How to recover restaurant delivery losses: A comprehensive guide for multi-unit operators

Use this guide to:

+ Understand what delivery loss is and how it could be occurring in your restaurants.

+ Determine what delivery loss recovery process is best for your team.

+ Decide who on your team owns each step outlined in the recovery process.

+ Improve your operation's overall delivery health and most importantly: Improve your delivery profits, fast.

Introduction

While working with clients to develop solutions that improve delivery margins, we realized that most tools don't address all of the problems – poor delivery operations, lack of visibility into delivery data, and recovering delivery losses – Instead, they focus only on the symptoms: losses. This leaves businesses vulnerable and results in poor delivery operations.

Because we care about our clients overall wellbeing and operations, we sought to solve this issue holistically. With this, we coined the term "Delivery Health", in which restaurants have seamless delivery operations, and therefore minimal losses, and have clear, accurate reporting to reconcile losses with ease.

In this guide, we'll provide step-by-step instructions on how to recover in-house, and share an overview of our tool +Recovery™–Whichever route you take, our hope is that this guide helps you on your journey to achieve optimal Delivery Health.

The problem: An overview

WHAT IS DELIVERY LOSS?

Delivery losses occur due to a lack of visibility into DSP happenings, like unpaid cancels and error charges/adjustments.

There are two common forms of delivery loss:

01 Canceled not paid

When an order is canceled by the customer, delivery service provider, or restaurant with a zero-dollar value

02 Error charges/adjustments

When a customer is missing items, receives incorrect items, or incorrect orders which are less than the value paid

Addressing **Delivery Health** through **recovery** is one of the greatest and most accessible opportunities for operators to **increase their revenue** and tighten up their operations.

Next, we'll explore the manual recovery process and the benefits of leveraging technology to recover.

Manual Reconciliation and Recovery Process

01

Get the data

MANUAL PROCESS

01   Weekly process

- Export location's "weekly" orders (only one location at a time)
- Run POS Delivery reports for Net Sales amounts
- Repeat steps 1-2 in each DSP (Delivery Service Provider, like DoorDash, GrubHub and UberEATS) **for each location**

02   Monthly process

- Export location's "monthly" financial reports within DSP portals
- Run POS Delivery reports for Net Sales amounts
- Repeat steps 1-2 in each DSP
- Run deposit reports from banks

LIMITATIONS

- There are 3 separate, siloed DSP portals
- Time-consuming, tedious manual process
- Metric names differ in all three DSP portals
- Room for human error

02

Reconcile DSPs with PoS

MANUAL PROCESS

01   Create delivery spreadsheets, copy, and paste the information

02   Weekly workflow

- Input weekly DSP payout files and update prior week's data on your spreadsheet
- End-of-week payout file true-up
- Financial verification for end-of-week to make end-of-month easier

03   Monthly roll-up of the data above

- Tie out all weeks in spreadsheets
- Bank requisition (location payout vs. bank deposits)
- Financial verification
- Manually input spreadsheet data into an accounting software
- Pay royalty fees

LIMITATIONS

- ◆ Little-to-no insights on why the data discrepancies are occurring between PoS Delivery Net Sales vs DSP Delivery Net Sales
- ◆ Highly manual and time-consuming
- ◆ Requires additional resources (i.e. time, reports, etc) needed to reconcile fees

03

Improve operations to prevent and reduce losses

MANUAL PROCESS

01   Log in to DSP portal

02   Select the location and 'orders'

03   Select the date range

04   Find orders with issues (interface varies)

05   Repeat steps for remaining DSPs

APPLICATION

Use this data to spot trends and identify stores that have the most loss, or items that are often forgotten. Utilize this information to improve store operations and coach store employees to success.

LIMITATIONS

- DSP portals are all separate and therefore make this process very time-consuming
- New process requires development, training

04

Recover revenue on orders with unpaid adjustments

MANUAL PROCESS

01 Log in to DSP portal

02 Go to view all orders, whether in a report or a dashboard, select the location and date range

03 Scroll through the orders and find all orders marked "Cancelled not paid" and "Adjustment"

04 Document the following information from the "Cancelled not paid" and "Adjustment" instances
+ Order date
+ Restaurant number
+ Order ID
+ Subtotal
+ Customer name
+ Amount reimbursed

05 Dispute. Most DSPs will have their own web form available to dispute online, or you can opt to dispute via phone call or email.

06 Repeat steps 1–5 for other DSPs (Example: If you just finished steps 1–5 for one of your delivery aggregators, you can now move on to the others)

LIMITATIONS

- DSPs may impose limits on orders per call
- Room for human error
- Not as effective as a streamlined, automated process

Please note that these steps will vary by DSP. Not every DSP portal is the same, and their dispute process may change over time.
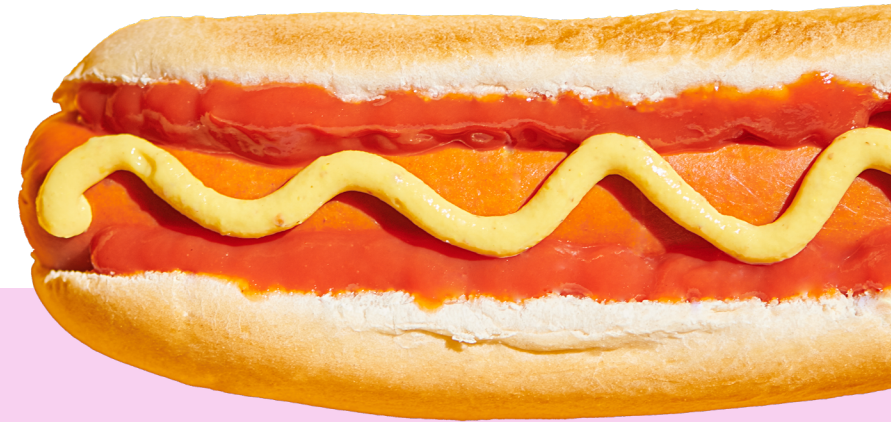
Automated Reconciliation and Recovery Process

01

Get more money back with minimal effort by leveraging +Recovery

Delaget +Recovery allows you to automate the process of delivery revenue recovery. Leverage +Recovery to reclaim losses from cancels and adjustments, and give your delivery margins a boost.

More money, less hassle

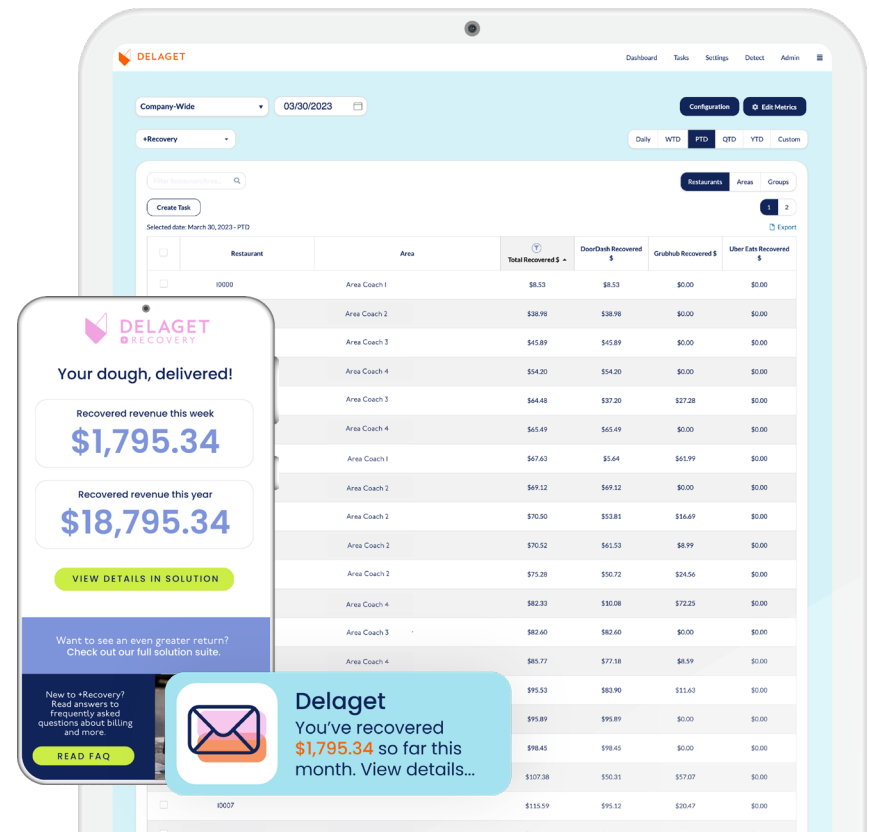The +Recovery tool helps you recover more than the manual dispute process, with far less effort required.

Secure and supported

24/7 monitoring and a secure process that keeps your business safe, plus best-in-class, US-based support.

Full visibility, always

+Recovery users get free access to your very own delivery recovery dashboard and receive a weekly results email.

DELAGET

Request a Recovery ROI report to see how much YOU could recover

Our team of delivery recovery experts will put together a custom ROI sharing estimates on how much +Recovery could help you recover monthly based on your brand(s), locations, and unique delivery needs.

www.delaget.com/recovery

DELAGET ™

ABOUT US

Delaget is the top data provider to restaurant operators and is nationally recognized for their reliable, user-friendly solutions: Delaget Coach, Detect, Delivery, and +Recovery - saving operators hundreds of hours each year, while ensuring data transparency and integrity to enable growth.

25,000+
RESTAURANTS RUNNING ON DELAGET

50%+
OF TOP 200 QSR FRANCHISEES WORK WITH DELAGET

150+
EXISTING INTEGRATIONS STREAMLINE ONBOARDING

98%
CLIENT RETENTION RATE

"It's simple, the process is easy, and I don't have to think about it. I can sit back and focus on running other facets of my business."

- Rocky Bretting, CFO, Glencoe Management