# CASE STUDY

OFFICE SERVICE MARKETPLACE

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Identify Underserved Segment through User Research & Data

"We have a constant need to make sure pieces of equipment are working correctly so people can get their coffee. And food. Food is loved in our company, and both of these pieces (catering and coffee) together make for a more welcoming and friendly experience. But being bogged down with fairly entry-level pieces such as this can take away focus from the bigger items that need to be attended to in an office."

- Brooke N., Office Manager

☐ Employee Survey

Q: If you can choose one area you wish your office management can focus more on, what will it be?

Admin Support	Food and beverage	IT/Security	Wellness
16.7%	25.0%	50.0%	8.3%
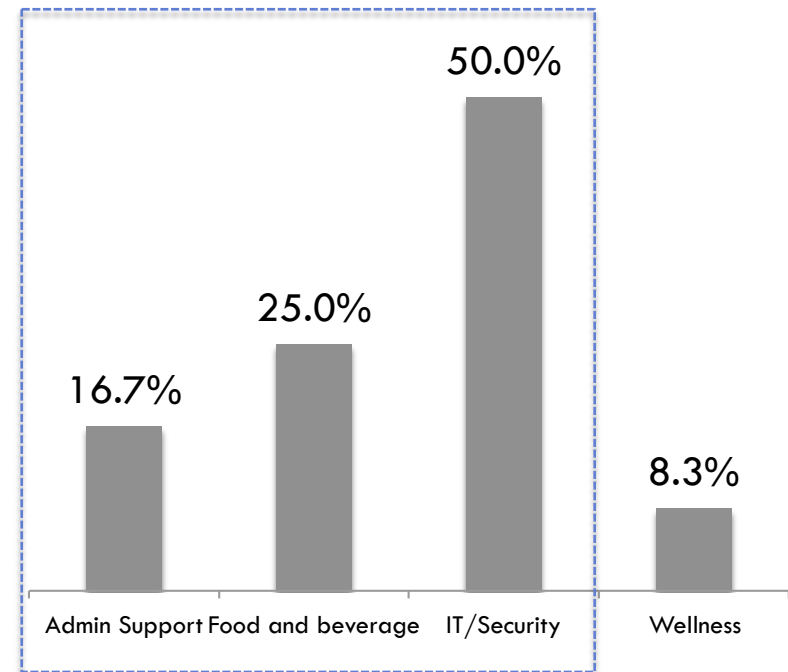
… More on User Research and Data Approach

Qualitative

- ✓ **Prior user research, user feedback** – gauge the pain points and how current product is meeting user needs

- ✓ **Insights from team** – PMs, GMs, Execs, dev. and design partners, account managers and field operator insights

- ✓ **Marketplace research** – 1. Marketplace concept evaluation; 2. Marketplace user journey map; 3. Usability studies on beta marketplace platform

Quantitative

- ✓ **Job requests distribution**- % by categories, by segment, by location, trend

- ✓ **Job requests frequency** - one-time vs. occurrence, how often

Marketplace Vertical Consideration – "All Markets are Not Created Equal"

Scale (1-5)	Weight	Data Points	Food / beverage	Admin. Support	IT and Security
Higher booking frequency	30%	Job request distribution and occurrence	5	3	3
Higher chance to be disrupted by tech.	30%	Pain point scale Workflow low tech	5	5	3
Lower switching cost	10%	Less stickiness to a particular vendor	4	2	2
Higher synergy with current core biz	10%	Current vendor network	4	4	4
Lower friction of supplier sign-up	20%	Beta result Vendor interview Special skills	5	2	2
Total	100%		4.8	3.4	2.8

Likelihood to Use (Higher booking frequency, Higher chance to be disrupted by tech., Lower switching cost)

Easiness to execute (Higher synergy with current core biz, Lower friction of supplier sign-up)

Service Marketplace Competitive Landscape

Home Services

Care.com — There for you™

Your Mechanic

JOIST · handy · Porch

LAWN LOVE · Thumbtack

urbansitter

Professional Services

Cobalt · Crew · HIRED

Science EXCHANGE · upwork

RecruitLoop · hackerone

hivy · upcounsel

Food

caviar · Delivery Hero

JUST EAT · seamless

DOORDASH

GrubMarket · grubHub

FARMIGO · KITCHENSURFING

OpenTable · SKIP the DISHES

Instacart

Closest Comps

- HIVY – Office management marketplace (launched YC W17)
- Alfred – W2 model home service
- Handy – Marketplace home service
- Thumbtack – Marketplace home service

Food and Beverage - Customer Segmentation and Specific Needs

Company 1

- Company Profile
  - Industry - Education
  - Size - 800+ employees
  - Location - Reston, VA
- Office perks
  - Coffee and tea are provided; Lack of free healthy snack options
  - Common area, sandwiches, salads, snacks, beverages for purchase (self checkout with a credit card)
  - Servicing coffee machines, fixing issues, and making sure the 13 pantries are fully stocked and have what staff need
- Catering / Employee meals
  - No onsite café; Employee brings lunch or dine at nearby restaurants within walking distance
  - Catering needs - holiday parties; Departments may choose to cater from time to time for team events or meetings but that would not be company-wide

Company 2

- Company Profile
  - Industry - Industrial
  - Size - 110+ employees
  - Location - Sayreville, NJ
- Office perks
  - Coffee managed by vendor; can take 1-2 days to fix if machine breaks down
  - Vending machine for snacks limited options
- Catering / Employee meals
  - No onsite café; Employee brings lunch or drives to nearby restaurants within driving distance 5-10 minutes
  - Catering needs - estimated 30-40 meals for team lunches (Mon. – Thurs.)
  - Limited catering options - heavily rely on local restaurant delivery; only 2-3 choices other than fast food

Office Management Problem Statement

Office mangers have a constant need to get primary and/or extended help and are searching for reliable and efficient office solutions across multiple verticals. However, they don't have the time and resource to vet among hundreds of thousands of vendors.

Critical Assumptions Focus on Product-Market Fit First

❑ **Marketplace Product-Market Fit**

✓ Current customers in current markets – easy to find and book high quality vendor vs. current solution vs. expectation / prior experience

✓ New customers in current or new markets – easy to find and book high-quality vendor vs. current solution

✓ Vendors – proven revenue growth potential via platform

✓ Technology – customers highly depend on the platform to manage office workflow

❑ **Traction and Business Model**

✓ Balance supply & demand – Amount of curation vs. service quality / generate sufficient demand for vendor

✓ Scalability – auto vs. manual match and resource needs

✓ Business model – transaction fee paid by customers

Success Metrics Aligned with Key Assumptions

❑ Customer

✓ New marketplace will help existing customers more easily find office help, without significant retention impact (<X% drop)

1. Average monthly purchase amount growth of X% (MOM%)
2. Retention rate MOM%; retention rate for customers in marketplace (test) vs. customers in core business only (control)
3. Marketplace job requests growth rate (MOM%)

✓ New marketplace will help new customers more easily find office help

1. Number of new customer (with at least 1 booking) growth of X% (MOM%)
2. Average monthly purchase amount growth of X% (MOM%)
3. Retention rate MOM%
4. Marketplace job requests growth rate (MOM%)

❑ Vendor

✓ New marketplace will help vendors grow revenue

1. Average monthly revenue growth of X % (MOM%)
2. Percentage of vendors with at least 1 booking in past 3 months X% of total # of active vendors
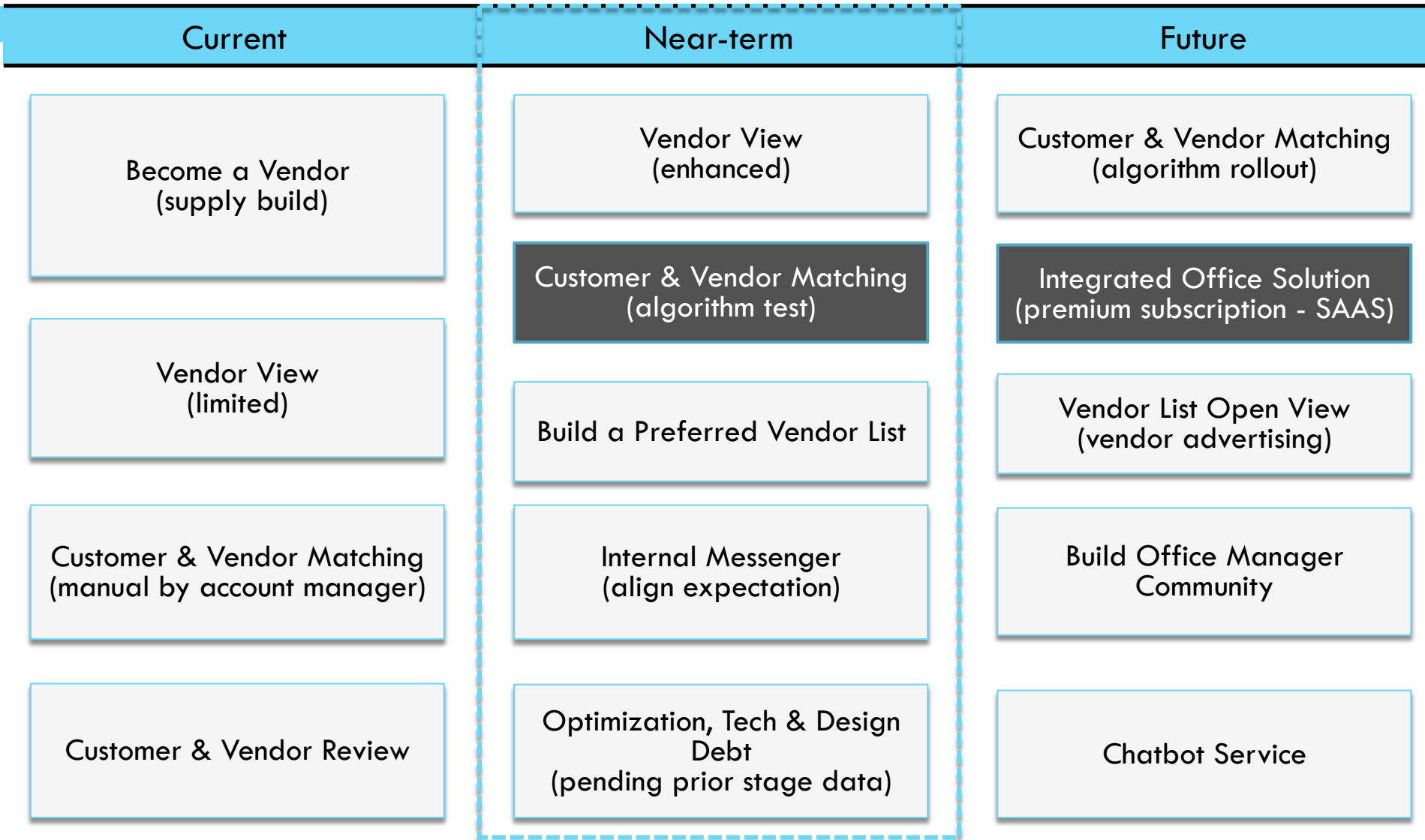3. Vendor growth rate (MOM%)

❑ Product & Technology

✓ Automated matching can replace manual matching and improve efficiency

1. Recommend-to-book conversion rate is flat or higher for users in matching algorithm (test) vs. without it (control)
2. Instant recommendation algorithm cuts job submit-to-book time by X%

✓ New marketplace will help customers more efficiently manage workflow

1. Time and cost reduction with dashboard (test) vs. without (control)

Flexible Product Roadmap Pending Test & Learn Results

Current	Near-term	Future
Become a Vendor (supply build)	Vendor View (enhanced)	Customer & Vendor Matching (algorithm rollout)
Vendor View (limited)	Customer & Vendor Matching (algorithm test)	Integrated Office Solution (premium subscription - SAAS)
Customer & Vendor Matching (manual by account manager)	Build a Preferred Vendor List	Vendor List Open View (vendor advertising)
Customer & Vendor Review	Internal Messenger (align expectation)	Build Office Manager Community
	Optimization, Tech & Design Debt (pending prior stage data)	Chatbot Service

Near-term Focus on Automated Matching and Supply Build

Vendor	Customer
Become a Vendor (enhanced)	Submit Job Request (details and estimated job size)
Vendor Profile Setup (enhanced)	Recommended Vendors (algorithm test)
Job Notification View Job Requests	
Confirm Job Details (internal messenger)	Service Delivery Confirmation Invoice and Payment Rating and Review
Invoice, Payment, and Tax	
Optimization, Tech & Design Debt (pending beta stage data)	Optimization, Tech & Design Debt (pending beta stage data)

Matching Algorithm

- **Vendor availability** – consider if vendor is available for the job

- **Location proximity match** – consider vendor travelling preference

- **Job & specialty match** – consider how well the vendor's experience can match the job requirement based on skills listed

- **Vendor preference** – give preference to vendors that have been used and positively rated in the past by customer

- **Past rating result** – give preference to more highly-rated vendors and those who have completed more jobs

- **Mix of new and experienced vendors** – include vendor recommendation among new vendors on the platform

Key Metrics Leveraging AARRR Framework

Marketplace Metrics

- Gross merchandise volume ($)
- GMV growth rate (MOM%, YOY%)
- Revenue growth rate (MOM%, YOY%)
- Buyer-to-seller ratio

- Total CAC as a percentage of revenue (%)
- Conversion rate (recommend-to-book) (%)

Customer Metrics

- Customer growth rate (MOM%)
- Customer CAC ($)
- Percentage of buyers acquired through paid acquisition (%)
- Average amount purchased per customer ($)
- Average # of orders per customer
- Average order growth per buyer (Y-Y%)
- Customer NPS

Vendor Metrics

- Vendor growth rate (MOM%)
- Vendor CAC ($)
- Percentage of vendors acquired through paid acquisition (%)
- Average revenue generated per vendor ($)
- Average revenue growth per vendor (%)
- Vendor NPS