# Integrating Alexa in the lives of GenZ

Unlocking the power of Alexa 'In the Kitchen'



### **Executive Summary**

#### **Problem**

By failing to tap into the market of Gen Z, Alexa is missing out on over 1.24 billion potential users, impeding on its potential for growth and market share expansion.

- → Gen Z prefers **smartphones** for accessing information and controlling devices, with **53% of them using Siri** due to its mobile integration, potentially making Alexa less intuitive for some.
- → 200,000,000+ customers are part of the budding Gen Z and compose of 47% of shoppers in the US & Canada alone. (Catering to this audience is essential)
- → Alexa is primarily designed to control smart home devices and provide quick access to information. Many Gen Z users do not require these integrations making the product **less appealing** to younger generations.

#### Solution

Our overarching recommendation consists of 3 immersive components for Alexa in the kitchen; Inventory Management, Recipe Suggestions and Smart Shopping.

- 1. Inventory Management- With Alexa, managing your food inventory across the pantry, fridge, and freezer has never been easier. Simply scan your grocery receipts or verbally state what items you have on hand, and Alexa will take care of the rest!
- 2. Recipe Suggestions Take the stress out of meal planning while minimizing food waste. By utilizing Generative AI technology, Alexa will recommend recipe options based on your unique dietary restrictions and preferences to meet the user's specific needs.
- **3. Smart Shopping-** Through recommendations of **complementary grocery purchases**, Alexa will allow users to entertain a **more sustainable**, **budget-friendly lifestyle**.

### **Impact**

Focusing on the kitchen space presents an opportunity for Alexa to attract Gen Z users and enhance customer retention, which can ultimately strengthen brand value and increase competitiveness in the market.

- → With the addition of enhanced features tailored for Gen Z, Alexa has the potential to generate an increase in revenue of \$23.1 million, as well as a 69.1% increase in Gen Z consumers.
- → Catering to Gen Z can lead to increased brand loyalty and word-of-mouth marketing, as younger generations are known for sharing their positive experiences on social media. 74% of Gen Z consumers are more likely to share their positive experiences with a brand on social media, which can significantly increase brand awareness and user-base.
- → By catering to Gen Z, Alexa can solidify its presence among younger users, improve user experience, and stay competitive in the ever-evolving smart device market.

#### The Status Quo

### What does Gen Z Want?



#### Convenience

- 40% of Gen Z consumers consider convenience an important factor in the food they choose to eat
- Gen Z also values technology and innovation in the food industry, which streamlines the food purchasing process.



#### **Personalization**

- **77%** of Gen Z believe it's important for businesses to **customize** interactions.
- Gen Z values personalization when purchasing items as they prefer products that are tailored to their unique preferences and needs.



#### **Affordability**

- Gen Z tends to prioritize money when it comes to food purchases, seeking out affordable options that provide a satisfying and fulfilling experience.
- 46% of Gen Z live paycheque-to-paycheque, aligning with their desire to save money.



### **Problem Breakdown**







**No Mobile Integration** 

Lack of Interest

Alexa is primarily designed to control smart home devices and provide quick access to information. Some members of Gen Z may **not have a need** for these functions in their daily lives.

Gen Z prefers smartphones for accessing information and controlling devices, with **53% of them using Siri** due to its **mobile integration**, potentially making Alexa less intuitive for some.

Some members of Gen Z may simply **not** find voice-activated assistants like Alexa to be **compelling or interesting**. They may prefer to interact with technology in other ways.

# What are Alexa consumers saying?

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I use Alexa for most tasks I do at home. It is seamlessly integrated with **almost all my utilities** and has saved me tremendous time and effort in completing the easy things. I will say, however, that I wished Alexa **could be of more use** in the kitchen.





Most of my money goes to food and honestly, I don't have the time to constantly head to the grocery store to look for the best deals and then decide on recipes. I end up usually just getting food from cheap restaurants. I wish grocery shopping was an easier process so I can eat more of what I want to eat





Yas Ali Alexa user since product launch

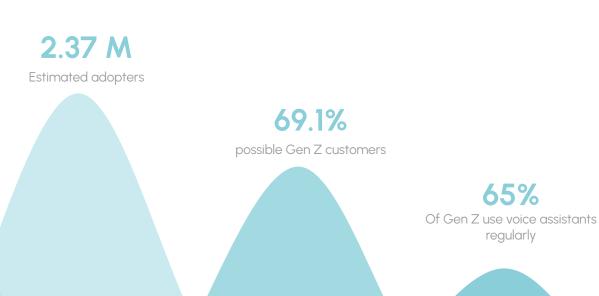


Tishaani Ragavan
Second Year Student at University of
Waterloo

# Targeting 18-26 Year Olds

1.24 B

Potential Gen Z in the market



### Alexa tapping into the kitchen



Gen Z is at a stage where they can't afford to cook and are still learning to cook independently. Our product meets this demand by suggesting recipes based on available ingredients and recommending complementary ingredients to avoid waste.



Alexa can effectively appeal to this segment of the population by addressing the desire for both cooking knowledge and convenience. With its recipe suggestion feature, consumers can easily and effectively cook meals using the ingredients they have on hand

40% of Gen Z prioritize convenience when selecting food

Through inventory management, recipe suggestions and smart shopping, Gen Z consumers can quickly and easily view inventory, and access recipes that utilize the ingredients they have on hand, making meal preparation more efficient and convenient.

### We talked to 100 students globally.

87 students signed a letter of intent, showing their interest in the Alexa Kitchen tool.

#### India

"I was so immersed in studying that I **never** learned how to cook! Now that I live by myself, I've gotten into the unhealthy habit of eating takeout everyday! This product would be a life saver."



Ammar Singh Age 24

12 out of 14 individuals from India said that they want a device that gives a step by step breakdown of recipes.

#### **United States**

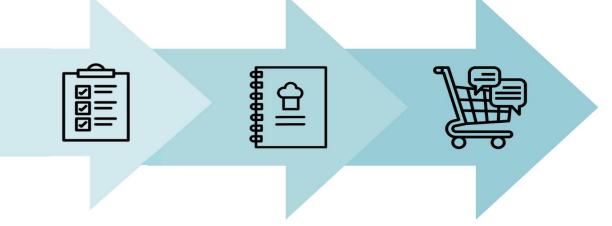
"I am allergic to gluten so it's hard for me to find recipes that fit my diet that aren't time consuming to make. I rather eat out, but that lifestyle has gotten so expensive! I would love this product."



Rachel Carter Age 19

100% of americans said they want a device which aids in finding quick easy recipes.

### Optimizing your kitchen with Alexa



#### Manage Inventory

By utilizing their Alexa, users can effortlessly manage their food inventory across the pantry, fridge, and freezer. With the ability to scan receipts or verbally state the items on hand, keeping track of their available groceries has never been easier.

#### **Create Recipes**

Alexa will suggest **personalized recipe** options based on the user's available ingredients and dietary preferences or restrictions. This **streamlines meal planning** and minimizes food waste, while ensuring the user adheres to their specific dietary needs.

#### Shop with ease

Alexa can can also offer recommendations for complementary ingredients that can be used to create meals. This can not only **save users money**, but also contribute to a more sustainable lifestyle by **reducing food waste**.

Reimagining Alexa as a Gen Z Friendly Product of the Future

### **Prototype**



Click <u>here</u> to check out our Alexa 'In the Kitchen' App!

### **Inventory**

Management
The current limitations of Alexa's use cases in the kitchen

The current limitations of Alexa's use cases in the kitchen stem from its inability to capture important data such as users' shopping, spending, and consumption habits.

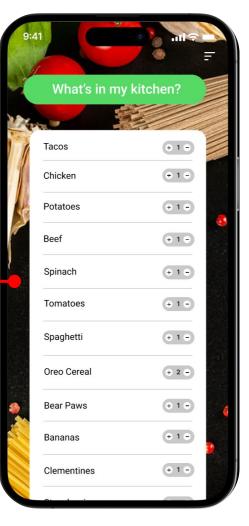
However, with the introduction of Alexa's inventory management feature, the app now allows users to scan and upload receipts to their home inventory, providing Alexa with a comprehensive understanding of the user's available ingredients.

Studies from Foodable Network show 71% of Gen Z would like to learn how to cook, but doesn't know what to start with or the process to do so.

- With the personalized data provided from the receipt, Alexa's kitchen services can be tailored to the user's specific preferences, a feature highly desired by Gen Z consumers.
- By eliminating the need to search for ingredients that may not be on hand, inventory management creates a more efficient and seamless cooking experience.

Click here to learn more → ( Technology Breakdown





#### #2 | Recommendation

### **Recipe Suggestions**



Using Alexa's inventory management data, Alexa can very clearly show the possible permutations of meals based on ingredients availability, removing the mental load placed on GenZ in entirety.

### Recipe Suggestions

#### "I'm out of an ingredient, what now?"

Gen Z "chefs" often face the challenge of having to substitute or **abandon a recipe** when a required ingredient is unavailable. To address this issue, Alexa's voice assistant can **suggest ingredient replacements** based on the user's inventory, providing a more personalized approach to recipe creation. With this feature, Gen Z can feel **empowered to cook** with the ingredients they have and **expand their culinary skills**.

Alexa's inventory management provides personalized meal recommendations based on the user's available ingredients, simplifying the cooking process and removing the mental load for Gen Z. This feature not only expands culinary horizons but also offers a stress-free cooking experience.



# **Smart Shopping**

By utilizing the inventory data collected from receipts, Alexa's third feature can generate automatic shopping lists for users based on their preferences.

#### Product purchase recommendations:

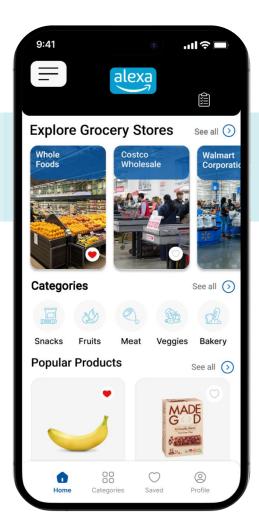
The new Alexa *In the Kitchen* feature will automatically update the user's grocery list and **recommend complementary ingredients** to buy using short, **one-line voice commands** by utilizing user inventory data and historical purchase data.

Users would also have the option to create **lists of commonly bought or "saved" items** when low on stock, to be used routinely based on the user's needs.

#### Cost-efficient alternatives:

Users of the *In the Kitchen* feature will be able to filter out choices like "best deals," "free trade," "highest quality," and "trending" by setting their own product preferences. As a result, Alexa will be able to produce recommendations that are consistent with the user's preferences and beliefs.

Ex: Alexa could recommend the most cost-effective alternatives by **comparing the prices of items at nearby grocers**. Users could say, "Alexa, tell me where to buy apples for the lowest price." and get a list of prices from the closest stores



### The Customer Journey











#### Scan

Consumers can input their purchased groceries into the new Alexa mobile app by either scanning the receipt or verbally stating them.

#### Manage

The Alexa app generates an inventory list based on inputted groceries, which can be uploaded for easy access and inventory management.

#### Create

Alexa can recommend a recipe based on the groceries you have available while also considering your dietary preferences.

#### Ask

Alexa uses generative AI to answer follow-up questions about recipes, ingredients, cooking techniques, or substitutions, making cooking easier for users of all levels.

#### Shop

With the help of your inventory, Alexa can effortlessly create a shopping list for you, which can be easily purchased with just one click.

### **Advantages**



#### **Drive Revenue**

Alexa would have the potential to increase revenue by up to \$23.1 million with the possibility for a 69.1% increase in Gen Z users per year.



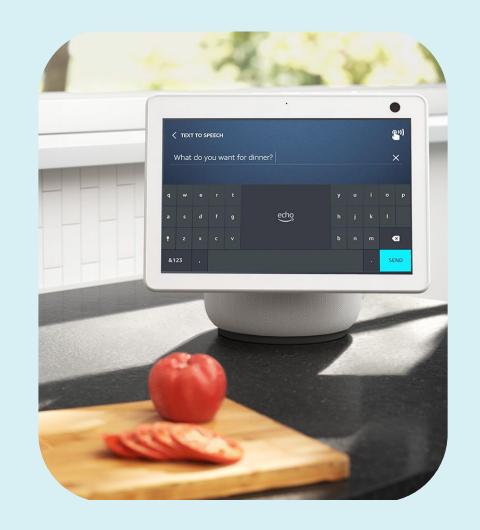
#### **Boost Competitiveness**

With 74% of Gen Z consumers more likely to share positive experiences on social media, targeting this demographic can increase brand awareness and user-base.



#### **Consumer Engagement**

Catering to Gen Z can help Alexa secure younger users, enhance user experience, and **remain competitive** in the dynamic smart device market.



# Implementation

### Phase 1: Planning and Research

Over a 5 week period, Alexa should **define project scope**, allocate **resources**, conduct **market research**, and **finalize app features**, design, and architecture.

#### Phase 3: Testing and Quality Assurance

The app will undergo a rigorous testing process including inventory management, recipe suggestion, smart shopping, and end-to-end testing with Alexa integration, all aimed at ensuring optimal accuracy.

### Phase 5: Maintenance and Updates

Alexa will continuously monitor user feedback, collect information on user preferences and behavior, and conduct research on emerging technologies to improve the app's functionality









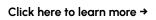


#### Phase 2: Development

The app will be developed in stages over 12-13 weeks, starting with inventory management, recipe suggestion using generative AI, smart shopping, and ending with Alexa integration...

### Phase 4: Deployment and Launch

The app's final design and functionality are realized, refining its architecture, UI/UX, and AI algorithms. The app will then be launched with a comprehensive marketing campaign aimed at increasing its user adoption.



Implementation Plan

### What we need from Alexa

We need Gen Zers to use these features on a daily basis, for which we need to market this solution as well as spend \$250,000 on app development.



#### **App Development**

Effectively **allocating a budget of \$250,000** towards Alexa app development is **crucial** for ensuring the **app's success** by enabling a comprehensive feature set with a user-friendly interface and an extensively trained AI model. Leveraging **Hugging Face AI's** LLM (in partnership with AWS) will serve as the baseline for training the model for the new *Alexa In the Kitchen* features which is a costly, but valuable venture.



#### **Marketing Tactics**

In order to **increase its market penetration** among Gen Z, Alexa must **engage** in strategic marketing efforts that **highlight its multifaceted functionality** and the value it can add to modern lifestyles. To effectively target Gen Z, Alexa should **leverage** social media influencers, create engaging video content, emphasize its compatibility with other smart devices, and **showcase** its ability to **streamline daily tasks and enhance productivity**.

Click here to learn more →

**Financial Plan** 

# **Using Multi-Channel Marketing**

Utilizing various channels such as social media, discount marketing, and push notifications on the Alexa app, can help create a seamless and personalized experience for Gen Z consumers.



With 97% of Gen Z consumers using social media and celebrity endorsements as their top source of shopping inspiration, Alexa can establish itself as a trusted source by showcasing its products and services on platforms like Instagram and TikTok, building a stronger relationship with this demographic.

To effectively market Alexa to Gen Z, it's important to understand that this demographic is **highly price-sensitive** and tends to look for good deals. **Offering discounts or special promotions** can be a powerful way to attract and persuade them to make a purchase.

Gen Z is a tech-savvy generation that relies heavily on mobile devices, and using push notifications and paid searches can be an effective way to reach them with targeted and personalized messages.

Click here to learn more →

<u>Importance of Marketina</u>

# **HelloFresh** - Case Study

In one year, HelloFresh had an uplift of 2166% in student revenues.

In order to do this, HelloFresh expertly crafted **strong marketing incentives** that made
Gen Z want to engage with their brand

By leveraging their marketing, HelloFresh has been able to **tap into a lucrative market** and achieve **significant growth** in student revenues. HelloFresh has collaborated with several **celebrities to endorse** its brand and promote its services.

HelloFresh uses **social media** to build its brand and attract new customers through social proof and word-of-mouth marketing.

The Student Beans **discount** helped HelloFresh attract and retain students as loyal customers. 2

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Click here to learn more →

**Case Studies** 

#### Gaps and Assumptions

# Mitigating Risks

The biggest risk in integrating *In the Kitchen* is whether Gen Z will adopt the solution, and successful adoption depends on the attraction and retention of users.



#### Attraction

**Social media, discount marketing, and push notifications** can **attract more** customers to the integrated Alexa 'In the Kitchen'. These channels offer targeted **advertising, incentives** for trying the solution, and **timely reminders** with personalized recommendations that **improve customer engagement and satisfaction**. By effectively leveraging these channels, the solution can build brand awareness, generate interest, and attract more customers.



#### Retention

Retention increases by personal recipes based on inventory management because users are more likely to continue using the integrated Alexa *In the kitchen* if they **receive recipe recommendations that align with their available ingredients**, leading to **increased satisfaction and a higher likelihood of repeat usage**. Additionally, by offering a personalized experience, users are more likely to feel connected to the solution and less likely to seek out alternative options.

#### Seeking Domain-Specific Validation

### What experts have to say

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You have something that is fully digital, immersive, unique and doable! Definitely more innovative than your regular online experience. Strong concept!





Such interfaces will engage and entertain the future of retail. Gen Z will not only have a personalized experience, they will feel catered to resulting in engaged, independent shoppers of the future!



#### Nav Cheema

Retail Strategy & Digital Transformation Leader



Jineer Hamzi

CTO @Clear Pier



# Playbooks



What does the software look like?

Prototype Walkthrough



What is the technology behind this software?

**Technology Breakdown** 



How does implementation look like?

**Implementation Plan** 



Why is marketing awareness imperative for adoption?

Importance of Marketing



What are other companies doing similar concepts?

**Case Studies** 



What does the budget projections?

Financial Plan

Dear Alexa, with immeasurable appreciation,

### **THANK YOU!**



Reeya Pandya



Shanzeh Haji



Tehseen Dahya



Praveena Chenthooran

Through this challenge, each and every one of us have grown indefinitely. From learning how to assess the future of voice technology, reaching out to industry experts, delving deep into Alexa's vision and crafting a recommendation deck, this incredible journey has been one of great growth and learnings.

We are beyond grateful to have been given this opportunity, thank you!

Thank you video!