

Look, Ma, No Fleet!

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By saying nothing about gasoline or per-mile reimbursement, Doordash quietly sticks their Dashers with the entire cost of owning and operating a fleet.

Google "Doordash statistics". You will see several similar looking pages about startups, each saying:

- Doordash made between \$900M and \$1B in revenue in 2019, with an average order of \$37
- Doordash delivered 100 Million orders between 2013 and 2018. There are 200,000 dashers.

Sanity check: \$1 billion/\$37each = 27M orders. Ok, well, that lines up reasonably with 100M orders from 2013 to 2018, while growing, so with yearly totals increasing through the 20M/year mark.

Sanity check #2: 20M/200K = 100. So each dasher gets 100 orders/year, or 2/week? Uh... Okaaaay

Let's consider a 20-million-order year. If it takes 5 miles to deliver an order (one site says Doordash claims 6.8), and the average car gets 40mpg, goes 200,000 miles in its lifetime, and costs \$20,000:

20 million times 5 miles each == 100 million miles. 100M miles / 40 mpg = 2.5 million gallons. That times \$3.50 per gallon == \$8,750,000 in gas.

100,000,000 / 200,000 = 500 new cars reduced to the junkyard. 500 x \$20,000 = \$10M in new cars.

Consumer reports and AAA tell us it costs \$1K on avg to maintain a car for each 15K miles driven.

100,000,000 miles / 15,000 = 6,666.666. Times \$1000 == \$6,666,666 in maintenance and repairs.

We see that a 100-million-mile year represents around \$9M in gas, \$10M to purchase, and \$6M in repairs, so close to 10+9+6 == \$25 million. Therefore, \$25M/year **must** have been funded by the Dashers (and their loving parents - thanks Mom! Thanks Dad!) for each of the last 7 years, and if the Dashers redid their maths they would find that it is they who are paying Doordash not Doordash paying them. The cost of owning and operating a fleet which Doordash has saved in 7 years is closing on a quarter billion dollars and racing towards a half.

Doordash does an excellent job of running a delivery company without a fleet. One way they accomplish this is by surreptitiously extracting the life out of the car that Mommy and Daddy bought for Sweet16. Hence we hear all day long in their ads for dashers: "It's great for students!"

Conclusion: Doordash includes a partial modified Ponzi Scheme. It is partial because it is not the company's only source of funding. It is modified because in a classic Ponzi Scheme, the investors get fleeced in a revolving door, whereas at Doordash, the dashers get fleeced in a revolving door. This paper stops short of proving this conclusion in an effort to stick to one page, providing no dasher turnover rate statistics to prove that there is a revolving door; leaving that subject for the next.