

Premium HOME > TRANSPORTATION

The CEO of Instacart challenger Point Pickup wants to save the gig economy — and win over workers — by making gig work a dependable job with perks

Emma Cosgrove 2 hours ago



Point Pickup and its national network of 350,000 drivers make deliveries for Walmart, Kroger, and other major grocers. Courtesy of Walmart

- Point Pickup CEO Tom Fiorita said the gig work his delivery company relies on isn't sustainable.
- He's launching a digital platform to increase transparency and community for retail gig workers.
- The platform, GigPoint, is in an invite-only beta test now and will fully launch later in the fall.

For the founder and CEO of a gig economy delivery company, Tom Fiorita has surprisingly little faith in the gig economy.

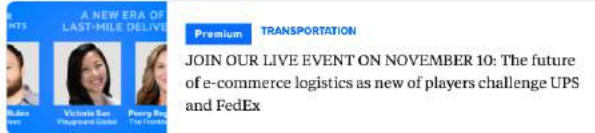
Fiorita calls his outfit, Point Pickup, the largest delivery company nobody's heard of. Founded in 2015, its national network of 350,000 drivers make deliveries for Walmart, Kroger, and other major grocers. Its drivers and shoppers, and millions like them who work for Shipt, Instacart, DoorDash, and more, take on work one task — or gig — at a time.

Retailers have rapidly adopted the model throughout the pandemic as delivery became an essential service. And though their conditions vary, Fiorita said the group as a whole must change to survive.

That's because the gig economy, while meeting the challenge of lightning-fast delivery, presents new problems. Workers are siloed from one another and contend with a lack of consistency or transparency — they often don't know how much they'll earn by day's end when they start. They don't have a central place to go for

community or financial services tailored to their needs.

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"The current way it's being done, we believe, is not sustainable in the future," Fiorita said.

That's why he's launching GigPoint, an online platform for gig workers that aims to make this kind of work a viable way of life in the long-term — and a viable business model.

The platform has launched an invitation-only beta test offering insurance purchasing, banking services, and a rewards system where workers earn points to exchange for cash bonuses, vacations, and discounts. The full version will launch for all Point Pickup drivers in the fall, and expand to the entire gig ecosystem in the future.

'The system's gonna break'

The pressure is on to make gig work a better gig. Workers don't often stay loyal to any given platform, and retaining gig workers tends to be harder than recruiting them to start with.

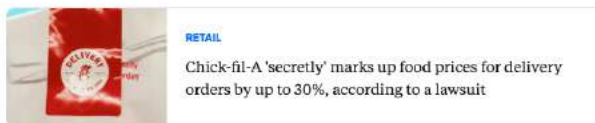
"We see it all the time, they end up bopping around," Fiorita said. He sees that "bopping around" as a threat to his company and the broader industry of gig delivery.

"It's gonna break," he said. "There's too much fragmentation."

The GigPoint platform aims to encourage workers to keep coming back with features the company said address workers' top priorities, including financial services like microloans and the ability to work out recurring shifts with predictable income.

"Everything you need to be successful at gig work and be sustainable so you can continue to do it for a long period of time," Fiorita said.

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'A wave we cannot stop'

Major gig players like Instacart, DoorDash, and Postmates could all eventually be GigPoint clients, Fiorita said. So could retailers that don't currently use gig workers. He aims to grow the platform into a digital hub for work that's increasingly being outsourced to gig workers, like counting inventory, seasonal cashier work, and resetting store displays.

GigPoint platform could be a homebase for any kind of retail gig, Fiorita said, with a more mindful and "caring" approach.

The company has yet to work out the finer points of how the

platform will work. "We are working with gig worker focus groups now to determine the best business model," a spokesperson told Insider. "We're also discussing models with our retail clients — but not ready to discuss details at this time."

Still, the overall approach could benefit the gig companies, too, since the legal challenges to gig work are unlikely to stop.

"It's a wave that we cannot stop. I think the government knows it," Fiorita said. "We're enabling the ability for true flex work as an actual classification of a worker in this country."

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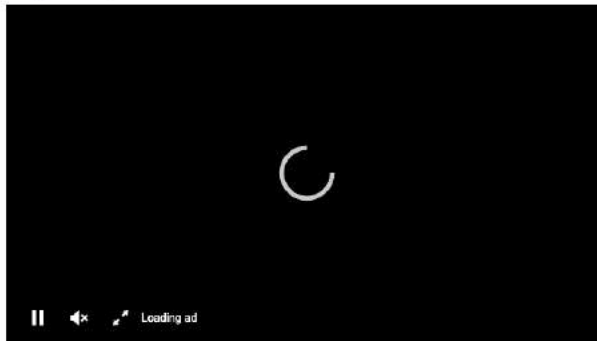
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