



TV 18



LIME.7

SEASON

CASE STUDY
IIM-C • FOOD • TINYOWL

TINYOWL CASE STUDY



WILL TIER2 CITIES SHOW THE SAME EUPHORIC RESPONSE TO FOOD RELATED E-COMMERCE AS THEY HAVE SHOWN TO OTHER CATEGORIES?

INDUSTRY BACKGROUND:

The e-commerce category has surprised consumers and marketers alike. While the initial growth was driven by the metros, the tier 1 & 2 cities have not only caught up with their metro peers but in most cases overtaken them in their consumption of e-comm products.

Leading e-tailers like Amazon, E-bay, Snapdeal see over 50% order contribution coming from tier 1 & 2 cities. By 2016, it is estimated that 50mn new consumers will emerge from tier 1 & 2 cities. This is driven by multiple factors:

- Increase in smartphone penetration. 50% of shopping queries online were coming from mobiles up from 24%, 2 years back
- Improvement in high speed mobile internet penetration
- Advent of apps that make browsing on mobile user friendly
- Growing confidence in online payment modes
- Strategically discounted pricing that creates euphoria and also brings several brands within accessible price points
- High disposable income in these towns has always been a plus which also played a role in making this phenomenon bigger
- The women from these markets are gaining the share of spends on e-commerce

THE QUESTION:

Will 'Food Ordering' category within e-comm. experience the same response from tier 2 & 3 towns?

FACTORS TO KEEP IN MIND:

Primary factors that worked for non-food e-commerce businesses

- Access to brands not available in small towns
- Not enough variety available within a brand locally - access to city like styles
- Discounts
- Convenience

Reality of factors that worked for e-comm in case of food ordering e-comm

- No new brands or cuisines will be introduced. Restaurants currently in city will be made available through the app
- Has the potential to make people more disposed to trying new restaurants within their locality
- Discounts will exist but cannot be a daily business lever given that the frequency of consumption here is higher than the other e-comm players and the average transaction size (ATS) is much lower
- Convenience will be one factor that will be constant

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THE OBJECTIVE:

Business Objective:

We want the tier 1 & 2 cities to contribute 30000 daily orders within 90 days of launch

The cities to be considered are:

- Ahmedabad
- Jaipur
- Chandigarh
- Lucknow
- Nagpur

Pick one city of your choice

THE PROJECT:

While evaluating the markets in consideration and presenting a marketing plan to ensure the said targets are achieved. Your plan would consider the below said insights to arrive at the marketing objective of number of orders:

- Which of the untapped triggers would be used for popularizing the food ordering app segment? What is the ATS one should expect from these markets?
- What is the relevance of food ordering app in the lives of consumers in these markets to ensure consistent orders of minimum frequency of twice a month?
- What is the communication & media strategy that needs to be adopted to seamlessly engage the customer leading to trial and adoption?
- Optional: You could include any recommendation you have for restaurant engagement or management that would help deliver the business objective

EXPECTED OUTPUT:

- Based on your recommended plan, what is the volume growth trajectory you project, to hit the target of 30000 orders per day, within 90 days
- Specific action points with a date plan to ensure delivery of these targets

TARGET AUDIENCE:

Primary TG:

- 18-25 year old, smart phone users
- DINKs / DISKs
- Time constrained

Secondary TG:

- 25-35 year old, smart phone users
- DISKs / DIDKs
- Time constrained
- Largely nuclear families / bonded with larger family nonetheless

TOOLS YOU COULD USE:

Feel free to use primary or secondary research to gain insights about the food ordering market and consumers in each of these markets.

As a business, we believe in data and emotions. Hence, quantitative and qualitative researches working in tandem will help build your case on real insights. We like to hear it from the consumers and so their verbatim would be good to hear.

TINYOWL CASE STUDY



ABOUT THE BRAND & FEATURES:

TinyOwl is a young brand primarily targeted at the young Indian. It is aspirational and minimalistic. We speak only as much as is required but that does not make us boring. We just like to talk sense and not speak for the heck of it.

Our tone of voice is intelligent, sharp and smart.

We believe in delivering value more than discount.

Tinyowl features are distinct. Among many, we tell our customers:

- You can choose food by dishes you are looking for or by restaurant
- Which of the restaurants deliver food on time
- Which of them deliver on time what %age of their commitment
- The Minimum Delivery Amount for each restaurant
- The rating by other customers for that restaurant
- In-app Banners that highlight specific promos to choose from
- TinyOwl money - a credit point system that allows you to reap benefits for keeping on ordering with us
- Ability to order from any place for your loved ones in any other city where we are present (to be launched shortly)

WHAT TICKLES MY TG?:

- Referral programmes
- Engagement activities - online predominantly
- Perceived Value Additions to celebrate occasions
- Good CSR in odd situations as well