Part 1: Prioritizing Solutions

North Star Metric: *"Growing Business Customers"*

Primary focus on the **Business Customers** while benefiting **Retailers** and **Advertisers**.

Sides of Marketplace:

Customers (Business Segment): Understanding their unique needs, challenges, and tailoring services to meet requirements and giving cost-effective solutions.

Retailers: Enhancing partnerships and integrating more deeply with retailers who offer products relevant to business customers.

Advertisers: The ability to show relevant ads to business customers and sell in larger quantities.

Business User Segments:
Small and Medium Enterprises: Small and medium-sized offices including parts of university face supply chain challenges, access to bulk purchasing, and managing operational efficiency.

Restaurants and Cafes: Managing a mix of regular and dynamic inventory needs, while often requiring last-minute adjustments based on supply chain and demand fluctuations.

Identifying and Prioritizing Features:
Based on the Affinity Map created using the North Star Metric, Sides of Marketplace, Business User Segments, Videos, and Testimonials from customers presented in the link, Below are the User Persona and I Statements:

User Persona:

	Marco Thompson	**Goal**	**Frustration**	**Motivation**
café Owner 38	Marco runs a cozy café in San Francisco, committed to fresh products and a welcoming atmosphere. Fulfilling his dream, he single-handedly manages inventory, grocery planning, and cost control.	Marco aims to optimize operations and reduce waste, ensuring his café is stocked with fresh ingredients and essentials, from artisan coffee to office supplies.	Marco's challenge is the unpredictability of business operations, such as shortages or surges. He seeks a reliable, cost-effective method for bulk ordering sometimes urgently without compromising quality.	Marco is excited to learn about streamlining his supply chain, freeing up time for customer interaction. This efficiency saves shopping time, enhancing his café presence.

"I order ingredients", "I order in bulk", "I order last minute", "I order office supplies", "I love efficiency", "I save time by not going to the store", "I want to save costs"

Problem Statement:
As a solo small-business owner, Marco needs an affordable way to save time, order & restock groceries and supplies for his cafe, including options for bulk and last-minute purchases.

Features:
- **Bulk Save:** Discount auto-applied when a target quantity is reached. Bulk save badge for identifying products with bulk save capability.
  - **Rationale:** Boost bulk purchases, reducing business costs, increasing demand for retailers, and enhanced advertising for products with bulk buy badges creating a fly-wheel marketing.
- **Frequency Optimization and Cost Saver Dashboard:** Showcases how businesses can modify their ordering frequency to avail of bulk ordering or auto-ordering benefits.
  - **Rationale:** Helps retailers and businesses optimize ordering patterns to save costs.
- **Menu Scan:** Restaurants and cafés can generate a tailored order list by scanning menus and inputting data such as popular items and customer traffic (Integrate Instacart GPT to create the base list). Owners can then refine this list with their expertise and historical data.
  - **Rationale:** Reduces resistance to creating a list, reducing time & resistance to order.

Feature list prioritized based on Reach, Impact, Confidence, and Effort (RICE):

Feature	Reach	Impact	Confidence	Effort	(R*I*C)/E
Bulk Save (Auto discounts for bulk Order)	9	8	9	4	162.00
Frequency Optimizer and Cost Saver Dash	7	6	7	5	58.80
Menu Scan - AI-Based List Generator	5	8	6	8	30.00

- **Bulk Save** - Highest priority for its wide reach, cost savings, and low effort to implementation.
- **FO&CS Dash** - High reach and confidence with interest in cost saving & moderate effort.
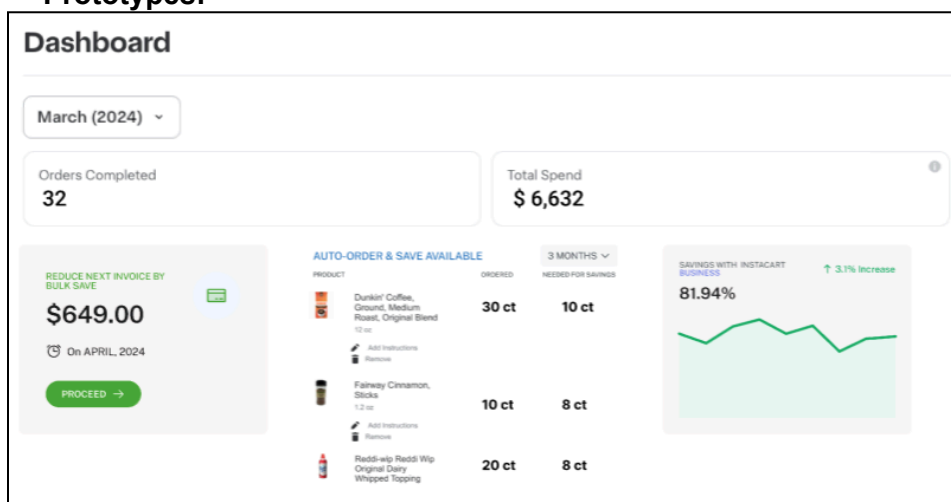- **Menu Scan** - Decent reach, low efforts (Using InstaCart GPT), and High confidence.
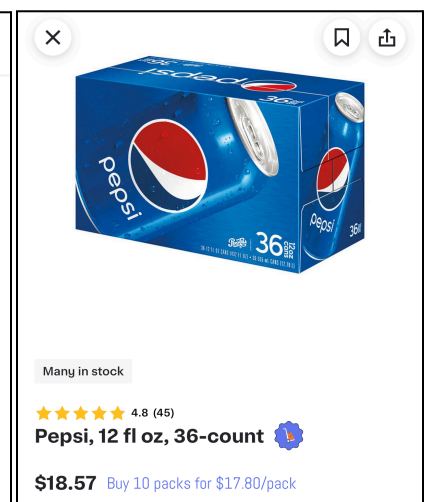
Prototypes:

Fig 1. FO&CS Dashboard

Fig 2. Bulk Save

Part 2: Go to Market

Top Feature: Bulk Save

Product-Led Channels:
- **Bulk Save Badge:** Allows users to identify products with the bulk save capability.
- **Aiding the user:** Notifying the user with "Add 5 more to avail bulk discount"

Sales-Led Channels:
- **Email Marketing:** Send personalized emails to existing and potential customers outlining the new Bulk Save feature, emphasizing how it can reduce operational costs.
- **In-App Notifications:** Utilize push notifications to users, highlighting the Bulk Save feature with a call to action that leads them to a tutorial or more information.
- **Social Media:** Share content that explains the benefits of Bulk Save, including testimonials from businesses that have benefited from early access to the feature.

Value Proposition: The Bulk Save feature offers a compelling value proposition to business customers by automating discounts on bulk purchases, directly addressing their need to manage costs effectively while maintaining inventory. The feature also proves to be of help for retailers and advertisers to sell in larger quantities.

Positioning Statement: *"With our Bulk Save feature you're not just buying in bulk but saving in bulk too. Unlike traditional bulk purchase schemes, our automatic discount application and visible Bulk Save icon allow you to instantly recognize and take advantage of savings opportunities without the guesswork."*

Target Customers:
- **Restaurants and Cafes**: These establishments regularly order large quantities of ingredients and supplies to meet their operational needs.
- **Edu Institutes and Businesses:** Departmental and Corporate offices that order bulk office supplies, stationery, and more, looking for cost-efficient solutions.

Reach Strategy:
- **Geographic Segmentation:** Identify geographic locations with a larger target audience.
- **Identify and Outreach to High-Volume Buyers:**
  - Find high-volume Instacart(Personal) users and compare orders to business users to identify potential customers.
  - Engage sales and customer service teams to offer personalized Bulk Save consultations to new and existing high-volume business purchasers.
- **Partnerships:** Collaborate with retailers, Advertisers, and Business Credit Card providers to promote Instacart business through their networks.
- **Deep Links:** Allowing to trace the source of the user and give insights to the channels users are coming from, giving us a direction to strengthen those areas of marketing.
- **Digital Advertising:** Implement targeted ad campaigns on platforms used by business owners, using case studies and testimonials to showcase the tangible benefits.

Part 3: Measuring Success

Hypotheses Statement: Introducing a Bulk Buy feature that automatically applies discounts for bulk orders can attract more business users and increase bulk orders & average order value.

Hypotheses Testing Methods:
- **Usability and User Testing:** Conducting surveys and interviews to understand the psychology while using the MVP/Prototype can validate the hypothesis & give insights.
- **A/B testing:** Implementing A/B tests would allow us to understand the increase in orders when the user sees the discounts.
- **User Journey Analytics:** Understanding how many users go from the top of the purchase funnel to the bottom and find leakages to where the users get dropped out.

Hypotheses Validation - Quantitative Metrics:
- **Order Value:** Tracking the average order value before and after the implementation will help measure changes in purchasing behavior.
- **Customer Adoption Rate:** Total number of customers using Bulk Save.
- **Usage Rate:** Measuring the percentage of transactions utilizing the Bulk Save discount would indicate feature adoption.
- **Retention Rate:** Compare the retention rate of business customers before and after Bulk Save's introduction to assess its impact on loyalty.
- **Daily Active User and Monthly Active Users:** Evaluate whether the feature leads to a spike or sustains organic growth to discern if it's perceived as a gimmick or valued for long-term use.
- **CAC vs LTV:** Assess if Bulk Buy's higher Customer Acquisition Cost (CAC) is offset by a corresponding increase in Customer Lifetime Value (LTV).

Hypotheses Validation - Qualitative Metrics:
- **Customer Satisfaction Score (CSAT)**: Collect feedback through surveys, focus groups, or interviews to understand the perceived value and any suggestions for improvement.
- **Retailer Feedback:** Gather insights from retailers on how the feature affects their cost structure, demand forecasting, and sales.

Risks or Guardrail Metrics:
- **Perfect Order Rate:** Ensure perfect order rate (*X* item ordered, *X* item delivered in time)
- **Margin Impact:** Monitor the impact on profit margins to ensure that the increased volume of sales through Bulk Save compensates for the discounts given.
- **Over-Dependence:** Ensure customers do not become solely reliant on bulk buying.

Negative Impact Response Plan:
- **Phased Rollout:** Roll out in phases as per geographic segmentation and product category to measure impact and ensure guardrail for key metrics.
- **Data Review:** If metrics indicate a negative impact, such as reduced margins or customer satisfaction, conduct a thorough analysis to understand the underlying causes.
- **Reiterate:** Address identified issues, restructure discounts, and communicate benefits.