

**Group no: 4508**

**Section: S4-S5**

# Swiggy: Case Study

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# Introduction: What is this Swiggy?<sup>[1]</sup>

- Food ordering and delivering company
  - Based in Bangalore
- Provides a single window for ordering
  - From a wide range of restaurants around
- A complete food ordering and delivery solution
  - Connects neighbourhood restaurants with urban foodies.

# Introduction: Founders<sup>[2]</sup>

- Nandan Reddy, Sriharsha Majety, and Rahul Jaimini in August 2014.
  - Nandan Reddy aged 29 and Sriharsha Majety aged 31 both are both alumni of BITS Pilani
  - Rahul Jaimini aged 31 is an alumnus of IIT Kharagpur.
- They spotted the need for an **online hyperlocal logistics company** in the restaurant industry
- August 2014, consequences the roll out of the online food ordering and delivery startup '**Swiggy**'



# The journey so far: Early Life<sup>[3]</sup>

- Began its Journey from Bengaluru with
  - Six delivery executives
  - 25 restaurants on its platform
- Inspired by the thought of providing
  - Complete food ordering and
  - Delivery solution that connects neighbourhood restaurants with urban foodies.
- In the time of 3 years, it scaled up with
  - Over 6,000 delivery executives across India

# The journey so far: Early Profile<sup>[4]</sup>

- Currently, operates on more than 8 cities like Delhi-NCR, Mumbai, Bengaluru, Hyderabad, Chennai, Kolkata, and Pune.
- Has their own exclusive fleet of delivery personnel
  - Who pick up orders from restaurants and deliver it to customers.
- Main value proposition
  - No minimum order policy on any restaurant
  - Accepts online payments





# SWOT Analysis<sup>[16]</sup>

6



# Target Customers

- Age 20-30
- College Students
- Working professionals
- E-commerce savvy
- Away from home crowd

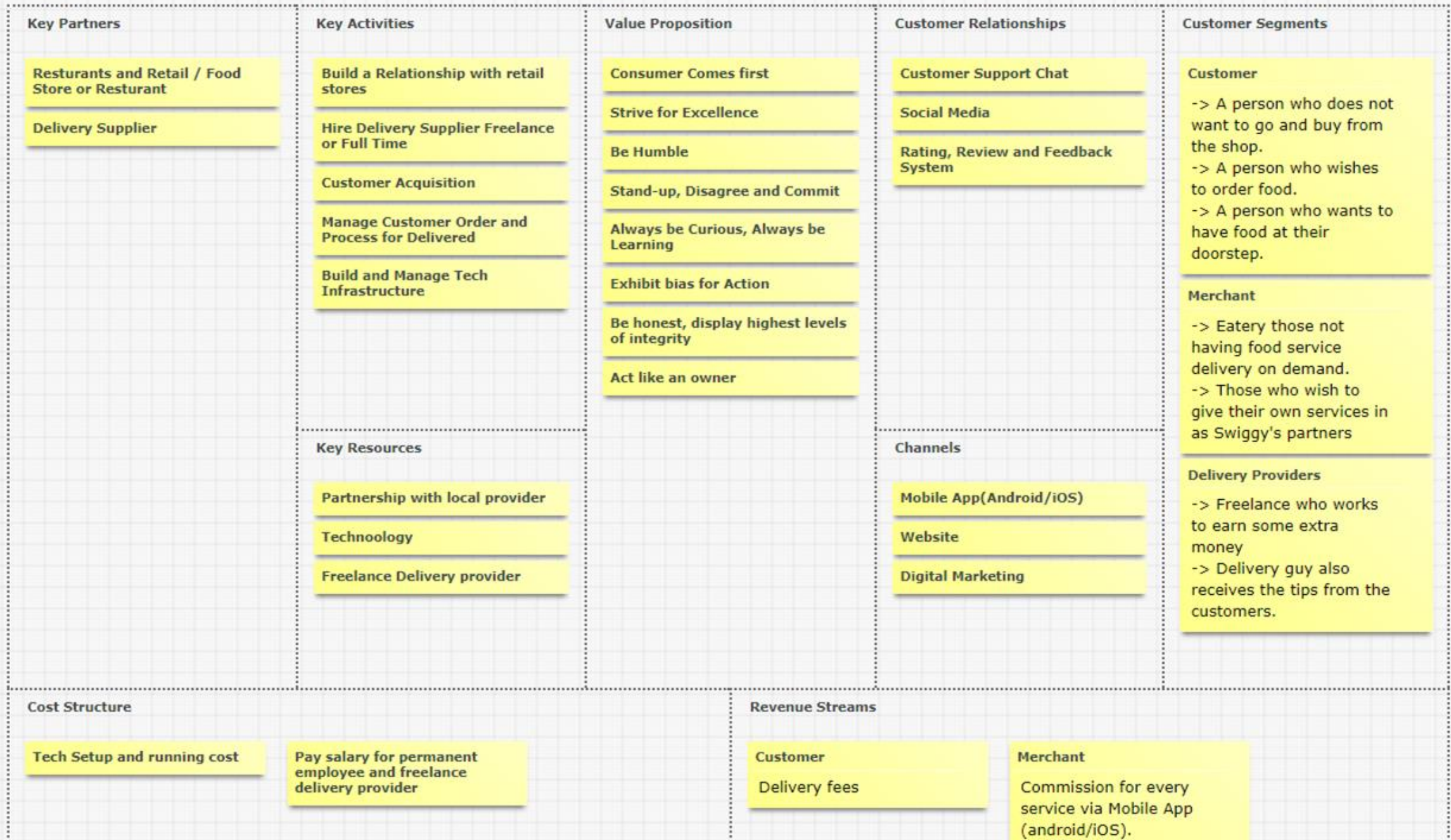


# Business Model<sup>[6]</sup>

- Consists of two major revenue streams.
- Major part of Swiggy's revenue from commission it collects from restaurants and for serving as a delivery partner.
- Swiggy also charges a nominal delivery fee from customers on orders below a threshold value (200 rupees for most cities.)



# Swiggy's Business Model



# Customer Interface

- Web Application: <https://www.swiggy.com>
- Android Application: Playstore Link: [https://play.google.com/store/apps/details?id=in.swiggy.android&hl=en\\_IN](https://play.google.com/store/apps/details?id=in.swiggy.android&hl=en_IN)
- Social media also is a channel to engage with its customers
  - From solving the grievances
  - To taking the feedback

# Financing the Venture

- Raised funds<sup>[7]</sup> of \$255 Million from 3rd April 2015 to 8th February 2018
- Acquisitions: 48East on 13th December 2017.
- Revenue in FY 2017: Rs 133 crore<sup>[8]</sup>, compared to FY 2016: Rs. 23.59 crore<sup>[9]</sup>
- Market Valuation of \$400 million (as on May 2017)

# Swiggy: Profit and Loss<sup>[17]</sup>

- Losses rose to Rs. 205 crore in FY 2017 as opposed to Rs. 137 crore in FY 2016
- Although its not profitable as of yet,
  - Revenue is increasing
- Swiggy now delivers 40 lakh orders a month!

# Competitors<sup>[10]</sup>

- Direct competition with major on-demand food aggregators
  - Like Zomato
  - Other Startups like Foodpanda and Faasos.
  - UberEATS
- Aiming to maintain its market share by keeping their maximum focus on 8 major cities
  - Mumbai, Pune, Bangalore, Hyderabad, Chennai, Delhi, Gurgaon, and Kolkata.



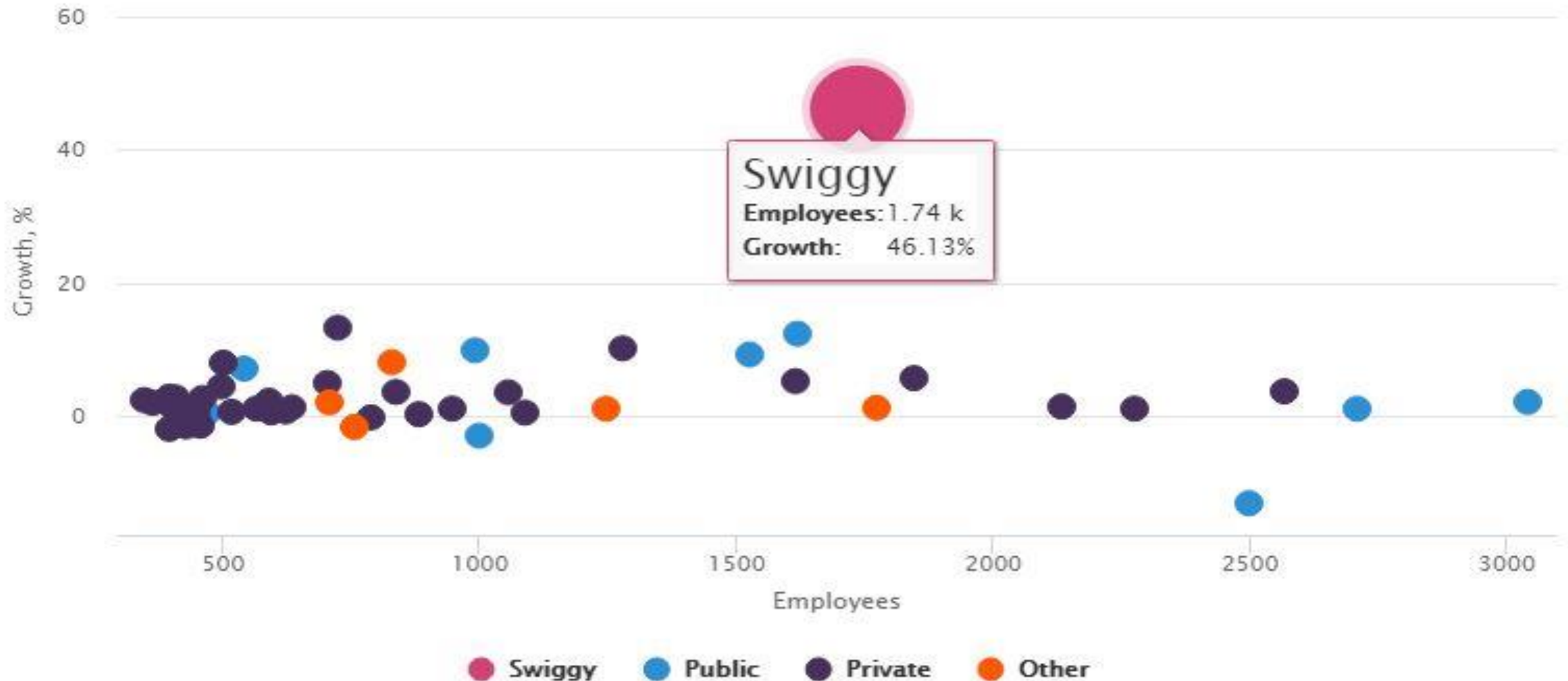
# Marketing Strategies<sup>[11]</sup>

- Marketing strategy consists of both online and offline marketing campaigns.
- Promotes its campaigns via Facebook, Twitter, Youtube, Pinterest, and Instagram.
  - Some campaigns include Secondtomom, #DiwaliGhayAayi, #SingwithSwiggy
  - Know your food series of pictures
  - food walks in a local area.



# Market Position of Swiggy<sup>[12]</sup>

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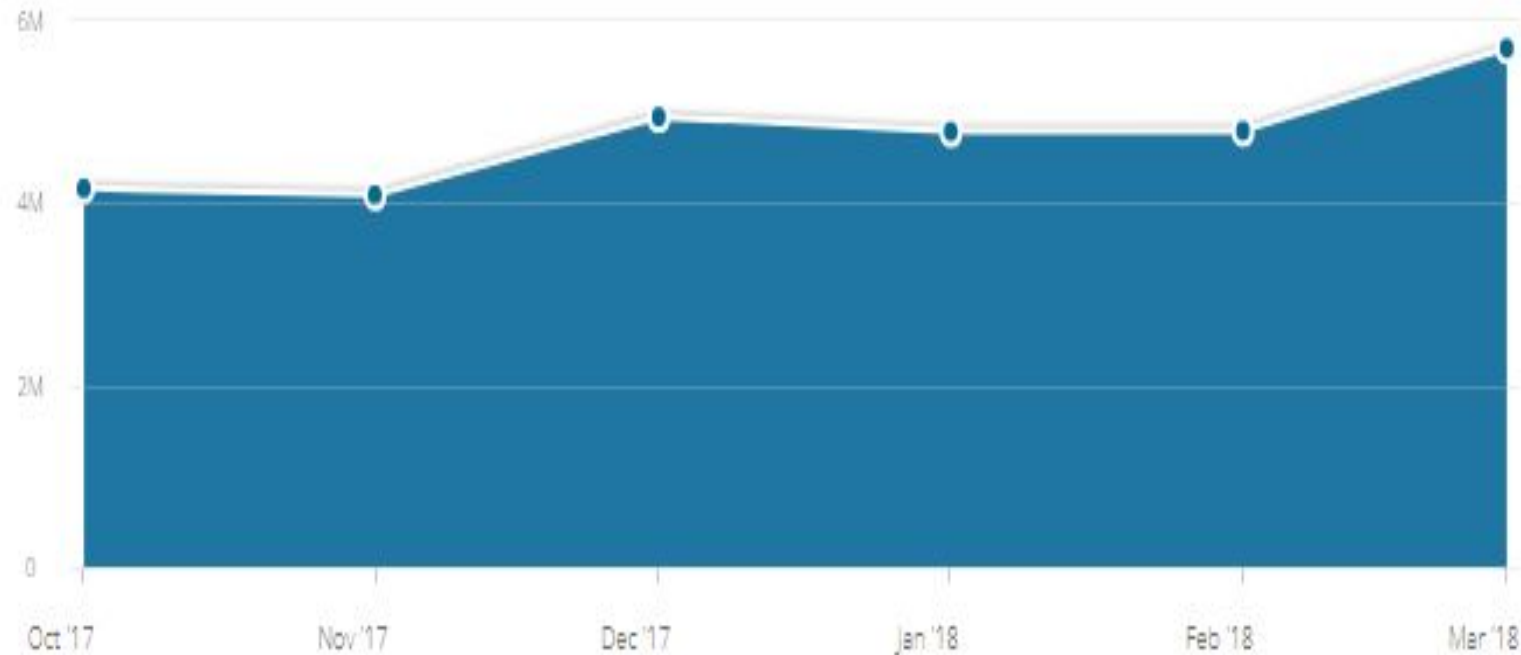
# Swiggy's Web-traffic Analysis<sup>[13]</sup>

16

## Total Visits ⓘ

[Embed Graph](#)

🖥️📱 On desktop & mobile web, in the last 6 months



## Engagement

Total Visits **5.70M**  
▲ 18.95%

🕒 Avg. Visit Duration **00:09:05**

📄 Pages per Visit **8.05**

➡ Bounce Rate **30.92%**

# Swiggy's Social Media Presence<sup>[14]</sup>:(1)

17



30.47k Twitter followers

6 Months



Swiggy



Zomato



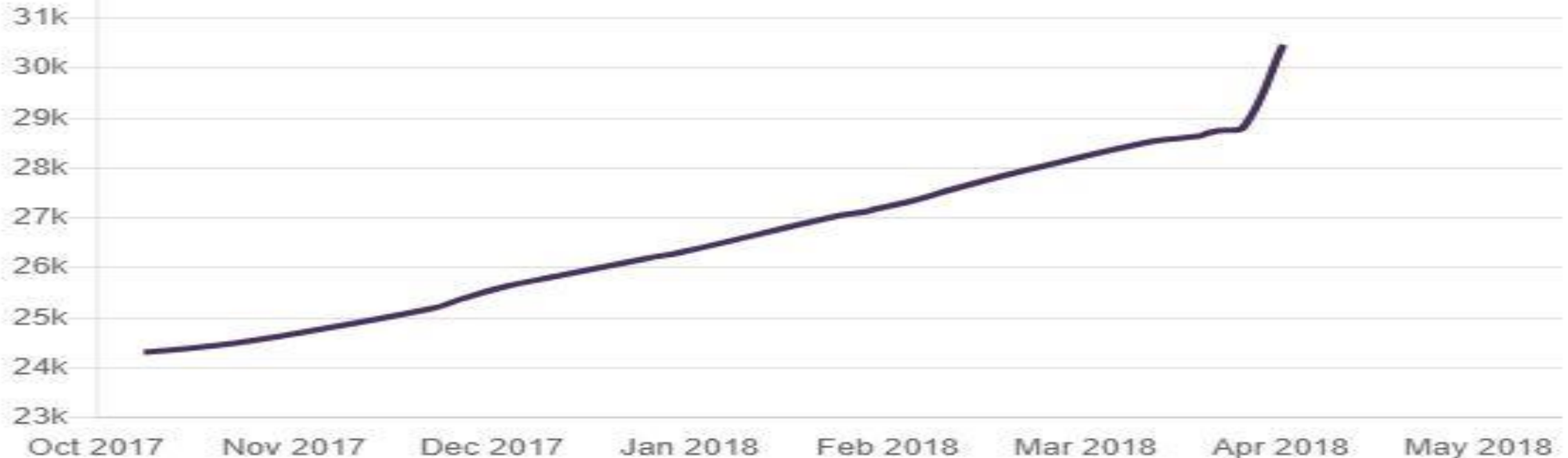
Grofers



Foodora



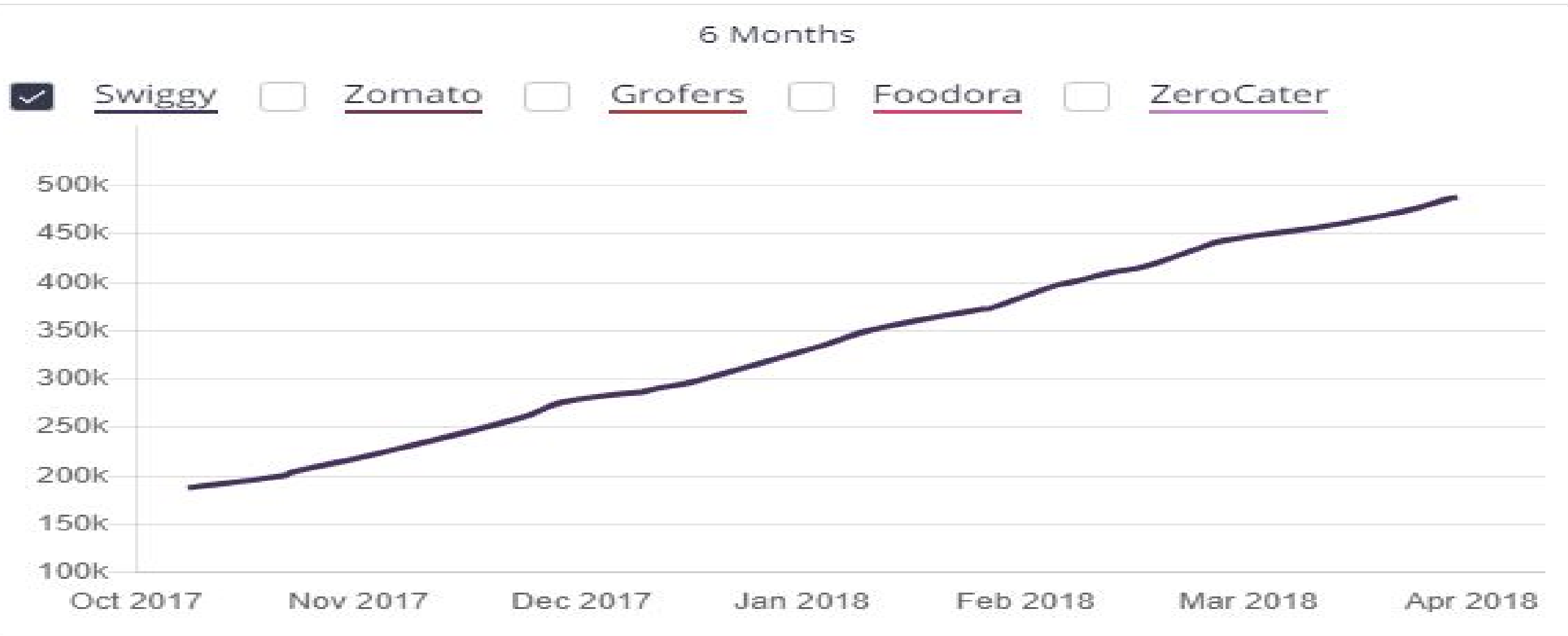
ZeroCater



# Swiggy's Social Media Presence<sup>[15]</sup>:(2)

18

 488.31k Facebook followers



# The road ahead...

- Challenges Faced:
  - Timeliness of Delivery
  - Food Quality
  - Routing Algorithm
  - High costs in logistics
- Opportunities:
  - Present in nine cities currently with profitable only in two.
  - Can become profitable in all.
  - Expansion in more cities.
- Future Performance:
  - Growing it's fleet of delivery boys
  - Increase in market share
  - Higher revenue

# References

- [1], [3], [6], [10], [11] <https://www.whizsky.com/2017/09/case-study-swiggy-business-model-new-competitors-marketing-strategies/>
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- [4] <http://www.sramanamitra.com/2017/06/28/indian-food-delivery-startup-swiggy-enters-the-overfunded-club/>
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- [17] <https://officechai.com/startups/swiggys-revenue-loss-2017/#sthash.ebPRzj8T.dpbs>





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- [8] <https://www.vccircle.com/swiggy-lost-rs-1-5-for-every-re-1-it-earned-last-year-revenue-jumped-six-fold/>
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- [12] [https://craft.co/embed/v1/companies/swiggy/market\\_position](https://craft.co/embed/v1/companies/swiggy/market_position)
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- [14] [15] [https://craft.co/embed/v1/companies/swiggy/online\\_presence](https://craft.co/embed/v1/companies/swiggy/online_presence)
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# Thank You!

Think Food.  
Think Swiggy.

