

DINING IN IS THE NEW DINING OUT

Food delivery services change the game for fast food as well as high-end restaurants

By JULIANNE MOSHER

The days of calling a restaurant to order take-out may be gone now that Uber Eats has become a more prominent feature on Long Island. With the simple download of an app on an Android or iOS phone, some of the most popular restaurants are utilizing Uber's latest delivery service.

It seems as though it happened overnight – Uber Eats spread from Nassau to Suffolk County, from the northern part of the expressway to the south all within just a few months. Even restaurants that dominate the Hamptons began utilizing the app just at the end of May and since then, fan favorites from establishments like Buoy One and Highway Restaurant in East Hampton have gained popularity among people who just don't want to go out.

And it won't stop there. More and more eating establishments, from fine dining to fast-food, are jumping on the bandwagon because it's another outlet for their food to be purchased.

Uber Eats is one of several food delivery services to make inroads on Long Island,

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joining concepts such as Seamless, GrubHub and others.

"We are delighted to be expanding Uber Eats out east this summer. We've heard from Uber's riders and eaters that they value our reliable, affordable, and speedy food delivery no matter where they are," Jon Feldman, general manager of Uber Eats New York, said in a statement.

"That's why we're doing our best to make Uber Eats accessible in as many locations as possible – and this summer, that includes many beaches and towns across Long Island."

Using Uber Eats is simple. When you know what you want to eat, you check if the restaurant you're interested in is a partner with the service (and the list is pretty long). If you find what you're looking for, whether it's bagels, burgers or halal, check off what you want, place your order and the restaurant will accept the order.

While the food is prepared, customers track the progress of their meal and when completed it is given to an Uber Eats driver to bring to the customer to eat at home. A \$9.99 fee is tacked on to each order and the customer can add a tip for the driver. By adding Uber Eats to a restaurant's plan of action, the eatery could earn an average of \$6,400 a month, experts said.

But services such as GrubHub, Seamless and others are not free, and some eateries may find them costly.

"The casual dining restaurants do really well, but fine dining doesn't and it has a high percentage cost to keep it operating," said Mark Lessing, executive vice president of Lessing's Hospitality Group, which works with Uber.

"I'm pretty happy with it," he said of the app. "The only problem is it's expensive."

But despite the high fees, Lessing and his company have not removed the service from any of their eight restaurants. He said that the drivers who work with Uber have been professional, and his restaurants do exceptionally well in bad weather. Uber Eats allows for feedback on the restaurant from clients, and reviews have been positive. He said that by adding this service, it didn't hurt his dine-in revenue because those who like to go out still do.

"Uber Eats caters to a different customer than the ones who would come out

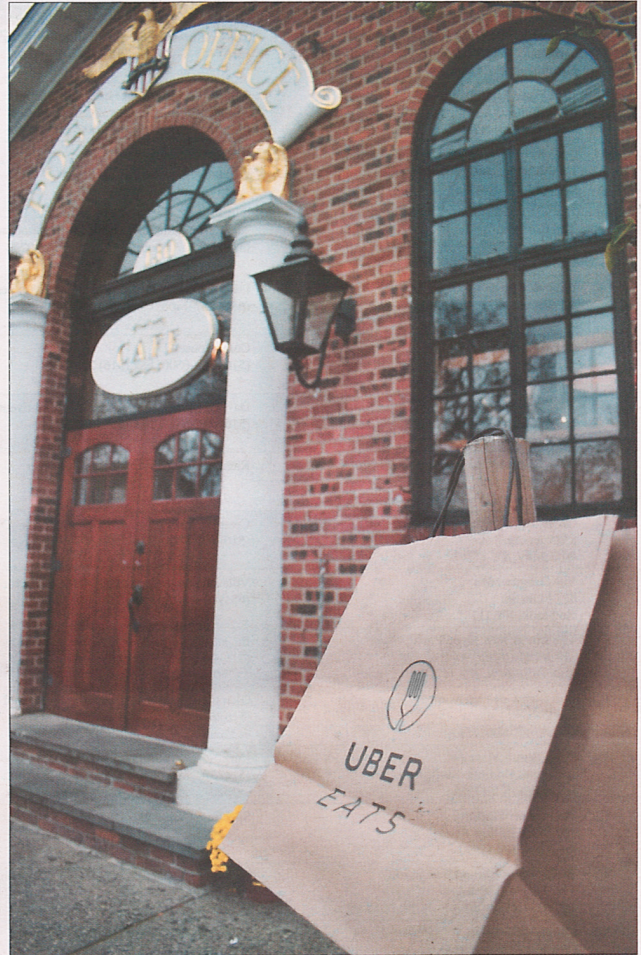


Photo by Uber Eats

Apps are changing the way some restaurants deliver food.

to dinner," he said. "A lot of people nowadays would rather dine in for convenience and we're generally busy."

Lessing's owns and operates catering halls and restaurants across the Island, including the Post-Office Café in Babylon, The Library Café in Farmingdale, Mirabelle Tavern in Stony Brook, Maxwell's in the town of Islip and Finnegan's in Huntington. After beginning a partnership with Uber Eats at the Library Café, the eatery decided to add it to its other Main Street establishments as another avenue to gain business. In doing so, the company sees anywhere from between 50 and 60 Uber Eats orders a week with an average of spending \$40 to \$50 per order.

But the concept of delivering restaurant meals to homes poses serious questions about costs, according to Forbes.

The business publication says Uber Eats charges a restaurant 30 percent of its listed price for the delivery services and does not permit the restaurant to increase the price to cover the additional price for

delivery.

Forbes says the average profit margin for a restaurant is below 30 percent. Fast food places like McDonald's reported even lower margins. And high-end restaurants have an average profit margin of about 6 percent.

Still, Uber Eats has allowed people to try new things when they have already busy schedules.

Renee D'Angelo, of Lake Grove, works full-time and is a full-time musician with her boyfriend, and she said Uber Eats practically changed her dining habits.

"I love it because I can get restaurant style food in my pajamas," she said. "Now they just began offering Ralph's Italian Ices, too, which is great because I can order it and never have to leave my house."

Although she and her boyfriend still love to go out once in a while, their schedules can make it difficult.

"Sometimes we don't feel like leaving the house at all," she said.