

#visualizingthecrisis

17.03.2016

The congested market of delivery startups



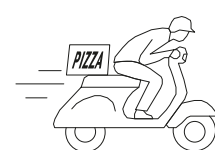
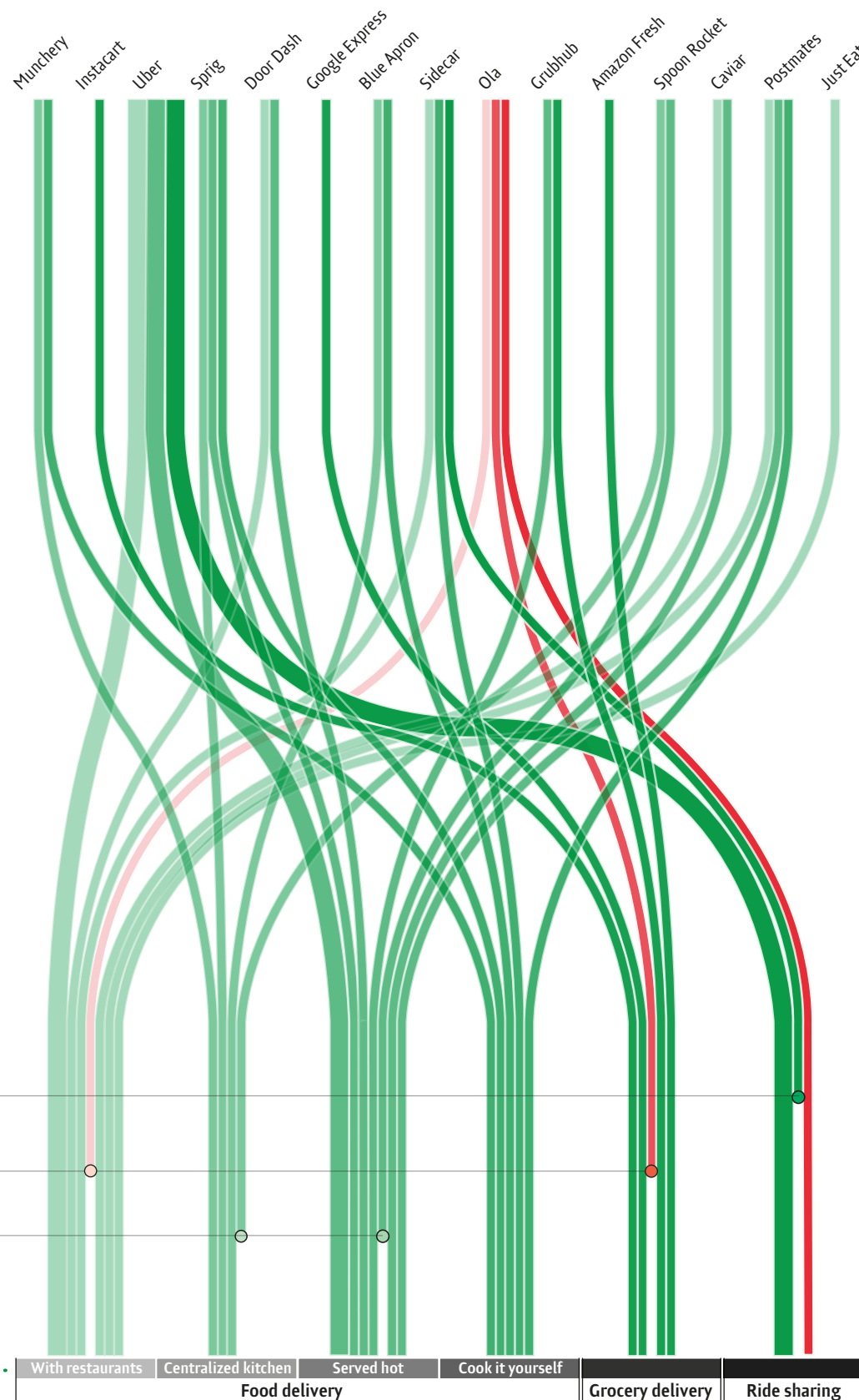
In the same day, two startups that operate in Food Delivery and Ride Sharing sectors, had completely opposite outcome. **SpoonRocket** announced its bankruptcy, (because it was squeezed out by competitors) in the morning of the same day in which **Uber** launched Uber Eats, its food delivery service.

Graph showing the overcrowded market of Tech startups specializing in food and grocery delivery. Some of these, like Sidecar or the indian startup Ola, are also specialized in ride sharing, but their recent bankruptcy prove the hard competition with bigger companies like Uber. Indeed these companies' intent is to create a monopoly in the taxi business so they can then hop over into something else like logistics or delivery.

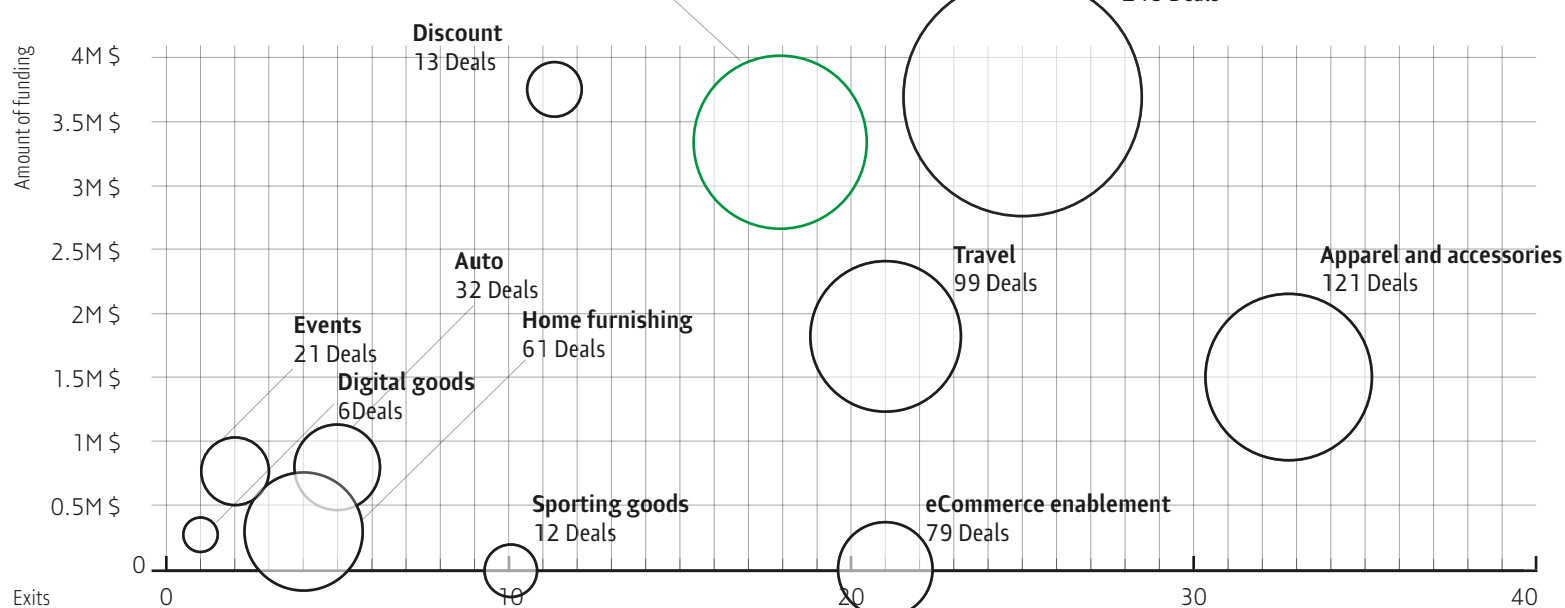
Sidecar's collapse: Dec 31th, 2015

Ola's collapse:
Mar 10th, 2016

Spoon Rocket's collapse: Mar 15th, 2016



Food and Grocery
131 Deals

Marketplace
248 Deals

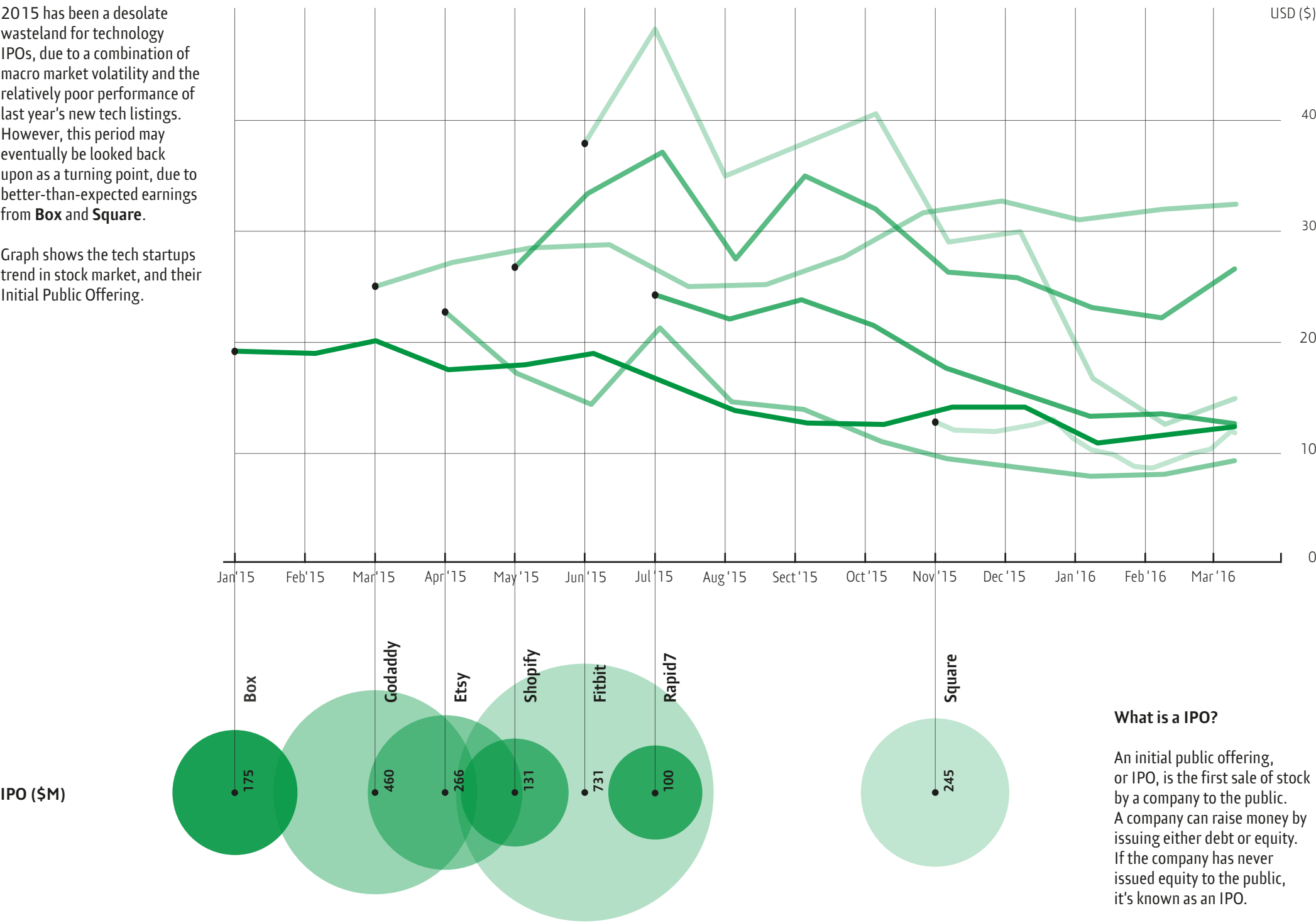
eCommerce: Food and Grocery's role

What is Food and Grocery sector's relevance among other eCommerce sectors, in 2015? The graph shows private investments in various eCommerce sectors and their exits.

Good news for Tech IPOs

2015 has been a desolate wasteland for technology IPOs, due to a combination of macro market volatility and the relatively poor performance of last year's new tech listings. However, this period may eventually be looked back upon as a turning point, due to better-than-expected earnings from **Box** and **Square**.

Graph shows the tech startups trend in stock market, and their Initial Public Offering.



What is a IPO?

An initial public offering, or IPO, is the first sale of stock by a company to the public. A company can raise money by issuing either debt or equity. If the company has never issued equity to the public, it's known as an IPO.

Box and Square

How a large, venture-backed company grows to become a publicly listed company?

Graph shows the returns from early backer.

These were the two highest-profile "unicorn" companies to go public in 2015, but both garnered most of their IPO headlines for pricing shares below their last round of private financing. Conventional wisdom began to emerge that these were over-hyped, unprofitable companies that were getting valuation comeuppance now that dynamic markets had finally gotten involved.

