

For Mosaic Foods, Remote Meal Tasting Has Been a Different but Interesting Pivot

ARTICLE | MAY 18, 2020

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Mosaic Foods has had to acclimate to a new normal in the past few months, and as a relatively new brand, that hasn't always been easy. Before the pandemic, employees of the meal delivery company were able to test out new recipes and offer feedback right then and there. But today, meals are shipped to co-workers who do video taste tests and offer notes.

We recently spoke with Sam McIntire, co-founder and chief revenue officer of Mosaic Foods, about these remote tastings, how the company is keeping up with demand and what else is in store for 2020.

What is Mosaic Foods, and how does it work?

Mosaic is a direct-to-consumer [D2C] company that started last year. We sell healthy, ready-to-eat meals that are delivered to your door. We believe that eating good, wholesome food should be easy, and our mission is to make that food accessible to everyone. My co-founder Matt and I, we both had the privilege of growing up around a lot of home cooking, and we both had hearty, healthy food at our table every

night. But in our adulthood, we realized that it was difficult to find the time and the money to eat like that.

So, we set out to find a way to make wholesome, healthy eating easy and affordable. That quest led us to the frozen aisle of our local grocery store where we saw really incredible promise but disappointing options. Frozen is an amazing format. Many people don't know this, but about 40% of the food we buy in the US goes to waste. The average American family throws out over \$1,500 of food a year. It's a costly problem for the environment and for our wallets.

We started asking ourselves whether we could cook better frozen food than what can be bought in the average grocery store. We took it to Matt's kitchen, and hundreds of trials later we launched Mosaic.

How has your business changed over the past few months, especially since you're still a relatively new brand?

We're extremely fortunate to be operating in a sector that's been growing rather than shrinking throughout this pandemic. Home food delivery companies across the board have seen a surge in demand in recent months, and we're definitely experiencing that. New folks who have never shopped with us before are coming in—but we're also seeing increased demand from the loyal customers we already had.

How are you managing that demand?

It's hard, and it just takes a lot of work and focus from the team. Our sole focus right now is keeping up with demand, while of course maintaining safe, clean and sanitary kitchens. That's a challenge, but we have incredibly talented operations and culinary teams. They've been doing an amazing job figuring out how to ramp up our capacity to accommodate.

How many new customers are you seeing on a daily basis?

It's not something I'm comfortable sharing publicly, but I can tell you that our cost to acquire a customer has decreased considerably since the COVID-19 crisis started. That's due to a couple of things. First, we're seeing a huge uptick in organic order rates and referrals. So, essentially just word-of-mouth, people telling their friends about us,

and people coming in without us having to advertise. Additionally, we are still running some paid ads, and we've seen conversion rates go through the roof on those. So, of the people who see our ads, a much higher percentage are eventually deciding to order the product.

Where are you advertising at the moment?

We mostly advertise on social, but we also do some search advertising. We ramped down our ad budget significantly in March because so many customers were coming in organically. It certainly impacted the way that we're looking at ad spend, but we haven't paused it completely.

Did you have to change the tone of the messaging?

Definitely. We've changed the messaging around our ads and our content strategy as a whole. Our strategy throughout the pandemic has been to acknowledge it while being as caring and compassionate as we can with our customers. We're thinking through everything we can do to help them get through this thing safely and healthily.

There's also a lot we can do as a food company—and as a company that specializes in frozen—outside of just cooking for folks and distributing food. We've published content about which foods can be frozen and how you can freeze them. And we're working on a lot of recipes and home cooking content that we're hoping will inspire people to cook more and eat healthier.

Our goal as a brand throughout all of this has been to think about the types of content and messaging that are useful and actionable for our customers, even beyond our core products.

You've obviously had to adapt a lot, what have you learned thus far?

The core business is unchanged. Our main focus has been scaling up capacity to meet the demand that we've seen for the past few months. I'd say, as a business, we have not pivoted very much externally. Internally, we've had to make a lot of adjustments to our work style and our work cadence to make sure that we can still produce a high-quality product and function well as a team.

We're food people at heart. And for us, at the end of the day, food is all about sharing. One of the things that we love about our team—or loved about our team pre-pandemic—was the amount of care and collaboration that went into product development. Our head chef would come out with these amazing new recipe ideas, and we'd all sit around our office sampling our meals. It's just the whole team sitting there in person giving feedback and chatting with Christine (she's our incredible head chef) about what's coming down the pipeline. We had really grown to love that process, and we can't have that same level of in-person interaction anymore with the teams. We needed to find new ways to collaborate on product.

Christine is still cooking, but we've been shipping meals to each other and doing video taste test and notes. It is just a very different vibe for our business. But also some of those things help us more closely replicate how the product could be produced and shipped to customers anyway. It's been a team adjustment, but everyone's managing through it heroically.

From a recipe development standpoint, the remote tastings have actually been interesting, because the meals are going through ship tests that are built into the tasting. We've also been learning as a company to adapt and be flexible to working remotely, which was not something we'd really done before. It's working well for all of our employees, and everyone's doing an amazing job. I think that when we come out of this crisis, we will be better positioned to take advantage of remote work situations in the future.

Has remote meal tasting presented any challenges?

At first, we were worried that having to do remote tastings would slow down our product development cycle. But our culinary team has done an amazing job at making sure that remote tastings are just as effective and exciting as the in-person ones we used to do. Throughout quarantine, our head chef has been cooking dishes in her apartment, freezing them, and shipping them to us with dry ice. Then we all hop on video chat, reheat our meals at the same time, go through our tasting notes meal by meal, and share pictures and videos with each other to comment on texture and color. It's been a surprisingly effective

process, and there's even some peripheral benefit, because the product is going through a real-world shipping test, and we're all reheating in different microwaves. It simulates the customer experience.

Have your 2020 plans changed in any way?

Our 2020 road map has accelerated on the whole, and there are a couple of components to that. The first is that development of new products and meals has become a bigger priority for us as demand ramps up. These days, any given customer who's eating with Mosaic is eating more of our meals each week on a regular basis than they were previously. We currently have 19 meals in our lineup, but as people start eating more and more of those per week, it becomes important that we expand that lineup and offer additional variety. That's tough to do remotely, but it's become a big priority for us.

The second element is expanding kitchen capacity—while, of course, maintaining best-in-class kitchen safety and hygiene practices. That's going to be our next big challenge. We're lucky enough right now to have a kitchen that's scaling up with us, and we don't feel like our capacity is limited. But depending on how long quarantines last, we may need to expand our kitchen operation. There are lots of thorny operational problems involved in ramping that up. But we're fortunate to have those problems, and we're looking forward to tackling them.