

Zomato Set to Close its 10-minute Food Delivery Biz 'Instant'

Eyes low-value packed meals service: Source

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Bengaluru: Zomato will shut down its 10-minute food delivery service Zomato Instant, two sources privy to the development said, as the food delivery app chases profitability amid tough market conditions.

This comes less than a year after the service was launched.

The restaurant aggregator platform recently told restaurant partners it would close the service, the sources said.

"It didn't look like it would turn profitable. The company was not getting the daily volume required to even pay the fixed costs. It wasn't scaling up to that level," one person aware of the development told ET. "The plan is to now pivot to a new product."

Zomato is experimenting with low-value packed meals – thalis or combo meals – but it is yet uncertain if Zomato plans to retain the 10-minute proposition for



this; the new offering will be launched in 7-10 days, one of the sources said.



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Zomato, however, clarified that it was not shutting down Instant but rebranding the service.

"Instant is not shutting down. We are working on a new menu with our partners and rebranding the business. All finishing stations remain intact, and no people are impacted by this decision," the company said.