In a world where the lines between online, mobile and in-store shopping continue to blur, consumers have become accustomed to having a diverse array of purchasing choices at their disposal, whether at the register or with the click of a mouse or tap of a touch screen. We are so equipped with chores that it becomes challenge to possibly come up with the many hours per week it takes to plan, shop for, and execute meals that are actually good for you? In recent years, meal-subscription services have been offered up as a new solution for this outwardly unimpressive problem. How is the evolution of these meal kit impacting grocery shopping today? How will it impact the grocery store of the future? I tried to understand out which target segment are likely to buy the new fad in town.

All of these services share common features: they send you every single ingredient (down to pinches of chili flakes and one-ounce bottles of wine) that you need to make a week’s worth of delicious, home-cooked, interesting meals. Most of them pride themselves on selecting produce that’s some combination of ethically sourced, organic, GMO-free, and seasonal. We ran an analysis to figure out the buying trend for different household segments which can result in positive sales for food kit and which stick to conventional grocery shopping. We extracted data from ‘Experian’ using Alteryx and limited our research to ‘14 ‘household segments for our analysis which represented almost the population distribution. To understand the buying behavior, we chose Supermarket Demand as our target variable to understand who are contributing positively to supermarket grocery sale and vice-versa. A linear regression method after carefully selecting variables using various statistical techniques helped us identify the segments which can be potential target market segment for food delivery kit.

* We controlled for Median household income, Household count, Money spent on away food, and working population in our analysis so that it is constant for every household segments.
* We divided our 14 household segments into 8 distributions: Elite, Flourishing, Promising Families, Young City Solos, Singles and Starters, and Significant Singles
* Based on research, we identified characteristics of each segment like willingness to experiment, maximize dollar value, decision making driven by family, online shopping preference.
* These characteristics helped us distinguish each segment easily.
* Based on linear model we built to predict Super market grocery demand, there were few categories which were contributing positively and few negatively which meant those with negative contribution will have less tendency to for conventional grocery shopping.
* Further analysis helped us to understand that there is definitive pattern in terms of characteristics listed in both negative segments and positive segments
* Considering the cumulative effect of all the factors we could classify the household segments into going for traditional grocery shopping or trying out Restaurants or Delivery kit. services
* There were few exceptions like People Wired for success, shared the same characteristics as with household which contributed negatively.
* It provides great opportunity for Delivery Kit to focus on this category and tap on them without much effort.
* Family driven decision making turned out to be biggest factor in deciding to take risk and experiment. Household for which family is focal point stuck to traditional way of shopping and cooking at home.

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| **Mosaic Variable** | **Model contribution** | **Willingness to experiment** | **Maximize $ Value** | **Decision Making Driven by Family** |
| A03 Kids and Cabernet | Negative | Yes | Yes | No |
| B10 Cosmopolitan Achievers | Negative | Yes | Yes | No |
| F22 Fast Track Couples | Negative | Yes | Yes | No |
| G25 Urban Edge | Negative | Yes | Yes | No |
| O51 Digital Dependents | Negative | Yes | Yes | No |
| O53 Colleges and Cafes Going | Negative | Yes | Yes | No |
| O54 Striving Single Scene | Negative | Yes | Yes | No |
| A04 Picture Perfect Families | Positive | No | No | Yes |
| B07 Generational Soup | Positive | No | Yes | Yes |
| F23 Families Matter Most | Positive | No | Yes | Yes |
| G24 Status Seeking Singles | Positive | No | No | Yes |
| K37 Wired for Success | Positive | Yes | Yes | No |