

# Business Model Innovation Through Digital Entrepreneurship: A Case of Online Food Delivery Start-Up in India

Natasha Saqib, University of Kashmir, India\*

Gowsia Bashir Shah, University of Kashmir, India

## ABSTRACT

Aggregator business network models are quickly becoming critical enablers of digital transformation across various industries and are increasingly active in service start-ups such as online food delivery. With their innovative use of digital technologies, several unconventional start-ups in the online food ordering space are upending the market. However, the industry faces fierce competition from rivals and rising consumer demand for unique experiences. Using an exploratory case study methodology, the current study investigates the case of “Zomato,” an Indian restaurant aggregator and food delivery start-up. The study aims to demonstrate how Zomato, a digital start-up, has gained a competitive advantage by changing its business model. An investigation into the Indian-based online food ordering company Zomato’s business model innovation has been reported. This study shows how Zomato has differentiated itself from its competitors in the Indian food market by focusing on the nine business model canvas components. This improves our understanding of business model innovation’s theoretical foundations and forerunners as a source of competitive advantage.

## KEYWORDS

Business Model Innovation, Digital Entrepreneurship, India, Zomato

## INTRODUCTION

The introduction and quick development of digital technologies and the data they generate are changing how different industries compete (Broekhuizen et al., 2021). The business network aggregator models are quickly taking over as the main forces behind digital transformation in all industries. One of the developing yet fastest-growing markets, the food-tech sector is now driven by a substantial number of digital entrepreneurial activities. Food-Tech is thus developing as an ecosystem of agri-food start-ups and entrepreneurs innovating in business models, marketing, distribution, and other areas. Consequently, the Food-tech sector is developing as a potential aggregator market (Raman, 2018).

Meanwhile, Food-tech has evolved from mere food processing and food manufacturing technology to include online food processing, ordering, and delivery. The sixth-largest food industry in the world, India, has experienced unheard-of size and revenue growth over the past five years (IBEF Report, 2020).

DOI: 10.4018/IJEEL.315294

\*Corresponding Author

This article published as an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>) which permits unrestricted use, distribution, and production in any medium, provided the author of the original work and original publication source are properly credited.

With the development of technology and smartphones, the consumer lifestyle has significantly changed (Ghose & Han, 2014). The online food delivery (OFD) industry is no exception. According to IMARC Report, the 2020 Indian OFD market will witness double-digit growth during the forecast period (2020-2025). In the past, the Indian OFD market reached a US\$ 3.6 billion value in 2019 (IBEF Report, 2020). The OFD market in India is therefore anticipated to grow at compound annual growth rates of 30.55% (based on revenue) and 10.19% (based on the number of users) between 2020 and 2024 to produce INR 1,334.99 Bn in revenue and create a user base of 300.57 Mn by that year (Research & Market Report, 2020).

Tong et al. (2020) defined the OFD platform as the platform that establishes connections between customers and merchants as well as between drivers and customers, creating what is known as a dyadic two-sided market structure. Restaurant-to-consumer delivery and platform-to-consumer delivery are the two subcategories of OFD services. The former involves online delivery services that send orders from partner restaurants. Platforms offer services like restaurant hygiene, monitoring, real-time order tracking, and payment but do not prepare the food. (Pigatto et al., 2017). Platforms accurately direct the delivery agents using their built-in cutting-edge route optimisation and order planning algorithms to guarantee on-time deliveries. The media uses additional checks and balances, such as customer reviews for restaurants and drivers (Shroff et al., 2022).

Platform-to-customer service providers like Swiggy FreshMenu, Faasos and Zomato are significant players in the Indian OFD market. Some businesses, like Box8, Domino's and KFC, use a restaurant-to-customer delivery model. On the other hand, there have been some collateral damages due to heightened competition and unstable growth policies. Due to significant losses, businesses like Eat Fresh and TinyOwl were forced to close. Even Food Panda, a sizable online food delivery marketplace with 13 countries that were repeatedly acquired by Delivery Hero and then by OLA, is having trouble competing in the industry. Zomato, an Indian provider of food delivery services, paid \$350 million in an all-stock deal to acquire Uber Eats' Indian operations in January 2020. The combined company of Zomato and Uber Eat India is anticipated to command a market share of between 50 and 55 per cent in terms of quantity and price of orders. Start-ups offering online food delivery have entirely changed how Indians eat. This innovative industry has changed how we view food, from delivery drivers equipped with smartphones to an app that uses routing algorithms.

With the exceptional adoption of these technologies, numerous unconventional start-ups in the online food ordering domain are disrupting the industry. One such unorthodox and inspiring start-up in the online food ordering industry, Zomato, is booming due to its cutting-edge business model. The company, founded solely to connect customers with restaurants online, has grown to become the largest online and mobile restaurant discovery service in the nation in just eight years. This study aims to analyse Zomato's experience as a digital entrepreneur, discover how it recognises business opportunities, conceptualises those opportunities into a business model, and show how the innovation in the business model has helped the company gain a competitive edge in the expanding Indian market.

The paper is organised as follows. The second section conducts a review of the literature on digital entrepreneurship, business models, innovation, and digital business models. The methodology is explained in the third section. The case being discussed is presented in the fourth section. The fifth section discusses the case study's findings. The sixth section concludes with implications for both theory and practise.

## **LITERATURE REVIEW**

### **Digital Entrepreneurship**

Understanding entrepreneurship is vital to established firms, practitioners, and entrepreneurship scholars. Entrepreneurship can take place in a variety of settings, including start-up businesses, well-established corporations, nonprofit organisations, and government agencies. It involves spotting

and seizing opportunities, turning them into saleable goods or services, taking risks, and realising rewards. In essence, the creation of new value is what makes entrepreneurship. Moreover, “digital entrepreneurship is a subcategory of entrepreneurship in which some or all of what would be physical in a traditional organisation has been digitised” and thereby can be seen “as the reconciliation of traditional entrepreneurship with the new way of creating and doing business in the digital era.” Academic research in digital entrepreneurship is growing, but there are some difficulties. The field’s dynamic terminology contributes to confusion. As trends come and go, we interchangeably use words from an evolving vocabulary (Matlay, 2004). For instance, the term “internet entrepreneurship” at the field’s inception in 2000–2001 gave rise to the terms “e- and cyber entrepreneurship” around 2004, and now we seem to have settled on the term “digital entrepreneurship.” More significantly, creating new ventures is rooted in entrepreneurship, while creating software is rooted in information systems, business model conceptualisation and strategy formulation are rooted in management, and so on. Discipline boundaries can create an invisible barrier between a researcher and a significant portion of their literature in a rapidly developing field, resulting in a less comprehensive knowledge base (Zaheer et al. 2019).

With the help of digital entrepreneurship, a new or existing company can launch a digital start-up (McMullen & Dimov, 2013). Digital entrepreneurship, according to Hair et al. (2012), is entrepreneurship in which some entrepreneurial ventures are conducted digitally rather than in traditional formats. A slightly different definition of digital entrepreneurship is provided by Davidson and Vaast (2010) and Le Dinh et al. (2018); they claim that it is a phenomenon that emerged as a result of technological advancements like the internet and information and communications technology. To pursue opportunities, digital entrepreneurs rely on digital media and information technology features. By taking advantage of the opportunities, they exacerbate changes in the competitive landscape and may even speed up the digital economy’s process of creative destruction. According to Guthrie (2014), “the sale of digital products or services across electronic networks” constitutes digital entrepreneurship. Digital entrepreneurship can be defined as any entrepreneurial activity that transforms an asset, service, or significant portion of the business into a digital format

## **Business Model Innovation**

Business model innovation (BMI), which Markides (2006) defines as “the discovery of a fundamentally different business model in an existing business,” has gained popularity in the innovation community (Haddad et al., 2020; Mao et al., 2020; Pang et al., 2019; Saebi et al., 2017; Schmidt & Scaringella, 2020; Zott, Amit and Massa, 2011). A business model explains the logic behind how an organisation creates, delivers, and captures value (Osterwalder and Pigneur, 2010). Most researchers concur that business models describe how an organisation creates and captures value (Kavadias et al., 2016; et al., 2011). Business models also play a crucial strategic role in innovation and market formation (Zott et al., 2011). The three main elements of value proposition, value creation, and value capture are the three critical components of a business model, a common understanding in the reviewed literature (Trischler and Ying 2022). Business model innovation has been emphasised as being crucial to firm performance in the literature (e.g., Dunford et al., 2010; Gerdoçi et al., 2018; George & Bock, 2011; Lambert & Davidson, 2013; Zott and Amit, 2008, 2010). Businesses have benefited from business model innovation by outperforming their rivals in terms of sales, profit margins, and cash flows. Studies have shown that a firm’s success and valuable capability are particularly aided by business model innovation (Keiningham, 2020; Amit & Zott, 2015). Innovation in business models is essential to a company’s capacity for growth and long-term viability. Delivering these offerings to customers helps to increase the value of goods and services. Business model innovation is crucial for a company’s success in complex and dynamic environments, as claimed by Giesen et al. (2010). A 2009 IBM CEO survey found that 98% of CEOs try to alter their current business models, and 70% view business model innovation as a strategic priority. A joint study by Business Week and the Boston Consulting Group found that business model innovators outperform product or process

innovators in terms of long-term returns (Lindgardt et al., 2009). More specifically, business model innovation helps companies reorganise value creation and value capturing mechanisms, giving them a competitive advantage (Amit & Zott, 2015; Bocken & Geradts, 2020; Casadesus-Masanell & Zhu, 2010; Saqib & Satar, 2021; Weking et al., 2018; Zott & Amit, 2007; Zott et al. 2011).

## **Digital Business Models**

Digital business models operate differently from conventional ones, claim. (Hull et al. 2007). To succeed, digital entrepreneurs need to be aware of the differences, opportunities, and threats; otherwise, there is a high risk that their venture will fail. Since networks and communities are essential for digital entrepreneurs. Digital businesses, according to Wind (2008), signify a “shift from traditional management approaches to ‘network orchestration’”. For example, in a business model framework comprising four components a digital technology lies at the heart of the new venture’s business model by being implicit in the: 1) product or service; 2) value network – managing customer and partner relationships; 3) value delivery – channels used to deliver the value proposition; and 4) revenue model – revenue streams (Ojala, 2016). Over the past few years, academic studies on how digital technologies affect business models have increased dramatically (Palmie et al., 2022). The current literature is heavily predominated by papers discussing digital business models. Most articles discussed the emergence of new business models either directly or indirectly.

Transformation of analogue, physical objects, processes, or content into primarily (or entirely) digital formats is referred to as “digital business model innovation,” and it describes deliberate, non-trivial, dynamic changes made to the critical components of the business model (Trischler & Ying, 2021). Although “business model innovation” is often used to describe start-ups and smaller organisations, the literature has made significant advances and provided evidence of successful business model innovation processes that primarily apply to large organisations. (Amit & Zott, 2012; Johnson et al., 2008). (Haddad et al., 2020; Klewitz and Hansen, 2014; Saqib and Satar, 2021). Furthermore, according to Teece (2010), business models’ role in entrepreneurship and innovation should be increased by utilising the essence of business model innovation and its applications in organisations and society. The effects of business model innovation should be more thoroughly studied to enhance the experience of the outcomes and the performance that this type of innovation provides (Schneider & Spieth, 2013). Business model innovation is a recent and poorly understood topic (Spieth et al., (2014), but it is a promising and significant area for research. It is also becoming more and more critical to the business environment. Considering the need for more studies related to the area, we focus on the following broad research question: How business model innovation can be a source of competitive advantage for digital start-ups?

## **METHODOLOGY**

Qualitative methods make it easier to comprehend complex phenomena, like business model innovation (Massa & Tucci, 2013; Yin, 2009 ;). A similar strategy was considered necessary given the early stages of research linking business model innovation and competitive advantage. The design of this study is an exploratory single case study (Yin, 1984; Eisenhardt, 1989; Eisenhardt & Graebner, 2007). An “empirical inquiry that investigates a contemporary phenomenon in its real-world context; when the boundaries between phenomenon and context are not evident; and when multiple sources of evidence are used” is referred to as a case study (Yin, 1984). Yin (2003) asserts that the case study method is best suited for analysing modern phenomena, including those present in a real-life setting. When a comprehensive, in-depth investigation is required, a case study is thought to be the best method because it enables the researcher to carefully examine the data within a particular content and investigate the real-life phenomenon (Yin, 2003). The primary goal of this research was to comprehend a particular theme of the application and share best practices, so an in-depth analysis of a single case was used. A single point enables a theory or application of a principle to be explained more clearly.

A single case can serve as a strong example if it represents a rare phenomenon, (Siggelkow, 2007). Generalisation in this context could mean extrapolating results to a different single point rather than the entire population (Mariotto et al., 2014). There are three main reasons why we opt for the single case methodology. First, we looked into understudied phenomena at different levels without being limited by initial tool or data type decisions (Eisenhardt, 1989; Yin, 2014). Second, research indicated the need to thoroughly investigate the business model innovation process (Bashir & Verma, 2019). Third, little is known about how digital entrepreneurs develop a business model that gives them a competitive edge.

As a result, we conducted an exploratory historical case study. Our method can allow us to simultaneously develop inductive theoretical hypotheses and use predetermined concepts from business models and cognitive literature and perspectives. The conceptual frameworks from which we began our historical investigation are connected by inductive academic work. Our historical approach enables us to concentrate on the entire longitudinal process from a start-up to becoming a market leader and ultimately to a profitable company, in contrast to mainstream case studies that rely on contemporary materials and interviews. In addition, we steer clear of the majority of case study issues. Notably, our extensive historical data assists in addressing the issue of potentially skewed retrospective interviews and inadequate document information, which could jeopardise qualitative case studies.

We pick Zomato as a case study of a business whose business model has enabled it to become a market leader. Overall, it is difficult to generalise the Zomato case. However, it provides conceptual representativeness to the point where it can be considered legitimate research to examine business models as a source of competitive advantage in terms of theory. We used the following methods to gather our data: To recognise Zomato's evolution as embedded in context, we first conducted a historical analysis of Zomato and its market environment. We began our investigation by compiling over 15 academic publications focused on Zomato's history as part of a more extensive research programme. This collection was read to understand how other researchers have approached Zomato's business model components and to compile a timeline of significant historical occurrences in the company's development. In addition, we triangulated academic research reports with newspaper articles, business magazine reports, and other public content.

## **CASE STUDY DESCRIPTION**

### **Zomata**

Zomato was first established in 2008 under the name "Foodiebay." On January 18, 2010, it changed its name to Zomato Media Pvt. Ltd. Two IIT graduates named Mr Deepinder Goyal and Mr Pankaj Chaddah founded Zomato. Deepinder worked for Bain and Company in New Delhi before founding "Zomato." At Bain, Deepinder observed daily lines of people waiting to look through menus in the pantry to place food orders. At that moment, he had an idea: what if they could access these menus online? He departed Bain in 2008 to start "out of his condominium and has since overseen framework and thing headway." Similarly, Pankaj previously worked for Bain and Company in New Delhi before joining Zomato. Pankaj currently works for Zomato, overseeing plans and operations for local and international markets (DSMIE Report, 2015).

Zomato is a start-up food delivery service that aggregates Indian restaurants. Zomato offers users the ability to find, rate, and review restaurants and build networks of like-minded foodies for dependable recommendations. It offers online ordering, food delivery, table reservations, and premium restaurant subscription services. The platform can provide the restaurant with insightful analytics to guide its business toward exponential growth. The website is perfect for both restaurant owners and foodies. Users can view menus and images for restaurants that do not have websites. The Zomato platform enables restaurant owners to increase the visibility of their businesses by posting advertisements and special promotional menus. The Zomato platform is built with intelligent search engine filters, so it will only look for restaurants that are relevant to the given keyword. Users who

search using keywords or keyphrases relevant to the restaurant are provided with relevant information on potential restaurants by Zomato. Due to the COVID-19 pandemic's increased demand for online groceries, Zomato launched its grocery delivery service, known as Zomato Market, in more than 80 Indian cities in April 2020. (Panigrahi, 2020).

India's top food aggregator is Zomato. Zomato, which has a valuation of \$ 3.3 billion, is one of the most valuable start-ups in India, according to a list compiled by CBCB insights (food tech report, 2019). By 2020, there will be 24 countries and more than 10,000 cities where the service is offered. In September 2019, Zomato had over 250 thousand restaurant listings in India, a significant increase from September 2018. The food delivery business has more than 200 thousand delivery partners and services in about 500 Indian cities. Over 80 million people used Zomato. During the first half of the fiscal year 2020, Zomato had over 11.2 million active users who made purchases on a monthly average, a significant increase from the prior year. During the first half of the fiscal year 2020, Zomato received over 200 million orders, nearly four times the prior year's volume. In the first half of the fiscal year 2020, Zomato averaged more than three user orders per month. During the first half of the fiscal year 2020, Zomato reported dining-out revenue of over 27 million US dollars, a significant increase from the prior year. During the first half of the fiscal year 2020, Zomato's gross merchandise value increased by more than 820 million dollars or more than three times the amount of the prior year. Zomato made over 55 billion Indian rupees in the fiscal year 2022. Food deliveries provided a significant portion of the food service company's income. While Zomato dominated the market, Swiggy recently emerged as a serious rival.

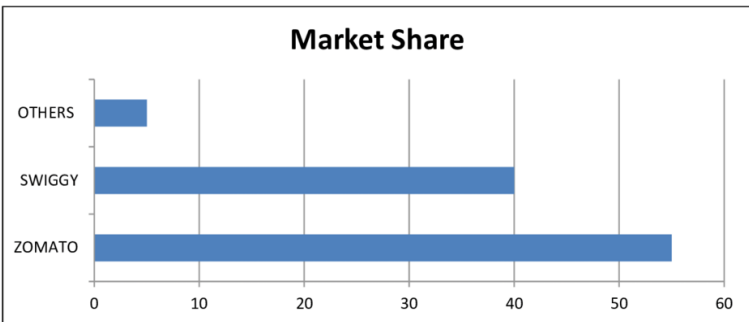
### Competitive Rivalry

In a few years, online food delivery has drastically changed the face of the food tech industry in the Indian market. Zomato is at full throttle in the Indian online food delivery system. Since Zomato is expanding radically, it faces stiff competition from local and international players in its operation. Consequently, the main competitor of Zometa is Swiggy. Zomato and Swiggy are two of India's leading food aggregators. According to a DataLabs report by Inc42, food-tech giants Zomato and Swiggy account for nearly 95 per cent of the market share. (See figure 1). Zomato leads with a 55 per cent market share, followed by Swiggy with about 40 per cent. (Redseers report, 2020).

### How is Zomato Superior to Swiggy?

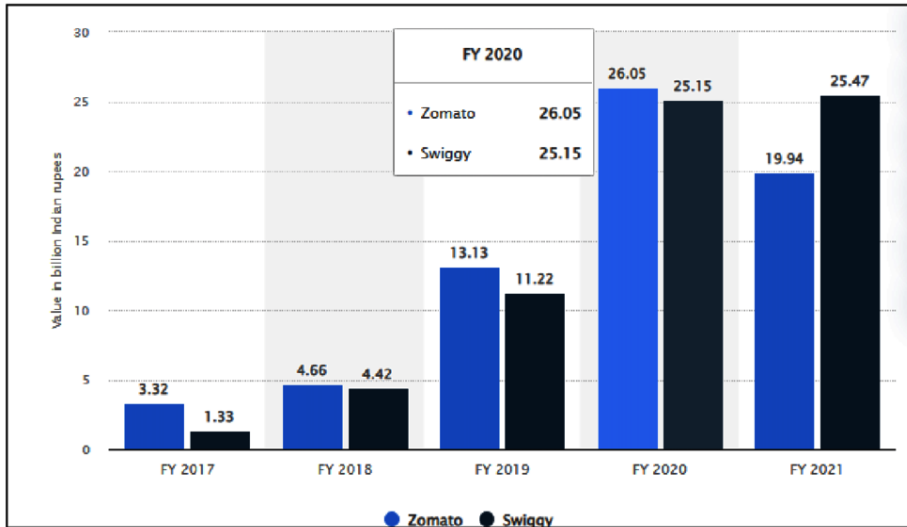
In 2020, Zomato recorded revenue of approximately 26 billion Indian rupees. Its competitor Swiggy, On the other hand, reported a gain of nearly 25 billion Indian rupees that same year (see figure 2). Being the market leader in online food delivery it shows that Zomato offers superior services than

Figure 1. Share of the online food delivery (platform) market in India as of December 2020 by company



Source: Statista 2020

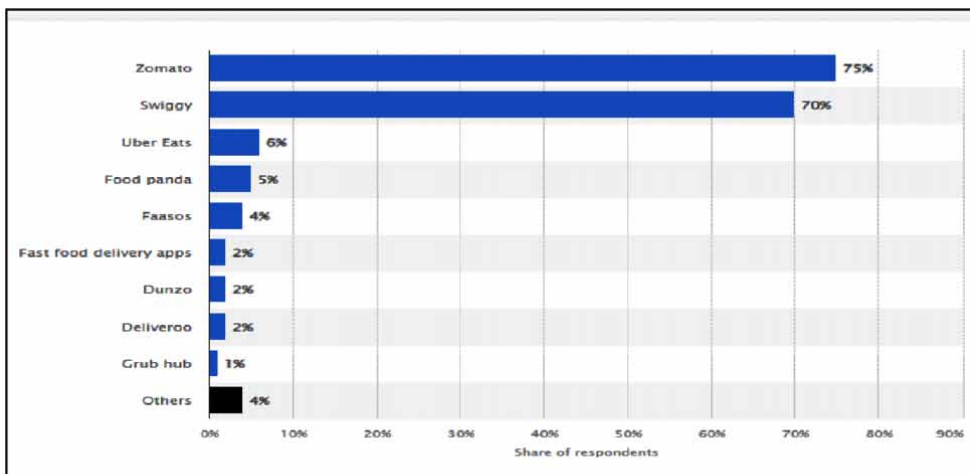
Figure 2. Revenue of online food delivery in India from the financial year 2017 to 2021 by the company (in billion Indian rupees)



Source: Statista, 2021

other service providers in the same industry. Zomato offers a comprehensive selection of menus and frequently updated details for more than 250 000 restaurants worldwide. Zomato engaged in a discount-driven war to survive in the cutthroat market and defeat Swiggy. For instance, the various discounts that Zomato offers its customers cost the company about \$20 million. The business's continued use of deep discounts, however, also aids in growing the platform's user base. Zomato was the most well-liked food delivery app among respondents across all age groups, according to a survey on Indian food delivery apps conducted by Rakuten Insight in August 2021. Swiggy was the second-most popular food delivery app in the nation. In comparison to Swiggy and other food delivery services, Zomato is the most well-known in India. (see figure 3).

Figure 3. Most Popular Food Delivery Companies Across India as of August 2021



Source: Statista, 2022

## FINDINGS AND DISCUSSION

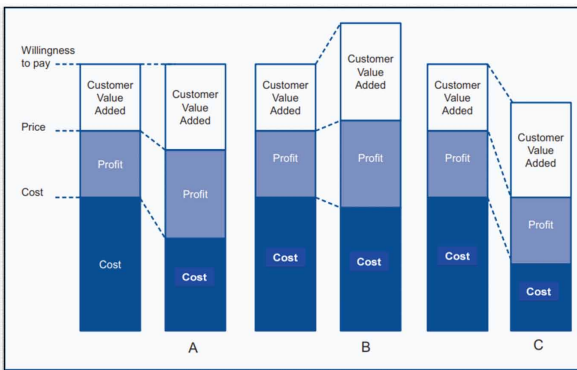
A business creates a new value creation and revenue model that enables it to both increase the value of its customers while also capturing some of the value created in a novel way. In Figure 4, three different types of business model innovation are conceptually represented. In the first case (A), the business does not add value to a good or service; instead, it develops a new system of value creation that enables it to reduce product costs and prices, which raises customer-added value. Customers and businesses benefit equally by increasing value. The second illustration (Case B) shows how innovation raises customer value, which raises willingness to pay. A higher price and a new value creation architecture enable higher monetisation. The customer's benefit is reduced in the third scenario (C), for example, by offering a product in a simpler form. However, if the price reduction is comparably higher than the benefit reduction, the value for the customer increases. A new value chain architecture allows cost reductions, and consequently, the profit for the company grows. Hence, value creation and capture are two critical tasks set forth by a business model (Pitelis, 2009). As corporate practice demonstrates, developing a sustainable and profitable business model is challenging. The problem is illuminated in Figure 4 (Matzler et al., 2013).

Companies in the upper left corner create added value for customers but cannot turn a portion of it into profit. The total added value goes to the customer. All added value is given to the customer. The usual causes of this are poor revenue logic or an incoherent value creation architecture. The companies in the upper right corner have an effective, long-term business plan. A good example is Zomato. In-depth analysis of Zomato's business plan will be provided in this paper. Businesses with high profits but little to no customer added value are not positioned to endure. They are vulnerable to attacks from rivals who have cutting-edge business models and companies that fail to create a viable value creation system, revenue model, and sufficient value for customers.

### Business Model Canvas of Zomato

Businesses frequently innovate their business models to gain a competitive edge in a world economy that is becoming more interconnected. When businesses seek to innovate their business models, they aim to create and implement strategies to transform an existing operation into a desired new model (Zott & Amit, 2015). The importance of the business model canvas in defining, updating, and assessing business models is emphasised by a prominent theme in the literature (Osterwalder & Pigneur, 2010). The Business Model Canvas captures the complexities of how businesses operate while keeping business models simple and understandable. As a result, it is an essential tool for analysing business models and conducting business model innovation (Qastharin, 2015). The nine interconnected components of a business model canvas comprise the customer value proposition,

Figure 4. Value creation and value capture: The relationship between willingness to pay customer value-added, income, and expenses



Source: Matzler et al., 2013



customer segments, customer relationships, channels, necessary resources, key activities, partners, costs, and revenues. In order to gain a competitive advantage, digital entrepreneur Zomato is shown to have created an inventive business model in this section (see Figure 5). We adopt the nine elements of Osterwalder and Pigneur's Business Model Canvas (2010).

### Customer Value Proposition

In order to create, deliver, and capture value, a value proposition coordinates with other business model elements. It reflects the overall goal of a business model (Zott & Amit, 2010). The first step in innovating business models among these elements is to create value propositions. The other parts are structured consistently with the value proposition and illustrate customer value creation, delivery, and capture (Osterwalder, Pigneur, Bernarda, & Smith, 2014). Value propositions are "reciprocal promises of value, operating to and from suppliers and customers seeking an equitable exchange," according to the business model context. From the consumer's viewpoint, they are always interactive, relativistic, and experiential. In this sense, a strong value proposition "recognises the unique nature of subjective and interactive consumption experiences but is general enough to attract adequate customer segments with homogeneous value needs" (Yi et al., 2020). The literature currently available suggests that value propositions can be arranged on a scale based on Maslow's hierarchy of needs,

Figure 5. Zomato's Business Model

KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITION	CUSTOMER RELATIONSHIP	CUSTOMER SEGMENTS
<ul style="list-style-type: none"><li>• Restaurant Partners</li><li>• Delivery Partners</li><li>• Business Suppliers</li><li>• Uber Taxi</li><li>• London And Partners-</li></ul>	<ul style="list-style-type: none"><li>• Provide local restaurant and hotel search services</li><li>• Managing logistics to process orders</li><li>• Collect data on food menus and contacts and provide relevant information to users</li><li>• Creating and managing technology infrastructure</li></ul>	<ul style="list-style-type: none"><li>• One-stop shop for diners and offers a way for restaurants to differentiate themselves.</li><li>• Bridge the gap between the consumers and restaurants through efficient technology applications which reduces the delivery time</li><li>• Rating based pricing model for the food delivery service</li><li>• Providing ratings and reviews to evaluate restaurants</li><li>• Online ordering and table booking</li><li>• In APP chat facility</li><li>• Multiple payment options</li><li>• No minimum order restrictions</li></ul>	Online service built with mandatory rating mechanism.	<ul style="list-style-type: none"><li>• Users who try to find a local restaurant of various cuisines</li><li>• Restaurants who want their names to reach the target audience</li><li>• Customers prefer home delivery</li><li>• Database companies</li><li>• Market research companies</li></ul>
	<b>KEY RESOURCES</b> <ul style="list-style-type: none"><li>• Large database of restaurants across cities</li><li>• Large database of users</li><li>• Presence across 24 countries</li><li>• Technology platform</li><li>• Delivery persons</li></ul>		<b>CHANNELS</b> <ul style="list-style-type: none"><li>• Mobile applications</li><li>• Website</li></ul>	
	<b>COST STRUCTURE</b>		<b>REVENUE STREAMS</b>	
<ul style="list-style-type: none"><li>• Technology Set-Up</li><li>• Salaries To Employees And Delivery Guys</li><li>• Fuel Expenditure</li><li>• Discount And Marketing Cost</li><li>• Legal Cost (Taxes)</li><li>• Maintenance Cost</li></ul>		<ul style="list-style-type: none"><li>• Delivery Based Service And Dining Out Advertising</li><li>• Ticket Sales</li><li>• Consulting</li></ul>		

with economic value propositions at the base and moving up to functional, emotional, and, finally, symbolic value propositions (Yi et al., 2020):

- **Economic value propositions:** Consumers are attracted to economic value by price-based value, the competitive offering's lowest price or the best balance of advantages and disadvantages (Zeithaml, 1988). When compared to Swiggy, Zomato offers the best deal. Zomato charges 7% on each restaurant order size, while competitors like Foodpanda, Tinyown, etc. charge between 15-20%. As a result, restaurants can serve customers high-quality food at low prices. Customers who use this strategy report feeling like they got their money's worth and have a good reason to come back. (2021 Vision). As a result, Zomato offers a thorough pricing model for food delivery services, offering insightful information on the delivery order's overall cost, duration, etc. To create a devoted customer base, Zomato offers membership and loyalty programmes. For instance, the Piggy Bank loyalty programme and Zomato Gold membership ensure that customers receive more value for their money.
- **Functional value propositions:** Functional value propositions appeal to consumers by promising functional, utilitarian, or physical product performance and benefits that can conveniently and successfully address consumers' issues (Almquist et al., 2016; Seiders et al., 2000). Zomato is a great website where customers can review different restaurants in their vicinity. In addition, it enables restaurant owners to set themselves apart from the competition, even if they operate multiple eateries. Additionally, Zomato acts as a conduit for hungry patrons and restaurant proprietors. Food is delivered to customers' doorsteps by Zomato.
- **Emotional value propositions:** Consumers are targeted by emotional value propositions to elicit positive emotions and affective states (Payne et al., 2017; Sheth, Newman, & Gross, 1991). For instance, warm feelings are experienced personally while using a product and helpful and friendly customer service (O'Shaughnessy & Jackson O'Shaughnessy, 2002). In order to convey and enhance emotional value, businesses frequently use "visual, auditory, olfactory, sensory, and even gustatory clues" (Rintamaki et al., 2007). Zomato, in its recent advertisements, taps into emotions. In one ad, a daughter visits her father and finds him cooking pasta, claiming that he can still cook even though he and her mother have separated. However, the pasta turns out to be a burnt mess, and the daughter saves the meal by revealing that she ordered it through the Zomato app. Similarly, the second ad portrays a son visiting his mother and calling from the Zomato app so that his mother does not have to cook.

### *Customer Segments*

Customer segments are a grouping of paying customers with similar characteristics and needs. Customer segmentation can be done in various ways, including niche, along a continuum, diversified, and multi-sided. Multiple target segments may exist for a single good or service, but they are typically prioritised. If the entrepreneur chooses and pursues consciously, this segmentation and prioritisation would be the cornerstone of the company's corporate strategy (Porter, 1980). Customer segments define the populations or organisations we hope to serve or reach. For a business to succeed, it needs profitable customers. The growing consumer demand for unusual experiences has put the online food industry under intense competition. In order to tailor their service offerings to the needs and expectations of their customers, online food delivery companies must first understand their target markets by segmenting their clientele. Restaurants and customers are both significant clients of Zomato. Depending on their budget, location, and desired tastes, those who search for different restaurants can find other restaurants and a menu of many restaurants in their areas. Customers of Zomato include those who need a spot in its kitty right away. Zomato has provided them with access to application tools. Zomato's platform benefits neighbourhood restaurants that need advertising or medium-sized tools for a sizable audience.

Users of Zomato who rate and review restaurants have gathered a wealth of user information. For database companies and market research organisations needing precise client data, the brand database is advantageous. They utilise Zomato as well. The menu items and other restaurant services are rated and discussed by reviewers, also known as content producers. These engaged journalists post images of nearby restaurants on Zomato. (Shastri,2022). We could thus see that Zomato has divided its clientele into three categories:

- **Users:** The Zomato platform is specifically made for finding and locating restaurants that serve different cuisines. Customers who prefer home delivery will find Zomato to be very accommodating.
- **Local Businesses:** The platform is also essential for restaurants that want to publicise their names or brands to help them reach their target market. The foundation of Zomato was market and trend research.
- **Reviewers (content contributors):** On the Zomato platform, active reviewers post ratings and images of nearby eateries or businesses.

### *Customer Relationship*

It describes the bond a business develops with specific customer segments. Customer acquisition, retention, and sales growth are the key drivers of customer relationships. The quality of your customers can make or break your company. Investing resources in it is always a wise decision. The customer's preferences can vary when using online food ordering platforms. They anticipate receiving their food in the shortest amount of time. In order to ensure a positive customer experience, robust customer support should be set up. Zomato has created a robust system for managing customer relationships that includes:

- **Convenient Self-Servicing:** Zomato gives its users the freedom to choose the best option by giving them all the available options and information, enabling convenient self-servicing.
- **Up to Date Ratings and Reviews:** Users appreciate Zomato's openness in their ratings and reviews, which give users accurate information about restaurants' calibre and level of service.
- **Customer Engagement Activities:** Zomato starts customer-friendly activities like providing tickets and coupons.
- **Active Communication Channel and Customer Support:** Zomato has a reliable customer support service platform and maintains effective customer communication.

To get ready for a post-lockdown world, Zomato introduced Contactless Dining in April 2020. By doing away with high-touch elements like the menu, ordering, and paying bills via bar codes or an app, the company hopes to minimise customer contact with anything someone else may have touched. The staff will adhere to Covid-19 protocols at the same time.

### *Channels*

The term "channel" refers to how a business interacts with and reaches out to different customer groups to deliver its value proposition. Knowing the best route (or channel) to take to attract customers is crucial. These channels could be real-world ones like a store or online ones like an e-commerce website. Most users use mobile phones, making it simple to connect with businesses because the number of mobile users is expanding quickly. Apps are being used by businesses to streamline operations and increase customer accessibility. The most valuable tools in today's cutthroat business environment are mobile apps. The Zomato platform is available via various access points, and applications are available for all popular smartphones (Android, iPhone, BlackBerry, Nokia Ovi, Windows, etc.). With 2.5 million downloads, its app accounts for more than 40% of all traffic. (CIDME, 2022). Zomato

has also developed a website for the food-porn business that offers unique images of exotic foods worldwide. With 2.5 million downloads its app accounts for more than 40% of all traffic.

### Key Resources

The following essential resources list a business model's key components to succeed. These consist of the office, the needs for the hosting, the staff, the budget, the means of transportation, the electricity, etc. The resources should be mapped to the main activities. They are regarded as assets necessary for sustaining and expanding the business. Zomato maintains a sizable database of restaurants, cafes, and related businesses in 24 countries. Zomato wants to establish new alliances and take over the global market. *Zomato Platform*: a group of people who contribute to or review content:

- **Zomato brand reputation:** Consumers would immediately think of Zomato when considering food.
- **Funding Partners:** Through funding sources, Zomato raised millions of dollars. Top investors include VY Capital, Temasek Holdings, Ant Financial, Sequoia Capital, and Info Edge.

### Key Activities

Without examining a company's critical operations, the business model is lacking. Zomato's main goal was to make finding restaurants incredibly simple and convenient, but it also performed other essential tasks:

- **Manage network effects:** Zomato, currently present in 24 countries, offers its users local restaurant search services, as was already mentioned. It offers information about and reviews of restaurants. The details include information on the food items, contact details, and the locations of the restaurants.
- **Manage and utilise advertising:** Zomato has a sizable user base for advertising. By posting advertisements for various restaurants, the business capitalises on its strong presence and brand popularity and generates sizable revenue. Zomato uses direct mailers and direct SMS. Direct SMS was used to target the initial six lakh customers, and by sending six SMS per day for a month, it expanded its market reach. Zomato also communicates with businesses and professionals through newsletters and flyers tailored to their industry (Vision for 2020).
- **Zomato also advertises itself on social media as a food network:** It employs the straightforward strategy of always being accessible to its clients and sending only the best materials. Facebook is primarily used to broaden the scope and connect with as many people as possible, while Twitter is primarily used for interactions and conversations. Zomato utilises Google Adwords for its search ad campaigns. It targets various keywords associated with ordering food online, restaurants, and more. It aims to attract users who want food delivered to them.
- **Drive customer experience initiatives:** Zomato undertakes numerous initiatives to enhance customer experience and continuously update its features to market trends. Zomato engages with its audience by posting content on trending topics. The company is aware of the characteristics of its clientele. As a result, it motivates users to revisit, share, and comment on content. It uses current events and posts detailed images to engage online viewers. The Olympics are among the most notable occasions in the sports world. When the Olympics were taking place in 2016, Zomato posted something like, "If coffee drinking were the Olympic sport, we did take the gold" (Shastri, 2021).
- **Enhancing brand image:** By fostering a sense of community among foodies and supplying people with precise information about "What to Eat and Where to Eat," Zomato upholds the reputation of its brand.
- **Online food delivery and subscription:** Zomato initially did not offer delivery services, but eventually, it introduced subscriptions and deliveries. However, due to fierce competition from Swiggy, the division does not produce much revenue for the business.

- **Consultancy to restaurant owners:** Zomato has a massive database of users, which reveals much essential information about their habits, preferences, and likes. Numerous eateries and new restaurants in the area can benefit from Zomato's data consulting services.
- **Zomato White label:** Zomato additionally offers a plug-and-play platform development service for restaurants looking to create their apps.
- **Zomato infrastructure:** Zomato's plans to introduce Zomato Infrastructure services, which will enable restaurants to grow without having to pay any fixed costs.

### *Key Partners*

The outside businesses or suppliers who must carry out crucial tasks and provide value to customers are considered vital partners. Organisations frequently cultivate buyer-supplier relationships to concentrate on their core activity while streamlining operations and lowering the risks associated with a business model. Joint ventures and strategic alliances between rivals or non-rivals can also be considered complementary business alliances. Critical activities should be mapped to key partners as well. A business may delegate some tasks to its network of partners and suppliers. Zomato has built an alliance with Uber Taxi for users to book a ride to the restaurant they plan to dine at. The clever innovation eliminates users from dealing with two different apps. Especially when customers are trying to review, pick, and find the best place to dine, all in a smooth, straightforward way. Zomato has built an alliance with London & Partners to help expand its virtual food presence in the European regions Zomato received assistance from London & Partners in the following areas: Locating a London office, assistance with hiring new employees, advice on salaries, management, hiring, work placements, insightful market research, guiding compliance, policy, and legal processes. The companies that accept electronic payments from customers, such as Visa, PayPal, Paytm, etc., are additional business partners of Zomato.

### *Zomato's Cost*

The cost structure outlines every expense and costs the business will have while executing the business model. The team will need this last step to determine whether to pivot or move forward, which is crucial. Either the business is value- or cost-driven. A value-driven business focuses on providing excellent customer value in terms of quality or prestige, while a cost-driven business seeks to minimise costs. Zomato's FY18 revenue was \$80 M, and in FY19, it was \$500 M. The size of the shift reveals how much the company has grown. The following operations are carried out for \$500M per year (Statista, 2020):

- **Platform development:** Zomato generously invests in enhancing its online portal, customer service, and marketing operations to increase its online presence and brand value.
- **Branding and advertisement cost:** Zomato invests heavily in numerous marketing initiatives to maintain its popularity.
- **Credit card processing fees:** Zomato pays for processing its credit card transactions.
- **Legal and accounting fees:** Zomato is responsible for paying additional taxes, fines, and payments required by law.
- **Office maintenance cost:** Zomato is available in 24 nations, including Portugal, Indonesia, India, the United Arab Emirates, Qatar, and Turkey. The company covers all office maintenance expenses.
- **Employee's salary:** Zomato employs more than 5000 people with various pay scales.

### *Zomato's Revenue*

The next step is revenue streams; when people consider how to make money for a business, they only consider the cost of the product. Customers' willingness to pay for a product's value, how they pay

for goods, the kind of goods we are selling, and the market we are entering must all be considered. The business has a variety of revenue streams available to it, such as asset sales, subscription fees, leasing, licencing, advertising, etc. The personas or segments and value propositions ought to be linked to these revenue streams. Similar to FY18, Zomato's revenue increased in FY19. Zomato's revenue in FY19 was \$206 M, more than three times what it was in FY18 (\$68 M). The primary sources of revenue for Zomato are the delivery service, dine-out membership, advertisements, promotional deals, and exclusive offers:

- **Food delivery:** The company aggressively expanded its food delivery services after launching them in 2015. Regarding total revenue for FYFY 19, the commission from delivery transactions accounts for about 75% of the total. While Zomato's delivery services generated \$38M in revenue in FY18, they generated almost \$155M in revenue in FY19, a four-fold increase over the previous year.
- **Advertising:** Zomato began as a restaurant aggregator and continues to generate most of its income through distinctive advertising. Through sponsored listings, Zomato offers restaurants, eateries, bars, and pubs the chance to advertise on their platforms. This is the source of a more significant portion of Zomato's revenue.
- **Dining Out:** To give its subscribed members free food and drinks, Zomato has partnered with restaurants. Zomato's Gold membership programme is the name of the membership. Over 1 million active programme members pay an annual membership fee of Rs 1,199. Sales in the dining-out segment rose from \$30 million in FY18 to \$49 million in FY19.
- **Ticket Sales:** Zomato also offers tickets for various performances and events. Through these kinds of sales and deals, Zomato receives a commission.
- **Zomato White Label:** The creation of mobile apps helps Zomato generate income. Through its underlying platform, which supports plug-and-play, Zomato also offers a service for restaurants to create their apps.
- **Consultation Services:** Zomato provides consultation and data analytics services for customers and potential customers (Business Strategy, 2020).

## IMPLICATIONS AND CONCLUSION

Given the increased competition and significant changes affecting the food sector, business model innovation has been advocated as a crucial strategy for enhancing competitiveness and sustainability through new value propositions and business management techniques. Digital business models, in particular, are not very interesting for the food industry. Although little research has been done in this area, food start-ups have the potential to develop an entirely new business model based on a valuable and distinctive value proposition. Particularly in the restaurant sector, there is intense competition, which makes expansion or growth abroad tricky. By focusing on nine "Business Model Canvas" elements, Zomato, an Indian restaurant aggregator and food delivery start-up, has succeeded in the Indian market. (Osterwalder & Pigneur, 2010) And utilising an original business strategy. This emphasises that business model innovation, as opposed to product innovation, is how food companies can expand into new markets or thrive in the current competitive environment (McGrath, 2011). This may be an excellent chance for small businesses with tight budgets and resources. Product innovation is no longer a great competitive differentiator for successful businesses. Product life cycles are getting shorter, competitors can quickly copy innovations, and firms from low-wage nations have high cost and price advantages. Information and communication technologies (ICTs) also present a unique opportunity to reorganise value-creation processes. As a result, businesses view business model innovation as a chance to create long-term competitive advantage (Teece, 2010). Only businesses that successfully create a long-lasting competitive advantage will be successful in the long run (Porter,

1996). As a result, a company's value creation process needs to be unique compared to its rivals. It must be more efficient while also being more effective.

As a result, this study adds to the body of knowledge on the food industry (Vrontis et al., 2016; Giacosa et al., 2017), specifically in the context of food start-ups, by exploring the potential for innovative business models. Another significant contribution of this study is that many previous works on business models do not use specific patterns to describe the business model of the analyzed cases. This study has examined every single element of the business model.

Of course, this study has some limitations that present exciting new research opportunities. The analysis only takes into account one case study, which makes it challenging to generalise the findings. More case studies are therefore advised to address the topic of how businesses can develop successful business models. More research is needed in the particular area of food start-ups due to the topic's youth. The focus of the analysis was also on the particular context of the food industry, which is affected by unique normative and competitive hallmarks. The authors acknowledge that it is not possible to fully generalise these findings to all industries and encourage researchers to look into this issue in other analysis contexts.

## REFERENCES

- Almquist, E., Senior, J., & Bloch, N. (2016). The elements of value. *Harvard Business Review* <https://hbr.org/2016/09/the-elements-of-value>
- Amit, R., & Zott, C. (2012). Creating value through business model innovation. *Sloan Management Review*, 53(3), 41–49.
- Bashir, M., & Verma, R. (2019). Internal factors and consequences of business model innovation. *Management Decision*, 57(1), 262–290. doi:10.1108/MD-11-2016-0784
- BCG report. Retrieved from <https://www.bloomberqint.com/technology/swiggy-zomato-indias-food-tech-industry-to-hit-dollar8-billion-by-2022-end-google-bcg-report> p. 2020.
- Bocken, N. M. P., & Geradts, T. H. J. (2020). Barriers and drivers to sustainable business model innovation: Organisation design and dynamic capabilities. *Long Range Planning*, 53(4), 1019–1050. doi:10.1016/j.lrp.2019.101950
- Broekhuizen, T.L.J., Broekhuis, M., Gijzenberg, M.J., & Wieringa, J.E.(2021). Introduction to the special issue – Digital business models: A multidisciplinary and multi stakeholder perspective. *Journal of Business Strategy*, 122, 847–852. doi:jbusres.2020.04.01410.1016/j
- Casadesus-Masanell, R., & Ricart, J. E. (2010). From strategy to business models and onto tactics. *Long Range Planning*, 43(2–3), 195–215. doi:10.1016/j.lrp.2010.01.004
- CIDEME report. (2022) Zomato Case Study: Finding The Secret Sauce To Its Success. *CIDEME*. <https://www.cidm.co.in/zomatos-case-study-success-story/>.
- Davidson, E., & Vaast, E. (2010). Digital entrepreneurship and its socio-material enactment. *IEEE System Sciences (HICSS)*, 43rd Hawaii International Conference (pp. 1–10).
- Digital Food Lab. (2019, April). Foodtech in India Startup and investment activity. <https://www.digitalfoodlab.com/reports/2019-india/download>
- DSIM report. (2015). *Case Study- Zomato: An Indian Start-up acquiring the world*. DSIM. <https://dsim.in/blog/2015/04/14/zomato-an-indian-startup-acquiring-the-world/Assessed>
- Dunford, R., Palmer, I., & Benviste, J. (2010). Business model replication for early and rapid internationalization: The ING Direct experience. *Long Range Planning*, 43, 655–674.
- Eisenhardt, K. M. (1989). Building theories from case study research. *Academy of Management Review*, 14(4), 532–550. doi:10.5465/amr.1989.4308385
- Eisenhardt, K. M., & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50(1), 25–32. doi:10.5465/amj.2007.24160888
- Future Work Technologies. (2020). *Zomato Business Revenue Model: how it works*. *Future Work Technologies*. <https://futureworktechnologies.com/how-zomato-works-business-revenue-model/>.
- George, G., & Bock, A. J. (2011). The business model in practice and its implications for entrepreneurship research. *Entrepreneurship Theory and Practice*, 35(1), 83–111. doi:10.1111/j.1540-6520.2010.00424.x
- Gerdoçi, B., Bortoluzzi, G., & Dibra, S. (2018). Business model design and firm performance: Evidence of interactive effects from a developing economy. *European Journal of Innovation Management*, 21(2), 315–333. doi:10.1108/EJIM-02-2017-0012
- Ghose, A., & Han, S. P. (2014). Estimating demand for mobile applications in the new economy. *Management Science*, 60(6), 1470–1488. doi:10.1287/mnsc.2014.1945
- Giacosa, E., Ferraris, A., & Monge, F. (2017). How to strengthen the business model of an Italian family food business. *British Food Journal*, 119(11), 2309–2324. doi:10.1108/BFJ-03-2017-0124
- Giesen, E., Berman, S. J., Bell, R., & Blitz, A. (2007). Three ways to successfully innovate your business model. *Strategy and Leadership*, 35(6), 27–33. doi:10.1108/10878570710833732



- Guthrie, C. (2014). The digital factory: A hands-on learning project digital entrepreneurship. *Journal of Entrepreneurship Education*, 17(1), 115–133.
- Haddad, H., Weking, J., Hermes, S., Bohm, M., & Krcmar, H. (2020). Business model choice matters: How business models impact different performance measures of start-ups. *15th International Conference on Wirtschaftsinformatik*. <https://www.researchgate.net/publication/337602192>
- Hair, N., Wetsch, L., Hull, C., Perotti, V., & Hung, Y.-T. (2012). Market orientation digital entrepreneurship: Advantages and challenges web 2.0 networked world. *International Journal of Innovation and Technology Management*, 9(6), 1–17.
- Hull, C. E. K., Hung, Y. T. C., Hair, N., Perotti, V., & DeMartino, R. (2007). Taking advantage of digital opportunities: A typology of digital entrepreneurship. *International Journal of Networking and Virtual Organisations*, 4(3), 290–303. doi:10.1504/IJNVO.2007.015166
- IBEF. (2020). *Food industry report*. IBEF Dataset. <https://www.ibef.org/industry/indian-food-industry.aspx>
- Johnson, M. W., Christensen, C. M., & Kagermann, H. (2008). Reinventing your business model. *Harvard Business Review*, 86(12), 57–68.
- Kavadias, S., Ladas, K., & Loch, C. (2016). The transformative business model. *Harvard Business Review*, 94(10), 91–98.
- Keiningham, T., Aksoy, L., Bruce, H. L., Cadet, F., Clennell, N., Hodgkinson, I. R., & Kearney, T. (2020). Customer experience-driven business model innovation. *Journal of Business Research*, 116, 431–440. doi:10.1016/j.jbusres.2019.08.003
- Klewitz, J., & Hansen, E. G. (2014). Sustainability-oriented innovation of SMEs: A systematic review. *Journal of Cleaner Production*, 65, 57–75. doi:10.1016/j.jclepro.2013.07.017
- Lambert, S. C., & Davidson, R. A. (2013). Applications of the business model in studies of enterprise success, innovation, and classification: An analysis of empirical research from 1996 to 2010. *European Management Journal*, 31(6), 668–681. doi:10.1016/j.emj.2012.07.007
- Le Dinh, T., Vu, M.C., & Ayayi, A. (2018). Towards a living lab for promoting the digital entrepreneurship process. *International Journal of Entrepreneurship*, 22(1).
- Malay, H. (2004). E-entrepreneurship and small e-business development: Towards a comparative research agenda. *Journal of Small Business Entrepreneurship Development*, 11(3), 408–414.
- Mao, J. Y., Su, F., Wang, B., & Jarvenpaa, S. L. (2020). Responding: How do incumbent firms swiftly deal with disruptive business model innovation? *Journal of Engineering and Technology Management*, 57, 101591. doi:10.1016/j.jengtecman.2020.101591
- Mariotto, F. L., Zanni, P. P., & Moraes, G. H. S. M. D. (2014). What is the use of a single-case study in management research? *Revista de Administracao de Empresas*, 54(4), 358–369. doi:10.1590/S0034-759020140402
- Markides, C. (2006). Disruptive innovation: In need of better theory. *Journal of Product Innovation Management*, 23(1), 19–25. doi:10.1111/j.1540-5885.2005.00177.x
- Massa, L., & Tucci, C. L. (2013). Business model innovation. *The Oxford Handbook of innovation management*, 20, (420–441).
- Matzler, K., Bailom, F., Friedrich von den Eichen, S., & Kohler, T. T. (2013). Business model innovation: Coffee triumphs for Nespresso. *The Journal of Business Strategy*, 34(2), 30–37. doi:10.1108/02756661311310431
- McCarthy, B., Liu, H. B., & Chen, T. (2016). Innovations in the agro-food system: Chinese consumers adopt certified organic food and green food. *British Food Journal*, 118(6), 1334–1349. doi:10.1108/BFJ-10-2015-0375
- McGrath, R. G. (2011). When your business model is in trouble. *Harvard Business Review*, (January–February), 96–98.
- McMullen, J. S., & Dimov, D. (2013). Time and the entrepreneurial journey: The problems and promise of studying entrepreneurship as a process. *Journal of Management Studies*, 50(8), 1481–1512. doi:10.1111/joms.12049

- Nidumolu, R., Prahalad, C. K., & Rangaswami, M. R. (2009). Why sustainability is now the key driver of innovation. *Harvard Business Review*, 87(9), 56–64.
- Ojala, A. (2016). Business models and opportunity creation: How I.T. entrepreneurs create and develop business models under uncertainty. *Information Systems Journal*, 26(5), 451–476. doi:10.1111/isj.12078
- Osterwalder, A., & Pigneur, Y. (2010). Business model generation: A handbook for visionaries, game-changers, and challengers. John Wiley & Sons: Inc.
- Osterwalder, A., Pigneur, Y., & Tucci, C. L. (2005). Clarifying business models: Origins, present, and future of the concept. *Communications of the Association for Information Systems*, 16, 1–25. doi:10.17705/1CAIS.01601
- Palmie, M., Miehe, L., Oghazi, P., Parida, V., & Wincent, J. (2022). The evolution of the digital service ecosystem and digital business model innovation in retail: The emergence of meta-ecosystems and the value of physical interactions. *Technological Forecasting and Social Change*, 177, 121496. doi:10.1016/j.techfore.2022.121496
- Pang, C., Wang, Q., Li, Y., & Duan, G. (2019). Integrative capability, business model innovation, and performance: Contingent effect of business strategy. *European Journal of Innovation Management*, 22(3), 541–561. doi:10.1108/EJIM-09-2018-0208
- Panigrahi, A. (2020). A case study on Zomato – The online Food king of India. *Journal of management research and Analysis*. <https://www.researchgate.net/publication/341010072>
- Payne, A., Frow, P., & Eggert, A. (2017). The customer value proposition: Evolution, development, and application in marketing. *Journal of the Academy of Marketing Science*, 45(4), 467–489. doi:10.1007/s11747-017-0523-z
- Pigatto, G., & Machado, J. GdC. F., Negreti, AdS., & Machado, L.M. (2017). Have you chosen your request? Analysis of online food delivery companies in Brazil. *British Food Journal*, 119(3), 639–657. doi:10.1108/BFJ-05-2016-0207
- Pitelis, C. N. (2009). The co-evolution of corporate value capture, value creation, and sustainable advantage. *Organization Studies*, 30(10), 1115–1139. doi:10.1177/0170840609346977
- Pitelis, C. N. (2009). The co-evolution of organizational value capture, value creation, and sustainable advantage. *Organization Studies*, 30(10), 1115–1139. doi:10.1177/0170840609346977
- Porter, M. (1996). What is strategy? *Harvard Business Review*, (November–December), 61–67.
- Porter, M. E. (1980). Industry structure and competitive strategy: Keys to profitability. *Financial Analysts Journal*, 36(4), 30–41. doi:10.2469/faj.v36.n4.30
- Qastharin, R. A. (2016). Business model canvas for social enterprise. *Journal of Business and Economics*, 7(4), 627–637.
- Raman, P. (2018). Zomato: A shining armor in the food tech sector. *Journal of Information Technology Case and Application Research*, 20(3–4), 130–150. doi:10.1080/15228053.2018.1552396
- Raman, P. (2018). Zomato: A shining armour in the food tech sector. *Journal of Information Technology Case and Application Research*, 20(3–4), 130–150. doi:10.1080/15228053.2018.1552396
- Redseers. (2020). Redseers Report. *Redseers Stratedy Consultant*. <https://redseer.com/?s=Zomato>.
- Rintamäki, T., Kuusela, H., & Mitronen, L. (2007). Identifying competitive customer value propositions in retailing. *Managing Service Quality*, 17(6), 621–634. doi:10.1108/09604520710834975
- Saebi, T., Lien, L., & Foss, N. J. (2017). What drives business model adaptation? The impact of opportunities, threats, and strategic orientation. *Long Range Planning*, 50(5), 567–581. doi:10.1016/j.lrp.2016.06.006
- Saqib, N., & Satar, M. S. (2021). Exploring business model innovation for competitive advantage: A lesson from an emerging market. *International Journal of Innovation Science*, 13(4), 477–491. doi:10.1108/IJIS-05-2020-0072
- Schmidt, A. L., & Scaringella, L. (2020). Uncovering disruptors' business model innovation activities: Evidencing the relationships between dynamic capabilities and value proposition innovation. *Journal of Engineering and Technology Management*, 57, 101589. doi:10.1016/j.jengtecman.2020.101589

- Shastri, A. (2021). Case study on Zomato's digital marketing strategy. *IIDE*. <https://iide.co/case-studies/zomato-digital-marketing-strategy>.
- Shastri, A. (2022). The in-depth business model of Zomato –360 degree analysis. *IIDE*. <https://iide.co/case-studies/business-model-of-zomato/>
- Sheth, J. N., Newman, B. I., & Gross, B. L. (1991). Why we buy what we buy: A theory of consumption values. *Journal of Business Research*, 22(2), 159–170. doi:10.1016/0148–2963(91)90050-8
- Shroff, A., Shah, B. J., & Gajjar, H. (2022). Online food delivery research: A systematic literature review. *International Journal of Contemporary Hospitality Management*. *Volvo*, 34(8), 2852–2883. doi:10.1108/IJCHM-10-2021-1273
- Siggelkow, N. (2007). Persuasion with case studies. *Academy of Management Journal*, 50(1), 20–24. doi:10.5465/amj.2007.24160882
- Teece, D. J. (2010). Business models, business strategy, and innovation. *Long Range Planning*, 43(2–3), 172–194. doi:10.1016/j.lrp.2009.07.003
- Tong, T., Dai, H., Xiao, Q., & Yan, N. (2020). Will dynamic pricing outperform? Theoretical analysis and empirical evidence from O2O on-demand foodservice market. *International Journal of Production Economics*, 219, 375–385. doi:10.1016/j.ijpe.2019.07.010
- Trischler, M. F. G., & Li-Ying, J. (2022). Digital business model innovation: Toward construct clarity and future research directions. *Review of Managerial Science*. doi:10.1007/s11846-021-00508-2
- Trischler, M.F.G., & Li-Ying, J. (2022). Digital business model innovation: Toward construct clarity and future research directions. *Review of Management Science*. doi:10.1007/s11846-021-00508-2
- VISION. (2020). A case study on Zomato. *Sonis Vision*. <https://www.sonisvision.in/blogs/post/a-case-study-on-zomato>
- Vrontis, D., Bresciani, S., & Giacosa, E. (2016). Tradition and innovation in Italian wine family businesses. *British Food Journal*, 118(8), 1883–1897. doi:10.1108/BFJ-05-2016-0192
- Wind, Y. J. (2008). A plan to invent the marketing we need today. *MIT Sloan Management Review*, 49(4), 21–28.
- Working, J., Brosig, C., Böhm, M., Hein, A., & Krcmar, H. (2018a). Business model innovation strategies for product service systems—an explorative study in the manufacturing industry. In *Proceedings of the 26th European Conference on Information Systems*. Research Gate.
- Yi, Y., Wang, Y., & Shu, C. (2020). Business model innovations in China: A focus on value propositions. *Business Horizons*, 63(6), 787–799. doi:10.1016/j.bushor.2020.07.002
- Yin, R.K. (1984). *Case study research – Design and methods*. Sage publications.
- Yin, R. K. (2003). *Case Study Research: Design and Methods* (3rd ed). Sage publications.
- Yin, R. K. (2014). *Case study research: Design and methods*. SAGE.
- Zaheer, H., Breyer, Y., Dumay, J., & Enjeti, M. (2018). Straight from the horse's mouth: Founders' perspectives on achieving "traction" digital start-ups. *Computers in Human Behavior*, 1–13.
- Zeithami, V. A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52(3).
- Zomato. (2020). How Does Zomato make Money? *Business strategy*. <https://bstrategyhub.com/zomato-business-model-how-does-zomato-make-money/>
- Zott, C., & Amit, R. (2007). Business model design and the performance of enterprise- neural firms. *Organization Science*, 18(2), 181–199. doi:10.1287/orsc.1060.0232
- Zott, C., & Amit, R. (2008). The fit between product market strategy and business model: Implications for firm performance. *Strategic Management Journal*, 29(1), 1–26. doi:10.1002/smj.642

Zott, C., & Amit, R. (2010). Business model design: An activity system perspective. *Long Range Planning*, 43(2–3), 216–226. doi:10.1016/j.lrp.2009.07.004

Zott, C., & Amit, R. (2015). Business model innovation: Towards a process perspective. In C.S halley, M. Hitt & J. Zhou (Eds.), *Oxford handbook of creativity, innovation, and entrepreneurship: Multilevel linkages*. Oxford.

Zott, C., Amit, R., & Massa, L. (2011). The business model: Theoretical roots, recent developments, and future research. *IESE Research Papers*, 3(4), 1–43.

*Natasha Saqib is currently working as Sr. Assistant Professor at the Department of Management Studies, University of Kashmir, India. She received her B.Sc. (Hon.) industrial chemistry from University of Kashmir, MBA from Islamic university of Science and Technology and Ph.D. from University of Kashmir, India. Dr. Natasha has more than 13 years of experience in academia. She has several research publications in internationally acclaimed journals like International journal of emerging markets, Journal of Entrepreneurship in Emerging Economies, Young Consumers, Journal of Tourism Analysis, International Journal of Innovation Science, Asia Pacific Journal of Innovation and Entrepreneurship, and PSU Research Review, among others.*

*Gowsia Bashir is currently working as Assistant Professor at the Department of Management Studies, University of Kashmir, South Campus, J & K, India. She received her MBA from Baba Ghulam Shah Badshah University and Ph.D. from the University of Kashmir, J & K, India. Dr. Gowsai Bashir has more than four years of experience in academia. She has several research publications in internationally acclaimed journals and conferences.*