



# Executive Business Summary

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## Document Control

Version Number	Modified By	Date	Section(s) Modified	Comments
0.1	A.Gangotra	09.06.2014	Created	-
0.2	A.Gangotra	09.06.2014	Overview, Problem, Solution, Opportunity	<i>Created Sections</i>
0.3	P.Sinha	10.06.2014	Competitive advantages, Business models and Financials	<i>Completed these sections</i>

## 1. Overview

This report summarises eCook, the product made by Spoon (Group 2) for the project.

eCook is an interactive cookbook application which has recipes with text, images, graphics, audio and video content allowing users to follow a slideshow of instructions. It is built to enhance the user experience when learning to cook.

## 2. Problem

In today's world, with fast paced lives and high pressured jobs, cooking has become a compromise between eating healthy, cheap and easy. Food has become expensive, unhealthy and time consuming.

A study by Dr Jacquie Lavin on the eating habits of university freshmen and young professionals showed:

*(65%) of those surveyed describing their eating habits at university as 'quite unhealthy' (45%) or 'very unhealthy' (20%). They reported relying heavily on convenience foods, takeaways and fast food, with almost half (46%) of those questioned admitting eating convenience foods including ready meals and pre-prepared sauces up to five times a week, and six in 10 (59%) having takeaways or fast food meals between three and five times each week. However, nearly a third (30%) of them only ate fruit or veg once a week or even less – a far cry from the government's five-a-day recommendation [1].*

This agrees with Spoon's survey findings. The study also showed that:

*The biggest influences on food choices were cost (78%), ease (64%) and speed (68%) of cooking with only 10% of people saying they even considered their health when deciding what to eat. Meanwhile, 59% described eating healthily on a budget as either 'difficult' (41%) or 'very difficult' (18%) [1].*

With eating disorders increasing at an all-time high, there is a major problem with the general outlook towards food.

## 3. Solution

eCook provides an easy way to find the perfect balance between eating healthy and cooking cheap and easy. Initially for student, eCook has now been expanded to be ideal for anyone who wishes to eat right and eat well. Spoon had 3 main aims behind making eCook:

1. To promote the consumption of healthier food by celebrating home cooked food.
2. To encourage people to learn basic kitchen skills ergo saving money.
3. To display the simply enjoyment of creating a meal from scratch.

Please refer to the product specification document for the various features and the exact function of eCook.

## 4. Opportunity

Initially we aimed for our target market to be university students, however, recognising that the unhealthy takeout lifestyle extends beyond the university campuses into working families, Spoon as a team decided to expand the product's scope to a wider target market. The target market for eCook is-

1. University and university-aged students.
2. Busy working adults.
3. Teens learning to cook.
4. Anyone wanting to make cooking healthy, cheap and easy.

## 5. Competitive Advantages

Although there is a gap in the market for interactive cooking there are competitors that eCook will be faced with. To overcome competition we have been researching on key aspects of the competitor's techniques and unique selling points and trying to make a place for eCook in the market. Some of the key aspects that we have been researching into are:

- The prices they charge
- The devices they employ to enhance customer loyalty
- How they Distribute and Deliver
- Their brand and design values
- Their media Activities

After comparing each company in this sector (higher end or low) we have come to the conclusion of making eCook suitable for anyone who wants a healthier, easier and cheaper way of cooking rather than just university students that was what we had planned initially.

## 6. Business Model

Considering the market research made, we have looked closely into the selling price of the product and the packages. We have been working towards forecasting the sales revenue of the product also financially analysing the business currently and for the near future. Below is the procedure of how selling prices and for the product and the packages were produced. Once we calculated out costs and liabilities from the business plan we realised that we needed 20,000 copies of eCook to be sold at £5.50 to breakeven at this current moment in time.

## 7. Financials

The price you charge your customers or clients will have a direct effect on the success of your business. After having analysed different types of costing systems we decided to use marginal costing system as this allows us only treat the cost of sales as the product cost and overheads as the period costs.

We have come to the conclusion of selling eCook at £5.50 and there are various aspects or marketing and budgeting, which have, contributes to this. After have done the product idea survey and final product sales survey it was concluded by the consumers what and

average cost of £5.50 would be suitable for this product and they now being the extended market would be willing to purchase it for this price.

Considering that we are not comparing this price with the selling price of apps, £5.50 is in between the higher end products which go up to £30 and the lower end products which sell at around £2.50. In the future once the company has been established into the market and created awareness of its brand name and added functionality we are planning to increase the selling price. We are also looking into making app versions of the software, which will sell on the iOS and Android market.

As for the packages sold by eCook we are planning to sell these at a price of £8 for celebrity chef packages and anywhere between £1 - £5 for the lesser-known chefs. Out of this we aim take some cut from the profit.

## 8. References

[1] *Study on University Students*, Dr. Jacquie Lavine - <http://www.slimmingworld.com/press-articles/Student-Special.aspx>, accessed 25/05/2014.