

ZOMATO

STRATEGIC GROWTH FOR ZOMATO IN VISAKHAPATNAM

By Ankita Dey



THE PROBLEM STATEMENT



HMW

- How might we grow the top line for Zomato in Visakhapatnam while simultaneously improving profit margins.
- Going beyond traditional approaches such as onboarding new restaurants or promotional strategies

KEY FINDINGS ABOUT VISHAKHAPATNAM

A city with many colleges and universities like Andhra University, IIM Vizag etc. It has 357 Colleges in total.

The city is rapidly expanding with a rapid expansion of the IT Hub and the Pharma Sector. Male : Female working ratio is 7:3

Vishakhapatnam is the most visited city in Andhra Pradesh by tourist with over 1.7cr tourist visiting in 2023



Name: Kartik Mehra

Age: 40 Years Old

Purpose: Travel with family

Location: Vishakhapatnam

User Description

- A traveler exploring Visakhapatnam's food culture for 4 days.
- Loves trying native dishes but shifts to familiar options toward the end of trips.
- Balances adventurous eating with comfort and familiarity.

Pain Points:

- Finding Native Dishes: Struggles to identify authentic local foods without spending excessive time researching.
- Balance Between Adventure and Familiarity: Wants to explore new dishes but doesn't want overly wild or unfamiliar experiences.
- Lack of Guidance: No structured recommendations to help him transition from adventurous eating to familiar dishes over his stay.

Goals

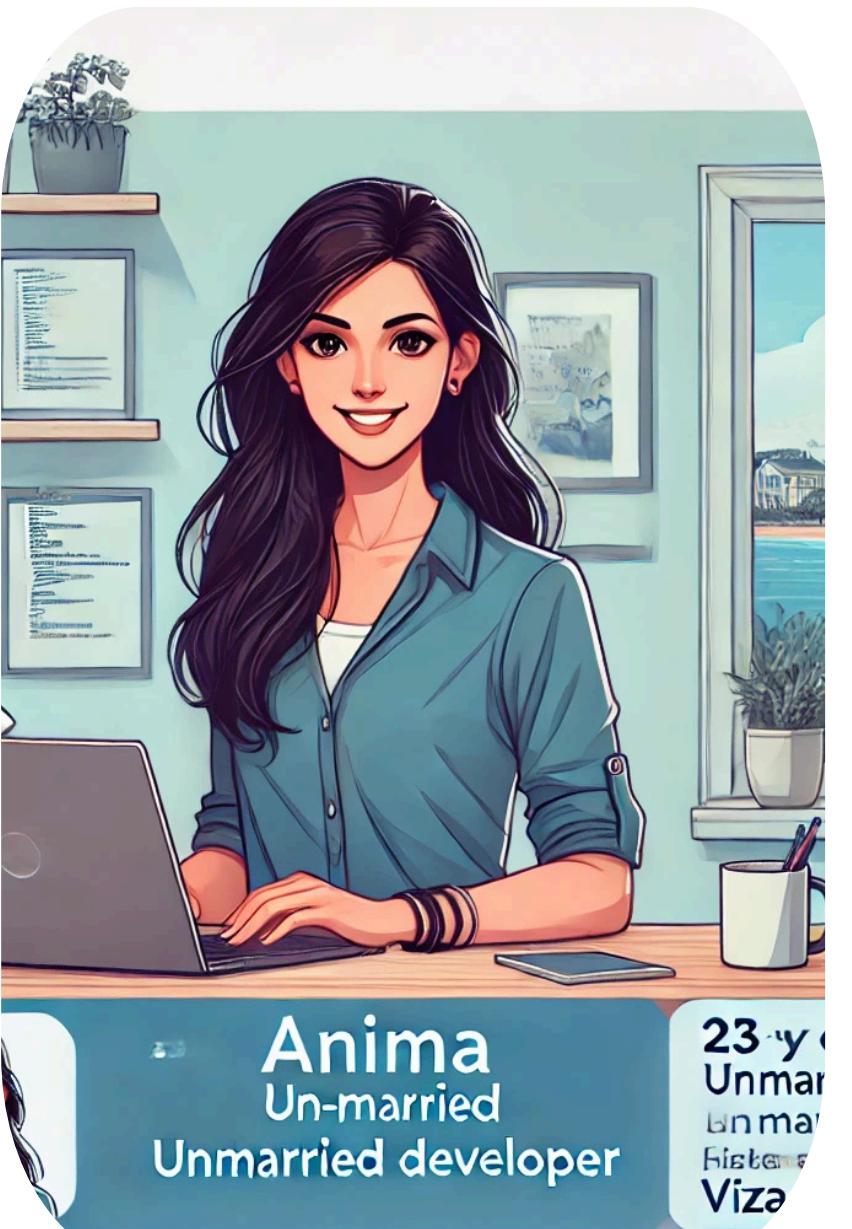
- Access affordable and comforting meals tailored to her budget.
- Simplify decision-making during stressful periods.
- Find food options that uplift her mood without overspending.

Needs/Expectations

- Surprise Tracker: Customizes recommendations based on surprise level.
- High Surprise: Native dishes like bamboo chicken or Andhra-style prawn curry.
- Low Surprise: Familiar options like biryani or paneer curries.
- Quick Recommendations: Streamlined suggestions for authentic or familiar food.
- Authenticity: Verified local options for quality native cuisine.

Behavioral Traits

- Starts with adventurous eating but gradually shifts to familiar foods as the trip progresses.
- Values curated suggestions that align with his level of culinary risk-taking.
- Prefers restaurants known for authentic local dishes rather than generic ones.
- Open to trying regional food specialties but within the boundaries of his comfort zone.



Name: Anima
Age: 23 Years Old
Occupation: Developer
Location: Vishakhapatnam
Marital status: Unmarried

Needs/Expectations

- Personalized Assistant: Recommends meals based on mood and preferences.
- Quick Decisions: Curated meal suggestions to avoid long menu browsing.
- Human Touch: Feels like a friend anticipating her needs.
- Period-Specific Options: Tailored meals/snacks for menstrual cravings

Pain Points:

- Cooking: Time-consuming and exhausting when tired.
- Decision Fatigue: Overwhelmed by browsing menus when low on energy.
- Lack of Personalization: Apps don't cater to specific needs like comfort food during periods.
- Loneliness: Misses feeling cared for while living alone.

User Description

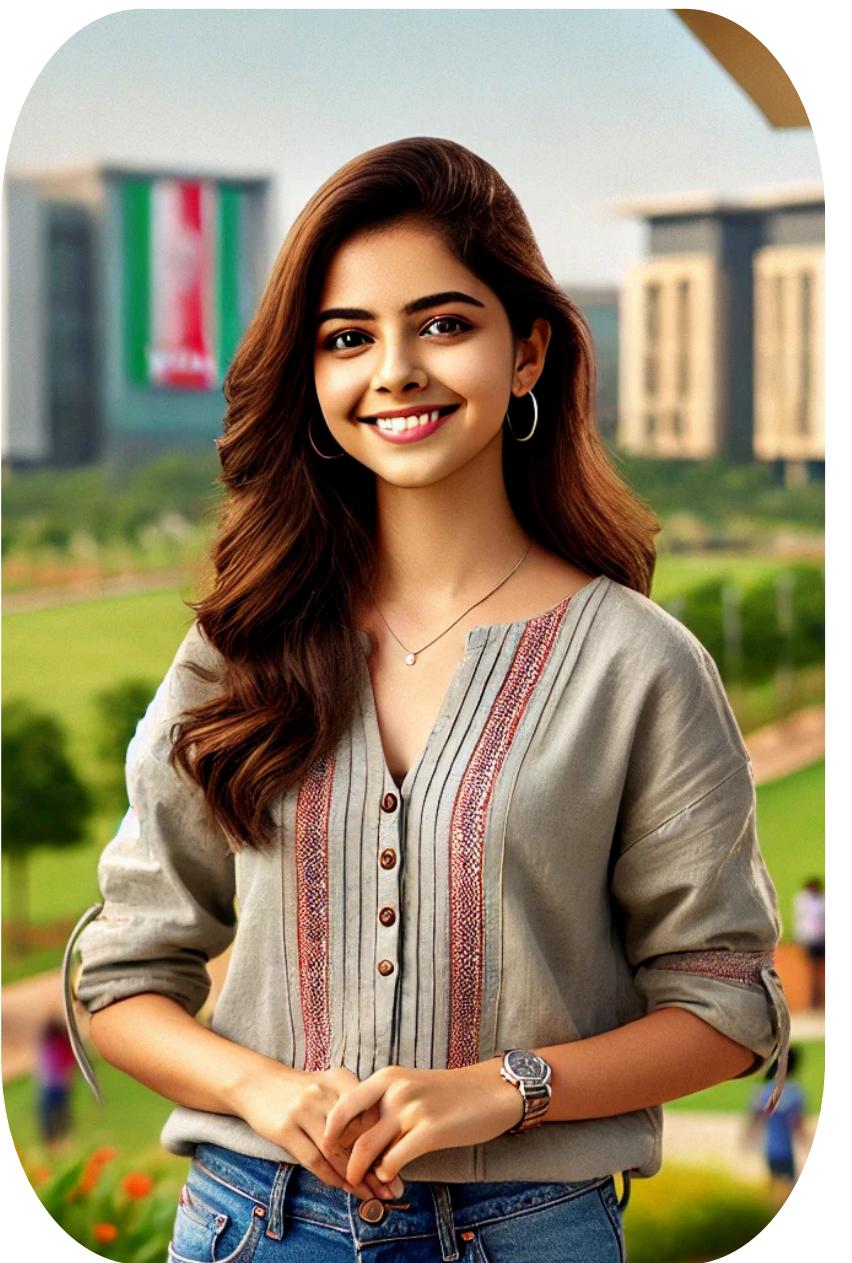
- Lives alone in a rented apartment near her workplace.
- Adjusting to a new city and managing life independently.
- Works 9-10 hours a day, often feeling exhausted by HER SHIFT'S END.
- Enjoys convenience and comfort to reduce everyday decision-making stress.

Goals

- Hassle-Free Comfort: Quick access to comforting, delicious food without browsing menus.
- Feeling Understood: Care and empathy during low-energy moments like periods or tiring days.
- Tailored Suggestions: Easy access to personalized recommendation.

Behavioural Traits

- Prefers apps and services that simplify her routine.
- Chooses comfort food like soups, biryani, chocolate, or desserts during stressful days or periods.
- Willing to spend extra on convenience if it saves her time and effort.
- Often orders dinner between 7 PM and 9 PM, when she's too tired to cook.



Name: Tiya Singh

Age: 21 Years Old

Occupation: IIM Vishakhapatnam Student

Location: Vishakhapatnam

Pain Points:

- Cooking: No access to proper kitchen facilities, and limited time due to a hectic schedule.
- Decision Fatigue: Struggles to decide what to order after a long day of classes.
- Budget Constraints: Can't spend much on food but still craves variety and comfort.
- Periods & Mood Swings: Feels the need for specific comfort foods during periods and stressful moments.

Needs/Expectations

- Budget-Friendly Mood Food: Recommendations for affordable meals that cater to her cravings and moods.
- Quick Decision Making: A hassle-free way to choose meals without spending time browsing menus.
- Care During Periods: Affordable comfort foods (e.g., soups, chocolate) during her menstrual cycle.
- Student-Centric Options: Discounts or meal plans designed for students.

User Description

- Lives in a hostel on a tight student budget.
- Balancing academic rigor, club activities, and personal life.
- Often stressed with late-night assignments and class schedules.
- Limited financial resources but loves treating herself occasionally for emotional upliftment.

Goals

- Access affordable and comforting meals tailored to her budget.
- Simplify decision-making during stressful periods.
- Find food options that uplift her mood without overspending.

Behavioural Traits

- Prefers apps/services with student discounts or wallet-friendly deals.
- Craves simple yet comforting foods like Maggi, biryani, or desserts during mood swings.
- Stressed late at night and often craves snacks after 10 PM.
- Willing to try new things but within her financial limits.

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FLAVOR ROULETTE: SURPRISE SLIDER FOOD RECOMMENDER

A Culinary Adventure for Tourists

- Target Users:
Tourists seeking authentic local food experiences.
- Features:
 - Interactive Surprise Slider: Adjusts recommendations from familiar to adventurous:
 - High Surprise: Unique local dishes like bamboo chicken and prawn curry.
 - Low Surprise: Familiar foods like biryani or paneer dishes.
 - Verified Local Recommendations: Assurance of quality and authenticity.
 - Gamified Exploration: Badges or rewards for trying new cuisines.
- Impact:
 - Enhances user engagement.
 - Supports local restaurants by promoting authentic cuisines.
 - Creates memorable dining experiences for tourists.





KEY FEATURES : LOW SURPRISE AND HIGH SURPRISE ELEMENT BUTTON FOR BETTER CUISINE AWARENESS

CRAVEMATE: MOOD-BASED FOOD RECOMMENDER

Understanding and Catering to User Moods

- **Target Users:**

Women on periods, stressed professionals, or people experiencing mood swings.

- **Features:**

Suggests food based on mood (e.g., "Tired," "Craving Comfort").

Period-specific recommendations: warm soups, desserts, herbal teas.

Quick meal combos tailored for low-energy moments.

AI-driven personalization from past orders and similar user profiles.

Subscription Model: Monthly "Period Comfort Boxes" with curated snacks, meals, or beverages

- **Impact:**

Simplifies decision-making.

Fosters emotional connection with users.

Encourages frequent orders





KEY FEATURES : APP TRACKS MOOD DURING THAT TIME OF THE MONTH AND SUGGESTS FOOD BASED ON CRAVINGS PREFERENCES AND PAST BUYING PATTERNS

GUESSTIMATES

Market Overview:

1. Total Tourists Visiting Visakhapatnam:
 - 17 Mn (1.7 Cr) annually
 - Tourist Families (~3 members each): 5.6 Mn (56 Lac)
2. Smartphone Penetration:
 - 80% of tourists use smartphones: 4.4 Mn (44 Lac)

Awareness and Adoption:

1. Current Awareness of Zomato App:
 - **12% of smartphone users: 6.6 Lac Users**
2. Post-Feature Growth in Awareness:
 - **Growth from 12% → 15% awareness (after implementing features).**
3. Users Ordering on Zomato:
 - **50% of aware users: 3.3 Lac Users**



GUESSTIMATES

Revenue Projections:

- Number of Orders:
 - Average 2 orders per user = 6.6 Lac Orders
- Average Order Value (AOV):
 - ₹300 per order
- Projected Revenue:
 - $6.6 \text{ Lac Orders} \times ₹300 = ₹19.8 \text{ Crore} (\sim ₹20 \text{ CR})$
 - Zomato charges appx. 20% Commission on each order placed
 - Zomato's Revenue= $0.2 * 19.8 \text{ Cr} = \sim 4 \text{ Cr}$



GUESSTIMATES

VISHAKHAPATNAM HAS 357 COLLEGES

Assuming,

Students per University ~ 2000

Students in College ~ 800

Number of University ~2

Number of University Students ~ $2 \times 2000 = 4000$

number of college students ~ $800 \times 340 = 2,72,000$

Male: Female Student Ratio: 70:30

Total Female Students = $0.3 \times 2,76,000 = 82,800$ (appx.)



GUESSTIMATES

WORKING FEMALE UNMARRIED ADULTS IN VISHAKPATNAM

Female population of Vishakhapatnam- ~ 2.15 (Mn)~ 0.2 Crore

Female working population ~ 65,000 (Census of India)

Assuming, 2/3 of Working females are young unmarried adults below the age of 26 years which comes out to be 43,333 (43000)

Females Ordering Food from Zomato= 50% * 43000= 21,500

AVg. Order value = Rs.300

Number of orders per week= 3

Revenue per month = 300*3*4*21500= Rs.1.9 Cr

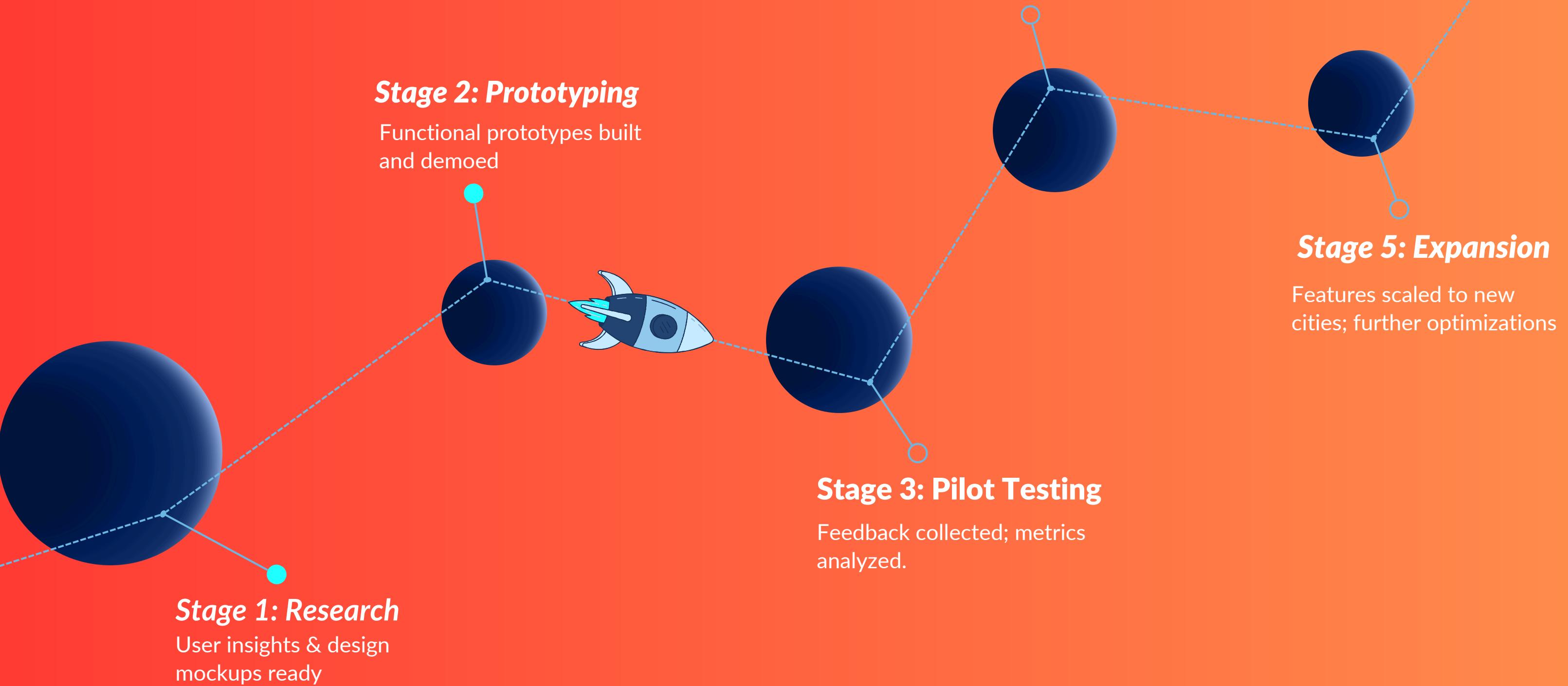
Revenue per year 1.9 Cr * 12= ~22.8 Cr

Zomato charges appx. 20% Commission on each order placed

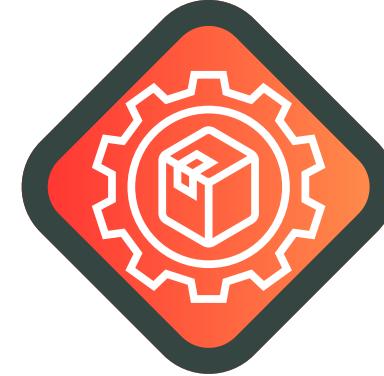
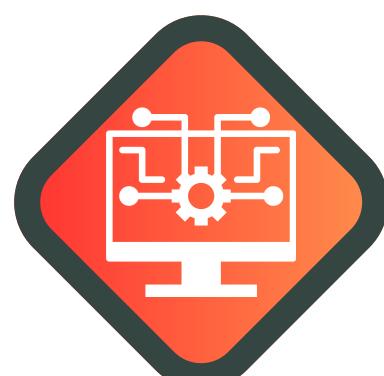
Zomato's Revenue= 0.2*22.8 Cr= ~4.56 Cr



ROADMAP



GO TO MARKET



Identify Target Market

Primary Audience:

- Mood Food Recommender: Women professionals, students, and people experiencing mood swings or periods.
- Surprise Slider: Tourists visiting Visakhapatnam, particularly families and young travelers.

Personas:

- For Mood Food: Busy professionals, budget-conscious students, women looking for comfort food during periods.
- For Surprise Slider: Tourists exploring new cuisines with varying levels of adventure.

Define Value Proposition

Core Value:

- Simplifying food decisions with personalized recommendations.
- Enabling culinary exploration for tourists while balancing comfort and adventure.

Unique Selling Point:

- Mood Food Recommender:** AI-driven personalization tailored to moods and physiological needs.
- Surprise Slider:** Interactive, customizable surprise levels to explore local cuisine

Set Clear Objectives

Primary Goal:

- Achieve 15% market penetration among tourists and local users within the next 12 months

Secondary Goal:

- Increase Zomato app usage and order frequency by 20% in Visakhapatnam.

Develop Marketing Plan

Channels:

- Digital:** Social media ads, in-app notifications, and Google ads targeting tourists and locals.
- Partnerships:** Collaborate with local restaurants, travel agencies, and feminine hygiene brands.

Messaging:

- For Mood Food: "Your Comfort Food, Delivered with Care."
- For Surprise Slider: "Explore Vizag, One Dish at a Time."

Measure & Optimize

KPIs:

- Feature adoption rates, Average Order Value (AOV), and user retention.

Feedback & Improvement:

- Regularly collect user feedback through in-app surveys.
- Refine recommendation algorithms based on engagement data.

RESULT IF SUCCESSFUL



Tourists:

- Awareness Increase: $(15\% - 12\%) \times 44 \text{ Lac} = 1.32 \text{ Lac}$
- Active Users: $50\% \times 1.32 \text{ Lac} = 66,000$
- Orders: $66,000 \text{ Users} \times 2 \text{ Orders} = 1.32 \text{ Lac Orders}$
- GOV= $1.32 \text{ Lac Orders} \times ₹300 = 3.96\text{cr}$
- Revenue: $= ₹3.96 \text{ Cr} * 20\% = 79.2 \text{ lac}$

Students:

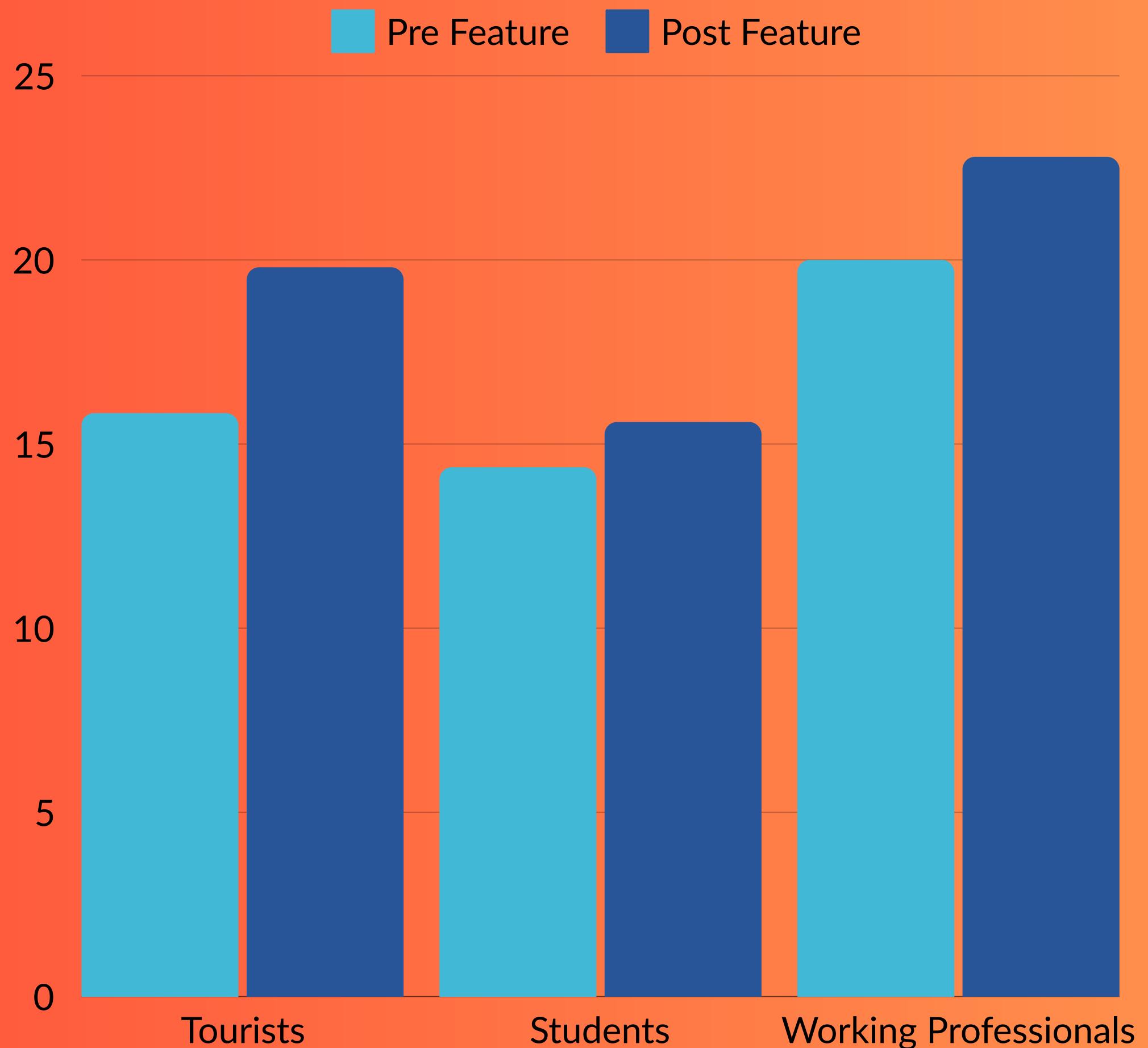
- Awareness Increase: $(15\% - 12\%) \times 85,680 = 2,570$
- Active Users: $50\% \times 2,570 = 1,285$
- Orders: $1,285 \text{ Users} \times 32 \text{ Orders/Year} = 41,120 \text{ Orders}$
- Revenue: $41,120 \text{ Orders} \times ₹300 = ₹1.23 \text{ Cr} * 20\% = 24.6 \text{ lac}$

Working Professionals:

- Awareness Increase: $(15\% - 12\%) \times 43,333 = 1,300$
- Active Users: $50\% \times 1,300 = 650$
- Orders: $650 \text{ Users} \times 144 \text{ Orders/Year} = 93,600 \text{ Orders}$
- Revenue: $93,600 \text{ Orders} \times ₹300 = ₹2.81 \text{ Cr} * 20\% = 56.2 \text{ lac}$

COMBINED INCREMENTAL REVENUE

- Tourists: ₹79.2 Lac
- Students: ₹24.6 Lac
- Working Professionals: ₹56.2 lac
- Total: ₹1.6 Cr Annually



THANK YOU