Mobile apps and websites for online grocery shopping

venturecapital.nl • https://venturecapital.nl/online-grocery-shopping/

Samenvatting

Datum: 16 February 2021

URL: https://venturecapital.nl/online-grocery-shopping/

Contact & Site

Extra beschrijving

[et_pb_section fb_built="1" _builder_version="4.9.0" _module_preset="default"][et_pb_row _builder_version="4.9.0" _module_preset="default"][et_pb_column type="4_4" _builder_version="4.9.0" _module_preset="default"][et_pb_text _builder_version="4.9.0" _module_preset="default"]

Company description:

This startup is located in Amsterdam and founded in 2020. It was founded by three entrepreneurs, who are experts in artificial intelligence, management, and software engineering.

The startup offers mobile applications and website as an infrastructure for online grocery shopping in the Netherlands. It is an online marketplace which provides interactive eco-system for relevant parties (Store and Delivery) who can provide services for the Customers.

Store: The startup provides an online marketplace for a broad range of grocery stores including chain-supermarkets and the local stores.

Delivery: It also functions as a platform for delivery companies. Based on cost, distance and volume, they sort and find proper delivery company for each order.

Customers: can place their online groceries order from desired store in the platform and the order will be delivered at their doorstep in the fastest and cheapest way. The startup has developed 2 mobile applications (Business & Customer) and a web-shop. At the moment, all application are available for downloading on iOS and Android devices.

The startup is at the market now and has successfully accomplished beta testing. They have started approaching local grocery stores in the Amsterdam area. Overall, there are more than 1000 local convenient stores in Noord-Holland province.

Business Model:

According to official data, one Dutch household who buys his/her grocery online: Spends €64,- on online grocery shopping, on average 35 times a year. Therefore on average online grocery customers spend €2240,- yearly on online shopping. Netherlands has over 1,000,000 online grocery customers (Reference data are available up on request).

The business model is based on commission fee for the services that he provides. So No-cure, No-pay. They commission the stores 6.5% of the purchased price when the customers buy form the platform.

- 2021: Based on estimations, 500 grocery stores are expected to get onboard by the end of 2021. By considering: 1 customer per store €40 average purchase 6.5% service fee. The yearly revenue will be about €250.000.

- 2022: They predict the steady growth throughout 2022 and reaches over €2M revenue in 2023.

Future income plans: At the scope of 2022, the startup will implement various forms of advertising and subscription plans for customers and registration fee for Delivery companies the Stores, which will increase the yearly revenue (these sources of incomes are Not considered at the current stage calculations).

Customer type / profile:

The startup is a Platform, operates in B2B &B2C models. Users are spread from the local business owners (even farmers) and Delivery companies to regular people who are willing to buy online

Preferable investor type:

Angel investor; Venture Capitalist; Incubator/accelerator

USP's:

In general, making online webshop costs time, money and needs technical expertise to operate. The startup provides locals with established, free and user friendly online webshop.

They provide secure payment method for the locals and their customers

They provide a flexible combination of Delivery solution for the Stores and Customers to receive their order in the fastest and cheapest way.

Capital amount needed:

They are looking to raise €250.000,- of investment mostly for Marketing and Sales. In return they offer 20% of their equity shares.

Investment breakdown:

The startup predicts to reach to the break-even point at the first quarter of 2022. COGS: 2021: The main costs for keeping the business operational are the followings (€250.000): Content manager (1FTE), Sales and marketing (2FTE), Customer service (0.5 FTE), Developers (in house), Advertising. 2022 and 2023: The COGS related expenses of the startup, through out 2022 and 2023 will remain the same as 2021.

Sector:

B2B Software; B2C Software; E-commerce

Phase:

Early Growth

Number of founders:

3

Current number of employees:

1-5

Monthly turnover (current):

€10,-

Turnover (forecast) next 12 months:

€200.000,-

Turnover (forecast) months 13 - 24:

€400.000,-

Current monthly expenses:

€2.000,-

Is a follow-up investment expected within 24 months?:

No

[/et_pb_text][/et_pb_column][/et_pb_row][/et_pb_section]