

Postmates: Innovating payments to boost retention with “Instant Deposits”



Postmates' key results of offering Visa Direct

10 to 15% 

increase in courier use of Instant Deposits month over month¹

70% 

of deposits are made using Instant Deposits²

63% 

of the monthly active Fleet use Instant Deposits³

Staying competitive with real-time⁴ push-to-card payments

Postmates, the largest on-demand delivery network in the United States, has a fleet of couriers that take meals, groceries and goods straight from merchants to customers—within 30 minutes or less. When the company realized it needed to pay its couriers faster to boost retention and stay competitive, they launched a program called “Instant Deposits.” The program’s payments are facilitated by Stripe’s Instant Payouts, a service that utilizes Visa Direct – Visa’s real-time push-to-card platform that helps enable funds to be delivered in real-time⁴ to accounts using debit card credentials.

Challenge: Postmates' Fleet needed to be paid faster

Couriers depend on their Postmates earnings to pay for day-to-day expenses. Before Instant Deposits, they had to wait 2-5 days to get paid via ACH deposits. With all their major competitors touting on-demand, push-to-card payments as an advantage, Postmates needed to find a faster solution. The results of the company's quarterly NPS survey confirmed the need for Instant Deposits—it was the benefit couriers valued most. Postmates listened and delivered.

Solution: On-demand pay at the Fleet's fingertips

Since its launch in 2011, Postmates has relied on Stripe Connect, Stripe's product for multi-sided marketplaces. When the need arose to pay their couriers faster, Postmates created Instant Deposits, using Stripe's Instant Payouts feature and Visa Direct. Now any courier who has an eligible U.S. debit card is able to use Postmates Instant Deposits to gain access to their earnings in real time, any day of the year.

Result: Faster pay, happier Fleet

Postmates is deeply committed to the economic wellness of the communities they touch. Providing their fleet with real-time access to earnings has boosted retention while enabling couriers to cover unexpected expenses. In the first four months Instant Deposits was available to couriers, the company saw a 10% to 15% increase in its use, month over month. About 63% of their monthly active user base is using the feature, and close to \$200 million has been deposited on demand³.

Tapping into the future of on-demand payments

With the success they've seen as a result of offering Instant Deposits to their couriers, Postmates is now exploring how to offer merchants real-time payments, too.

In today's competitive marketplace, businesses need fast ways to pay their workers, and merchants and sellers need flexible ways to access their earnings. For Postmates, sending funds directly to couriers' debit cards is the solution, and Instant Deposits running on Stripe and Visa Direct makes it possible.

To upgrade your payments, talk to your account manager or visit [visa.com/visadirect](https://www.visa.com/visadirect).

"We projected that about 40% of deposits would be made using Instant Deposits. Within 3 months of launch, we were at 70%. This validates that the majority of our users want access to their earnings at a moment's notice."



POSTMATES

Emmanuel Pozo,
Product Lead on Fleet
and Fleet Experience



"No matter the time or day, I'm able to cash out and have the money available in my bank account in real time. Using Instant Deposits is like having any day be payday!"

Cliff M.,
Charlotte, NC

¹ Month-over-month feature usage, October 2018 to January 2019, Postmates Product Fleet and Fleet Experience Team

² October 2018 to January 2019 feature usage, Postmates Product Fleet and Fleet Experience Team

³ Feature usage as of February 2019, Postmates Product Fleet and Fleet Experience Team

⁴ Actual fund availability depends on receiving financial institution and region. Visa requires fast-funds enabled issuers to make funds available to their recipient cardholders within a maximum of 30 minutes of approving the transaction.

Please refer to your Visa representative and the Visa Direct Original Credit Transaction Global Implementation Guide for more information