Home Chef is a home meal kit delivery company based out of Chicago, Illinois. There are 11 different recipe options available each week to order from. The delivery meal kit industry has grown into a multibillion-dollar industry and Home Chef has risen to have the second largest market share in the home meal kit industry (Home Chef Meal).

**Hot Competition in the Meal Kit Industry**
The meal kit market is extensive but Home Chef’s three main competitors are HelloFresh, Blue Apron, and Chef’d.

- HelloFresh offers three different meal plans. The classic plan for two or four people with three or four recipes a week. A veggie plan for two or four people with three different recipes a week. A family plan for four people with two or three recipes a week (Our).
- Blue Apron distinctively promotes environmental sustainability and fresh ingredients. Blue Apron offer a two-person plan and a family plan. The two-person plan has three recipes a week. The family plan offers two or four recipes a week (Blue Apron: Fresh).
- Chef’d offers a wide selection of over 400-meal options including five special meal plans such as the American Diabetes Association Meal Plan and The New York Times Cooking Meal Plan. Chef’d has options for breakfast, lunch, and dinner. Orders are priced per meal and are more expensive than other competitors (Chef’d).

Only Blue Apron has more market share than Home Chef.

**Meal Kit Market Trending Upwards**
Healthy growth of 9.5% per year and favorability among consumers lend to a positive trend in meal kits (Madeline). Of chefs interviewed, 63% viewed home meal delivery kits as positive trends (Levin). One in four Americans has purchased a meal kit and 70% continued buying. As more Americans buy meal kits the retention rate will lead to more customers staying with a meal kit company (Understanding).

**Healthy Economy Spurs Meal Kit Purchases for Now**
A healthy economy lends well to people purchasing home meal kits. More money in consumers’ pockets will lead to more spending on more expensive groceries such as meal kits (Mitchell). Something to watch out for is the slow growth of wages, 2.5%, worrying economist who predict when stocks go down people will spend less money hurting meal kit suppliers (Nominal). Offering more affordable meal kits will be hard for Home Chef and others because the cost of ingredients will rise in a slower economy (Judkis).

**Meal Kits Have Room to Expand into More Homes**
Americans don’t enjoy cooking. The average meal kit takes between 30-45 minutes to prepare. Meal kits with cooking and preparing time of 20 to 30 minutes would expand the range of people interested in buying meal kits and retain people who don’t like to cook (Black). Going public is a measure of expansion because home meal kit companies would be able to raise more capital.
More capital spent on marketing and product development enhances the number of potential customers being reached (Blue Apron’s IPO). Expanding into deserts is something 86% of consumers would like and Home Chef does not have deserts (Meal). With grocery stores starting to offer meal kits in stores the home meal kit industry will see more exposure but more competition too (Meal kits).

**How do Home Meal Kit Makers Separate from the Pack?**
Offering unique products is one method home meal kit producers can distinguish themselves. Blue Apron, Home Chefs largest competitor, offer a wine club that send wines with your meals. Blue Apron selects wines that will taste best with the specific meal ordered and include a handout. A specific way to distinguish an item is special certification. Green Chef uses only organic USDA certified meat allowing customers to feel safe about where their meat came from (Bell).

**Promoting Home Meal Kits to Potential Customers**
To spread information about home meal kits social media is the largest platform for marketing.
- 58% of Generation Z check Snapchat daily
- 59% of Gen Z also check Instagram daily
- 77% of Millennials check Facebook daily
Facebook is the best social media channel to reach across generations (Kelter). Having the ability to offer hundreds of different combinations of meals that arrive at your doorstep are something people will look forward to. Grocery stores cannot compete with the product array home meal kits can offer (Hamstra).

**Rapid Changes in Technology Can Boost Meal Kits**
The company Plated is researching using robotics to cut ingredients and package meals allowing for more efficient ways of sending meal kits to customers. Finding money to invest in technology is hardest for companies who are not public (Kolodny). Using technology software to easily track where ingredients come from and relay that information to customers could distinguish that company from its peers (Green).

**Who Buys Meal Kits?**
Today people no longer only work 9-5 jobs and families dine less together at the kitchen table opening the door to more people who will buy meal kits (Heather). Consumers who “like to cook” made up 30% of served adults.
- Adults in their late 40s liked cooking the most
- The median income of people who like cooking is $62,336
- 59% had some experience of college. Woman enjoyed cooking more by 60% to 40% to men (Oneview)
Families with children purchase meal kits 326% more than childless families (Understanding).
Work Cited


Strengths

- Home Chef can deliver home meal kits to 97% of Americans in the continental United States (Home Chef Continues).
- Home Chef has the most affordable prices compared to its main competitors (Bell).
- There are more 2.5 million meals delivered a month by Home Chef (Home Chef Continues).
- Customers can plan for meals up to five weeks in advance eliminating stress of worrying about what is for dinner (Home Chef Meal).

Weaknesses

- Home Chef does not provide documentation about where specific ingredients come from (Bell).
- Older generations are more difficult to market to since they use less or little social media (Kelter).
- Home Chef only has three distribution centers throughout the United State (Home Chef Continues).
- Few kid friendly menu options for families (Home Chef Meal).

Opportunities

- 86% of current home meal kit buyers want to see more dessert options (Meal Kits Deliver).
- Online food ordering is growing at a rate of 9.5% a year (Madeline).
- Integrating automation into production of meal kits to deliver them more rapidly to customers (Kolodny).
- Around 70% of people who bought meal kits continued ordering them allowing for home meal kits to gain customer loyalty with the customers who bought them (Meal Kits Deliver).

Threats

- Blue Apron offers wine to go with their meals making finding the right glass of wine for dinner easy for Blue Apron customers (Bell).
- Amazon is starting to sell home meal kits and with Amazon’s global brand that could see a large market share switch to Amazon rapidly (Kolodny).
- There are no special recipes for customers with food allergies or dietary restrictions and one of Home Chef’s main rivals, Chef’d, does have those options (Chef’d).
- In a slower economy, the consumer will be hesitant to buy home meal kits because of the cost of them compared to generic grocery brand food (Mitchell).