HomeChef

Indulge in the flavour of home

By Zomato

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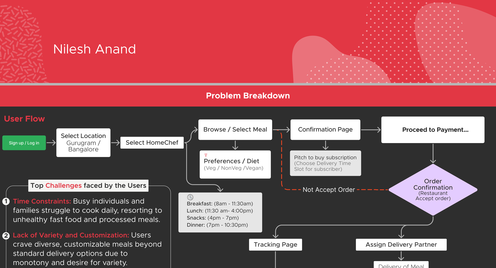
Problem Breakdown

User Flow



Top Challenges faced by the Users

1. **Time Constraints**: Busy individuals and families struggle to cook daily, resorting to unhealthy fast food and processed meals.
2. **Lack of Variety and Customization**: Users crave diverse, customizable meals beyond standard delivery options due to monotony and desire for variety.
3. **Quality and Trust Concerns**: Building trust and ensuring consistent, hygienic, and high-quality meals from unfamiliar home chefs is essential for users' confidence.
4. **Delivery Convenience**: Customers anticipate prompt and fresh meal delivery to their chosen spot, fitting their preferred lunch or dinner schedule.

Product Outcome to increase ordering home-cooked meals on the Zomato app

Zomato's Home Cooked Meals initiative aims to boost regular orders through the app, driving higher adoption, daily active users, and retention for the service.

Validating the Problem Identified

Who are the customers facing this problem?

Busy young (tech-savvy) users (20-26 yrs), including working professionals and families, seek convenient and reliable meal options that prioritize health and home-cooked goodness due to time constraints in cooking.



Ahaana Kapoor, 22yrs
Marketing Manager
Gurgaon, India

"Ahaana enjoys occasional dining out but prefers healthy, home-cooked vegetarian and vegan meals aligned with her dietary preferences"

Needs & Goals

1. **Convenience** : Hassle-free meal solution for time-saving.
2. **Health & Nutrition** : Balanced diet, freshly prepared, wholesome ingredients.
3. **Reliable Quality** : Meals from verified home chefs, focus on quality and hygiene.
4. **Flexible Subscription** : Choose lunch or dinner deliveries based on schedule.

Pain Points

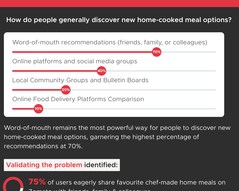
1. **Lack of Time** : Her busy schedule leaves her with little time and energy for cooking at home.
2. **Limited Healthy Options** : Regular food delivery platforms lack sufficient healthy meal choices for her.
3. **Uncertainty in Quality** : She doubts the consistency and authenticity of meals from unfamiliar sources.

What is the true problem?

"Difficulty in Accessing Convenient and Reliable Daily Home-Cooked Meals"

The true problem is the lack of convenient and reliable options for daily home-cooked meals for busy individuals and families. People struggle to find time to cook meals at home, leading to unhealthy eating habits and reliance on fast food. There is a need for a service that provides trustworthy & customizable home-cooked meals delivered to the customer's chosen location.

How do people generally discover new home-cooked meal options?



Word-of-mouth remains the most powerful way for people to discover new home-cooked meal options, garnering the highest percentage of recommendations at 70%.

Validating the problem identified:

- **75%** of users eagerly share favourite chef-made home meals on Zomato with friends, family & colleagues.
- **50%** of Zomato users trust verified home chefs' recommendations to discover delicious home-cooked meals.
- **100%** of potential customers seek convenient, reliable daily home-cooked meals because they are hard to find.

Value generated by solving the problem?

Value For Users

- A convenient, time-saving solution for daily meals.
- Access to a variety of healthy and customizable menu options.
- Assurance of quality and hygiene through verified home chefs.
- Reliable and hot meal delivery to their chosen location

Value For Business

1. **Unlocking Growth** : Tapping into a New Market Segment to Expand Customer Base
2. **Beyond Restaurants** : Diversifying Services for Enhanced Delivery Solutions
3. **Driving Revenue Growth** : Embracing Subscription-Based Models for Sustainable Income.
4. **Empowering Local Collaboration** : Leveraging Partnerships with Home Chefs and Food Suppliers.

Why solve this now ?

1. **Promising Opportunity** : **"It succinctly captures the essence of the opportunity and target market"** Ideal timing to solve the demand for healthy, home-cooked meals among working professionals and health-conscious individuals, with a **20% growth rate** . The market potential for an MVP (Minimum Viable Product) in this area is valued at **₹1,500 crores**, driven by a **15% population growth** in economic hubs like Gurgaon and Bangalore. **Launching an MVP now allows us to assess the actual demand and potential scalability.** Source
2. **Driving Success Through User-Centric Feedback** : **"Leveraging Insights for Continuous Improvement"** User feedback is vital for our MVP launch. Through in-app surveys, ratings, and customer support, we gather insights to enhance the user experience continuously. Targeting **1,000 users'** feedback within the first month to drive data-driven improvements. Source
3. **Zomato Home Cooked Meals** : **"Capitalizing on India's Young Tech-Savvy Population and Urban Migration Boom"** The demographic insight that **65% of India's population is below the age of 30** highlights a significant and tech-savvy audience, making it advantageous for Zomato Home Cooked Meals to target this segment. With younger demographics more likely to embrace digital platforms and mobile apps, the initiative stands to attract a large user base. Additionally, the rapid population growth driven by migration in Gurgaon and Bangalore presents a prime opportunity for Zomato Home Cooked Meals to meet the rising demand for convenient and healthy meals in these bustling urban centers. Launching the MVP now allows them to capitalise on the expanding market and secure a substantial market share in this burgeoning sector. Source

Ideating Possible Solutions

Possible Solutions

These three solutions represent the most viable, impactful, and aligned with the needs of the target audience for Zomato Home Cooked Meals

Curated Meal Plans	Customization Options	Smart Scheduling
1. **Diverse meal plans based on dietary preferences.** 2. **Vegetarian, vegan, low-calorie, keto, etc. options available.** 3. **Convenient for busy users, save meal-planning time.** 4. **High-quality ingredients, catering to health & taste preferences.**	1. **Veg, non-veg, vegan options; customize ingredients, spice levels.** 2. **Address allergies; offer personalized dining experience.** 3. **Empower users with flexible choices; boost satisfaction, loyalty.** 4. **Precisely tailored meals for individual tastes; enhance satisfaction.**	1. **Data analytics for optimal delivery based on preferences.** 2. **Offer ideal delivery time slots for convenience.** 3. **Streamline ordering process, ensure timely deliveries.** 4. **Accommodate busy users, increase customer retention, loyalty.**

Prioritization

The solution with the highest priority score will be highlighted for emphasis in the following table.

Parameters → / Solution ↓	Reach (1-10) (How many people will can benefit from this solution)	Impact (1-10) (Expected impact on user experience and business outcomes)	Confidence (1-10) (Confidence in the success of the solution)	Effort (1-10) (Resources and person-hours required for implementation)	RICE Score (Reach * Impact * Confidence / Effort)	Priority Score (Reach + Impact + Confidence - Effort)
Curated Meal Plans ✅	9	9	8	6	108	32
Customization Options	8	8	7	7	64	30
Smart Scheduling	7	8	6	6	56	27

It is evident that the solution "Curated Meal Plans" offers the most significant reach, impact, and confidence level, while only requiring a moderate amount of implementation effort.

Detailed Solution - Second Order Thinking

Home-cooked meal delivery analysis.

1. **Market Size Estimate**: **₹4.05 billion** potential market size in Gurgaon and Bangalore.
2. **Price Calculation**: **₹149 per meal**, balancing affordability and **20% profit margin.**
3. **Affordable & Profitable**: ₹149 is both affordable and profitable.
4. **Competitive Price**: Comparable to competitors in the market.
5. **Variability in Meal Price**: ₹149 average price, subject to ingredient variations.
6. **Optimal Price**: ₹149 best choice for home-cooked meal delivery service.

Factor	Value	Impact on Price
Cost of Ingredients	₹ 50	Same for all prices
Cost of Cooking	₹ 25	Same for all prices
Cost of Packaging & Delivery	₹ 25	Same for all prices

Market size estimate for home-cooked meal delivery services in Gurgaon and Bangalore, with an average meal value of ₹149.

Gurgaon:
Population: 10.5 million
Working professionals: 3 million
Age group: 22-45 years old
College group: 18-22 years old
Families: 4 million
Age group: 25-65 years old
Average household income: ₹ 50,000 / month
Average meal cost: ₹ 149 / meal
Potential market size: ₹ 1.8 billion / year

Bangalore:
Population: 12.5 million
Working professionals: 3.5 million
Age group: 22-45 years old
College group: 18-22 years old
Families: 5 million
Age group: 25-65 years old
Average household income: ₹ 100,000 / month
Average meal cost: ₹ 149 per meal
Potential market size: ₹ 2.25 billion per year

Pricing and Revenue Model

Total possible market size: **₹ 4.05 billion per year**

Profit Margin

Factor	Value	Impact on Price
₹ 100	₹ 100	Same for all prices
₹ 150 ✅	₹ 100 (profit margin: 50%) ✅	Profitable & Affordable ✅
₹ 200	₹ 150 (profit margin:33.33%)	Same for all prices
₹ 300	₹ 225 (profit margin: 25%)	Same for all prices

Conclusion

A home-cooked meal delivery service costs **₹149**. It is affordable, profitable, and competitive. The prices of **₹100** and **₹200** are also profitable, but not as **affordable as ₹149.**

The price of ₹300 is not affordable and it would be difficult to compete with other home-cooked meal delivery services that offer meals at a lower price.

Detailed Solution - Wireframing

Goals & Success Metrics

North Star Metric: Average number of orders per week

	Type	Metric	Description	Rationale
Is it easy to understand my product ?	Awareness	% of users who clicked on home-cooked food option	Measures user interest and awareness	Higher click-through rate indicates strong interest in the initiative
Is my product effectively converting awareness into action?	Conversion	Average order value	Calculates revenue per order	Helps identify spending behaviour and pricing effectiveness
Is product's retention strategy encouraging repeat business effectively?	Conversion	Average number of orders in a week	Perfects customer engagement frequency	Higher orders indicate satisfied and loyal customers
	Retention	% of users who order more than 1 home-cooked meal in a week	Measures subscriber loyalty	Strong retention leads to consistent revenue
Is the product generating revenue effectively?	Revenue	Gross revenue	Total revenue before expenses	Indicates overall revenue impact of the initiative
	Revenue	Net revenue	Revenue after deducting costs	Revenue after deducting costs
	Revenue	Gross margin	Difference between revenue and COGS (cost of goods sold)	Highlights cost-effectiveness and business efficiency
Is the product ensuring customer satisfaction effectively?	Satisfaction	User CSAT (Customer Satisfaction Score)	Measures customer satisfaction	High CSAT leads to positive word-of-mouth and retention

Pitfalls and Mitigation

Why your solution might fail ?

Pitfalls	Mitigation
Inconsistent quality and reliability of home chefs	Existing competition from other providers
Difficulties in maintaining delivery time slots	Verified home chefs, personalized recommendations, and curated menus.
Existing competition from other providers	Optimum routing algorithms and real-time tracking systems.
Supply Demand Imbalance	Optimize meal supply, minimize waste through data analytics.
Competition	(USP) Verified chefs, personalized meals, curated menus - Zomato's advantage.
Food Safety Concerns	Stringent food safety for customer satisfaction.

Future scope

"Expanding the Horizon: Zomato's Home Cooked Meals Initiative Evolution"
In the future, Zomato's Home Cooked Meals initiative can expand to more regions. It can offer a wider variety of meal options, and enhance the user experience by providing personalized recommendations and customization features. This can include partnerships with nutritionists and dieticians, as well as incorporating customer feedback to continuously improve meal quality and variety.

Next Versions (if MVP Succeeds)

1. Expand coverage to more regions in Gurgaon and Bangalore.
2. Introduce breakfast and snacks for diverse consumption needs.
3. Enhance UX with personalized recommendations and customization.
4. Partner with nutritionists for tailored meal plans.
5. Integrate customer feedback for continuous improvement.

Risk Analysis

1. Risk of customer dissatisfaction and subscription cancellations
2. Difficulty in attracting and retaining customers in a competitive market
3. Challenging to maintain a steady customer base
4. Negative reviews or incidents going viral on social media

Open Questions

- How frequently do you explore non-traditional restaurant deliveries and what would entice you to try a home-cooked meal subscription service?
- A standout home-cooked meal subscription would offer convenience, flexibility, and specific features to enhance meal delivery.
- Common challenges in food delivery: pain points, and how a home-cooked meal delivery service can solve them.

Gratitude to Zomato Letter
Nilesh Anand