

## *A decacorn in on-demand delivery: the case of Getir from Turkey*

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## **A decacorn in on-demand delivery: the case of Getir from Turkey**

Rifat Kamasak, Deniz Palalar Alkan, Berk Kucukaltan, and Mustafa Ozbilgin

### **Abstract**

Social movements and technological innovations have transformed how we think, live and work. For instance, the Covid-19 pandemic has radically changed our purchasing behaviours and the preferred shopping mediums, sparking the exponential growth of online on-demand platforms. Under strict social and healthcare policy measures of the Covid-19 pandemic, technological innovation through e-commerce platforms became the main route through which public demand for goods and services has been met. The chapter is set in this context to examine on-demand platforms in the e-commerce field and explore the online grocery delivery system through an illustrative case study. Getir, an international e-commerce company headquartered in Turkey, provides an illustrative case for born globals. The chapter explores digitalisation and its impact on business and the unprecedented growth of the platform economy through a case study from a developing country.

**Keywords:** e-commerce platform, Getir, mobile applications, on-demand services, online grocery delivery

### **<a> The impact of digitalisation on business at a glance**

Emerging internet-based technologies have created a new industrial landscape affecting our lives and work. New technologies lead to disruptive innovations in business models and functions of organisations (Walton and Nayak, 2021). Technological innovation also radicalised individual experiences of consumption and work as individuals sought effective solutions to the challenges that they were facing (Kucukaltan, 2020). Technological innovation allowed organisations to address the emergent needs of individuals in this new landscape.

Opportunities for growth and expansion in business markets allured many individuals with entrepreneurial mindsets and resources to invest in internet-based technologies that radically transformed business and economy models. Bălan (2016) emphasised that collaborative platforms and smartphone applications significantly shape new business models. Further, the services provided by smartphone applications connect people across fault lines and remote locations (Ercoskun and Ocalir, 2018). Technological innovations also shape social relations and habits, catering to individual needs. Individualisation of service provision sets this digital era from previous periods where market provisions captured and aggregated the needs of large groups of people.

In parallel, digitalisation and individualisation have fostered the development of on-demand services in various industries (Zeier Röschmann et al., 2022). In other words, services provided by on-demand platforms, also known as e-commerce platforms, have come with more accessible, practical and sustainable provisions to meet individual needs. Therefore, as Kumar et al. (2021) highlighted, internet-based platforms and mobile applications have fostered the digital revolution, especially in the service industry. As a result, smart devices are used extensively to fulfil the daily requirements of individuals in convenient ways. A report by Technavio Research (2021) underlines the distinctive potential growth in the online on-demand economy and forecasts. According to the report, the online on-demand home services market will grow by \$ 4,730 billion during 2021-2025.

The report adds that between 2021 and 2025, the market growth of the global online on-demand home services market is expected to increase by over 70%, and over one-third of the growth is contributed by the Asia-Pacific (APAC) region countries. In this sense, it is of critical importance to examine the countries in the APAC region and similar emerging markets such as Turkey.

Speaking of the features of on-demand platforms, it is worthwhile to note that there are a number of advantages and shortcomings of on-demand services. According to Benjaafar and Hu (2020), the distinctive characteristics of on-demand platforms compared to traditional service platforms are the interplay between capacity and demand. The characteristics of on-demand service platforms differ from the traditional service platforms since "*capacity affects demand, and vice versa, capacity can be controlled only indirectly via wages and prices, and capacity and demand vary temporally and spatially*" (Benjaafar and Hu, 2020 p. 94) in on-demand service platforms. Given these features, it becomes apparent that on-demand services offer a connection between organisations, as a proxy of the capacity, and individuals, as a proxy of the demand for services (Mitchell and Strader, 2018). Furthermore, using digital technologies in on-demand services also reduces costs and lowers barriers to entry (Walton and Nayak, 2021).

On the other hand, potential backlashes against on-demand platforms are about data ownership and reward (Walton and Nayak, 2021) and consumer trust (Kamasak et al., 2023; Kumar et al., 2021). Companies that utilise the advantages of on-demand platforms with a rapid response reduce the inherent shortcomings in their services, becoming more competitive. Regarding academic discourses on the business model concept, there is much focus on problems in the e-commerce domain. Agility and variety in products and services render e-commerce platforms pivotal in meeting exploding expectations of different customer groups, particularly in omnichannel experiences. The prominent

motivations for using the on-demand business models in the e-commerce market, such as speed delivery, product variety, convenience, and time-saving, are widely discussed (Eken and Gezmen, 2020; Kumar et al., 2021; Walton and Nayak, 2021).

Despite the plethora of studies on the subject, problems occurring in on-demand platforms and in the e-commerce field have been increasing globally. Academic research on solutions to these problems has received limited attention. Several operational concepts, such as understanding service quality (Sharma and Lijuan, 2015), exploring purchase intentions (e.g. Wagner Mainardes et al., 2019), and focusing on technical IT-based concerns, such as cloud and SaaS (Malik et al., 2021; van der Burg, 2019) are widely discussed in the literature. However, in addressing these problems, as pointed out by Kranz et al. (2016), a vast majority of the prior academic work tackle the constant change and the necessity of adapting to these changes for businesses rather than reflecting how and why organisations change their business models over time. This chapter addresses this research gap by exploring the development of an on-demand platform and an illustrative case study.

### **<a> E-commerce in the world and Turkey**

The use of online shopping applications has shown a dramatic increase during the Covid19 pandemic when governments forced the public to stay home and later avoid crowded public spaces and purchase online. With soaring growth since 2015, the on-demand economy is expected to reach 335 billion by 2025 (Peerbits, 2021). The on-demand economy includes digital platforms that link consumers to a service through a mobile application or website (Gregg, 2015). Globally, the increase in online shopping is associated with the everyday use of mobile devices for shopping. Coppola (2022) argued that such rapid adoption of mobile devices is especially evident across Asia. In particular, the majority of online transaction volumes are created by mobile ways. This being the case, South Korea is shown among the major players in the e-commerce markets worldwide.

Similarly, in another leading country in the e-commerce domain, the USA, according to the Census Bureau's Annual Retail Trade Survey in 2020, e-commerce sales grew 43% in 2020, the first year of the pandemic, compared to 2019 (Census, 2022). In another country with a mature e-commerce market, the U.K., e-commerce shares soared by 31.3% (Chevalier, 2021). In an emerging economy listed among the West Asia countries by the United Nations Conference on Trade and Development (UNCTAD), Turkey ranks among the top 10 developing and transition economies in the UNCTAD B2C E-commerce Index in 2020 (UNCTAD, 2021). Customers' purchasing behaviour has shifted to

online shopping for nearly all products and services after Covid-19. This shift is quite evident in grocery products, as seen in Figure 5.1. For example, while the projected shares of online shopping in grocery are 10.7% in 2024 and 13.5% in 2025 before Covid-19, the figures are revised to 19.1% in 2024 and 21.5% in 2025.

**Figure 5.1 Figure 1: The shares of actual and projected online sales in the grocery market between 2018-2025**

FIGURE 5.1 here

Source: Supermarket News

As presented in Figure 5.1, online sales in grocery markets have exponentially increased with the strong effect of the pandemic in particular. The sales gaps for the years between 2021 and 2025, the impetus of the pandemic period expansion, are set to continue. Accordingly, depending on these projections, focusing on e-commerce sales of grocery items is critical for elucidating and forecasting future growth.

In the Turkish context, the share of e-commerce to general commerce was 17.7% in 2021, when the share of e-commerce in the GDP increased by 1% from 2020, the e-commerce expenditure per capita rose by around 0.70%, and the major two sectors for the high volume of e-commerce activities were food and supermarket industries (eticaret, 2022). In line with the Turkish customers' purchasing behaviour that offers a promising growth in e-commerce, many startups are engaged in developing unique mobile applications. Coupled with funding from investors, some of these startups became unicorns or even decacorns. The global success history of Turkish startups traces back to the mobile gaming startup Peak Games. After the -startup acquisition by the U.S.-based gaming giant Zynga in a \$1.8 billion deal, Peak Games, established in 2010, became Turkey's first-ever unicorn in 2020 (Daily Sabah, 2022). Although Peak Games was granted the title of the first Turkish unicorn, the first Turkish decacorn title was obtained by the online shopping startup, Trendyol. Founded in 2010, Trendyol created its first strategic interest in Chinese online giant Alibaba Group that bought an initial 75% stake amounting to \$750 million in June 2018 (Webrazzi, 2018). The president of Alibaba Group, Michael Evans, pointed to the potential of Turkey in digital markets as:

*"Turkey is an exciting and important market as we assess the development and proliferation of digital economies in the region and around the world, and we will continue to support Turkish brands, merchants and manufacturers in their journey to become truly global" (Alizila - news from Alibaba, 2018).*

Only three years after the statement of Michael Evans, Alibaba raised its stakes to 86.5% through an additional \$330 million investment in Trendyol in 2021. In August 2021, Trendyol secured a \$1.5 billion investment from a number of high-profile investors, General Atlantic and Japanese SoftBank Vision Fund 2, valuing the company at \$16.5 billion and labelling it a decacorn (U.S. News, 2022). The success of Turkish startups has continued with the acquisition of Yemeksepeti, Turkey's first online food ordering site, by the German company Delivery Hero at a value of \$589 million in May 2015, the biggest acquisition ever made in the online food ordering market (Milliyet, 2015). Another success story was the Istanbul-based mobile gaming startup Dream Games, which marked a massive leap after collecting a total of \$207.5 million in funding between 2020 and 2021 from investors, valuing the business at \$1 billion and granting it the title of Turkey's fastest unicorn startup in 2021 (Doing Business in Turkey, 2021). The dynamic Turkish startup ecosystem is not limited to the aforementioned companies. As of October 2021, Turkey hosts five unicorns; Peak Games, Getir, Dream Games, Hepsiburada, and Insider, and one decacorn; Trendyol (World Economic Forum, 2022). However, Getir became the second decacorn of the country in March 2022 after having a considerable amount of investment from a venture capitalist. The startup journey of Turkey between 2011 and 2021 is summarised in Figure 5.2.

**Figure 5.2: Turkish start-up ecosystem between 2011 and 2021 at a glance here**

FIGURE 5.2

Source: ScaleX Ventures (2022)

Although the online shopping trend has risen in almost every business sector, this trend has been apparent, particularly in the grocery and food industry, due to the Covid-19 effect. Online grocery shopping and delivery have become popular in Turkey, and many startups and supermarkets have focused on this business. The Turkish online grocery and food market that hosts nearly 75 online startups are competitive (Tracxn Report, 2022). However, the market has been dominated by some

major players. The major players of the Turkish online food and grocery market are shown in Figure 5.3. These companies originated from Turkey as startups but achieved remarkable growth rates afterwards and obtained a considerable amount of investment from venture capitalists and/or angel investors worldwide. The food and supermarket industry in the Turkish e-commerce field is placed at the focal point. Among the major players, Getir's international expansion strategy and its achievement on the way of becoming a global firm and among the most popular rapid delivery platforms in Europe with a potential of accounting for over 40 per cent of the market in the third quarter of 2022 (Financial Times, 2022) is noteworthy.

**FIGURE 5.3: The major players in the online food and grocery market in Turkey**

**Figure 5.3. here**

At the international level, preliminary examples of on-demand platforms include Craigslist and Couchsurfing provided services and, in the Turkish context, Getir is indicated as a popular and unique example of an online app (Barış and Yılmaz, 2021).

**<a> Getir Case**

Getir, which translates as an order form phrase: "bring!" in Turkish, is an online grocery delivery platform headquartered in Istanbul and is remarkably referred to as an on-demand delivery company operating between local warehouses and customers through its internet application. Getir was established by Nazım Salur, Serkan Borançılı, and Tuncay Tütek in 2015, and after its foundation, Getir has rapidly expanded. Since Nazım Salur is one of the co-owners, they also founded Bitaksi, an online taxi company. Both Mr Salur's story and the common entrepreneurial points of origin between Getir and Bitaksi have received significant attention from academics and practitioners in Turkey.

Mr Salur, who identifies as a serial entrepreneur, was nominated the Best Male Entrepreneur of the year by Economist; he exploits possible innovative opportunities in delivering services by utilising communication technologies and digitised marketing. Salur's ventures adopt an on-demand business model mainly characterised by speed and convenience. Salur graduated from Boğaziçi University, one of the most prominent universities in Turkey, in 1986 with a major in Business administration. He started his business career by establishing intermediary companies that sell companies that manufacture industrial furniture. Nazım Salur's first technological investment was in 2013, as he



developed an application called Bitaksi. Bitaksi services residents of Istanbul, the largest metropolitan city in Turkey, aimed at delivering taxi service to users within 3 minutes. In an interview, Salur stated:

*"I wanted to invest in the technology field. It was the year 2012, the year that smartphones were introduced into our lives, and 20% of the population has smartphones. Therefore, I believed that mobile applications would be the biggest medium doing business in the future, and I took the opportunity".*

Although BiTaksi was not an original idea at the time of the venture, Salur was the pioneer in delivering the service to consumers in Turkey. Salur, who replicated the idea after observing the taxi service applications provided in developed countries like the U.K., the U.S., and Germany, stated that cloning an idea has become a norm in the economy. In a meeting, he commented that even in the automobile industry, it was first manufactured in the U.S.; however, Germany, the U.K., Italy and even Japan manufacture automobiles.

The idea of Getir was modelled by the Bitaksi venture (Eken and Gezmen, 2020), and this togetherness has witnessed a hackathon project known as Getir Hackathon. Due to its financial status, Getir is referred to as a decacorn and, thereby, it has become Turkey's most valuable startup company (Bloomberg, 2021). This being the case, a closer look into its business model revealed that selling online products (predominantly foods) and delivery-related fees are the primary revenue streams of Getir. Regarding its operational and organisational ambidexterity, Getir offers 7/24 fast service (delivers products to consumers within 10 minutes) with higher availability and coverage (delivering to various locations in Turkey and foreign markets). One of its distinctions from its rivals (e.g. Deliveroo) is that Getir has its own riders who are not self-employed, while other platform-based businesses i.e. Uber and DoorDash, mainly work with independent contractors. A report by Financial Times (2022) stated that Getir would have 32,000 employees globally in 2021. The main strength of Getir can be considered as trustworthiness, convenience and the variety of food choices, whilst major weaknesses are higher prices than other businesses in the Turkish context (e.g. Yemeksepeti, Banabi and Migros), the system failure for the out-of-stock products, and the difficulty of reaching the customer service (Barış and Yılmaz, 2021).

Getir achieved its most conspicuous growth at the beginning of the Covid-19 pandemic in Turkey in March 2020. According to Salur (Milliyet, Economy News, 2020), the downloading numbers of the mobile application have increased by 60%, reaching nearly 2 million active users. The average age of the users also increased from 18-45 to 65 and even 70s. The user and cumulative download number are significant indicators to assess the market penetration rate for firms that use online apps. While Getir increased its users from 1.3 million in 2020 to 3.5 million in 2021, with a 169% increase annually, its cumulative downloads reached 34 million by the end of 2021. In line with the sharp growth in user and cumulative download statistics, Getir's valuation increased rapidly to \$12 billion in March 2022, granting it the second decacorn of Turkey.

**Table 5.1: Getir annual users and cumulative downloads 2019 to 2021 (mm)**

<b>Year</b>	<b>Users (mm)</b>	<b>Downloads (mm)</b>
2019	0.3	3.5
2020	1.3	8.7
2021	3.5	34

Source: AppFigures - Food Delivery App Report (2022)

Note: Cumulative downloads; taken at the start of each year

### **<b> The Covid-19 effect on online delivery**

Covid-19 is far more than a health crisis impacting societies and economies. Societies have witnessed paradigm shifts during the outbreak, particularly in consumer purchasing behaviour patterns (Chanlat, 2020). For example, the Nielsen Company Study (2020) has yielded that Covid-19 has led to significant shifts in consumer behaviour focused on basic needs such as food, hygiene, and cleaning products. Although it is expected that purchasing necessities take precedence in emergency circumstances (Kemp et al., 2014; Durante and Laran, 2016; Larson et al., 2018), unprecedented events can alter the psychologies of individuals. For example, these novel events inevitably change purchasing behaviour due to elevated levels of anxiety that arise from ambiguity and the choice of purchasing channel (Alaimo et al., 2020). Furthermore, during crises, young consumers are inclined to purchase hygiene products and non-necessities products through online shopping (Di Crosta et al., 2021).

In Turkey, there are similar experiences in consumer purchasing habits during the pandemic, as the markets have seen a 125% increase during the pandemic for e-commerce-based purchasing (Tanismaz, 2020). Although online purchases of consumer goods were obtained through chain supermarket online shopping websites and applications, Getir was the consumers' choice. Prior to the pandemic, customers used the Getir application to purchase snack items like chocolate and crisps. However, during Covid-19, consumers' perception towards the Getir application has shifted, and Getir has become one of the marketplaces for various consumer goods as the download rate of the application has increased by 60% after the initial declaration of the pandemic nationwide. In addition, before the global pandemic, the users' average age varied between 18 and 45, yet it increased to 65-70 after the initial declaration (Milliyet, Economy News, 2020).

Along with an increase in the application's download rate, consumers' basket variety has also grown. "Pandemic impact on online shopping" (2020) report has shown consumers started to purchase products with long shelf life foods like rice, bulgur, pasta, legumes, and canned foods, along with flour and hygiene products through Getir. Mr Salur stated:

*"The first three days of Covid-19, consumer demand for pasta has increased 22 times, and for staple goods, we had a 165% increase in sales compared to previous years. Also, for fruit and vegetable sales, we have grown 75% and cosmetic, personal care along with household products have increased by over 60 per cent. We used to be a company that came into the minds of consumers for certain goods during times of urgency, but Turkish people have made us a major player in the market"* (Milliyet, Economy News, 2020).

One of the reasons Getir has become a significant player within the market is due to the government implementing emergency measures and amending shops and shopping malls to mandatory lockdowns. With imposed measures, Salur stated that Getir, as an on-demand business, has witnessed extraordinary growth and added:

*"Consumers' demand was rapidly shifting due to the pandemic circumstances and its adverse effect on their psychologies. It was challenging at first to*

*predict the demand volatility, but we have worked on how to effectively manage the value chain and continuously followed the progression in other countries to forecast the demand"* (Milliyet, Economy News 2020).

In the pandemic, the Turkish government imposed a curfew on people aged 65 and over and those with chronic illness. In order to help these elderly people and other people in need, Getir distributed 300,000 food parcels to Istanbul residents for 6 weeks between March and May 2020 under the organisation of the Governorship of Istanbul. The brand prepared and delivered additional 10,000 parcels themselves (Marketing Türkiye, 2020). Similar socially responsible activities continued in the holy month of Muslims, Ramadan. All these efforts strengthened Getir's corporate prestige in the minds of society and local authorities. The founders' entrepreneurial mindset and experience, being vigilant for pursuing external trends and possessing strong network ties with government and local authorities have been critical success drivers for Getir in the entrepreneurial ecosystem. From this angle, it is apparent that Getir aligns its internal capabilities with external changes and trends. Figure 5.4 indicates the interactive factors that lead to the brand's growth in the market.

**Figure 5.4: The growth ecosystem of Getir**

FIGURE 5.4 here

After the initial expansion rate due to the pandemic, Getir has launched four additional services: GetirFood, Getir More, Getir Water, and Getir Locals (Getir, 2022). Getir food, akin to its major rival Yemeksepeti, known as "food basket", is an online food delivery system that connects restaurant networks to individual consumers through an application. Like Hepsiburada and Trendyol applications, Getir More delivers various products at affordable prices, including meat and produce, home and personal care. In addition, Getir Water delivers bottled water to consumers on a 7/24 basis. Getir Water service is similar to BİSU, a thriving bottled water delivery venture aiming to service consumers in under 30 minutes. Getir Locals also aims to deliver products and services from local shops to its consumers within minutes.

Getir manages its vast web of on-demand delivery services via a managing network of dark stores. Dark stores, which used to be brick-and-mortar locations, were remodelled into a distribution hub exclusive for rapid delivery. The idea of the Dark Store concept, initially launched in the U.K. by

Tesco for click-and-collect delivery in 2009, has become a popular means of retail channel for many after Covid-19. Due to its benefits like flexibility, reduced cost, and increased efficiency, it is considered the future of retailing (Fine,2021).

### **<b> The global expansion of Getir**

Getir's rapid expansion as born globally stems from its on-demand business model and capacity to attract investments. When examined chronologically, the company raised its first undisclosed institutional funding in December 2018, and in January 2020, Getir raised another \$38 million. The rapid expansion was due to the unprecedented Covid-19 global pandemic that caused major lockdowns throughout the countries. The company revenue doubled in 2020 since the team decided to expand geographically to various international markets. For example, Getir's operation expanded to London when Series B was announced (Jain, 2022). Series B, known as second round funding for capital raising, Getir raised \$128 million on January 19, 2022, from lead investors like Crankstart Foundation and Base Partners (Crunchbase, 2022). In March 2021, in Series C, led by venture capital investors Tiger Global Management and Sequoia Capital, Getir raised \$300 million additionally (FINMES, 2021). In Series E funding launched in 2022, led by Mubadala Investment Company with Abu Dhabi Growth, Alpha Wave Global, Tiger Global, and Sequoia Capital, Getir company has reached an \$11,8 billion valuation with an additional \$768 million in funding (Dillet, 2022). Getir's fundraising rounds can be seen in Table 5.2.

**Table 5.2. The fundraising rounds of Getir between 2017 and 2021 (million U.S. dollars)**

<b>Fundraise History (Crunchbase)</b>				
<i>Round</i>	<i>Date</i>	<i>USD</i>	<i>Notable VCs</i>	<i>Val</i>
Series D	June 4, 2021	\$555 M	Sequoia, Tiger, Silver Lake, Mubadala	\$7.5 B
Series C	March 26, 2021	\$300 M	Sequoia, Tiger	\$2.6 B
Series B	January 19, 2021	\$128 M	Base Partners	
Series A	Jan 16, 2020	\$38 M	Michael Moritz	
Seed Round	December 4, 2018			
Convertible Note	December 1, 2017	\$4 M		

Sources: SandHill (2022) and IntelliNews (2021)

The vast amount of investment that Getir attracted allowed the brand to become one of the dominant players in the marketplace operating in 81 cities in Turkey and 56 cities in 8 other countries, which are the UK, Germany, France, Italy, Spain, Netherlands, Portugal, and the U.S. as of September 2022. Getir, prior to its additional service like Getir More Getir Water and Getir Local, has attained revenue through various revenue streams. Initial Getir business model attained its revenue through selling groceries at marked-up prices (approximately 10%) along with delivery and other related fees. Getir has lower operating margins than conventional supermarkets since the company has created partnerships with warehouse owner franchisees and manages dark stores in affordable urban areas. There are advanced features of the Getir application, which can tailor to individual customer experience and increase recurring purchases. For example, Getir uses push notifications to customers similar to their previous purchases and creates tailored content for the individual user. In addition, Getir provides its customers with real-time tracking of the drivers.

### **<b> Things may not always go well!**

What makes Getir different from its competitors is its speed of delivery. With online grocery deliveries taking up to hours and sometimes even days, the founders established the company's competitive strategy on the delivery within 10 minutes. Previous research has highlighted precarity (Ozbilgin, Gundogdu and Akalin, 2022; Kamasak et al., 2020a, 2020b) and accident risk (Ozbilgin and Erbil, 2021) that the tight delivery deadlines in Turkey expose the food and grocery delivery drivers in Turkey. Despite the significant cost to the environment and worker safety, the general manager of Getir, Berker Yağcı, noted the significance of this strategy for the company in an interview:

*"Delivering within 10 minutes is significant for customers because 10 minutes means right now. If we can achieve delivery within 10 minutes, we can retain our competitive advantage even when other players come into play"*  
(McKinsey Podcast, August 17, 2022).

The competitive strategy of the brand could only be achieved through an efficient supply chain and information technologies (Kucukaltan et al., 2022) system that integrates all elements i.e. taking and tracking orders, optimising stocks, communicating with deliverers, managing customer services etc. in the whole distribution process (Kamasak, 2015, 2017). One of the most significant elements for the achievement of this strategy is the locations of the dark stores from where the deliveries are done. Getir operates 400 dark stores across 30 cities in Turkey and 54 in the U.K. (Staple, 2021). Although dark stores provide various advantages to consumers and retailers, there are growing protests from local communities and city authorities in European cities against operating dark stores. President Emmanuel Macron's government has mandated that dark stores be categorised as warehouses. If the decree is finalised, dark stores will be forced to close in Paris and other cities like Lyon, Nice, and Montpellier (BBC, 2022). Aside from political and legal pressures, since dark stores have become a core strategy to solve supply chain vulnerability, volatility in the economic landscape, like the fear of forthcoming recession, constrain the growth of on-demand delivery companies.

Furthermore, Dutch and British citizens have filed similar complaints against having dark stores within the city centres. Although the European General Manager of Getir Berker Yağcı stated that Getir has created 1,500 Dutch workforces and anticipates generating even more, the city officials amended a "one-year freeze" for dark stores in Rotterdam and Amsterdam. This decision will cause significant disruptions in delivering services embedded in the fast-delivery business model (Reuters, 2022a). Amsterdam Deputy mayor Marieke van Doornick disclosed that the one-year freeze decision is not unique to the cities of Amsterdam and Rotterdam; it is an overall verdict for most of the European cities (Reuters, 2022b). London's Islington and Berlin's Kreuzberg neighbourhoods also filed complaints due to 24-hour restocking and delivery of the merchandise and traffic hazards caused by rushing scooters around the city. Operating through dark stores allows on-demand companies to deliver services quickly, and despite the pressures from local communities, there is a surge of expansion of these hubs. According to Interact Analyses, there are currently 6,000 dark stores globally, which is expected to grow to 45,000 in eight years (The Grocer, 2022). However, besides

the pressures of city officials and residents on dark store operations, on-demand businesses also face growing tension from other established grocery retailers. For example, in New York, the founder of the Bodega and Small Business Association and the United Bodegas of America pushed city officials to enforce zoning regulations to limit the expansion of on-demand establishments (CNBC, 2022).

There is no doubt that the company received a considerable amount of funding in six rounds of investment which supported its growth and international expansion. However, considering that Getir entered its overseas operations through big promotions and advertising campaigns, some cost and profitability-related challenges came to the fore. While the dark store problem became more complicated, the weak economic activities and the emerging recession due to tightening economic policies after the quantitative easing and excessive money printing by the E.U. countries and the U.S. during the pandemic period led to a slowdown in Getir's financial performance in 2022.

Getir works with a franchising system. Each franchisee is responsible for the deliveries in a defined region with a warehouse (dark store). Getir warehouses employ motor couriers with an hourly package limit. After the pandemic, Getir warehouses raised wages, yet the workers complained that it was not a raise but gum. Some workers announced they would not work until their wage request was accepted, but the franchisees dismissed them. Many workers across Turkey reacted to this decision, and protests started. A worker states:

*"We try to fulfil orders at the expense of our lives, and due to time pressure on us the work-related accidents increase. This working model puts all the boss's responsibilities on occupational safety and labour rights on us. Our working conditions worsen every day; we work day and night under mobbing"*  
(Sendika.org, July 27, 2022).

The requirements of workers for better conditions seem to be a challenge for warehouses. Against a successful business, some problems stand for the brand. The structural and social changes occurring in the external environment have revealed various business opportunities and threats. As experienced in the Covid-19 pandemic, purchase behaviours and the preferred tools or mediums in shopping activities have caused dramatic changes in individuals' habits and offerings of organisations. In line with these, various and increasing demands of people have triggered businesses to focus more on



networking capabilities and providing innovative solutions on online platforms. In this regard, since physiological (food and clothing) needs are the first priority for individuals, especially when there are some restrictions and measures due to health conditions, the on-demand online grocery market has increased globally. This being the case, on-demand platforms operating in the e-commerce domain have become the focal point of studies and practical endeavours. Accordingly, this chapter initially discussed the concept of an on-demand platform and then presented an illustrative case study from the online grocery delivery platform, Getir, in Turkey since the case company is shown as a popular Turkish decacorn and the country is indicated as one of the top 10 developing and transition economies in the B2C e-commerce index. Thus, the discourses pointed out for online on-demand platforms and the arguments shared in the Getir case can be a reference point to investigate and understand the dynamics of these platforms in detail.

Further, e-commerce has generated a context in which the owner entrepreneurs accrue more benefits than anyone else involved, i.e. drivers and customers, from the expansion of the platform economy. This ownership structure has polarised income distribution between platform economy workers stuck in precarious conditions of work and owner entrepreneurs, whose wealth accumulation has reached historical heights (Ozbilgin and Erbil 2022). Future research should examine how the polarisation of income distribution between stakeholders in the platform economy could be addressed.

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### **<a> Learning Outcomes:**

Upon completion of the chapter, the learner is expected to:

1. explain the e-commerce environment in the world;
2. elucidate online on-demand home services market within the e-commerce field;
3. address fundamental entrepreneurship questions;
4. apply principles of the on-demand business models

### **<b> Teaching Objectives:**

- To increase learners' academic performance and engagement with e-commerce
- To benchmark offline and online markets in the international trade
- To develop critical thinking skills for entrepreneurship and developing a proactive entrepreneurship environment through enhanced entrepreneurial motivation
- To promote the implementation of on-demand business models

### **<b> Target Audience:**

The target audience of this chapter varies by interest in the e-commerce domain. In this sense, someone who wants to successfully establish an online business and/or manage online, especially on-demand, business models to grow their entrepreneurial venture is a potential audience of this chapter. This person is preferably someone over 20s since there needs to be some savings to invest, an understanding of the business management or experience in the business area and willing to improve themselves so that they can easily apply principles of online business models and capture business opportunities.

### **<b> Suggested Teaching Strategies**

- Problem-based teaching including a comparative approach can be used as an initial strategy to explain and benchmark offline and online markets in international trade.

- Case-based teaching strategy as a follow-up strategy to explore various real-life examples and practices in the commercial market.
- Project-based teaching strategy can also be used as another follow-up strategy to design a prototype and apply principles of entrepreneurship. In this strategy, after analysing different cases, learners can establish their own businesses by completing a business plan draft. At the end of this strategy, the presentation method can be utilised to deliver effective written and verbal communication.