

A Review on Zomato Acquires Uber Eats

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Abstract- This paper is about almost information related to branded applications of online food ordering and delivery at door step and it also includes the circumstances under which Zomato Buys Uber Eats.

I. INTRODUCTION

Zomato is a private company founded by Deepinder Goyal in July 2008. It is a startup which provides food delivery at door step to people with added benefits of providing information about different partner restaurants, their menu and different reviews of other users.

Zomato has been proven as a very profitable for users also as it provides many discounts and offers on normal prices of food. Zomato covers very wide geographical area of a Globe. It covers 24 country of world that are, Australia, Brazil, Canada, Chile, Czech Republic, India, Indonesia, Ireland, Italy, Lebanon, Malaysia, New Zealand, Philippines, Poland, Portugal, Qatar, Singapore, Slovakia, South Africa, Sri Lanka, Turkey, UAE, United Kingdom, United States. Headquarter of Zomato in India is in Gurugram Haryana

Zomato is in customer service industry. Other than food delivery, Zomato provides many other services like restaurant search, discovery, online ordering, table reservation & management, POS systems, subscription services. It has provided huge number of employments to more than 5000 people and it has 80 million monthly active users.

II. ELABORATIVE APPROACH

- Early Zomato

In 2008 Zomato was named as Foodie bay and renamed Zomato in 2010. Zomato expanded itself across India to Delhi NCR, Mumbai, Bangalore, Chennai, Pune and Kolkata in 2011. After expanding in home country, in 2012 Zomato started its operations

internationally in several countries which includes United Arab Emirates, Sri Lanka, Qatar, United Kingdom, Philippines, and South Africa. In 2013 Zomato came in existence in New Zealand, Turkey, Brazil and Indonesia with availability of different favorable languages of the countries. Further in 2014, Zomato float its services in Portugal, followed by launches in Canada, Lebanon and Ireland.

In February 2017, Zomato publicize intention to launch resources to help restaurants expand their existence without incurring any fixes costs. In September 2019, Zomato fired almost 10% of workforce (540 people) tending to back-end operations like customer service, merchant and delivery partner support functions.

- Zomato Acquire Uber Eats: -

Zomato has acquired Uber Eats, the food delivery business of ride-hailing giant Uber India for around Rs.2,485 crore (\$350 million) with all stock deal. This is coming to know that Zomato will not absorb the work force of uber eats, which means they will either be absorbed in other verticals of Uber or could face lay-off. According to Economic Times Newspaper report, entire deal worth around \$350 million.

In food delivery space, Swiggy is little ahead of Zomato. In this situation, where Uber Eats coming up with Zomato, it will surely give boost-up to take on Swiggy and the combined entity will cover around 50-55 per cent market share. Obtaining Uber Eats helps Zomato to improvise its existence and cover more users and also crack Swiggy's stronghold on southern states. Uber Eats plucked its existence as a separate Uber brand in India and all its users automatically directed towards Zomato brand. By acquiring Uber Eats, Zomato now having one less competitor to deal with. Swiggy is the leading food delivery app in the era and Uber Eats was continuously going towards loss as it predicted Rs. 1,645 crores in its food delivery business. Unfortunately, the loss was larger than the

prediction i.e. fruitful for Zomato with the view of backing off Swiggy in the food delivery market.

Thank you so much sir.



Source: - Google.Com

Diagram 1

CONCLUSION

Due to this acquisition of Uber Eats by Zomato, the coverage power of Zomato became stronger and now Zomato has one less competitor to compete with. The conclusion of this acquisition is fruitful for Zomato for earning more profit and covering more geographical area to compete with leading company Swiggy. Zomato has also gained all the users of Uber Eats which increases the traffic existence power.

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APPENDIX

Diagram 1

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