

## Fractionation and SWOT Analysis of Zomato Business Model

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### Abstract

Zomato deals with food delivery Business. It is a Multi-National Company having Indian Origin. It aggregates different Restaurants. Zomato brought Innovative changes in culinary experience and dining options. Zomato was started in 2008 with the name of Foodie Bay by Pankaj Chaddah and Deepinder Goyal. The name Zomato was given in 2010. Originally Zomato was a Platform for discovering Restaurants. Now it has increased its services including food delivery and table reservations. Zomato uses a user centric approach, efficient Logistics and cutting-edge technologies. In this Paper, an attempt was made to investigate the strengths, the Weaknesses, the Opportunities and the Threats of Zomato. Attempt was also done to review key Partnerships, Revenue Streams, Customer Segments, key activities, Channels, Customer Relationships, Key resources, Value Proposition and Cost Structure of Zomato

**Key Words:** Zomato, Cost Structure, Channels, SWOT

### Introduction

Zomato deals with food delivery Business. It is a Multi-National Company having Indian Origin. It aggregates different Restaurants. Zomato brought Innovative changes in culinary experience and dining options. Zomato was started in 2008 with the name of Foodie Bay by Pankaj Chaddah and Deepinder Goyal. The name Zomato was given in 2010. Originally Zomato was a Platform for discovering Restaurants. Now it has increased its services including food delivery and table reservations. Zomato uses user centric approach, efficient Logistics and cutting-edge technologies. Zomato has acquired “Urban spoon” in 2015 with a deep impact on

International Business. In 2017 it acquired “Runnr” and became a first food delivery business to go for Public issue in 2021.

### **Review of Literature**

David Sjodin, Vinit Parida and Marko Kohtamaki (2023) examined Artificial intelligence enabling circular business model innovation. Goklas Siahaan, Pilifus Junianto, Andi Tenri Pada, Carolina F. Sembiring and Desideria Regina (2023) proposed Zero Waste Business Model. Haochen Guo and b Junic Kim (2023) dealt with China’s New Retail Business Model via Super Species case study. Heidi Coral Thornton (2023) examined Business model change and internationalization. Herald Galingga Wira Shenta and Avanti Fontana (2023) dealt with Optimizing Value for Customer Segment through Transforming Business Model Canvas in case of MSMEs. Kresnawidiansyah Agustian, Endang Saefuddin Mubarak, Agustian Zen, Wiwin and Aulia Januar Mal (2023) examined the Impact of Digital Transformation on Competitive Advantage and Business Models. Lukas Vartiak, Miriam Garbarova and Juraj Fabus (2023) had mde Comparative Analysis of Business Models of Selected Accommodation Portals. M. Riesener, M. Kuhn, S. Schümmelfeder, and G. Schuh (2023) dealt with Business Models in the Manufacturing Industry. Montijn van de Ven and Paola Lara Machado, Alexia Athanasopoulou and Banu Aysolmaz, Oktay Turetken (2023) reviewed Prominent performance indicators of business models.

### **Objectives**

The study entitled “Fractionation and SWOT Analysis of Zomato Business Model” was done in line with the following objectives.

1. To identify the strengths and weaknesses of Zomato
2. To find Opportunities and threats of Zomato
3. To review Customer Segments, key resources, Value Proposition and Channels of Zomato
4. To examine Customer Relationships, key activities, Revenue Streams, key partnerships and Cost Struture of Zomato

## **Methodology**

The study entitled “Fractionation and SWOT Analysis of Zomato Business Model” is a descriptive Study. Review of present literature on Business Model led to the summary that there was no specific study on Zomato Business Model and also on Zomato SWOT. Therefore, attempt was made to investigate the strengths, the Weaknesses, the Opportunities and the Threats of Zomato. Attempt was also done to review key Partnerships, Revenue Streams, Customer Segments, key activities, Channels, Customer Relationships, Key resources, Value Proposition and Cost Structure of Zomato

## **Discussion**

### **Zomato Customer Segments**

Zomato Customer Segments consists of consumers and Restaurants. Consumers of Zomato are generally young, Tech savvy and urban. They expect variety and convenience in ordering food. Restaurants of Zomato range from small to Medium Businesses. They get more orders and more exposure due to Zomato

### **Zomato Value Proposition**

Zomato Value Propositions for consumers consists of convenience, Real Time order Tracking, Variety, Personalization and Affordability. Zomato Value propositions for Restaurants include enhanced visibility, Performance Analytics data, Advertising and Promotions and support in terms of logistics, Payments and customer service.

### **Zomato Channels**

Zomato Channels include Mobile App, Website, social media, Partnerships, SMS and Email marketing and Customer Support Hotline

### **Zomato Customer Relationships**

Zomato Customer Relationships consists of User Engagement, Delivery partner relationships, Customer Support, Personalized user experiences, Feedback Mechanisms, Sustainability Initiatives and Personalized user experiences.

### **Zomato Revenue Streams**

Zomato Revenue Streams consists of Food Delivery and table reservation commissions, Data and Analytics, Delivery Fees, Zomato Gold Subscription and Advertising and Promotions

### **Zomato Key Resources**

Zomato Key Resources consists of Digital Platform, Employee Talent, Brand and reputation, Financial Resources, User Base, Technology Infrastructure, Restaurant Partners and Delivery Fleet

### **Zomato Key Activities**

Zomato Key Activities consists of Restaurant discovery, Partnership management, Food delivery, Technology development, Customer support, Data collection and analysis and Marketing

### **Zomato Key Partners**

Zomato Key Partners include Restaurant Partners, Data and Analytics Partners, Food delivery services, Investors and Financial Partners, Payment Gateway Providers and Technology partners.

### **Zomato cost structure**

Zomato cost structure consists of cost of revenue, Marketing and Sales, Delivery Costs, Research and Development (R&D), Technology and infrastructure development, Legal and Regulatory Compliance, Staff Salaries and Benefits and Rent and Office Expenses

### **Zomato Competitors**

Zomato Competitors include Swiggy, Grubhub, Uber Eats, Door Dash and Delivery Hero

### **Zomato SWOT Analysis**

#### **Zomato's strengths**

Zomato's strengths include diverse service Portfolio, Global Presence, high level of user engagement, strong Brand Recognition and extensive Restaurant network,

#### **Zomato's Weaknesses**

Zomato's Weaknesses include vulnerable dependence on Restaurant partners, changing consumer preferences, competition from new entrants and high operating costs

#### **Zomato's Opportunities**

Zomato Opportunities includes international expansion, partnerships with other Businesses, Acquisitions, Diversification of revenue streams, development of new products and services, Technology Innovation and sustainability initiatives.

#### **Zomato's Threats**

Zomato's Threats include intense competition from competitors, Technological disruptions due to artificial intelligence and Block chain, Regulatory challenges and economic downturns.

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