriers to food access in New York."

> > - Alexander Rapaport, Executive Director of the Masbia Soup Kitchen Network



²All Project DASH numbers are as of July, 2024.

Our Commitment to E-Bike Safety

We are committed to helping policymakers at all levels of government to ensure that e-bikes are a safe, sustainable part of the city's future. DoorDash is working with stakeholders to help ensure e-bike are safe to use in New York City in a number of ways:



Launching ECP: We were proud to help support the launch of the Equitable Commute Project to fund the development of the first trade-in program dedicated to delivery workers in NYC. This program runs events on a regular basis to help delivery workers transition from their existing device to a new UL-certified e-bike, and making sure uncertified batteries are properly recycled and disposed of. Since its launch, ECP has helped hundreds of New York City delivery workers trade in unsafe devices.



Public Safety Campaigns With FDNY: We've also helped educate Dashers and others in the communities we serve about safe e-bike practices, including contributing \$100,000 to the New York City Fire Department (FDNY) Foundation's e-bike and battery safety education campaign.



Discounts for Dashers: DoorDash has partnered with electric bicycle suppliers to expand access to affordable, safe e-bikes so that New Yorkers who use the DoorDash platform to make deliveries and earn extra income have more transit options. These partnerships allow Dashers to purchase safe, discounted e-bikes from reputable manufacturers and expand access to e-bike rentals.

Federal Advocacy In Support of NY Delegation: While these efforts are a productive first step, their effectiveness will be limited as long as the marketplace continues to be flooded with shoddy, foreign-made e-bikes powered by uncertified lithium-ion batteries. We have proudly stood by efforts from New York representatives in Congress to pass the "Setting Consumer Standards for Lithium-Ion Batteries Act" as a necessary step to establish national safety standards that can help prevent uncertified batteries from entering the U.S.

DoorDash In NYC Today

While we're proud of the impact that our platform had in 2023 to expand access to earning opportunities for Dashers in New York City, dashing today looks vastly different than it did even just a year ago.

New extreme minimum pay regulations require that DoorDash and other food delivery platforms ensure that delivery workers earn at least \$19.56 per hour before tips. This pay standard – more than 20% higher than NYC's minimum wage – significantly increased operating costs requiring us to increase consumer fees. To better balance costs for NYC consumers facing increased fees at checkout, we moved the tipping option to after-checkout – an outcome the City itself acknowledged that platforms may do once its pay rules went into effect.

Even with this change to tipping, the higher costs have still resulted in NYC consumers placing thousands of fewer orders on the DoorDash Marketplace than they would have had the market remained unchanged and continued to grow at expected levels. Based on the impact we are already seeing over just a two month period, we estimate the new regulation will cost restaurants and other local merchants tens of millions of dollars annually.



The Dasher experience has also changed in response to these new regulations. Unfortunately, the platform is now less accessible and less flexible, which means dashing is no longer a good option for earning supplemental income for many people. In fact, the City's data shows that across platforms the number of delivery workers declined by 8% compared to the period before the regulations went into effect, despite guaranteed minimum pay.

Now, even more bills are being considered purportedly in response to changes in tipping operations by DoorDash and other platforms following NYC's food delivery worker minimum pay regulations going into effect.

For example, forcing platforms to offer tips before checkout and suggest a tip of 10% would heavily amplify these negative impacts. More and more NYC consumers would likely abandon placing an order because of even higher costs. This is a bad result for NYC Dashers and restaurants: each lost order not only guarantees that there won't be a tip, but also means there won't be an earning opportunity for Dashers or an order for a restaurant at all.

While the future for how these rules will continue to impact New York City seems uncertain, we are committed to continuing to work with local lawmakers, community advocates, and business organizations to find a solution that works for Dashers, merchants, and customers alike.

³Evaluating the Devastating Impacts of New York's Extreme Minimum Pay Rate:

https://about.doordash.com/en-us/news/evaluating-the-devastating-impacts-of-nyc-extreme-minimum-pay-rate

⁴From February to March 2024: https://about.doordash.com/en-us/news/evaluating-the-devastating-impacts-of-nyc-extreme-minimum-pay-rate ⁵Restaurant Delivery App Data: January-March 2024, https://www.nyc.gov/assets/dca/downloads/pdf/workers/Restaurant-Delivery-App-Data-Q1-2024.pdf.