Relay Delivery: A restaurant delivery platform leverages Dwolla's White Label Bank Transfer API to send ACH payments to its couriers.

Synopsis

Problem: Outdated and manual payment processes created a productivity blackhole, client onboarding obstacles, and scalability problems for a fast-growing management and fulfillment platform in the restaurant delivery space.
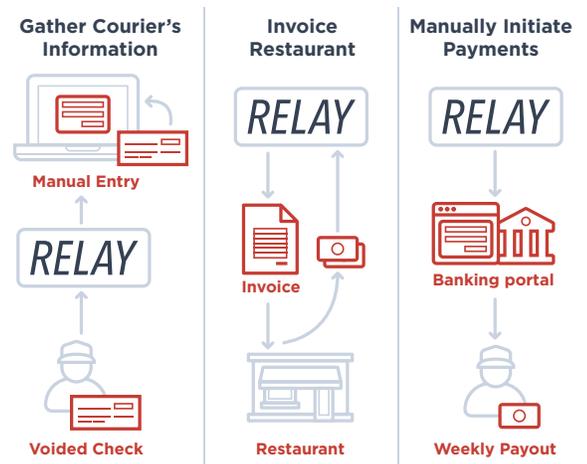
Results: With only one developer available, the software platform integrated Dwolla's White Label ACH API in two weeks, cutting time spent performing manual payout processing tasks by 100% and reducing payouts processing costs by an estimated $1,200 per month.

> *According to* Business Insider*, the U.S. food takeout and delivery market soared to an estimated **$70 billion industry in 2014**.* Relay Delivery *is an online management and fulfillment platform that provides restaurants with an interface that consolidates orders across all order applications, and a scalable courier force to meet their delivery needs.*

The Situation

Restaurants leverage Relay to get a unified interface across all order platforms (Seamless, Grubhub, Eat24, etc.). Additionally, restaurants can tap into Relay's scalable delivery force to empower their delivery needs, regardless of unpredictable factors influencing demand—such as weather and holidays.

Previously, Relay gathered couriers' banking information through a paper signup process, collecting voided checks and manually typing routing and account numbers into their online banking interface. Relay invoiced the restaurant for the service provided, and paid-out its couriers through its online banking portal, logging in and initiating single payments to each courier's bank account on a weekly basis.

Gather Courier's Information — Manual Entry — RELAY — Voided Check

Invoice Restaurant — RELAY — Invoice — Restaurant

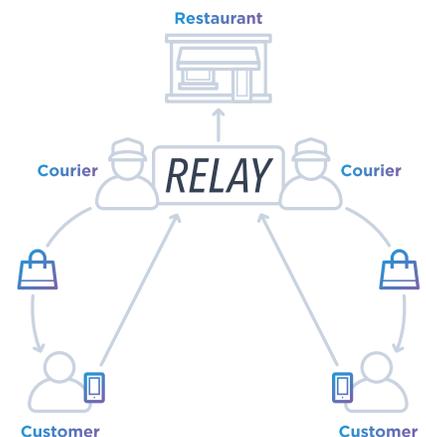Manually Initiate Payments — RELAY — Banking portal — Weekly Payout

The Challenges

To attack and capture the market opportunity, Relay knew a seamless onboarding experience and automated payments would be key to attracting and retaining couriers. However, its existing courier onboarding and payouts process created a tremendous burden with time spent manually onboarding new couriers, collecting their bank account information, and tediously disbursing payments weekly.

Relay explored many payment providers to replace their manual payouts process, but quickly discovered that many options required Relay's couriers to create an account with the payments provider directly. Additionally, most providers charged high per-transaction fees to facilitate ACH payments.

Relay also explored expanding its relationship with their banking provider, but the bank's proposed solution did not fit Relay's need for a quick-to-integrate technical solution with a well-documented RESTful API.

Restaurant — Courier — RELAY — Courier — Customer — Customer

Growing its business without changing its existing courier onboarding and payouts process would restrict Relay's ability to scale efficiently, require an excessive amount of manual work, and in-turn, impose a growing financial burden.

Creating a seamless courier onboarding experience and automating payouts processing at a predictable price point was critical for Relay to grow and scale its service reliably.

How Dwolla Helped

From manual to automatic

Relay needed a flexible solution that would allow it to automate payment flows and reduce manual onboarding tasks for its team. Specifically, Relay needed to integrate with a payment provider offering a RESTful API that operated seamlessly with their mostly Node.js backend. If it could solve this problem, Relay could then allocate more resources to scaling the business and innovating on the platform.

Solution: Relay used Dwolla's RESTful API so that accountants could initiate payments to couriers in a few clicks of a button. This allowed for payments to be audited and initiated more quickly.

Outcome: The flexibility and payment automation of the Dwolla API allowed the team at Relay to decrease time spent on manual accounts payable tasks by 100%, effectively automating and eliminating any in-house work for payroll enrollment. By decreasing time spent on processing payouts by 8 hours each week, Relay netted an estimated savings of $1,200 per month.

Leading edge & cost-effective API

Relay needed a payment platform that provided nearly 100% uptime, while handling large bursts of requests at any given time. They also needed an infrastructure that didn't chip at their profit margins. To accelerate and properly test the integration, quality technical documentation and a fully functional sandbox were hard requirements.

Solution: Relay entered into a flat monthly payment structure to access Dwolla's White Label API, and programmatically initiate transfers to its couriers' bank accounts. This allowed Relay to automate payouts without paying exorbitant processing fees to the payment partner.

Outcome: Relay was able to integrate Dwolla's White Label receive-only functionality in two weeks with their single developer. With predictable month-over-month pricing, Relay can scale without worrying about unpredictable processing costs.

Improve customer onboarding

To reduce the friction of its current onboarding process, Relay needed a seamless experience that collected and linked its couriers' bank account information without sensitive data hitting its servers. Relay also wanted to avoid requiring couriers to sign up directly with a third-party payment provider.
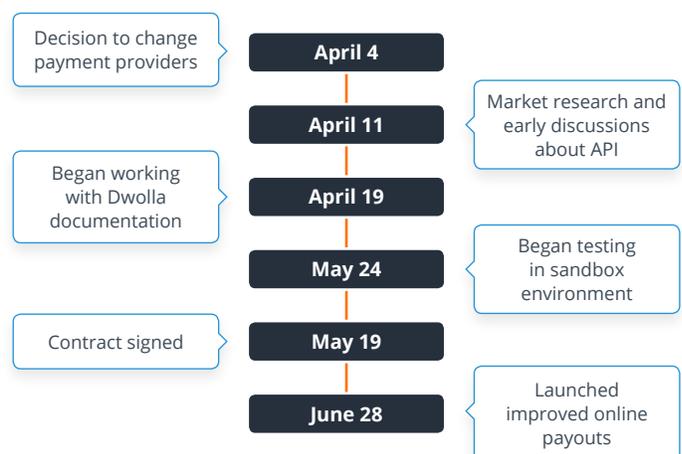
Solution: Relay integrated Dwolla's White Label receive-only functionality, a narrow RESTful API, that programmatically and securely connects new receivers (i.e. couriers) to their bank accounts within the platform's payouts and registration processes. No additional steps were required by existing couriers on the Relay platform as a result of the switch to Dwolla.

Outcome: By configuring and customizing its courier onboarding experience to seamlessly collect financial information, Relay saw an 30% increase in courier registration completion, and reduced individual courier onboarding time by 50%.

Products Used

Product	
White Label API	✅
Event-based webhooks	✅
Instant bank account verification	✅
Compliance services (e.g. KYC, OFAC, etc.)	❌
Increased Limits	✅
Next Day Deposits/Withdrawals	✅
Account balances	❌
Custom bank statement entries	✅
White Label Receive Only entities	✅

Timeline

Date	Event
April 4	Decision to change payment providers
April 11	Market research and early discussions about API
April 19	Began working with Dwolla documentation
May 24	Began testing in sandbox environment
May 19	Contract signed
June 28	Launched improved online payouts