



CLOUD KITCHEN – A OVERVIEW

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ABSTRACT

COVID-19 and the resulting lockdowns have forced establishments to rely on food delivery to stay afloat. Food delivery is regarded as a necessary service that is rapidly gaining traction as people become increasingly confined to their homes and order-in. The only relief that the Food industry has received is through delivery operations, as the lockdown has been extended to practically every part of the globe. Food delivery is one of the essential public services that has been allowed to continue.

This means that eateries would need to adapt to changing market conditions.

Cloud Kitchens are commercial kitchens with no actual dining space that only cater to internet delivery orders. Throughout the restaurant sector, the introduction of no-dine-in restaurant model has grabbed everyone's interest. This one-of-a-kind restaurant concept requires no physical space, no large capital investments, low restaurant rentals, and relies solely on internet delivery orders.

Keywords: Covid 19, Food Industry, Cloud Kitchen, Ghost Kitchen.

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INTRODUCTION

Food truck delivery services gave rise to the cloud kitchen concept. The food truck industry began to gain traction as a result of evolving technologies, and customers began ordering food through internet channels. Many organizations that just supply food started establishing cloud kitchens soon after.

A cloud kitchen is a licenced commercial kitchen where one or more food brands can rent space to prepare food and deliver to customers via delivery agents. These are also referred to as "virtual eateries." In one cloud kitchen, a restaurant owner can manage many food brands. A cloud kitchen, on the other hand, may be owned and shared by numerous virtual restaurant owners.

TYPES OF CLOUD KITCHEN

1. Multi-brand cloud kitchen: This set - up is based on a thorough examination of food consumption habits in a specific area. The most popular or ordered cuisines in a certain demographic area are

recognised and provided .The food is prepared in a common commercial kitchen where various brands produce and package the meals. It is a smart and cost-effective method to make profits while cutting costs.

2. Independent Cloud Kitchen: This is the Traditional Cloud Kitchen Design.

It's a restaurant that doesn't have a physical location. It is made up of a single brand that makes food in a kitchen according to orders placed online. It's a self-sufficient company concept in terms of receiving requests and delivering ready-to-eat meals.

3. Delivery applications operate cloud kitchens: It's a business concept in which a delivery app company leases or buys a kitchen space in a handy location and rents it out to various up-and-coming food brands. These apps are used to place orders, and they also control the delivery fleet. The app company and the food brand have a symbiotic relationship in this arrangement. Food



manufacturers take advantage of the app's reach to attract more customers, and the app takes advantage of talent to present more options to its users.

OBJECTIVES OF THE STUDY

To Analyze and provide a summary of the cloud kitchen system that improves the foodservice industry's efficiency.

1. To assess and compare the benefits and drawbacks of all other methods.
2. To understand the growing popularity of Cloud Kitchens in India.

REVIEW OF LITERATURE

1. Dr. Ona Ladiwal (2019) in her study, It was discovered that the only way to place a food order is through an internet marketplace. The cloud kitchens offer opportunities to a variety of women and other people who enjoy cooking. It provides opportunities for self-improvement.

1. Nilesh Upadhye (2020) studied that "Cloud Kitchen" is a novel concept that will transform the hotel and restaurant industry in Pune, as well as other Indian towns. The restaurant sector has a lot of potential to increase revenue by using cloud kitchen.

H.M.Moyeenudin (2020) concluded the study stating As a result, branding a cloud kitchen could be more efficient with this methods and the consumers are through online food delivery applications such as Uber Eats, Swiggy, and Zomato, and web ads consist of social media pages. As a result, branding a cloud kitchen could be more efficient with these methods and the consumers are through online food delivery applications, cloud kitchen needs to have a stronger relationship with this application or need to have their own branded application.

4. Ms.KinjalMadhukant Gosai (2020) made a study that Customers have the most favorable opinion of the flavor of food, followed by the quality of food, the ease of ordering from cloud kitchens through Online Food Delivery applications, the service experience, and cost-saving.

Mr. Nikhil Devrao Wankhede (2021) studied that In the current atmosphere, particularly given the recent susceptibility of the COVID-19 pandemic, cloud kitchens, or food and beverage outlets supported by a cloud kitchen network, have a better chance of surviving and are likely to be the

food industry's fate.

Etty Susilowati (2021) concluded by stating that As consumers seek convenience, the development of delivery platform technology grows and expands. The cloud kitchen concept is a business model that incorporates networking and social media, as well as technology advancements in the online meal delivery industry.

7. Helen Dian Fridayani (2021) stated in the study that The food and beverage industry has had a significant impact. Many jobs are hampered and do not operate normally, and most restaurants no longer provide dine-in services, opting instead to serve with delivery or delivery services. As a result, cloud kitchen businesses that only serve delivery orders can operate during the COVID-19 pandemic, making the cloud kitchen concept well suited to the current pandemic situation in Indonesia.

RESEARCH METHODOLOGY

Secondary data gathered from numerous sources such as the internet, research articles, journals, reference material, newspapers, magazines, and books, among others.

How Does a Cloud Kitchen Work

1. Cloud Kitchen can have its unique online ordering system, such as an app or a webportal, or they can take orders from multiple online food delivery systems, such as Zomato, Swiggy, Uber Eats, Dunzo, and so on.

2. The orders are sent immediately to the culinary workers using the cloud kitchen POS. The kitchen crew receives brand-specific order details in the case of several brands. The Kitchen Display System is useful since it displays orders on a screen along with recipe requirements. This allows your team to keep track of all of the orders that need to be fulfilled.

3. The kitchen team begins food preparation after receiving the orders. When it comes to many companies, a single chef may prepare food for all of them. Dark kitchens can appoint more than one chef, each assigned to a specific brand, depending on the number of cuisines or order volume.

TOP CLOUD KITCHEN BRANDS IN INDIA

1. Rebel Foods
2. Biryani by kilo
3. Soba Asian



4. Masalabox
5. MOJO Pizza

PROS OF CLOUD KITCHEN

1. **Low operation cost:** The most significant benefit of the cloud kitchen concept is the elimination of costs such as restaurant space, ambiance, dining tables, chairs, high-end cutlery, and electrical fixtures. All of them are eliminated, leaving only a basic minimum of costs for culinary personnel, cooking goods, kitchen equipment, and minor maintenance costs such as energy bills.
2. **Low risk:** Smaller businesses, such as food trucks, home-based cooks, and even those who want to get into the restaurant sector but have no prior experience, should look into cloud kitchens. Existing brick-and-mortar restaurants who want to expand but are concerned about hefty expansion costs might consider cloud kitchens as an option.
3. **Cutting down of Advertising cost:** Considering cloud kitchens are purely online enterprises, social media is the most effective marketing channel for them. These eateries may reach out to their core demographic with a savvy social media strategy. The fact that most online purchasing platforms now support social media ordering can also benefit them. Other efficient mediums include email and SMS marketing.
4. **Competitive pricing strategy:** The important benefit of reducing operating costs is that cloud kitchens can use some of their profit margins to provide much more competitive pricing. Ghost kitchens can offer their dishes more affordably because they don't have to spend in numerous areas as a typical restaurant would. These kitchens can improve total consumer satisfaction not only through cost, but also by focusing only on two important areas: food quality and delivery services.

CONS OF CLOUD KITCHEN

1. **Visibility via Online Only:** Cloud kitchens may find it challenging to establish their brand at initially because it is an online-only business with limited client interaction. Reaching out to clients and gaining their all-important trust and loyalty will undoubtedly be a major problem, especially among the older age.
2. **Technology Dependence:** The economic approach of a cloud kitchen is completely reliant

on technology. Artificial intelligence, voice assistants, augmented reality and virtual reality, drones, and other advancements in the industry are projected to boost productivity and convenience for both businesses and customers. However, regardless how advanced technology becomes, there will always be glitches, big or small, and any such setback will cause problems even in fundamental cloud kitchen activities like taking orders and accepting payments.

3. **Late Delivery:** During peak hours or peak seasons, the team is unable to meet the standards of on-time delivery. As a result, food is frequently delivered late, resulting in unpredictably negative consequences.

CONCLUSION

Innovations are an essential aspect of business, and only those who innovate to stay ahead of the changing business climate will be able to survive in a crisis. During lockdown, Cloud Kitchen, and food aggregators worked on business models to provide services that were tailored to evolving customer tastes. The growing population, changing dining habits, longer waiting times, and longer travel times are all driving factors for the convenient, less expensive, and home delivery options of having food delivered to our doorsteps. Food delivery apps like Swiggy, Zomato, Food Panda, Uber Eats, and Dominos are becoming inevitable for Indians in the digital age. The cloud kitchen concept gives you more control over demand and supply, which helps you get to productivity faster.

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