



Foundations of Software Management

Business Prognosis

Team Napa
(Huijuan, Keerthana, Kun-Lin, Neha)

Agenda

Background

Go-To-Market-Strategy

Competitive Landscape

Forecast

Business Criteria

Recommendations

Forecast +

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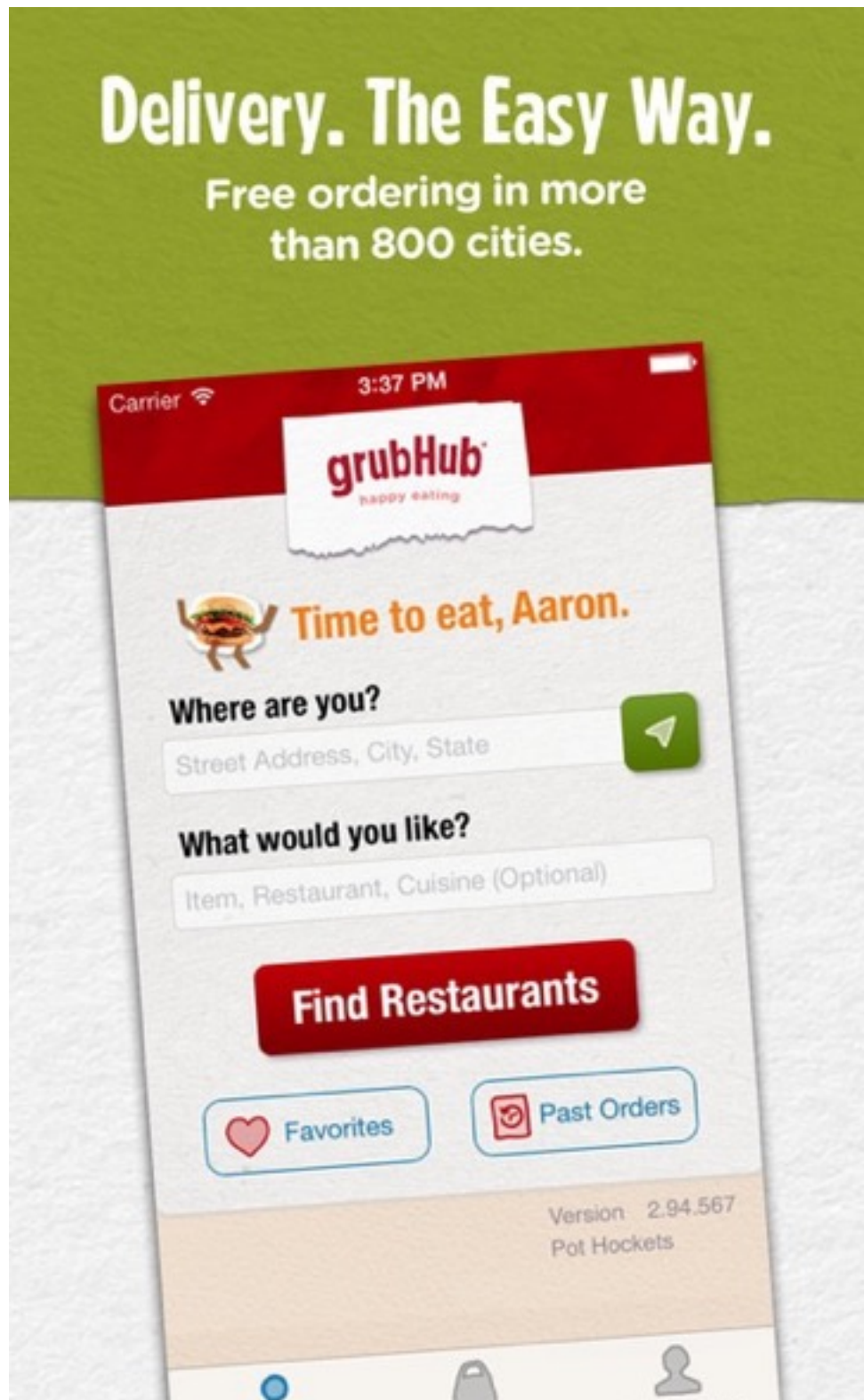
Recommendations

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An online and mobile food ordering company



Background



Key Facts About GrubHub

What

An online and mobile food ordering company

Who

Matt Maloney and Mike Evans

When & Where

Chicago, 2004

Why

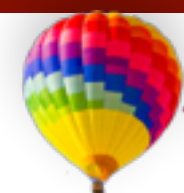
Ordering food shouldn't be harder than eating it

How

Charge restaurants a fee on each order and ranking order

Now

35000
900
Seamless



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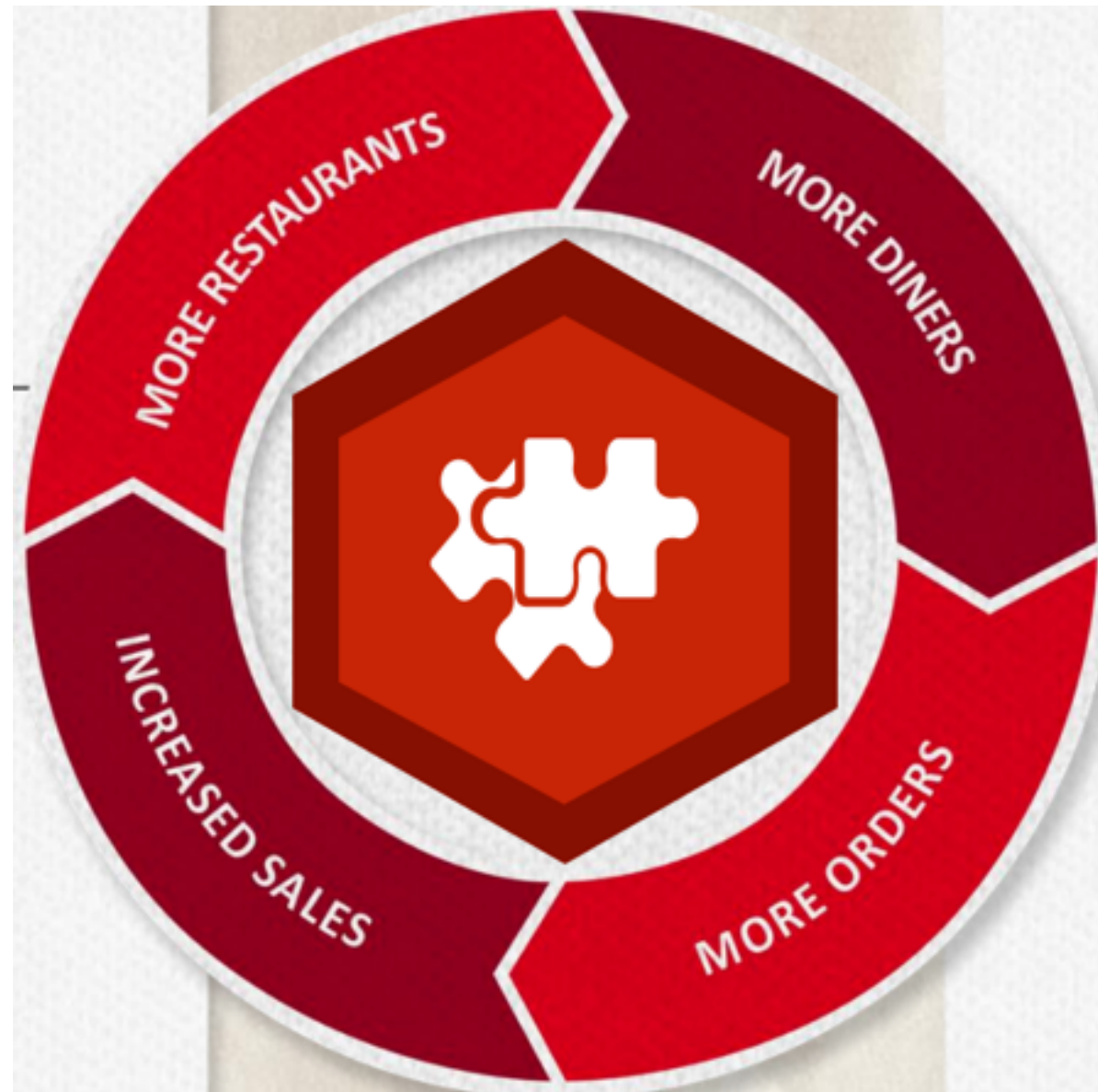
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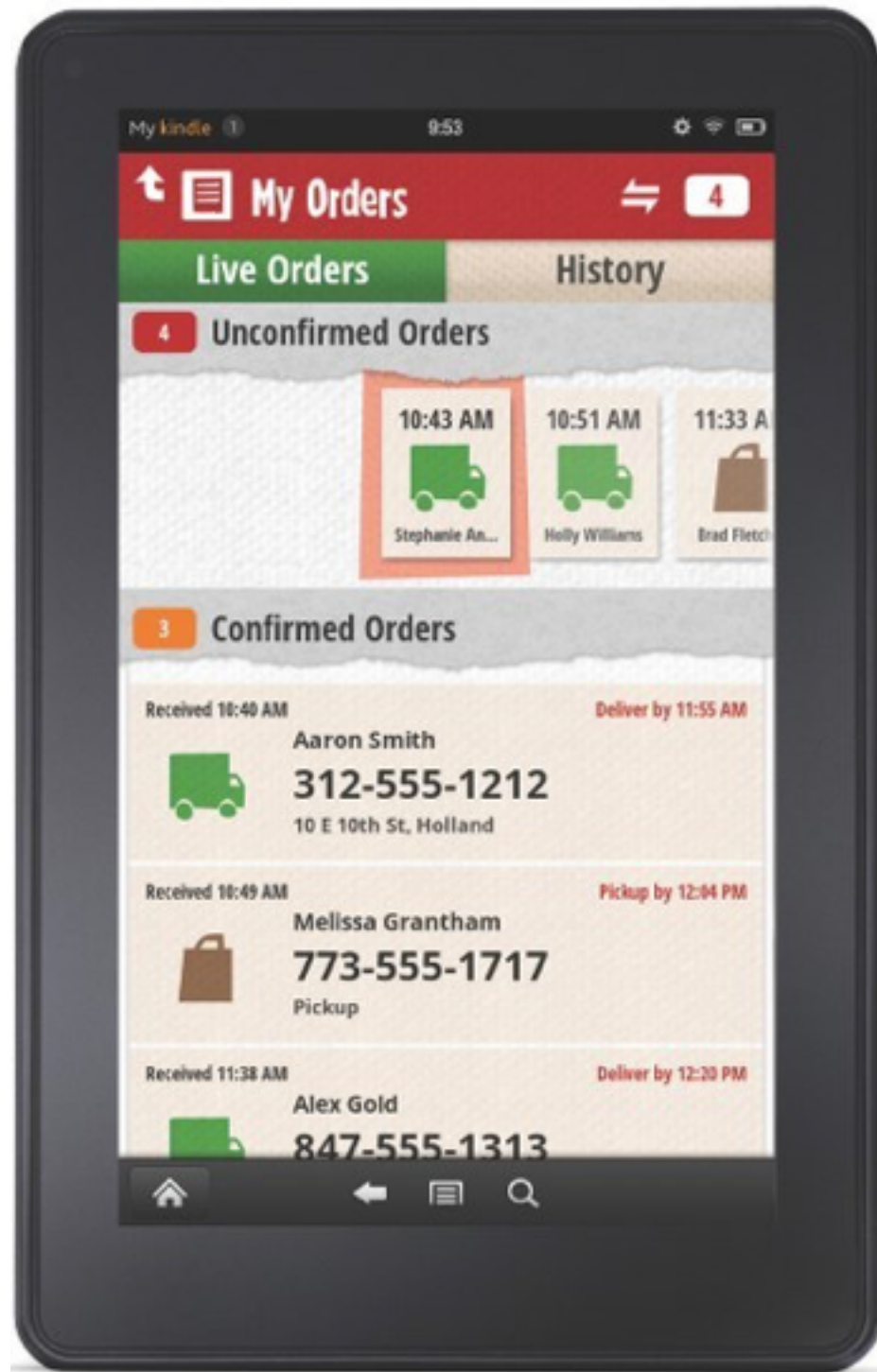
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Two Sided Growth Strategy



Go-To-Market-Strategy



Restaurant Owners

- Sales team
- Provide tablet PCs
(with OrderHub, DeliveryHub)
- Marketing Literature
- Companies Acquisition
- Expansion

No delivery
service



Offer delivery for
small fee



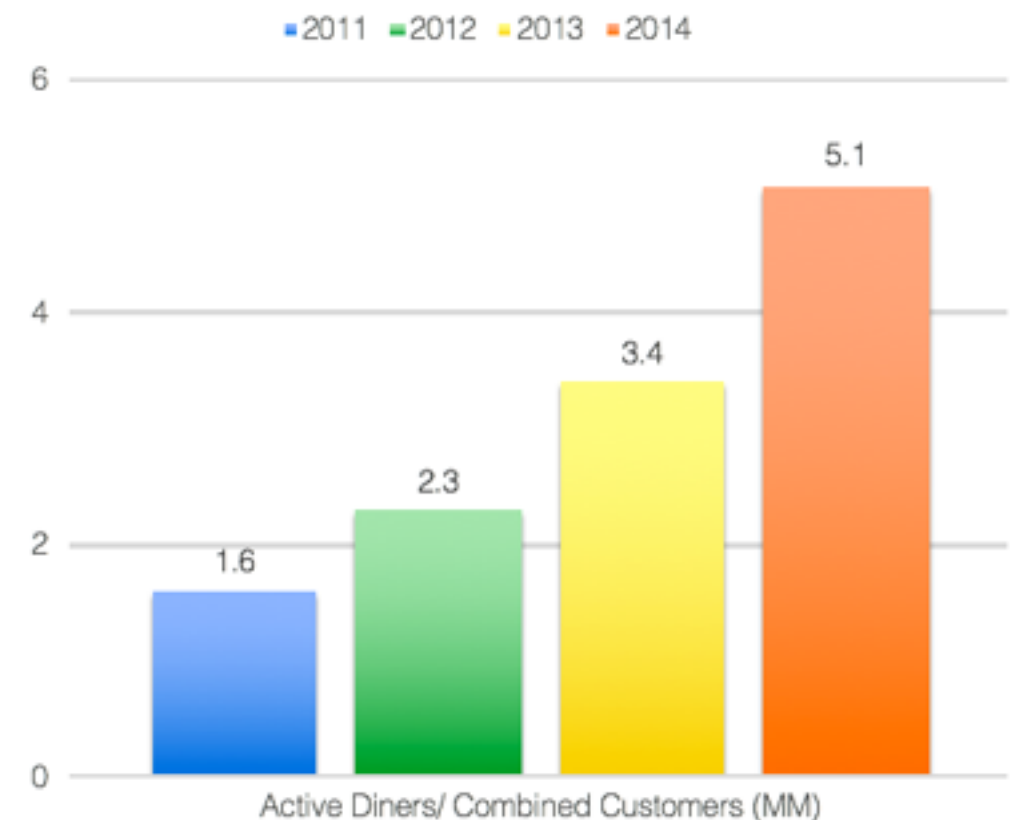
Go-To-Market-Strategy

Diners

Marketing- Advertisements

1. Digital Marketing
2. Outdoor Advertisements
(posters, fridge magnets,
public transport)
3. Coupons & flyers
4. TV commercial ads after 6pm

Company Acquisition



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Competitive Landscape



Competitive Landscape

- Eat24



1. New York Pizza


★ ★ ★ ★ ★
214 reviews
100 Notes

Pizza, Sandwiches

[View Menu](#)

Delivery Min: \$15 Free Delivery! Distance: 3.20 miles

[What's Good](#)
[Yelp Reviews](#)
[Information](#)
[Coupons \(7\)](#)



2. Pizz'a Chicago

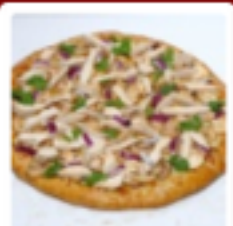
★ ★ ★ ★ ★
549 reviews
9 Notes

Pizza, Sandwiches, Gluten Free, Pasta

[View Menu](#)

Delivery Min: \$15 Delivery Fee: \$2 Distance: 1.85 miles

[What's Good](#)
[Yelp Reviews](#)
[Information](#)
[Coupons \(0\)](#)



3. Via Mia Pizza

★ ★ ★ ★ ★
130 reviews
18 Notes


Pizza

[View Menu](#)

Delivery Min: \$20 Delivery Fee: \$3 Distance: 2.33 miles

[What's Good](#)
[Yelp Reviews](#)
[Information](#)
[Coupons \(10\)](#)

[Open Now](#)




Pizza Pub

Indian, Pizza

New
\$\$\$\$
Not Enough Ratings
\$10 Min

Matches:

[Vegetarian Pizza](#)
[Margherita Pizza](#)
[Hawallan Pizza](#)




Round Table Pizza

Pizza, Sandwiches

New
\$\$\$\$
Not Enough Ratings
\$10 Min

Matches:

[BBQ Chicken Pizza](#)
[Gourmet Veggie Pizza](#)
[Hawallan Pizza](#)



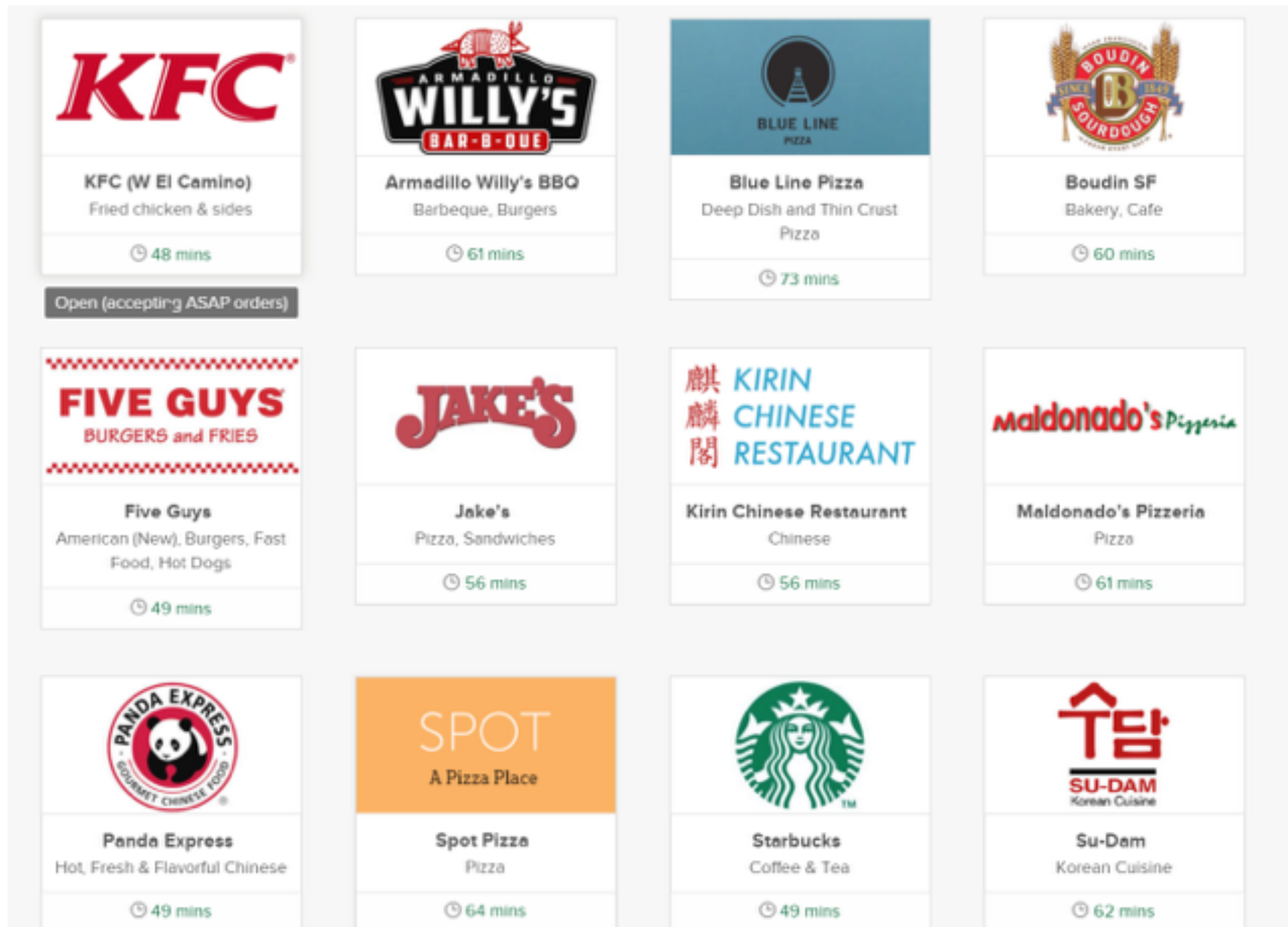
Round Table Pizza

Pizza, Sandwiches

New
\$\$\$\$
Not Enough Ratings
\$10 Min

Competitive Landscape

- DoorDash



Competitive Landscape

- Caviar



Mandu (Potstickers)

Dumplings filled with minced pork and vegetables served with season soy sauce. Choose between steamed or fried.

8.00



Pajeon (Korean Pancake)

Savory pancake with vegetables in light batter. Choose from Vegetarian, Kimchi or Seafood. VT

14.00



Duhc Mandooguk (Rice Cake Soup)

Hand-made dumplings with rice cake in mild short rib soup. Comes with rice & a set of side dishes.

14.00



Mandooguk (Dumpling Soup)

Hand-made dumplings in mild short rib soup. Comes with rice & a set of side dishes.

14.00



Kimchi Chigae (Kimchi Soup)

Kimchi stew with tofu and pork belly. Comes with rice & a set of side dishes.

14.00



Yukgaegjang (Spicy Beef Soup)

Spicy beef soup with vegetables and egg. Comes with rice & a set of side dishes.

14.00



Galbee Tang (Short Rib Soup)

Rich prime short rib soup. Comes with rice & a set of side dishes.

14.00



Daen Jang Chigae (Soybean Soup)

Bean paste stew with clams, tofu, mushrooms, zucchini, white onions, and green onions. Comes with rice & a set of

Competitive Landscape

- Munchery

<p>SERVES TWO</p>	<p>SERVES TWO</p>	<p>SERVES TWO</p>
<p>Truffled Steak & Garlic Potatoes Munchery Chefs Nut-free Egg-free</p>	<p>DOSA's Vegetable Curry DOSA Vegetarian</p>	<p>Piperade's Parisian Gnocchi Piperade Nut-free</p>
<p>\$24.⁹⁵ </p>	<p>\$20.⁹⁵ </p>	<p>\$21.⁹⁵ </p>

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Forecast

Diners can switch to competitors easily.

Restaurants can do that too.

The list of potential competitors is long.

The advantage they have is temporary.



Forecast

Number of competitors

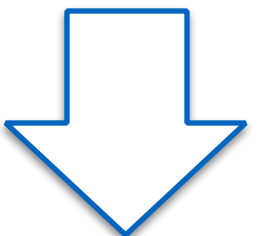
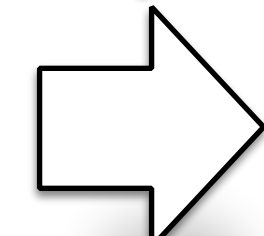
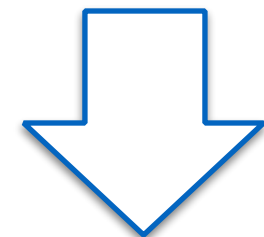
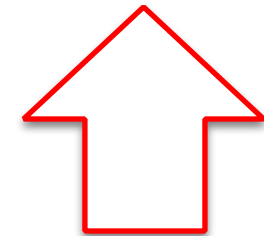
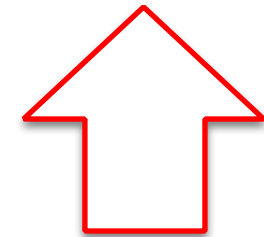
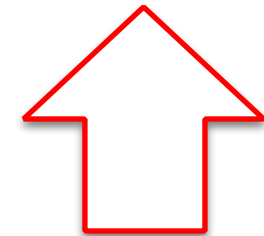
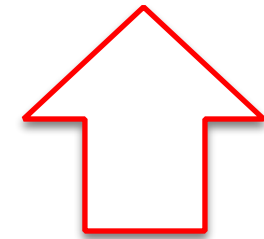
Size of market

Customer Expectation

Cost to acquire/keep customer

Commission charged

Grubhub's revenue

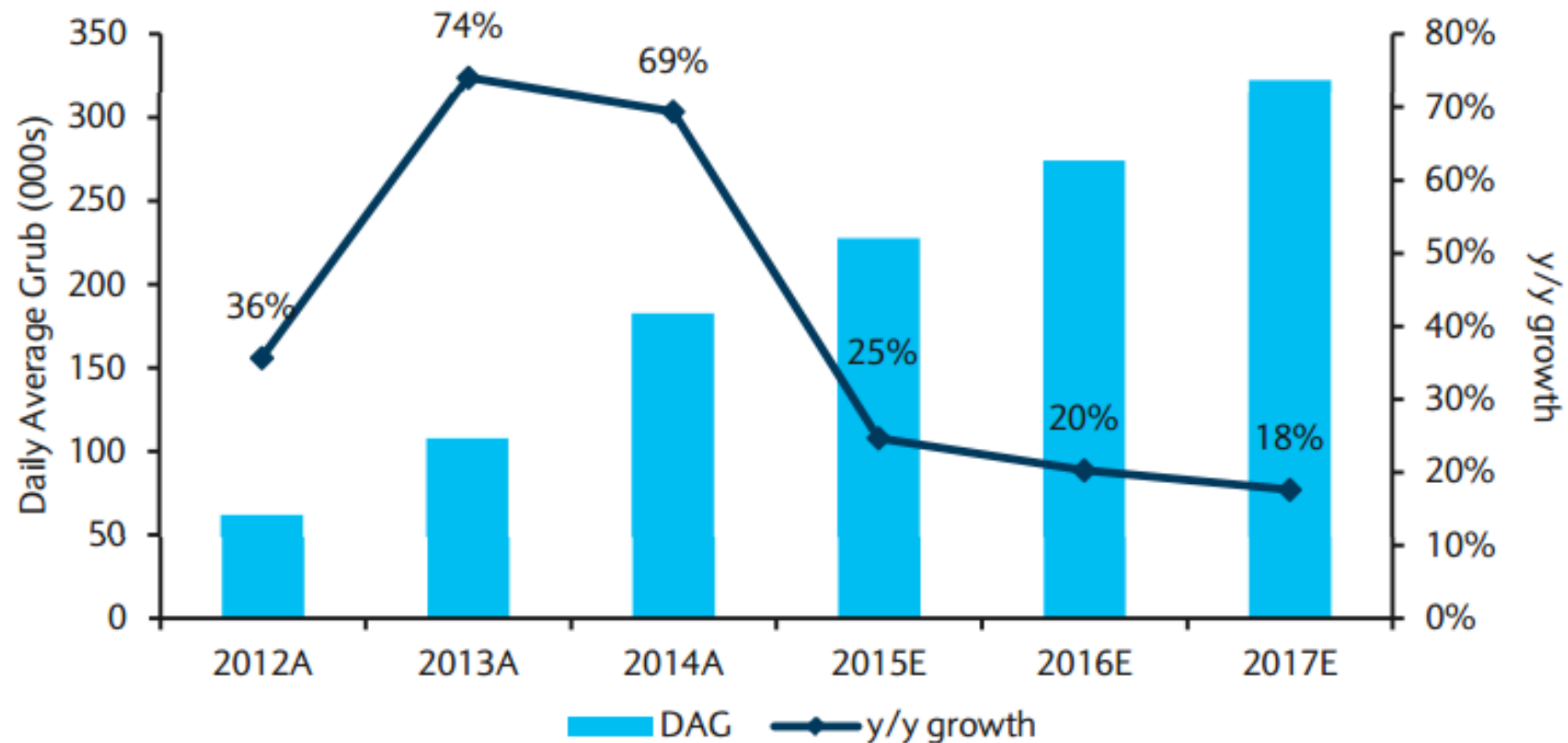


Team NAPA

Forecast

FIGURE 1

Daily Average Grub (DAG) growth (2012A-2017E)



Source: Company Documents, Barclays Research

<http://www.valuwalk.com/2015/08/grubhub-downgraded-for-competition/>

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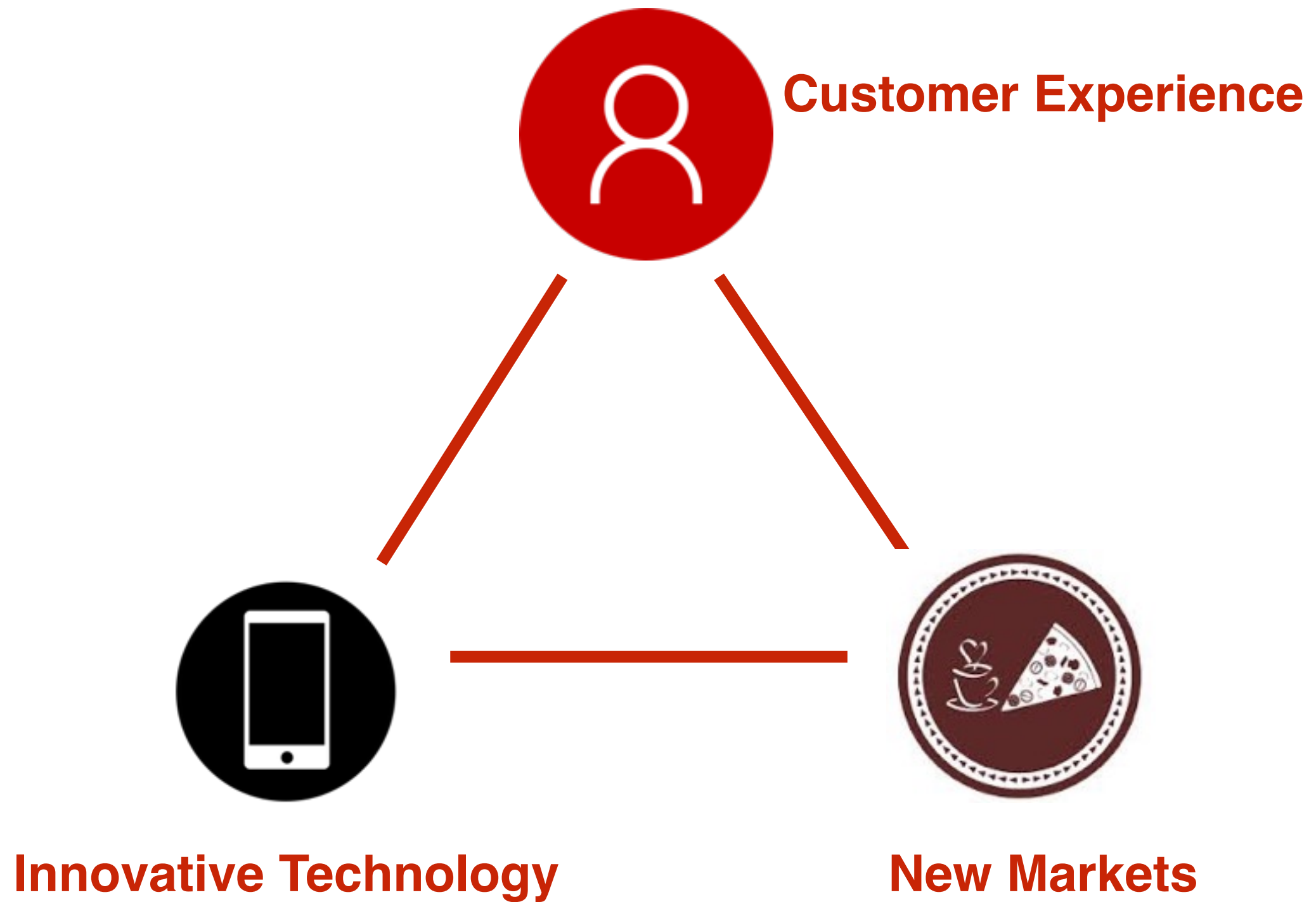
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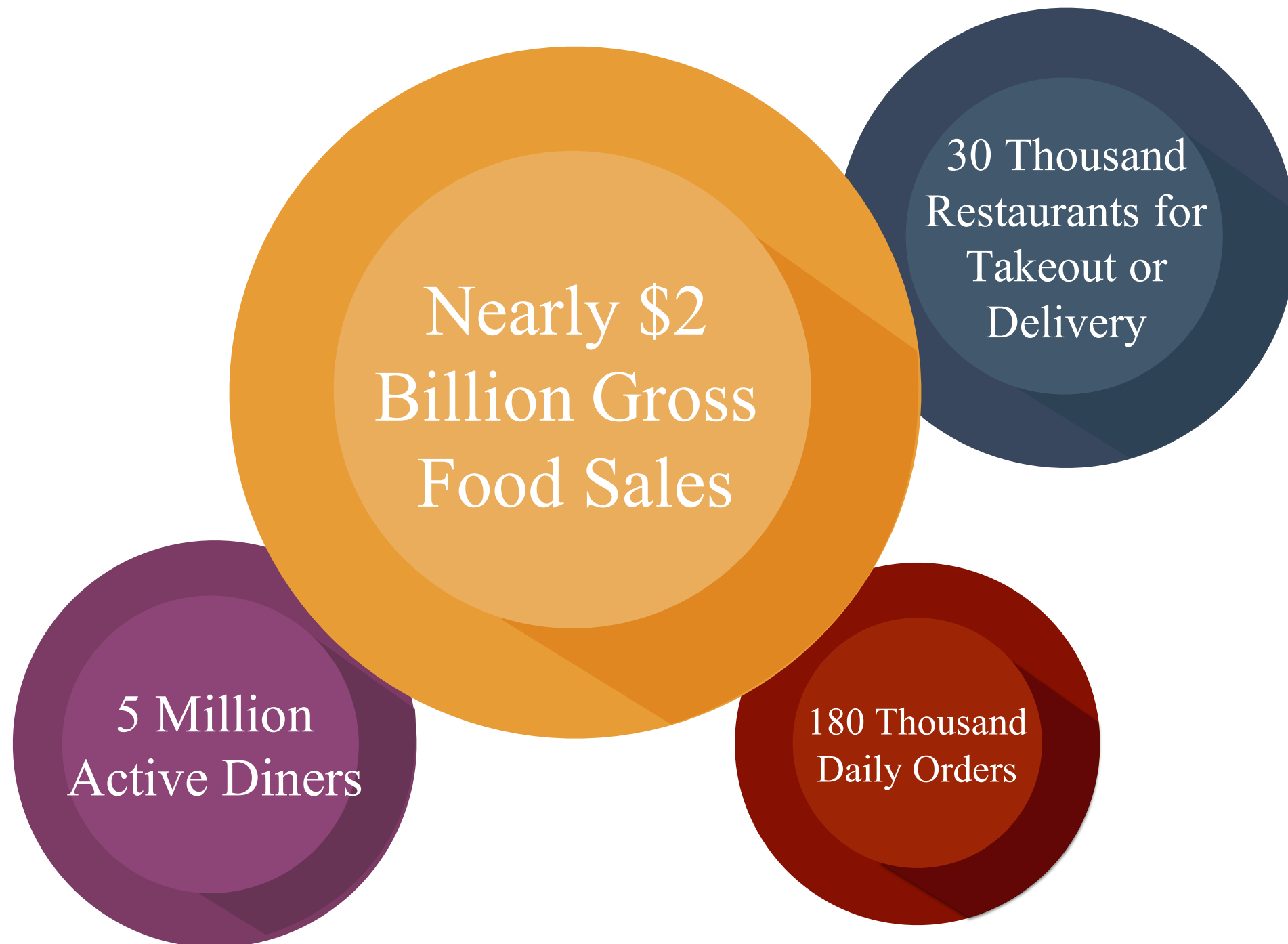
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Strengths



Weakness

Low Customer Switching cost

Ease of Substitution

High threat from Competition

No 'Wow factor' in product experience

Late entry into Delivery Market

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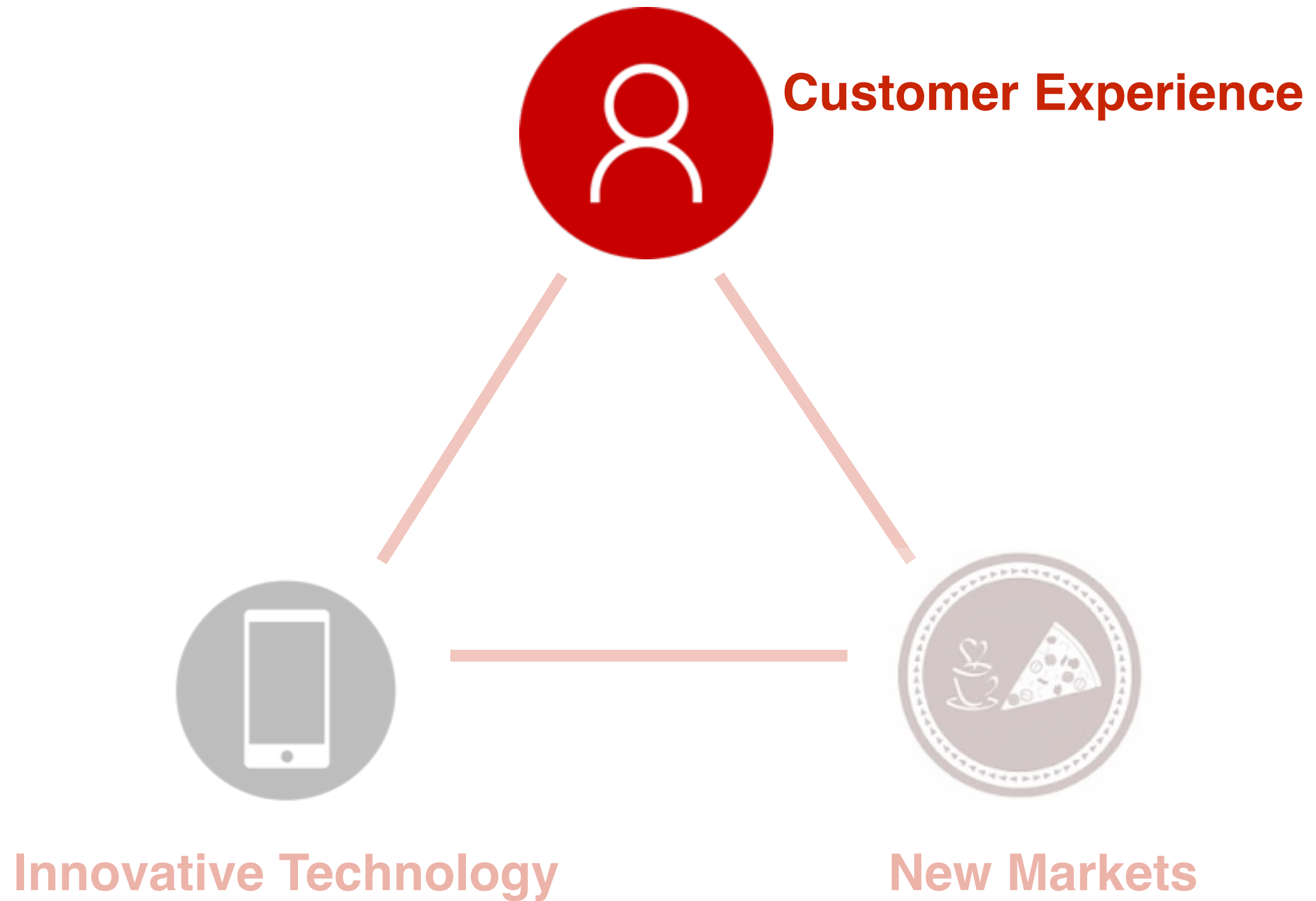
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Business Criteria



Customer Experience

Picture Menus



Improve Customer Engagement through high quality pictures for each item

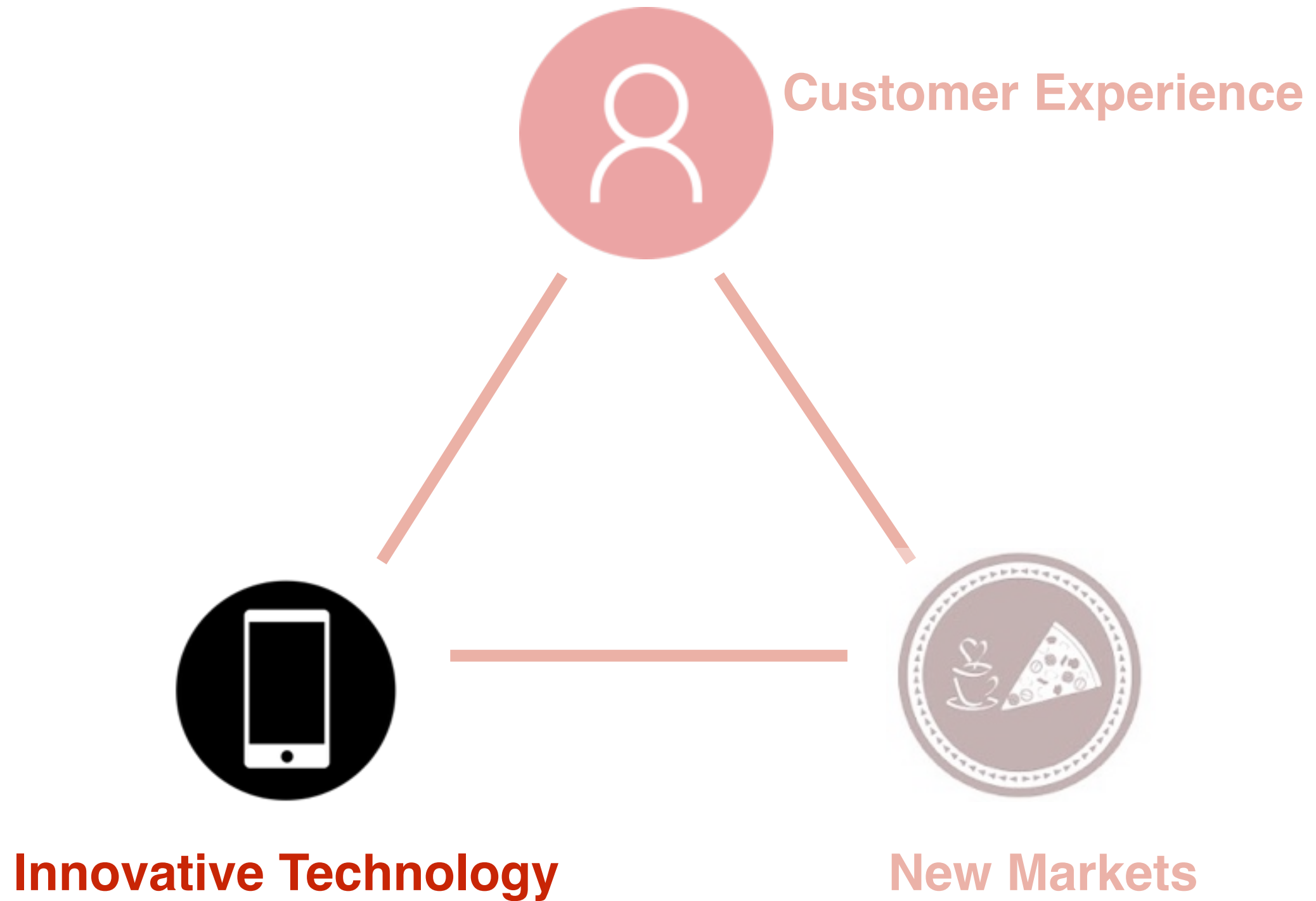
Reliable Rating system

Rated 3.5 Delightful downtown restaurant for lunch. The mixed salad that came on all four plates was worth the price of admission. Real dressing as in France, not that awful bottled orange glop that is called French dressing in this country.



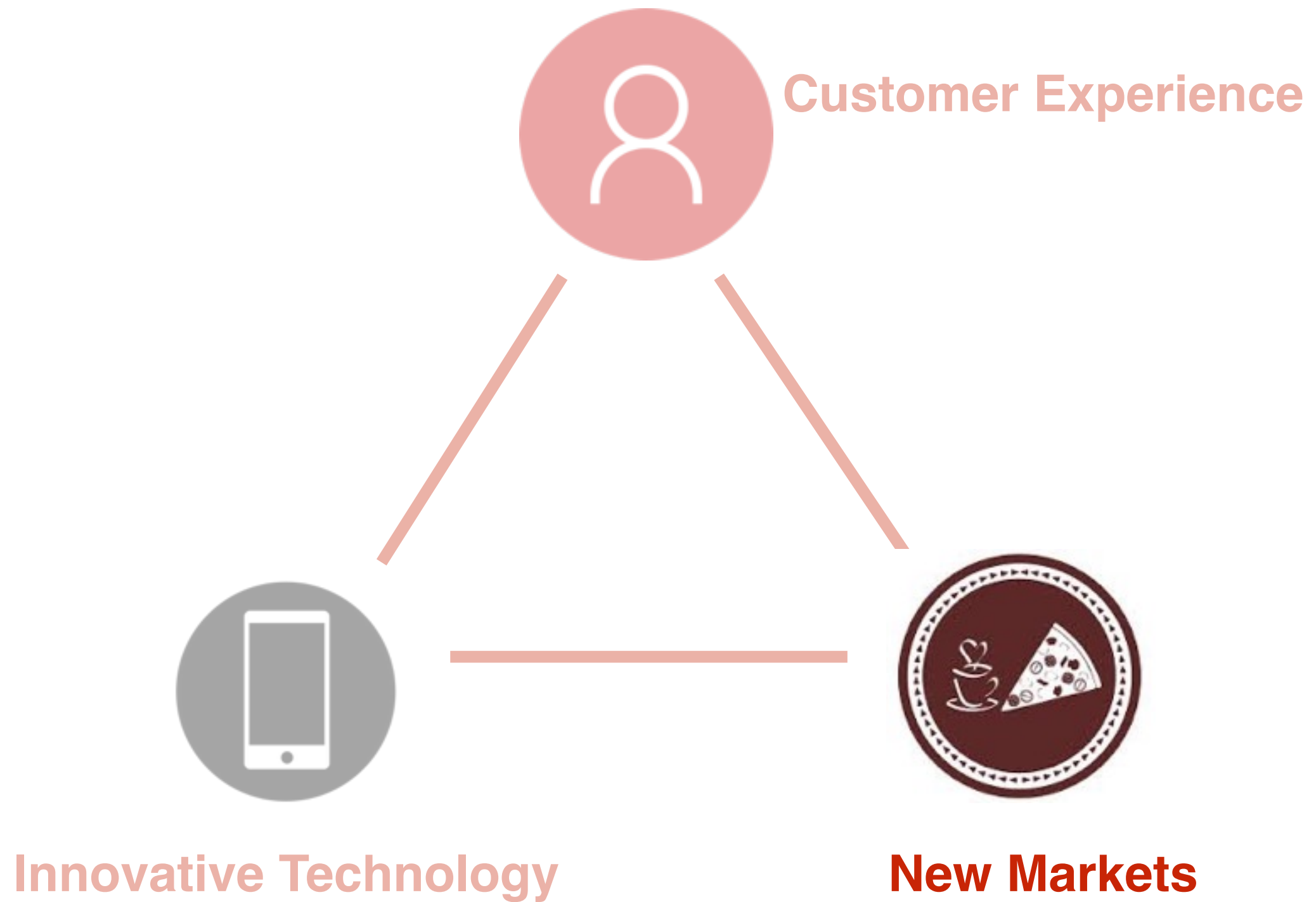
Build a reliable review and rating system

Business Criteria



A grid of six food-related video thumbnails. Each thumbnail shows a different food item or meal. Below each thumbnail is a title and a bookmark count. The thumbnails are arranged in two columns and three rows. The first row shows 'Trending this Week' (30 Places - 216 Bookmarks) and 'Kickass Burgers' (28 Places - 123 Bookmarks). The second row shows 'Outdoor Seating' (14 Places - 44 Bookmarks) and 'Veggie Friendly' (14 Places - 77 Bookmarks). The third row shows 'Super Sushi' (16 Places - 42 Bookmarks) and 'Ramen' (17 Places - 19 Bookmarks). Each thumbnail has a red heart icon in the top right corner.

Business Criteria



New Markets

Food Truck



\$1B Market opportunity

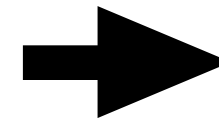
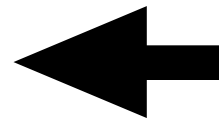
Fast-Casual

Fresh Food Technology



Fresh food 10% of total industry revenue

Why



Key Strength- to innovate and aggressively penetrate consumer segments of diners and restaurants



Increased competition from upcoming startups in various food segments like Caviar, Blue Apron



Diners- Millennials dine out more than any other generation, average of around 3.5 X per week



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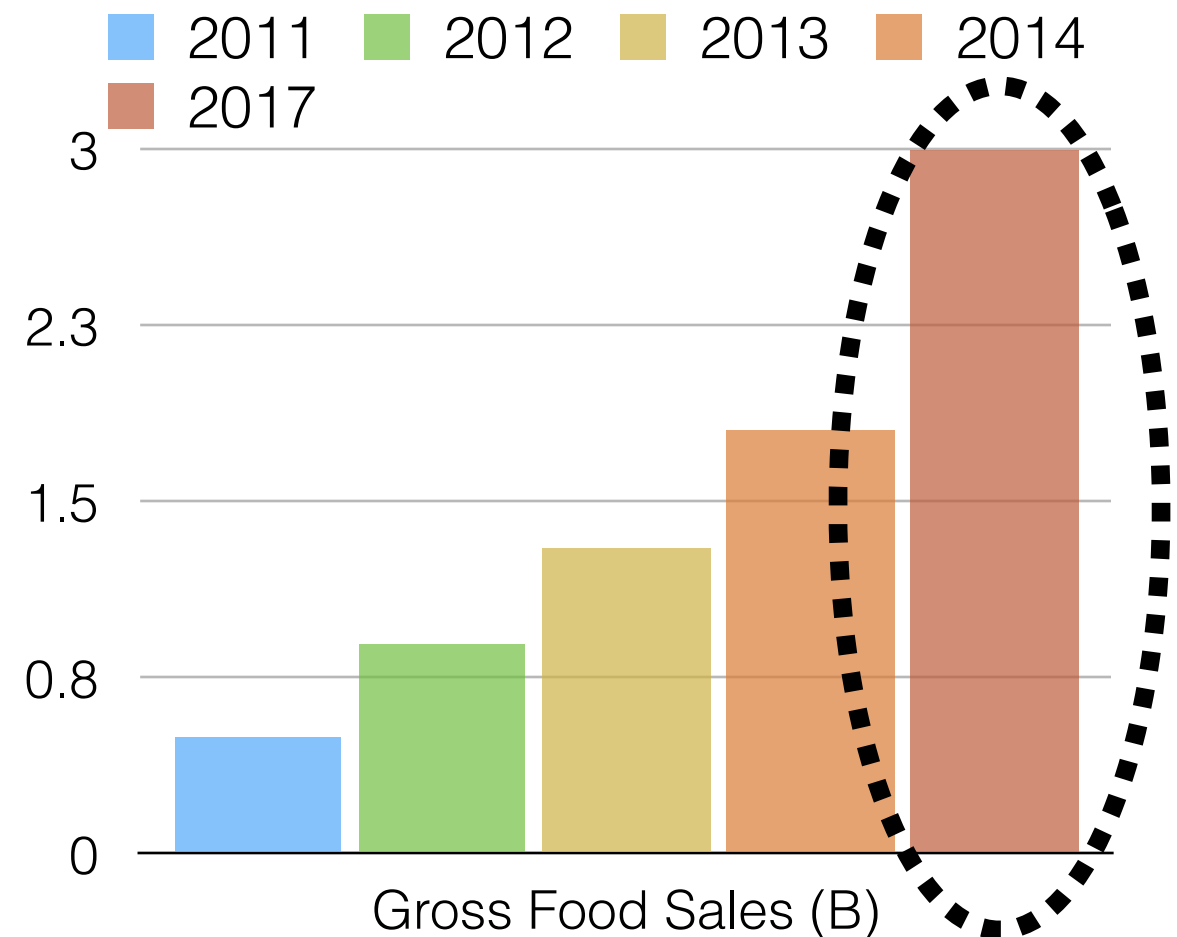
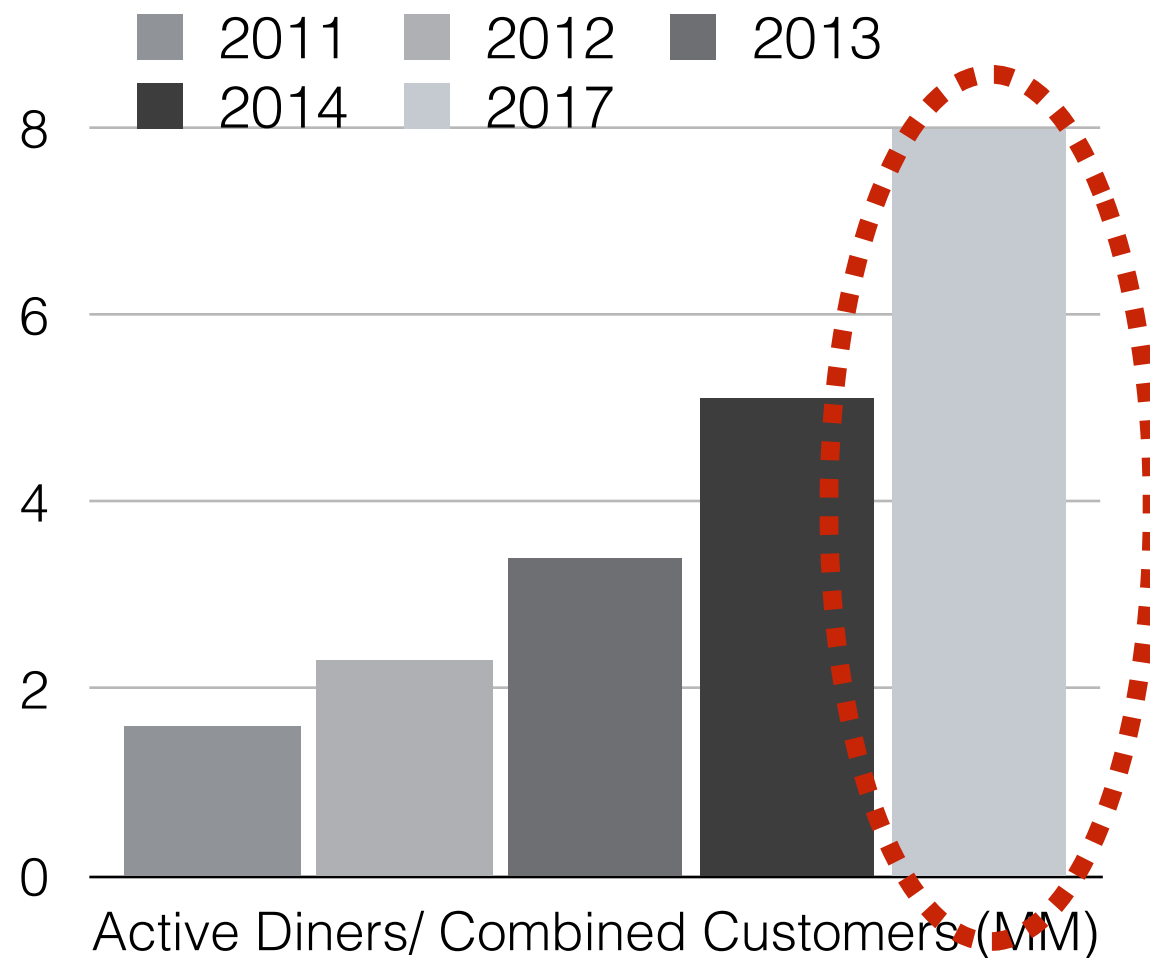
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- Increase market penetration and consumer retention by entering new market
- Increasing the total check size of every Grub with improved technology and consumer experience