Uber Eats is shutting down thousands of virtual restaurants to make the app less spammy



Uber Eats is delisting some of the delivery-only restaurants on its app to help weed out low-quality listings, as first reported by *The Wall Street Journal*. The company has confirmed to *The Verge* that it's introducing a new set of standards for virtual restaurants that should help cut down on listings that sometimes contain the same menu.

Virtual restaurants, which are also known as ghost kitchens, don't have a physical location where you can actually sit down and eat. Instead, they're often run out of existing restaurants, warehouses, and sometimes even parking lots and exist solely to sell food on delivery apps like Uber Eats, Grubhub, and DoorDash. While some of these locations are independently run, others belong to larger companies that franchise out their brand to a chain of individual operators, like MrBeast Burger. Uber also offers a virtual restaurant program of its own that helps entrepreneurs start their own ghost kitchens.

But since some of these ghost kitchens are often run by the same company — and sometimes out of the same location — that can lead to repetitive listings, where one restaurant may have different branding but the same exact menu. Those are the type of redundant listings that Uber Eats is cracking down on, as it now requires virtual locations to have menu items that "are at least 60% different" from any other virtual restaurants "operating from that same physical location." The same goes for the brand's "parent restaurant," or the kitchen that

houses the virtual brands.

The *Journal* reports that Uber is removing around 5,000 virtual kitchens

Additionally, Uber will now require the ghost kitchen *and* its parent restaurant to maintain a 4.3-star rating or higher on the app, have 5 percent or fewer orders that they have canceled, and have a 5 percent or lower inaccurate orders rate. Uber notes that it "reserves the right to remove VRs from the Uber Platforms that are not in compliance."

As noted by the *Journal*, Uber Eats is removing around 5,000 virtual kitchens from the app in violation of this policy, including 14 virtual brands selling the same menu out of a deli in New York City. That's just a small fraction of the number of ghost kitchens available on Uber Eats. There are currently a total of around 40,000 virtual listings on Uber Eats — a steep increase from the 10,000 on the app in 2021 — and they make up about 8 percent of all the restaurants listed there in the US and Canada, according to the *Journal*.

"Communicating — and beginning to enforce — these new quality standards for Virtual Restaurants on Uber Eats is an important step for our program, designed to benefit both consumers and merchants," John Mullenholz, Uber's virtual restaurant head, says in an emailed statement to *The Verge*. "We took care to introduce standards that let our restaurant partners continue to flex their creativity, as we know delivery-only concepts are an exciting way for operators to invest in the growth of their businesses."

https://www.theverge.com/2023/3/27/23658721/uber-eats-delisting-delivery-only-restaurants-ghost-kitchens