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Competitive Environment (Porter's 5 Forces):

In the competitive landscape of smart refrigerators, only three competitors stand out: these are the LG LFX31995ST Smart Refrigerator, the Samsung 4-Door refrigerator, and several GE appliance refrigerators. Although these are different companies, the refrigerators and the smart refrigerator industry seems to be very upscale; the LG refrigerator costs $3499.99, the Samsung refrigerator costs $3599.99, and the General Electric refrigerators can run up to $8100. Restating this, the market structure seems to consist of few companies where there is little to no competitive rivalry, the companies in the business have power over their suppliers, and there are very high barriers to entry to this market (since it is hard to develop the smart refrigerator model and manufacture it). The only things that makes this industry unattractive to companies are that there is a high degree of substitutability for smart refrigerators since they can be substituted for simpler ones and in general buyers hold more power in the refrigerator market.

However, the customer segment our group has identified is not supported by the existing industry. The facts we have are that the average median household income was $51,939 in 2014 and regarding food waste in general: "133 billion pounds of food from U.S. retail food stores, restaurants, and homes never made it into people's stomachs." and "The amount of uneaten food in homes and restaurants was valued at almost $390 per U.S. consumer in 2008, more than the average months' worth of food expenditures." (According to: http://www.usda.gov/wps/portal/usda/usdahome?contentidonly=true&contentid=2013/06/0112.xml). Even with these facts, we still don't have enough information for sure to conclude that our product is one consumers will benefit from. In order to determine the exact specifics of what to include in it, extensive customer interviews/surveys are necessary. They will ensure our value proposition matches the jobs, pains, and gains of our customer segment.