

## **Why DoorDash Is Moving Into the POS Business – And Why It May Struggle**

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For years, DoorDash was viewed primarily as a delivery marketplace.

Restaurants paid commissions, DoorDash delivered orders, and consumers opened the app when they wanted food brought to their homes.

That is no longer the company's strategy.

DoorDash is now aggressively positioning itself as a full-stack restaurant technology company – one that wants to control not only delivery, but ordering, customer data, loyalty, reservations, marketing, and potentially the restaurant point-of-sale (POS) layer itself.

And that matters.

Because whoever controls the POS increasingly controls the restaurant.

### **DoorDash's Real Strategy**

DoorDash's current direction is not just about food delivery anymore. It is about becoming the operating system for local commerce.

The company has been quietly building what it calls the "DoorDash Commerce Platform," a merchant ecosystem that combines:

- Online ordering
- Delivery logistics
- Customer engagement
- Loyalty
- Reservations
- Marketing
- Menu synchronization
- POS integrations
- First-party ordering

- Retail and grocery fulfillment

DoorDash openly promotes consolidating restaurant software into a unified platform.

The acquisition of hospitality software company SevenRooms was another major signal. SevenRooms gives DoorDash deeper access to guest data, reservations, CRM tools, and marketing automation – all areas traditionally outside pure delivery.

This is a classic platform-expansion strategy.

DoorDash understands something important:

Delivery commissions alone are not enough.

Margins are thin.

Competition is intense.

Restaurants increasingly resent marketplace dependence.

And Wall Street wants recurring software revenue.

POS and merchant software solve all of those problems.

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## **Why POS Matters So Much**

The POS system is the nerve center of a restaurant.

It controls:

- Orders
- Payments
- Menu management
- Labor reporting
- Customer data
- Loyalty
- Inventory
- Kitchen routing
- Analytics

- Multi-unit reporting
- Third-party integrations

Once a restaurant commits to a POS ecosystem, switching becomes painful.

That creates sticky recurring revenue.

Companies like Toast understood this years ago. Toast didn't just build a cash register. It built a restaurant operating ecosystem.

Now DoorDash appears to want similar control.

Its current strategy heavily emphasizes integrations and operational centralization.

But there is a major difference between integrating with POS systems and replacing them.

And that is where DoorDash may run into trouble.

### **The Core Problem: DoorDash Is Still Viewed as a Delivery Company**

This is the biggest obstacle DoorDash faces.

Restaurants do not fundamentally view DoorDash as a hospitality technology company.

They view DoorDash as:

- a delivery marketplace,
- a commission expense,
- and in many cases, a necessary evil.

That perception matters enormously.

Restaurant operators tend to trust companies that were built around operations first.

Toast, for example, built its reputation around:

- kitchen workflows,
- labor management,
- hardware reliability,
- offline resiliency,
- payment processing,
- and operational execution.

DoorDash built its reputation around customer acquisition and delivery logistics.

Those are not the same thing.

### **Operators Already Fear Platform Dependence**

Many restaurants already feel trapped by third-party marketplaces.

The concerns are familiar:

- high commissions,
- loss of customer ownership,
- margin erosion,
- algorithm dependence,
- pricing pressure,
- and reduced brand control.

That creates an inherent trust problem if DoorDash attempts to become the restaurant's primary operating platform.

Operators may reasonably ask:

"If DoorDash controls my orders, delivery, marketing, customer data, reservations, and POS... who actually owns the customer relationship anymore?"

That concern is not theoretical.

Industry discussions increasingly emphasize the importance of restaurants owning direct customer relationships rather than becoming dependent on marketplaces.

## **Why Toast Has an Advantage**

Toast has a massive structural advantage in this fight.

Toast was built restaurant-first from day one.

Its DNA is operational.

That matters because restaurants are operationally brutal businesses.

POS systems fail or succeed based on:

- speed,
- uptime,
- kitchen reliability,
- hardware durability,
- ticket flow,
- modifier management,
- staff usability,
- and multi-unit consistency.

Delivery integration is only one piece of the puzzle.

DoorDash excels at marketplace logistics.

Toast excels at restaurant infrastructure.

Those are very different competencies.

## **DoorDash's Biggest Weakness: Operational Depth**

DoorDash understands ordering.

But running restaurant operations is deeper and messier than simply routing transactions.

Restaurants need:

- offline failover,
- kitchen display optimization,
- inventory depletion,

- labor integration,
- enterprise reporting,
- tip workflows,
- catering complexity,
- franchise permissions,
- void controls,
- payroll tie-ins,
- accounting synchronization,
- and hardware reliability under pressure.

This is where many tech companies underestimate hospitality.

Restaurants are not “software users.”  
They are operational ecosystems.

And operators tend to be extremely conservative once a POS is installed.

Switching systems can disrupt:

- training,
- payroll,
- reporting,
- menus,
- printers,
- kitchen workflows,
- customer databases,
- and payment processing.

That makes the POS market extraordinarily difficult to penetrate.

### **DoorDash May Also Face a Conflict-of-Interest Problem**

A true POS company is supposed to work in the restaurant’s best operational interest.

DoorDash, however, has incentives tied to:

- increasing order frequency,
- maximizing delivery usage,

- promoting marketplace activity,
- and expanding platform dependence.

Those incentives may not always align with restaurant profitability.

That creates tension.

Restaurants increasingly want:

- direct ordering,
- lower fees,
- customer ownership,
- and delivery independence.

DoorDash's business model has historically depended on the opposite.

### **What DoorDash Is Probably Really Trying to Do**

DoorDash may not necessarily need to "beat Toast" outright.

Instead, it may be pursuing a broader strategic goal:

### **Become indispensable infrastructure.**

If DoorDash can own:

- ordering,
- delivery,
- CRM,
- reservations,
- loyalty,
- advertising,
- and merchant analytics,

then the POS itself becomes less important.

In other words:

DoorDash may not need to replace the POS if it can sit on top of it.

That appears to be why the company is investing so heavily in integrations and merchant software tools.

## **Why This Strategy Still Might Fail**

Even with massive scale, DoorDash faces several structural challenges:

### **1. Restaurants increasingly want independence**

Operators are becoming more sophisticated about protecting margins and customer ownership.

### **2. POS replacement cycles are slow**

Restaurants do not casually replace core operating systems.

### **3. Hospitality trust is earned slowly**

Operational credibility takes years to build.

### **4. Delivery economics remain controversial**

Many operators still view third-party delivery as margin-destructive.

### **5. Competitors are deeply entrenched**

Toast, Square, Clover, Lightspeed, and others already own enormous merchant bases.

### **6. Operational complexity is underestimated**

Restaurant execution is harder than software companies often realize.

## **The Bigger Picture**

The restaurant technology industry is rapidly consolidating.

Delivery companies are becoming software companies.

POS companies are becoming fintech companies.

Reservation companies are becoming CRM platforms.

Everyone wants recurring merchant revenue and customer data ownership.

DoorDash's push into restaurant technology is logical. Strategically, it makes perfect sense.

But success in delivery does not automatically translate into success in restaurant operations.

And the restaurant industry has historically punished companies that underestimate how operationally difficult hospitality really is.

That may ultimately be the biggest challenge DoorDash faces.