



Dear Mrs Novaes and Mr. Lazala,

Thank you for contacting us and providing us with an opportunity to present information about iFood, our response to the novel coronavirus pandemic, and to clarify any doubts about the business model and the many measures that iFood has implemented to protect over 170,000 couriers. Here is some important information in response to two media stories:

iFood is a digital foodtech platform that works in two different ways.

1) In the marketplace model, the company connects customers to restaurants that have their own delivery fleet. Currently, this type of service today represents 70 percent of orders placed on the platform.

2) The other modality, called Full Service, is a new operation. It connects consumers, restaurants and couriers, who register on the iFood platform.

Precisely because it is a new operation, there are no ready-made solutions. However, the company has focused its efforts on initiatives that improve the working conditions, health and safety and benefits for couriers, including: [personal accident insurance, professional training in partnership with Sesi-SP and health benefit plans](#).

A phone survey of 1,241 Brazilian food app couriers, conducted by the highly regarded Locomotiva Institute from April 23-26, 2020, showed that 94 percent of those polled agree that when using apps they have more flexibility with their work schedules and 91 percent said they have more flexibility to compose the monthly income.

With this in mind, iFood believes that it is vitally important to look to the future and seek solutions in the form of laws that are positive for all involved and, as this solution is being built, iFood continues to maintain its commitment to open dialogue and the generations of new ways to boost income for drivers who choose the iFood application.



To specifically address the research survey published by the BBC News website, iFood has a different view of the conclusions presented by the REMIR Trabalho survey cited by the BBC.

Based on the material iFood received about the survey findings used by the BBC, we have significant concerns about the research methodology as follows:

1) The small research sample of only 252 respondents in four Brazilian states, within a universe of at least 200,000 food delivery partners across Brazil, Latin America's largest economy, is not statistically sound because it has such a high margin of error.

2) The way that data was collected by sending an online Google survey form creates potential for people to respond in the place of food app couriers in order to be rewarded for taking the survey. Without the proper controls in place, the same person has the potential to answer the survey more than once from different IP addresses.

3) It is highly unlikely that the composition of this very small survey sample from only four of 26 states (only about 15 percent of the country) is representative of the total universe of 200,000+ Brazilian couriers. The survey was not designed to avoid bias or to be statistically representative of the total universe. It is also not clear what criteria was used to reach the respondents such as a mailing list or some other method.

4) Finally, because we do not have access to the survey questionnaire used, with all the specific questions asked and the answer options presented, it is not possible to guarantee that the multiple-choice questions and answers were asked in a way that does not generate more than one interpretation or might induce a specific answer.

Because iFood understands the importance of providing visibility into the country's food delivery and operations sector, we present internal data as well as [Locomotiva Institute](#) findings, a specialized consultancy to research and analyze a representative sample of food app delivery partners to better understand the impact of the novel coronavirus pandemic on 170,000 couriers.

Regarding the availability of couriers on the iFood platform - that is, the time that the delivery person has the app on, waiting for an order - it is important to clarify that different couriers make



use of the platform in very different ways, depending on the role that the activity plays in their income.

The vast majority of iFood delivery partners make themselves available to work a few hours per month. During April, 170,000 drivers spent, on average, **73 hours per month available on the platform**, which is equivalent to 2.9 hours per day (in a 25-day month).

Here is some additional data on couriers' availability during April 2020:

- **84% of deliverers** kept the app on for **6 hours / day or less**.
- 65 percent of delivery partners connected to the iFood platform were available on the app **24 hours a week** or less. That is about four hours per day in a six-day work week.
- In addition, four in ten couriers (**40 percent**) were available for delivery for only **two hours or less per day**.

For comparison, a typical Brazilian work week is 44 hours, or about eight hours/day.

Regarding statements related to couriers' income, iFood can share the following information referring to deliverers using its platform:

- In April, **61 percent of deliverers received R\$19 or more per hour worked**, which is four times the amount paid per hour based on the country's minimum wage. These couriers accounted for **75 percent of all orders**.
- Based on data from iFood, the average monthly earnings of couriers with delivery activity as the main source of income (35 percent of the total) **increased by 36 percent** in April when compared to February.
- Between February and March, about 40,000 delivery people who had not made any delivery since January returned to the platform freely and spontaneously. It is possible that this sudden return of more couriers has had an impact on the income of other delivery partners in some specific cities or regions, since it is not possible to control the number of orders. Consequently, there may have been a time dilution in the number of deliveries available per delivery person.



- Data from the national Locomotiva research survey conducted at the end of April shows that 54 percent of delivery partners are earning equal to or more than before the pandemic began, while 62 percent Brazilians lost income during the pandemic.

iFood reinforces that there has been no reduction in the total value of food deliveries during the pandemic, which means that the statement that "delivery people are working at least the same amount of hours and earning a lot less" is not applicable to couriers who use iFood platform. The average amount paid per food delivery route is R\$8, which is calculated using factors such as the distance traveled, the city and the day of the week. All couriers know the value per route before they choose to accept or decline the delivery offered.

Although the demand for food delivery has increased during the pandemic, iFood has put a large part of its portion of revenue towards new initiatives to protect the food delivery ecosystem that consists of delivery partners, restaurants and consumers.

To date, iFood has allocated more than R\$14 million in [protection measures to delivery partners](#). These [combined measures attained an average score of 8.9](#) out of 10 from food app couriers, the highest ranking of all other major food delivery companies operating in Brazil, according to the national Locomotiva survey at the end of April.

In March, the platform created a fund of R\$2 million to support couriers who show symptoms or because they are infected with COVID-19 and for those who are part of high risk groups. Other actions include the [distribution of hygiene kits with gel alcohol, masks and information materials](#), health service plan, the rollout of a new contactless delivery feature, a doubling of tips from iFood, life insurance, in addition to discounts on [iFood Delivery of Advantage](#). The benefits for couriers include discounts on services such as motorcycle oil and maintenance, motorcycle insurance, electronic items and health benefits plans.

Regarding the preliminary injunction of the Public Work Ministry, it is worth mentioning that the agency's allegations did not consider the measures taken since the beginning of March with a focus on health and protection. After iFood proved that it was already acting on behalf of its delivery partners, TRT2 (Regional Labor Court of the 2nd Region) granted the suspension of this injunction, recognizing that iFood had no defense rights in the ruling.



Finally, the company would like to highlight another important data point from the recent survey by Locomotiva, which shows that about seven of every 10 food app couriers **(68 percent) would recommend iFood (giving it a score of nine or 10)**, while only one and in every 10 said they do not recommend the platform. The same survey also showed that, even after the end of the crisis, 92 percent of food app couriers plan to continue delivering food afterwards.

Sincerely,

iFood team