Zomato Customer Analysis

By Courtney Ignace **6/21/2025**

Executive summary:

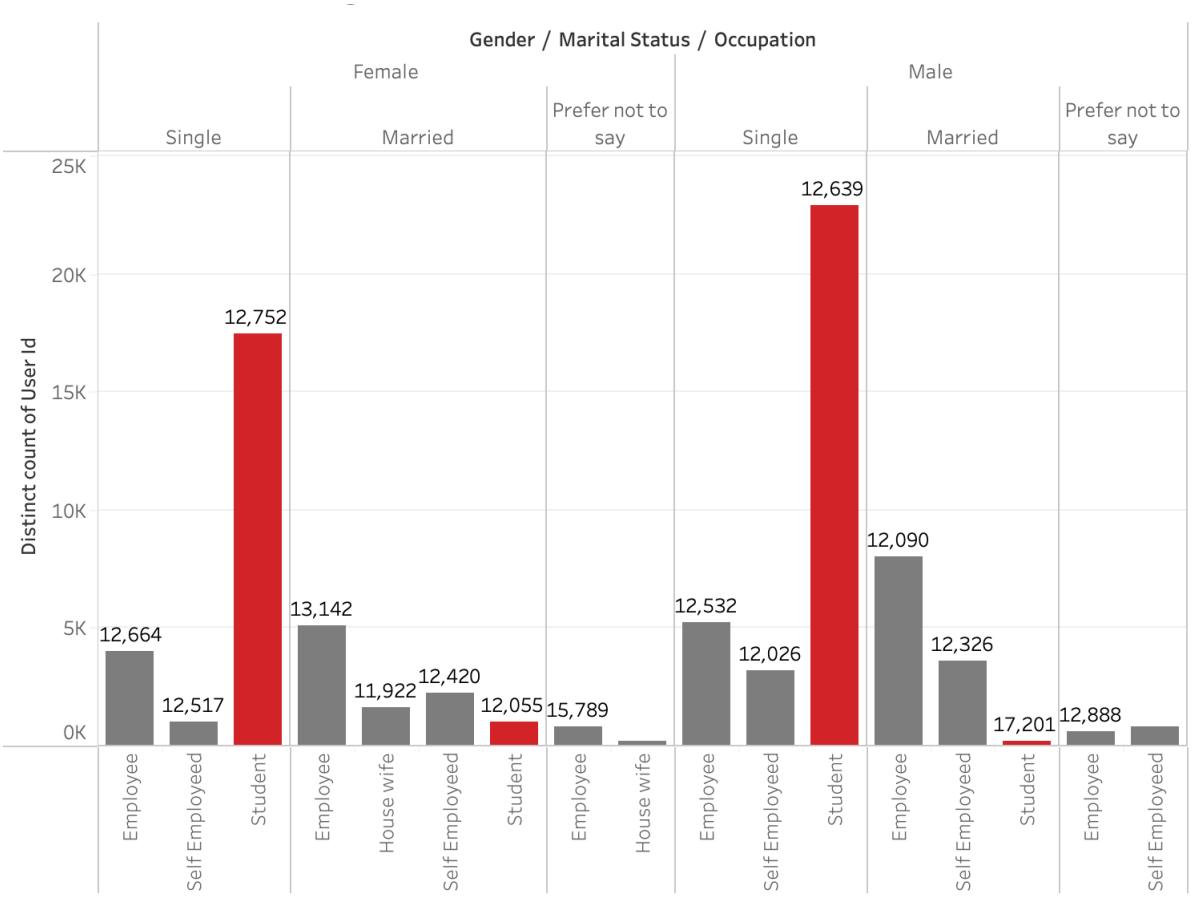
Zomato's customer base is largely made up of students. Users generally are ordering individual meals during work or school. This report looks at the makeup of Zomato's customer base generally and sorts them into two different cohorts: students and non-students; and Order frequency cohorts (OFC). Using these cohort divisions we investigate how customers interact with the Zomato service; specifically, the average time period different OFC's take between orders. Using insights gained from this analysis, a specific promotion is suggested to improve customer retention and overall profit.

Introduction

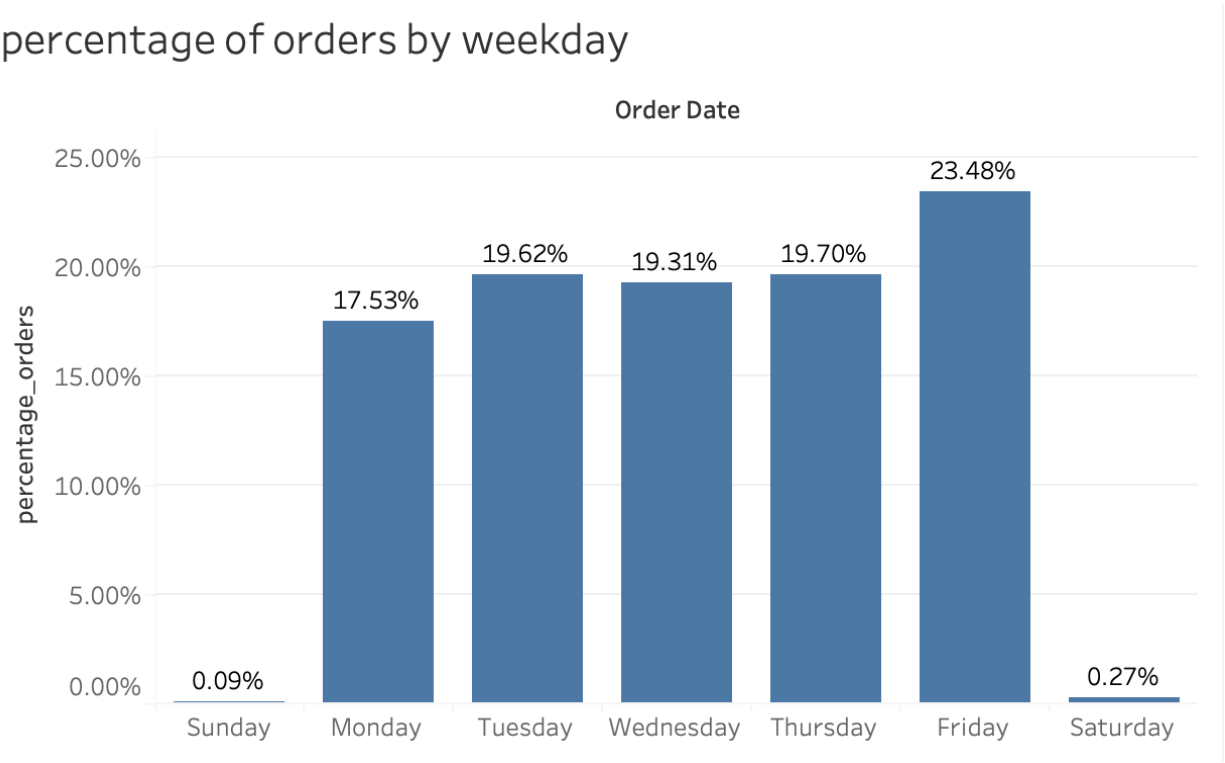
Using customer data pulled from between Oct 4th 2017 and June 26th 2020 this analysis will summarise the basic makeup of Zomato's customer-base. From this summary we will divide customers into cohorts and then further investigate the buying behavior of those cohorts. Ultimately this analyst will make recommendations as to how Zomato can maximize profit and sales in the future.

Analysis Part 1: Creating Cohorts

In the chart below we see a basic overview of the customer data sorted by biographical factors. This is shown to give a sense of the shape of the data before manipulation and filters. Jumping out immediately we see there is a high concentration of users in the student category. This simple observation shows us the first line by which we will draw our cohorts: Student and Non-Student. Not visualized, but an interesting note: 44.75% of all sales ₹ comes from single students with no income.



Pivoting slightly we will next investigate date-time data and how it affects our orders. Looking at the data as it is concentrated along months and years is uninteresting- there's a slow steady climb in users and orders as time goes along. Weekdays however are significantly telling as we see in the chart below. Virtually all orders are placed Monday through Friday. This tells us that when people order with ZOmato they are likely ordering during the work day or a busy evening between classes- Zomato is a service people utilize for convenience and they utilize it at work or school.

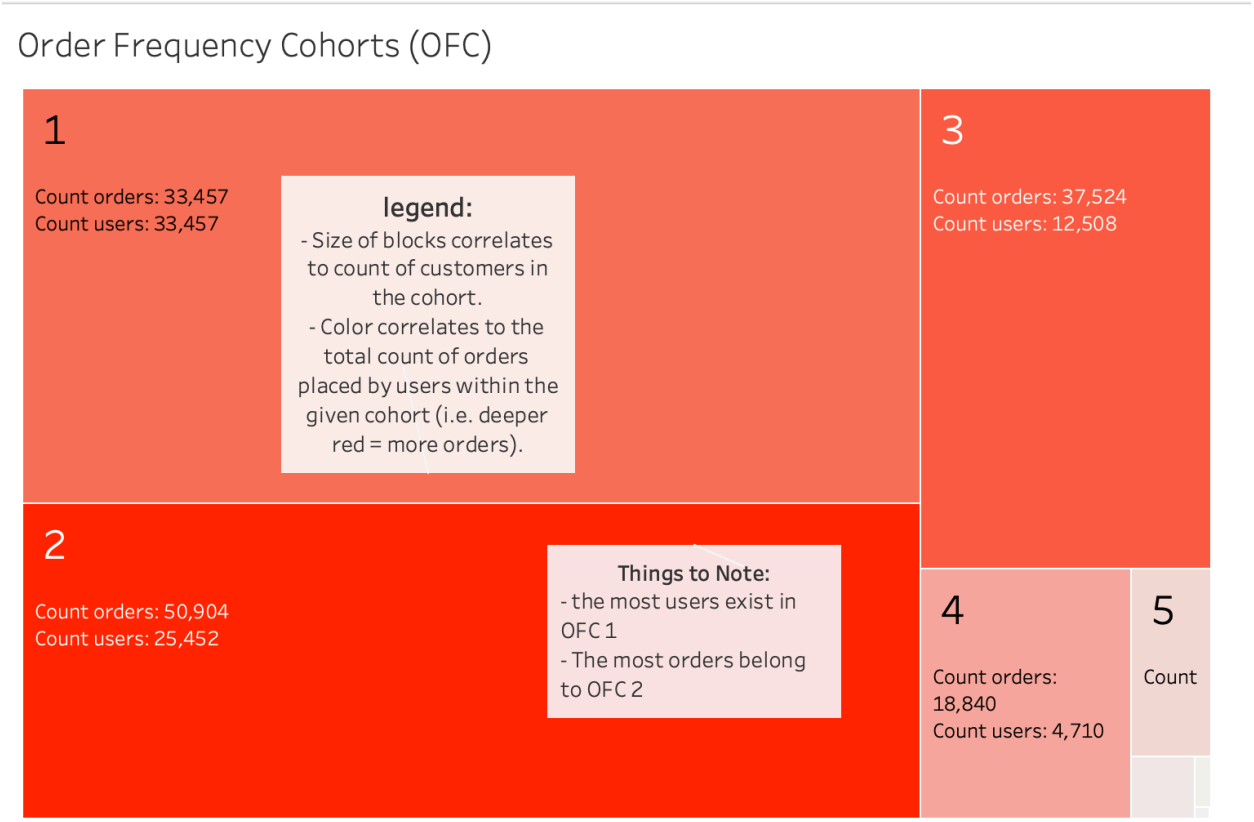


Average sales quantity per order is 16, average sales amount is ₹6,565, or $76.85 USD However median value is ₹509 or $5.06 and Median order quantity is 1. This tells us that there are likely a number of outlets in teh data that skew out average up much higher that is truly reflective of what the 'average' order looks like. The small number of value and quantity in median tells us that the usual order from zomato is probably serving only one person. This means users use Zomato to serve themselves and not family or partners.

Sales Median and Average	
Avg. Sales Qty	16
Avg. Sales Amount	6,565
Median Sales Qty	1
Median Sales Amount	509

If you were to glance back at the first chart in this graph you'd be hard pressed to identify a second division of biographical factor to delineate along besides students and non-students. The other factors we have data for simply tell us less than the student distinction. However,

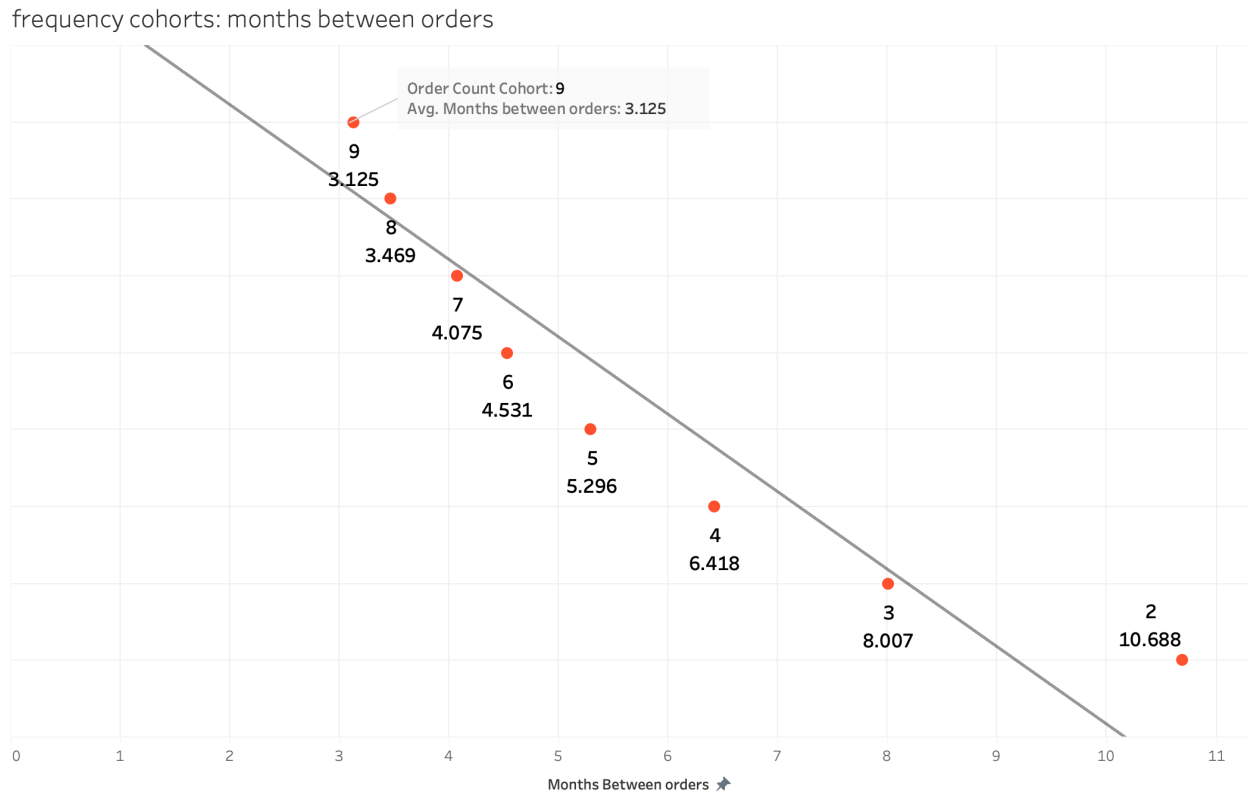
there are other ways to divide users into cohorts. This analyst thought it would be useful to look instead at our repeat orders and divide the customers by this factor, calling this delineation ‘Order Frequency Cohorts’ or OFC for short. Looking at the customers along these lines we see our customer base is generally not ordering more than twice. In the graph below the size of block correlates to the count of customers within the cohort and the color of the blocks (i.e. the deepness of red) correlate to the total count of orders placed by users within that cohort. We also notice through this visualization that the highest concentration of orders is in the cohort who has ordered twice, and the largest concentration of users is users with one lifetime order.



Analysis part 2: Frequency

Looking deeper into Order Frequency Cohorts: now looking at the graph below. Here we see visualized each dot represents an OFC cohort, and their place along the horizontal axis is determined by the average number of months a user within that cohort takes between orders. The immediately obvious trend here is that the more orders a user places, the more frequently they begin to order. This is great news! It means people tend to like Zomato and come back more frequently once they start using it. BU the space between orders is quite sparse- At 2 orders the average customer will wait 10.7 months between orders. Remembering that about ⅔’s of our users fall into the 1 or 2 order OFCs this creates a challenge to be solved- we want to

get people ordering more often and more frequently. That means Visualizing the data like this is useful because we can see that somewhere between 3 and 4 orders is a bit of a turning point- were orders get more frequent. The conclusion will focus on this turning point as a change-maker to drive more frequent orders from more users.



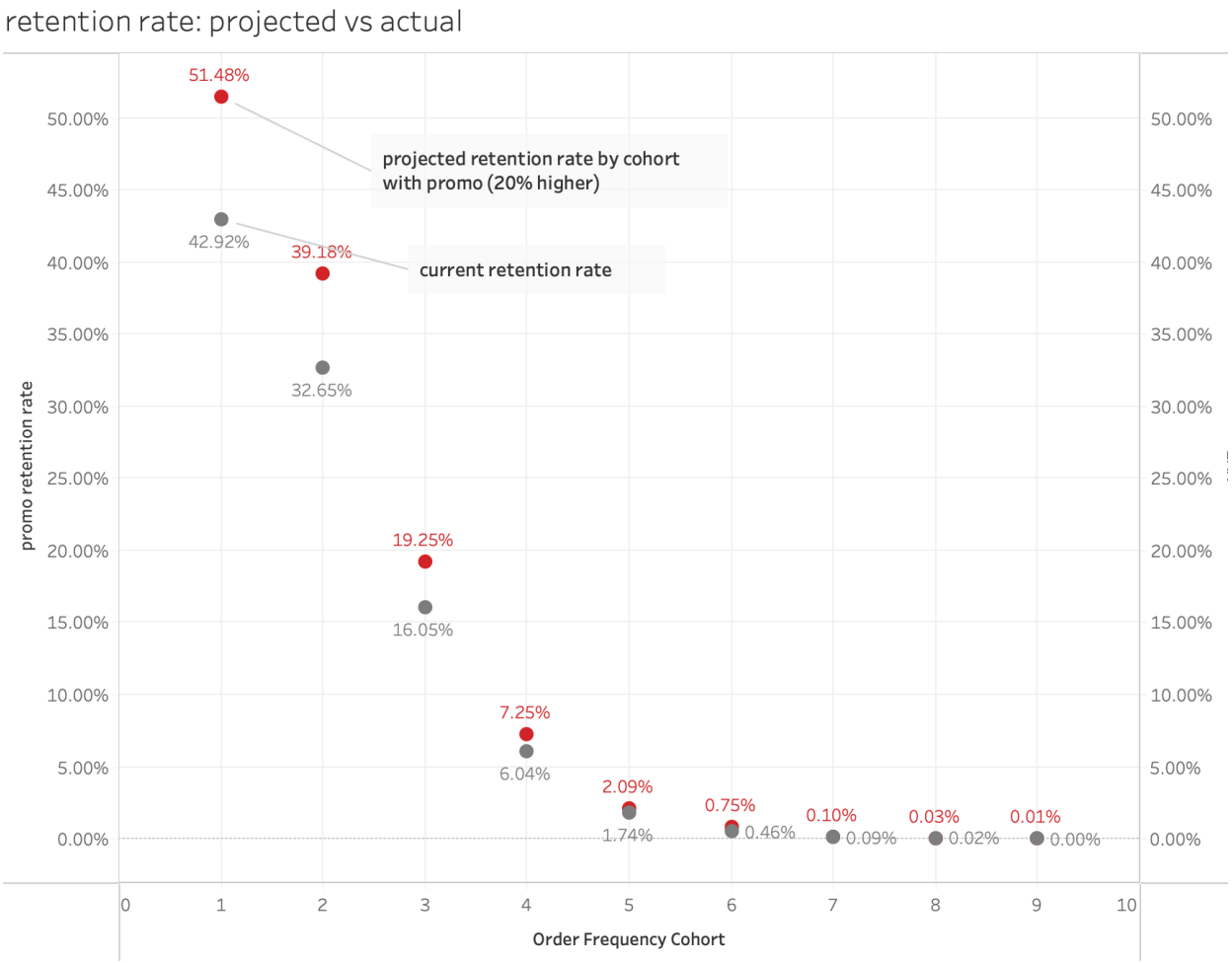
Summary of findings:

- Users primarily buy for themselves
- Users primarily buy for food during work of school
- User base is made up of ~53% students, ~47% non-students.
- Users tend to order more frequently as they use Zomato more often, with a particular increase between 3 and 4 orders.
- Users generally don't use Zomato very frequently (less than once every 3 mo in the most frequently ordering OFC, 9 orders).

Conclusions:

Zomato should focus on advertising primarily to students as this is already the main user-base and it is easier to target with advertisements since they are geographically concentrated on

campuses. Using billboards and posters on school campuses Zomato can promote itself to students. Proposing a special deal: new and old users alike are eligible. Order twice, get the third order 50% off! Students would scan a QR code on the poster and their device or account would be registered into the promotion. If we conservatively estimate an uptick in repeat users at 20% of our current retention rate we see data that looks like this:



With the promo bringing in 20% more first time users and retaining customers at 20% higher rates than before we see an increase in sales and profit.

In order to retain more non-student users this analysis proposes this promotion be expanded to target the general population as well.

In conclusion:

Zomato should target students with a promotional advertising campaign that encourages users to use ZOmato for at least 3 orders. This promo would increase retention rate and profit, which are pain-points for the company currently.