

## Pricing Strategy from marketing:

We've already decided on the freemium model, the subscription will give the user access to an ad free platform which offers an o2 priority like 'members club' where the users can get discounts for products, entry to events and freebies.

Freebies might include:

Herbs and spice samples – we could think about partnering with a brand such as Schwartz or Knorr

Bottles of sample sauces from new or existing companies looking to promote their products – Lea and Perrins/ Heinz/ Nandos/ Encona etc we can maybe have a similar partnership with such companies. There are fairly new brands such as Bandar Sauces which isn't available in the UK but have sachets and Naan chips in their product range.

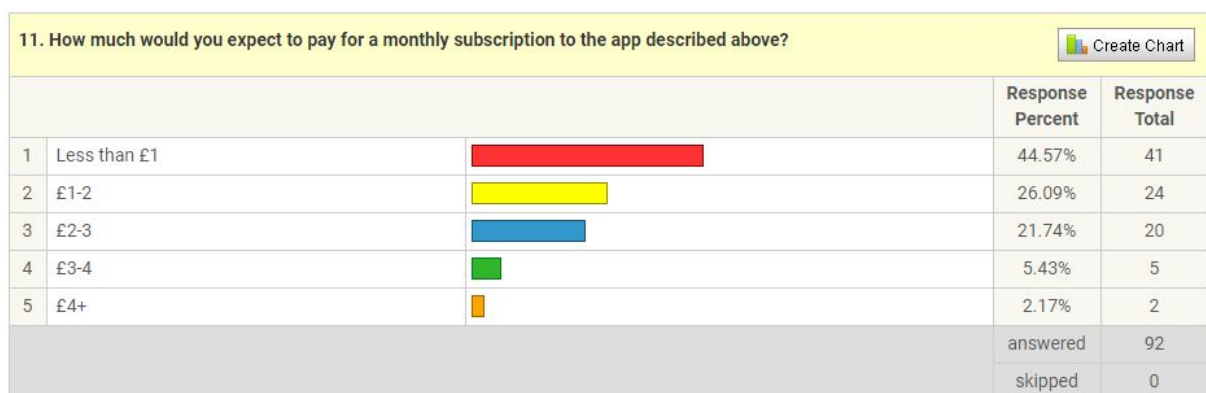
BBC Good Food subscribers can apply for tickets to events put on by BBC Good Food, at first it's probably not going to be feasible to put on events ourselves so we should maybe pursue looking into tickets to farmers markets and maybe negotiating a discounted entry fee or a free meal at a stall at an event like this.

Events BBC GoodFood put on include cocktail masterclasses and food shows. Cocktail masterclasses on a first come first serve basis to members could be offered. Entry to cooking classes at universities could be offered where the member actually goes to a cooking class with a chef but the recipe is on the app and they cook along with the chef.

A partnership with a supermarket would be a good avenue to explore, not high end like M&S or Waitrose or even Sainsbury's and Morrison's maybe ASDA, Tesco, LIDL, ALDI or Iceland. The cheaper supermarkets will be more appealing to our target audience. BBC GoodFood already had ties with ALDI when they were promoting healthy eating in the New Year.

## Pricing:

So far these are the results of the pricing question in the survey (21/2/18)



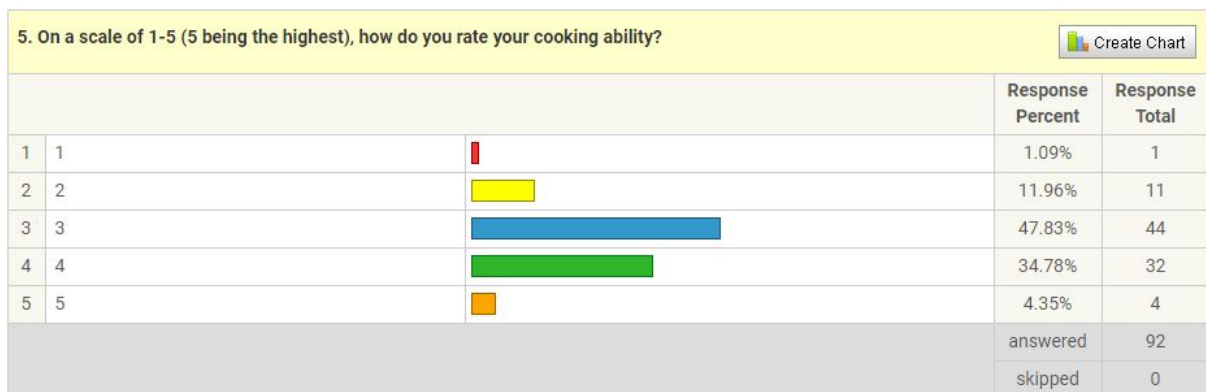
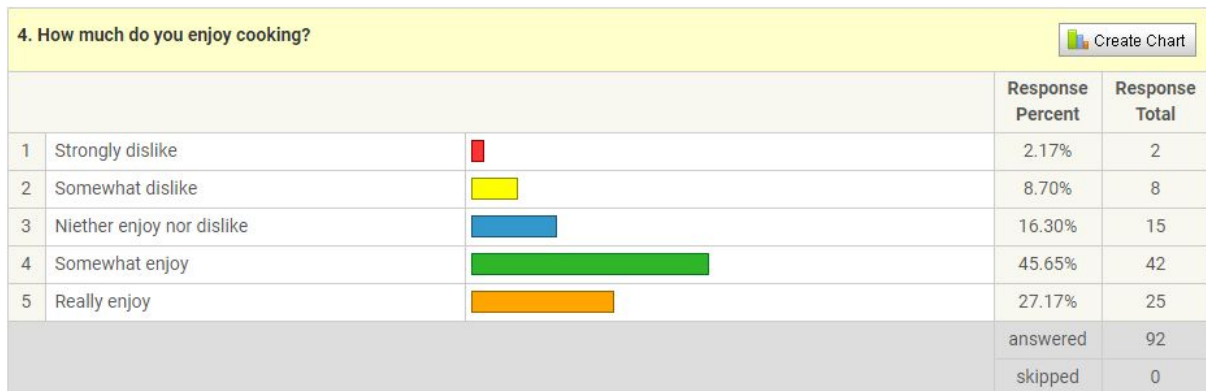
BBC GoodFood charges £43 for 12 issues which is roughly £3.58 each. I don't feel as though we can compete just yet with them nor are we targeting the same audience, BBC GoodFood demographic is mostly middle class, middle aged people –

[https://www.bbcgoodfoodshow.com/images/uploads/docs/GFS\\_Sponsorship\\_Deck\\_Aug\\_17.pdf](https://www.bbcgoodfoodshow.com/images/uploads/docs/GFS_Sponsorship_Deck_Aug_17.pdf)

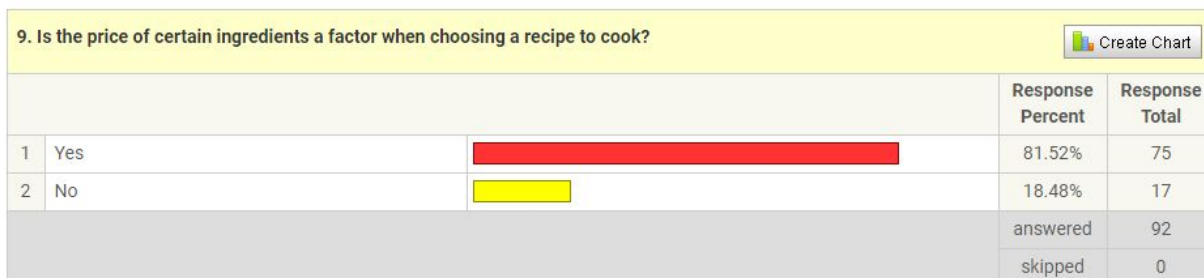
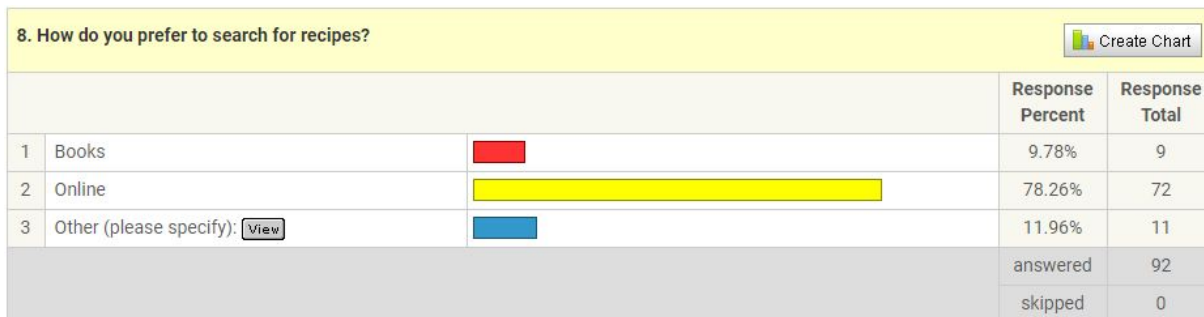
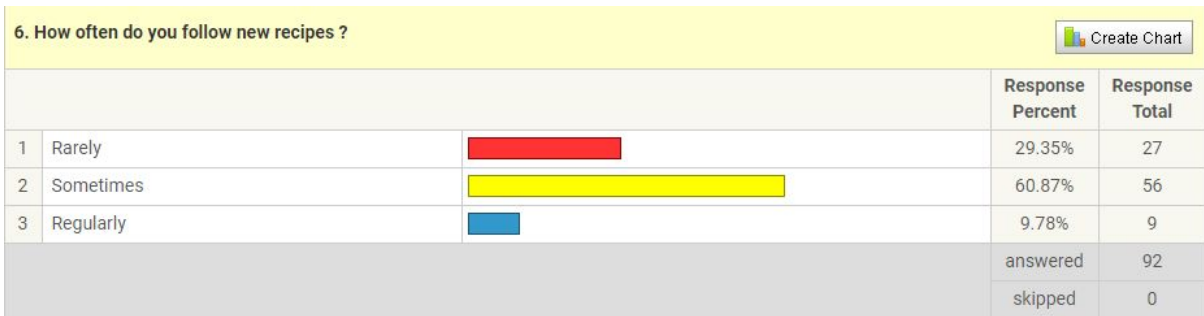
These people have more disposable income than our audience so we shouldn't be charging as much as them. From the survey most people would pay less than £1 however without having a product we can show them showcasing the benefits of our app it's difficult to 100% trust this information.

KitchenStories don't charge and rely on their shop and ads, M&S app is free but encourages shopping in their stores. All student apps/websites are free but are littered with ads. Jamie Oliver charges £6.99 for a one off purchase of his ultimate recipes, 600 recipes – free version doesn't have as many recipes, limited to 15 a week.

34% of 16-24 year olds have Spotify premium, which is £10 full price or £5 for students and around 58% of the same ages group have a Netflix account, ranges from £5.99 to £9.99 depending on package. This shows our target audience are willing to pay for desirable subscriptions. How desirable is our product?



Our audience seem to enjoy cooking, most people cook 6-8 meals a week, and the vast majority said they cooked themselves. There's a definite need for cooking apps:



These results show that our audience are searching for new recipes online and looking to cook new things. I would conclude there's a need for our product and it solves the problem of scrolling through recipes with dirty fingers. The other benefits include the social media integration as well as the subscription benefits already mentioned. I would suggest somewhere between £1.49-£1.99 a month fee as an initial stab in the dark estimate.