

foodpanda – taking e-commerce to the next level

Online food and grocery delivery platform foodpanda, a subsidiary of the German Delivery Hero Group, is dominating the online delivery market in Taiwan. With its high restaurant density and large number of scooter riders, Taiwan offers the ideal conditions for food delivery. According to Anson Chin, Operations Director of foodpanda, this success can be attributed to foodpanda's mass-market driven approach and investments into its marketing budget to create brand awareness. Despite its outstanding dominance, Chin reveals that foodpanda is looking to grow further while facing challenges like sustainability.



About Anson Chin:

- Worked as a consultant in consulting group and a corporate strategy director at a live streaming company before
- Moved to foodpanda due to interest in e-commerce
- Visited Germany in the past with a local Taiwan orchestra band

GTO: How would you assess foodpanda's current standing in Taiwan?

A. Chin: Taiwan is our biggest market in Asia-Pacific and we are the top job creator. We offer a variety of delivery services such as food and grocery delivery and have partnered up with more than 100,000 restaurants including big chains in 21 cities. Our riders cover five million kilometers every year, reducing the distance between vendor and customer greatly.

GTO: On which business model does foodpanda operate?

A. Chin: We operate on a disruptive innovation business model to establish a win-win situation for vendors, riders, and customers. To increase vendor's visibility, we use platform traffic and focus on platform content while offering customers broad services aside from food delivery. Our riders receive extra income in exchange for their delivery services. These three parts interact and create a beneficial cycle. We try to break the physical barrier between vendors and customers for a "Quick-Commerce" model, the next generation of e-commerce.

GTO: How does foodpanda address topics like sustainability and ESG?

A. Chin: Targeting to reach net-zero commissions, foodpanda incorporates the ESG concept and becomes the first food delivery platform to integrate sustainability into its business model. Our "5G initiatives" have attracted more than a thousand restaurants all over Taiwan. We teamed up with environmental groups and brands to win both restaurants and riders for sustainable measures. We built an electrical scooters subscription program for riders to push the adaptation rate of EV. This will accelerate the transition to green transportation.



GTO: What are the biggest challenges for foodpanda and its business model?

A. Chin: Thankfully, we were able to almost maintain the same high level of customer demand as during the pandemic. Now, the next step is to achieve more growth. One major way to achieve this is the diversification of our revenue streams. For this, foodpanda wants to diversify its dine-in services, develop reservation functions and more. To put it shortly, we aim to cut into the dining sector next, but this requires major effort.

GTO: How does foodpanda deal with IT and cybersecurity?

A. Chin: We follow the European GDPR (General Data Protection Regulation) and share the same IT system with Delivery Hero with some specific additions. Our own tech team analyzes customers' order history and preferences. We not only help our vendors to organize their menus but also use data to optimize delivery routes and maximize efficiency. For cybersecurity, we always strive to implement the latest technology, which is way above industry average, to prevent any attacks. As a company with German roots, the security of our customers' data is always one of the top priorities in foodpanda.

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With foodpanda's mass-market driven approach, we're able to increase brand awareness among consumers.



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To promote green transportation, foodpanda developed an electrical scooters subscription program.