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### Background

Based on the recent study, the food delivery/hospitality industry is incurring huge operational cost and the on-time delivery of the food is also a on-going concern . To address the problem ,there is a need for automating the process entire supply chain of food delivery right from ordering the food to the last mile delivery, thereby food delivery/hospitality industry shall achieve significant reduction in the cost and also increase the productivity , thus improving the bottom line improving the topline.

According to the survey or data available, we surmise that 60% of the US population order food online(<https://upserve.com/restaurant-insider/online-ordering-statistics/>) and there is an immense potential in tapping this market and DoorDash as a solution is deemed fit to help our customers with their operational needs and cutting down on the operational cost. The market size for this is $212 Mn with a CAGR of 35% (

[(https://www.prnewswire.com/in/news-releases/autonomous-last-mile-delivery-market-size-is-projected-to-reach-usd-84-72-billion-by-2030-at-cagr-24-4-valuates-reports-802847682.html](https://www.prnewswire.com/in/news-releases/autonomous-last-mile-delivery-market-size-is-projected-to-reach-usd-84-72-billion-by-2030-at-cagr-24-4-valuates-reports-802847682.html)) , which is very lucrative business to capitalize on.

DoorDash being one of the prominent player in the automated food delivery solution provider, shall bespoke the solution to cater to the customer’s requirements be it in terms of distance , re-routing and host of other features the customers intends to have .

To keep ourselves with the everchanging market demands, Doordash shall have the below new features in the product :

* Delivery of the goods right from origin to the last mile delivery without human intervention or minimal human intervention in case of failure.
* Build an efficient mobile or native app for the users to place the order, track the order, notifications of the delivery, secured transaction at the last mile delivery to authenticate the user.
* Remote asset management and tracking

### Problem

The problem the industry is the operations cost and the on-time delivery of the ordered food. The food/hospitality industry spends heavy amount for the staff which includes the salary, 401k and other host of benefits that the company incurs. Usually companies will be on lookout for reducing the operations cost and also increase the productivity.

To address the above problem, Dashdoor has built the end-to-end turn key solution for automating the food delivery right from the kitchen to the last mile delivery. Dashdoor solution provides the host of features to track the asset for operations team in real time (Dashdoor robot) and there is three way communication established ,that is with the backend (customer support ), the user and the DoorDash robot.

The customer gets benefited by reducing the operations cost by complete automation, Doordash takes of the delivery from the origin to the destination without human intervention which reduces the operations cost and also increase the productivity.

The end user can order the food online and also get assured on-time delivery of the product. Doordash solution goes beyond delivery, which provides the additional security , wherein the user scans the bar code scanner which is located on top of the Dashdoor robot to authenticate. However, there can be other ways of authentication which shall be bespoked, as per the customer’s requirements.

### Goals

The main goal of the Doordash product is to reduce the operations cost for the customer.

The user shall be able to deliver the food with guaranteed on-time delivery.

### Key Features

The main features of the Doordash are :

1. Mobile App(front end) and the backend development
2. Doordash re-routing feature
3. Doordash real time tracking
4. Doordash authentication at the last mile delivery
5. Analytics to make business decision.

### Success Metrics

* The success metrics for the Doordash end-to-end managed services is to reduce the operations cost by 50%. However, there shall be one time NRE cost associated with it and also AMC renewal.
* The ARPU from each subscribers is $50/month.
* 30% increase in productivity
* Achieve breakeven by six months to the customers for the investment on Doordash.

### Target Market

* The users of the Doordash are the Adults in the age group of 18-70 years.
* The customers of the Doordash are the food delivery companies.

### Total Address Market

The total addressable market for the automated food delivery is $212 Mn for the year 2021 with CAGR of 35%. The market is lucrative and Doordash understands this space very well and need to capitalize on the growing market opportunity.

Reference:

<https://www.prnewswire.com/in/news-releases/autonomous-last-mile-delivery-market-size-is-projected-to-reach-usd-84-72-billion-by-2030-at-cagr-24-4-valuates-reports-802847682.html>

### Competitors

The competitors details are furnished in the below table.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Product** | **Features** | **Revenue** | **Price** | **Users** |
| Star ship Technologies | Carries food items with separate compartment | $ 24 Mn/year | $5,500 | 1.5 Mn |
| Nuro | Electric Vehicle | $110 Mn | Not available for free | ??? (Not available for free) |
| Eliport | Electric Vehicle | Not available | Not available for free | ??? (Not available for free) |

Reference :

<https://www.owler.com/company/starship>

Acquisition channel and pricing strategies

The different channels are depicted below :

|  |  |  |
| --- | --- | --- |
| S.No | acquisition Channel | Description |
| 1 | Marketing | Marketing is an essential part of the business, without marketing there is no awareness, when there is no awareness , there are no sales. Digital marketing is critical for the success of the product utilizing various social media channels, blogs, Technical seminars shall be conducted. |
| 2 | Channel partner | Channel partners or distributors play a pivotal role in the companies success, they shall evangelize and sell the products with good commission payout. |
| 3 | Tradeshows | We shall participate in the CES and other shows to demonstrate and create awareness about the product. |
| 4 | Influencers | We shall hire influencers who shall write reviews about our products and get build a brand image of the product. |

### Marketing guide

**The link for the marketing guide is provided below**

[**https://drive.google.com/file/d/1ADlW9P\_Trteffu-2rAZ8-kYEUVK0uPMz/view?usp=sharing**](https://drive.google.com/file/d/1ADlW9P_Trteffu-2rAZ8-kYEUVK0uPMz/view?usp=sharing)

### Pricing strategy

Doordash is provided as an end-to-end turnkey solution or offered as managed services to our customers. The following table describes the pricing for the managed services for single logo.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| S.No | Component | Description | Cost | Remarks |
| 1 | NRE Cost for the software | This is the non-recurring engineering cost for customizing the solution | $45,0000 | Customers can avail the COTS product for $30,000\* , which doesn’t involve the customization |
| 2 | Doordash Robot |  | $2,000/robot | Minimum of 100 robots shall be placed |
| 3 | AMC | This is the annual maintenance cost | $20,000 | This is the maintenance which involves the 24/7 support and 3 on-site visit of our expert to your site |

The cost of the Doordash solution is $2.65 + taxes Million for the managed services with AMC for one year, subsequently after one year, the customer can pay fixed AMC $30,000 + taxes.

Customer can charge their customers on various subscription model free, freemium, premium and can generate recurring revenue through ad-insertion in the free and freemium subscriptions.

### Getting ready for the pre-launch

Checklist

|  |  |  |  |
| --- | --- | --- | --- |
| Activity | Owner | Action Item | Points to be discussed |
| Engineering team | Product Manager | Check with Engg. Team that we are releasing the stable version in the launch and have cleared all the major show stoppers in the product before the release | Get buy in from the Engg team that the released version is stable. |
| QA | Product Manager | Ensure that the based line of the version doesn’t have any major bugs which are show stoppers | The base lined version is thorougly tested and reported no major bugs |
| Sales | Product Manager | Customers are apprised about the release ahead of time | Sales shall be the SPOC for any commercials and soft launch. |
| Legal | Product Manager | Check with legal, that all the company's legal policies are adhered | Get buy in from the legal team on the Launch , they can arise the flag early to rectify if there are any |
| Customer support | Product Manager | Customer support are thorough the product flow | Have a role play with customer support and check the readiness for the support in realtime after launch |
| Marketing | Product Manager | Marketing collaterals and the messaging | Have discussion with the marketing team, how to create the buzz in the market about the launch and create a interest about our product .Evangelizing about the product in various social platforms |
| Finance | Product Manager | Get buyin about the price | We all agree on the various pricing models along with the sales, Marketing, Engineering,Leadership |
| Leadership | Product Manager | Get formal approval from the leadership | Get formal approval from the management for the launch |

### Risks and mitigations

|  |  |  |  |
| --- | --- | --- | --- |
| S.No | | Risks | Mitigation |
| 1 | App crashes | | Customer support and Engineering team dedicated support to fix any issue which happens in the field on the Launch day. |
| 2 | Robot failure | | Spare robots to be deployed in the field.  Customer support and Engineering team dedicated support to fix any issue which happens in the field on the Launch day. |
| 3 | Re-routing failure | | The support team shall backup for the delivery if the re-routing fails.  We shall outsource this activity to the vendor as a backup in case of failure of re-routing or delivery failure for initial few days. |
|  |  | |  |

### Sales and customer support guide

The sales and customer support guide is provided below.

<https://drive.google.com/file/d/1m_4z4pF5ZoJqLtP7gC34R1OOmX1sqajX/view?usp=sharing>

### Post Launch Activities

As for any other product, Doordash also shall follow multiple iterations for continuous improvement in the product to sustain and gain competitive advantage over competitors.

As per the data collected from the Launch E-mail (<https://drive.google.com/file/d/1_hwEoeWfk2lN5dH0J3SU-lHFaja-N7cS/view?usp=sharing>), we find that there is good response from the market, the deliverables made by Doordash robot is increasing on a weekly basis. The below graph shows the weekly deliverables made by the Doordash over the period of 5 weeks. There were 2000 deliverables made over the period of 5 weeks.

The field results are encouraging in terms of no. of deliverables on weekly basis.

However ,we also find that the robot delivery success rate is 75%. This data is bit alarming and this has to be addressed on priority.

We have identified following tasks to accomplish post launch, which will steer us to make the product better.

1. Proposed solution
2. Metric you will use to determine success
3. Control and variant
4. Your hypothesis

The proposed solution is conduct the A/D test with the two variants of the software releases (version A) and (version B) which will be tested against the feature of “**Doordash successful delivery rate”.**

**Success Metrics:** The metrics used to determine success is to reduce the number of failure rate of delivery to 3% in version B .

Variant (Version B)

3% failure rate

Control (version A )

25% failure rate

The success metrics for the A/B testing is determined by drastically reducing the delivery failure rate.

The rationale behind the A/B testing is to reduce the failure of delivery rate in the robot by providing the fix and testing the failure rate in the fixed version (Version B) and comparing the % improvement in the delivery rate, there by reducing the defect density. This leads to the improvement in the product quality, which is critical for the success of our product in the market.