

# Business idea to reduce food waste in the grocery market



Juhani Järvensivu, CEO  
Fiksu Ruoka Oy  
23.9.2018

# Agenda

- Our team
- Food waste in Finland
- Business idea and model
- Reasons to be involved for suppliers and customers
- Competitive advantages
- Where are we now?
- Business plan

# Our team



**Juhani Järvensivu**  
**CEO**

Responsible for KPI's, business development, funding, stakeholders and main partner relations

Strong business understanding and professional on e-commerce

Industrial Engineering and Management student (Aalto University)



**Henri Saksi**  
**Head of Data&Analytics**

Responsible for systems and analytics to optimize operations e.g. pricing and procurement.

Background from data programming for DealDash (penny auction website in the USA)

Industrial Engineering and Management student (Aalto University)



**Riku Poutanen**  
**CMO**

Responsible for optimizing online marketing

Online marketing professional with strong analytical and technical skills

Background from Smartly.io (Software company offering Facebook ads optimizing tool)

Industrial Engineering and Management student (Tampere University of Technology)



**Lauri Enckell**  
**Brand Manager**

Responsible for content and brand

Strong vision and skills on creating content to online and offline channels

International Business and Management, BBA (Rotterdam Business School)



**Julius Särkkälä**  
**CPO**

Responsible for supplier relations and procurement process

Background from strategy consulting and private equity

Industrial Engineering and Management student (Aalto University)



**Niko Korpela**  
**Procurement Manager**

Responsible for operative procurement

Extrovert and social person with excellent co-operation skills

Huge motivation to drive positive environmental impact

Energy and Environmental Technology student (Aalto University)



**Richard Lindroos, Founder**

Highly experienced in Developing Global and Regional Supply Chains, Logistics and Operations.

Excellent knowledge in lean and cost effective supply chains.

**Mika Järvensivu, Senior Advisor**

Highly experienced in management consulting (Partner at Deloitte)

Helps us on strategy and business development



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# Food waste in Finland

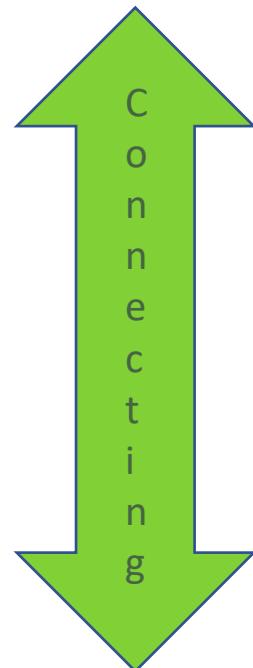
- Food waste in Finland is 400 – 500 million kg per year (10-15% of all produced food)
- Food waste in households 120 – 160 million kg per year
  - Measured in euros: 500 million € per year (households). (\*\*Saa syödä)



\*\*Saa Syödä

# Business idea

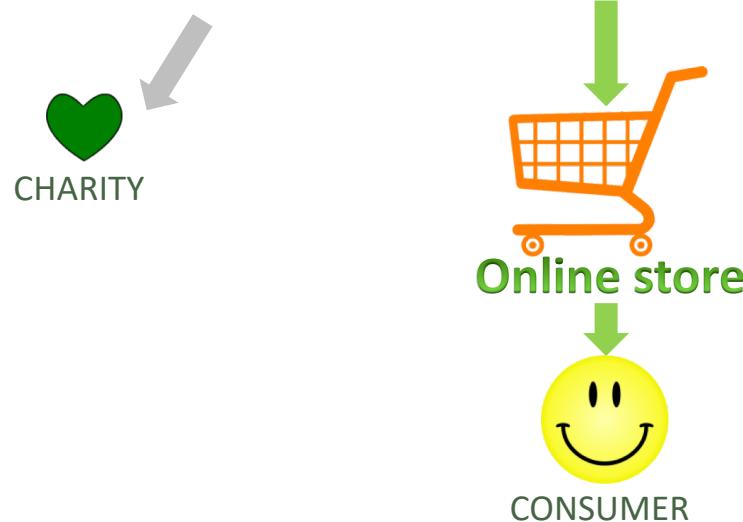
Supply



Surplus batches  
(dry-food groceries and non-food)

- Mistakes in demand forecasting
- Oncoming best-before dates
- Mistakes in orders
- Manufacturing defects
- Renewed products or packings

Demand



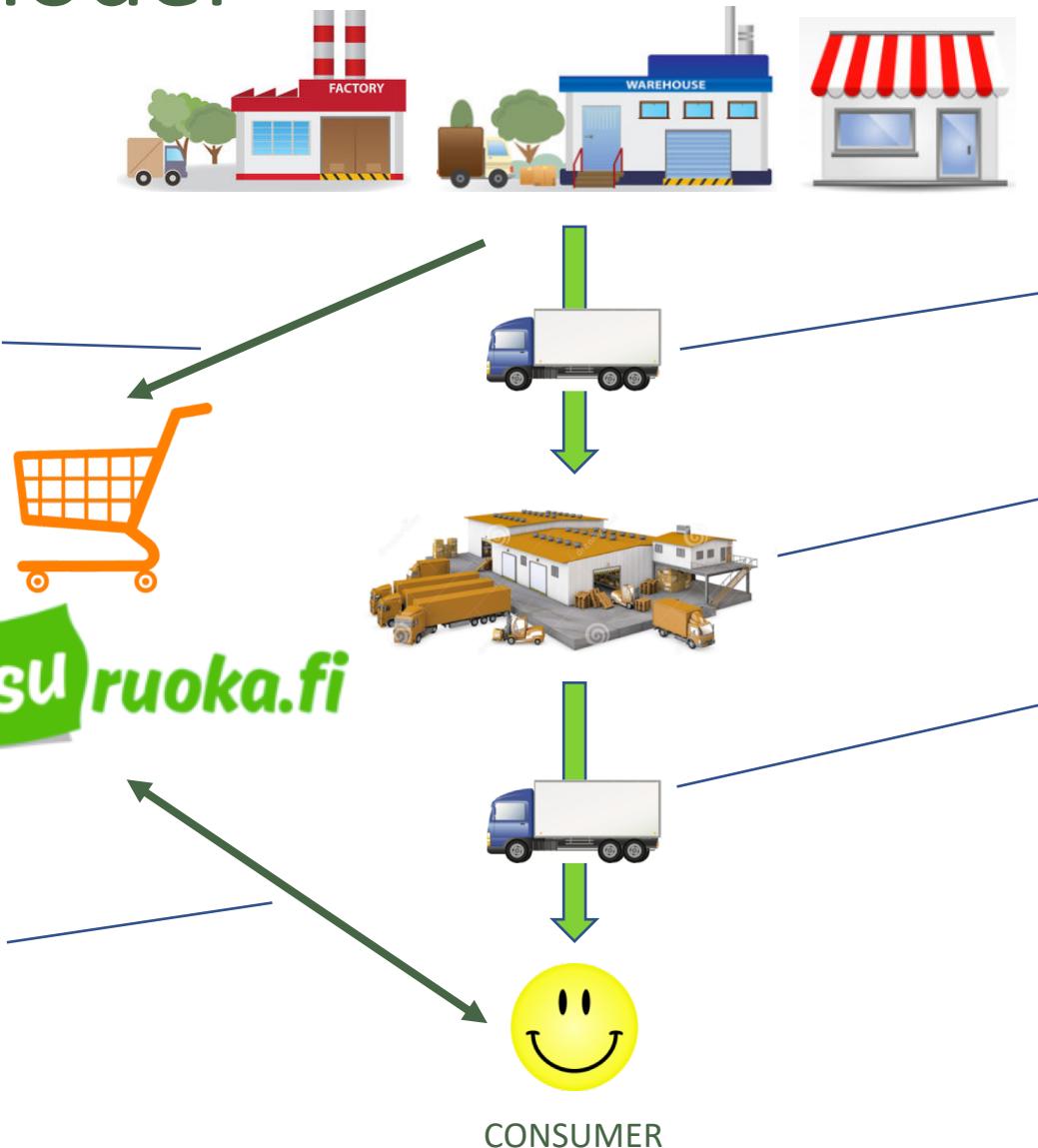
CIRCULATION AND DUMP

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# Business model

Inhouse:

**Procurement**  
Procurement process, supplier relationships and importing the products to the web store



Outsourced:

**Inbound logistics**  
Outsourced to our suppliers' partners

**Warehousing**  
Outsourced to Turku to Warasto Finland Oy

**Outbound logistics**  
Outsourced to DB Schenker, Posti and Matkahuolto

Website development, payment transactions, accounting

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# Reasons to be involved for different parties

- Everyone wins: suppliers, consumers and the environment!

## Suppliers (producers, importers, wholesales):

- Overstock ties up capital and disposing costs money
  - Selling to a third party is easier and more cost effective
  - Suppliers can focus on their core business
- We offer an easy and cost effective channel to dispose surplus batches
- Our cooperation is always a business case for our suppliers!
- **Reducing food waste, promoting environmental values, and positive brand image**

# Some of our suppliers

## Producers



## Importers



## Wholesale chains



# Reasons to be involved for different parties

## Customers

- **Price:** 20-90 % discounts
- **Green values:** reducing food waste
- **Ease:** easy to order, 1-3 days delivery to your front door or the closest picking point

**fiksruoka.fi** Kaikki tuotteet 20 - 90% alelluksella!

**ILMAINEN** toimitus yli 49€ tilauksiin!  
Koskee tilauksia DB Schenkerin noutopisteille

SIIRRY KASSALLE 70,54 €  
Tuotteiden kokonais paino 25,265 kg  
Säästösi yhteensä: 39% (46,82 €)

Tuotteet ▾ Tietoa meistä! ▾ Ajankohtaista ▾ Tilaa utiskirje

> Suurpakkaukset  
> Superhalvat, parasta ennen ohittan...  
> Suosituimmat tuotteet  
> Uudet tuotteet  
> Säilykkeet ja keitot  
> Pastat, riisit ja ryynit  
> Sipsit, pähkinät ja naposteltavat  
> Makeiset  
> Juomat  
> Ketsupit, kastikkeet ja mausteet  
> Ruoanlaitto tuotteet  
> Välipalapukat ja -keksit  
> Keksit ja näkkileivät  
> Kahvit ja teet  
> Leivonta  
> Lastenruoat  
> Lemmikkien ruoka

NALLE 350G MANSIKKA-KEKSI MYSLI **0,39€**  
**-86%**  
• Ovh 2,89€

Toimituskulut vain **3,90€/20KG**  
**KOKO SUOMEEN!**  
ILMAINEN TOIMITUS YLI 49€ TILAUKSIIN!  
(DB SCHENKERIN NOUTOPISTEILLE)

Fiksruoka.fi -verkkokaupassa kaikki tuotteet myydään 20-90% alelluksella! Toimitamme ympäri Suomea noutopisteille tai kotiinkuljetuksella. Ostatalla meiltä olet mukana vähentämässä ruokahävikkiä Suomessa, sillä tuotevalikoimamme koostuu lähiinä valmistajien, maahantuojien ja tukkureiden poistoeristä, jotka muuten olisivat vaarassa tulla poisheitetyiksi - melko fiksu!

**Suosituimmat**

48%   
-35%   
-88%   
-59%   
-50% 

Asiakkaiden kokemuksia

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# Competitive advantages

## 1. Optimized pricing and procurement

- Dynamic pricing that optimizes sales, gross profit and stock rotation. Also eliminates the risk of own waste.
- Analytics and modeling used to optimize procurement by using history data from sales and price elasticity

## 2. Optimized online marketing & customer acquisition

- High performance marketing skills: **data driven, optimized and automated**
- Extremely automated and segmented retargeting campaigns
- Entertaining marketing content, high quality creatives and emphasizing of environmental values

## 3. Rapidly scalable business model

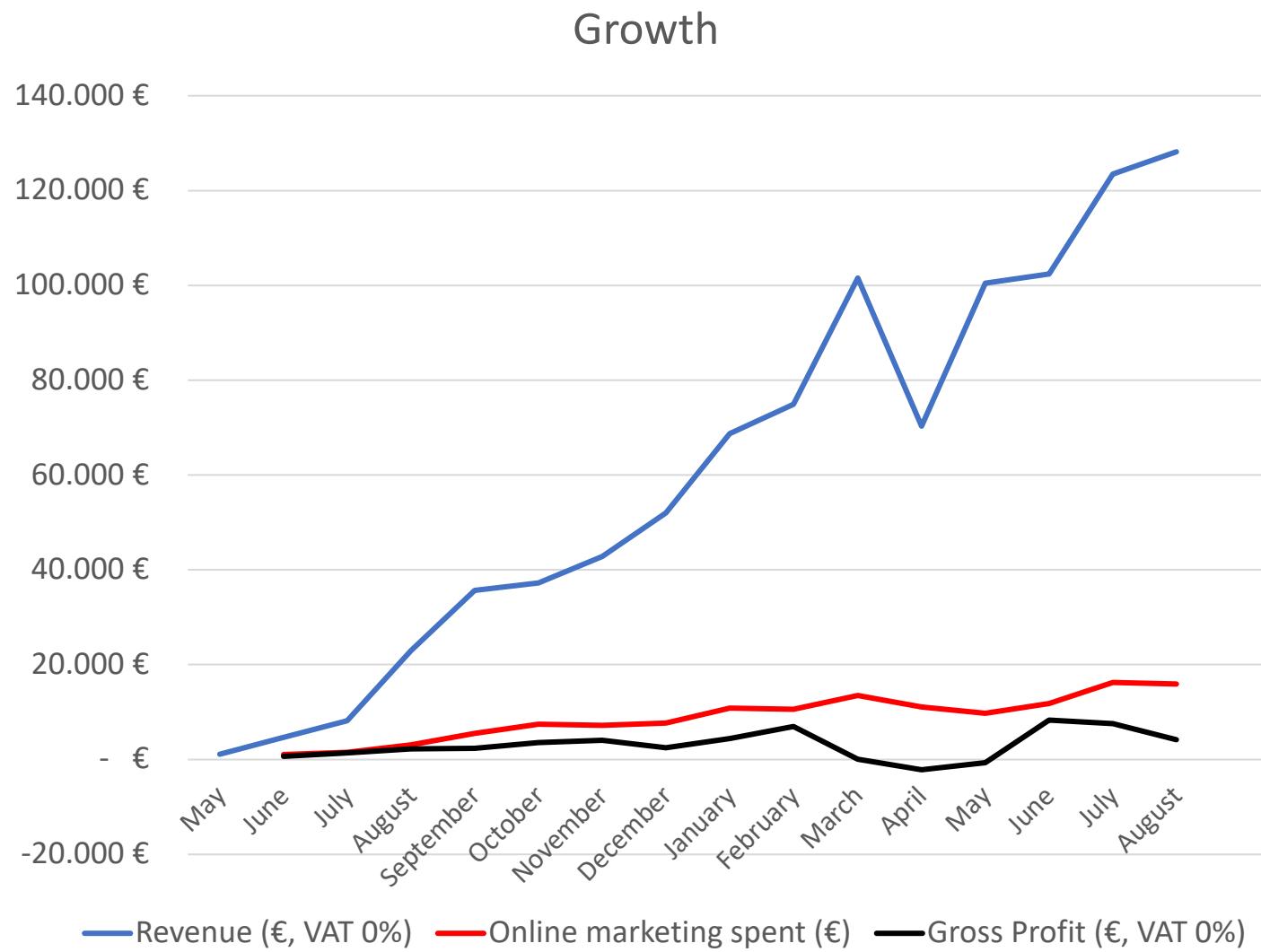
- Outsourced and scalable warehouse & logistics
- Cost effective, fast, trustable and green

## 4. Good and long term relationships with our suppliers

- We offer a service for our suppliers
- Wide supplier base and effective procurement processes ensure a good product range
- It is harder for competitors to come in between when we already have cooperation with the suppliers



# Where are we now?



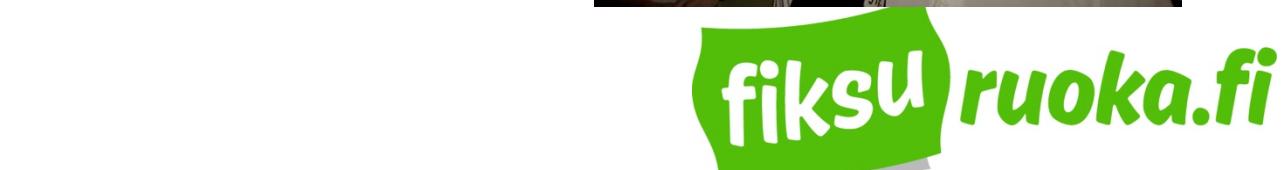
- Run rate  $\approx 1,5 \text{ M€ revenue per year}$
- Monthly revenue  $\approx 130\,000\text{€}$  (VAT 0%, August)
- $> 3500$  orders per month
- $> 13\,000$  customers
- $> 90$  suppliers
- $\approx 24\,000$  Facebook likers
- $> 50\%$  of customers returns within 90d

# Fiksuruoka.fi in the media

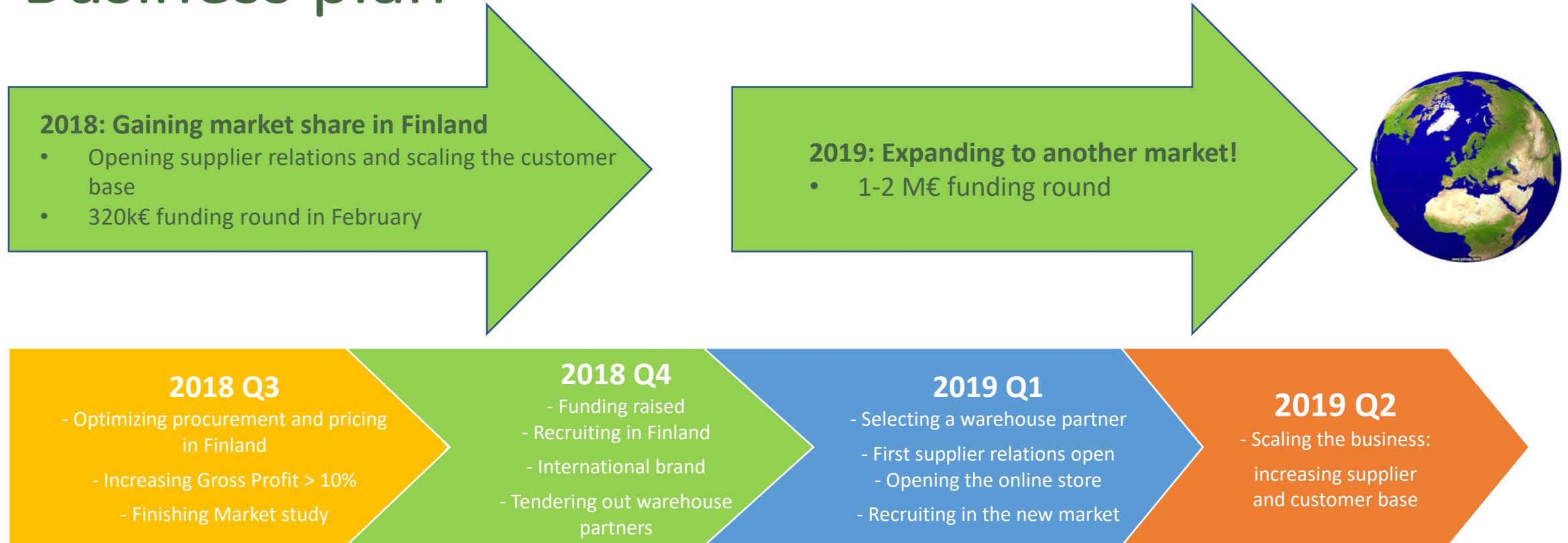
- Turkulainen 28.7.2017
- Turun Sanomat 28.7.2017
- Talouselämä 4.8.2017
- Kauppalehti 8.8.2017
- Lännen Media 9.8.2017 (Aamulehti, Kaleva, Turun Sanomat etc.)
- Svenska Yle 13.8.2017
- HBL 4.9.2017
- YLE 1 16.9.2017 (20:30)
- Iltalehti 19.9.2017
- Turun Sanomat 19.9.2017
- Kauppalehti 16.11.2017 (web)
- Iltasanomat 25.12.2017
- Huomenta Suomi (MTV3) 19.4.2018
- Lännen Media 6.9.2018 (Aamulehti, Kaleva, Turun Sanomat etc.)
- YLE Radio Suomi 10.9.2018 (radio)

The screenshot shows a news article from Kauppalehti. The headline reads "Startup-yritys iski hävikkiruuan trendiin - myy reilusti alennettua ruokaa kuin kuumille kiville". The article discusses the company's success in selling discounted food at a profit. It features two men, Richard Lindroos and Juhani Järvensivu, sitting at a table.

The screenshot shows an interview on the Talouselämä website. The headline is "De säljer mat som handeln vill slippa". It features a video interview with Richard Lindroos and Juhani Järvensivu. Below the video, there is a smaller image of the two men standing in front of a display board.



# Business plan



## Requirements for market entry:

- **Funding round 1-2 M€** -> Scaling of bigger market costs 2-3 times more than in Finland
- We will copy our business model: outsourced warehouse partner, local procurement and marketing
- Synergy mostly on online store, pricing and procurement systems and marketing platforms and campaigns
- Recruiting: local people to procurement and marketing

# Thank you!

