

Free 'healthy' food for fast-food receipts

(Photo: HelloFresh)

Suppose that you could upload a photo of your fast-food receipts from the past year — worth up to \$50 — and get the corresponding amount of free, healthy, ready-to-prepare food in exchange for that?

One of the nation's largest recipe-kit delivery services is betting that thousands of new customers will bite.



The unusual, free food promotion, dubbed "You're Better than Takeout" begins Tuesday. It's sponsored by HelloFresh, one of the few fresh recipe-kit delivery services with operations nationwide.

The receipts can be from McDonald's or Pizza Hut or any chain fast-food joint — and that includes Millennial favorites Starbucks, Chipotle and Panera. The receipts can be smudged with ketchup, mayo or BBQ dipping sauce — just so the amount is legible.

Once received — and approved — HelloFresh will send you back a special code so that new customers — not current customers — can snag that \$50 discount on their first order. A minimum of three meals for two people costs a cool \$69 per week. But after the \$50 discount, that first week is \$19.

"The idea isn't just to get free food, but to use the free food as a way to change your lifestyle," says Seth Goldman, CEO of the U.S. division of HelloFresh. "Obviously, that's not what everyone will do. But we'd like to prove to anyone who relies on takeout that they can improve their lives by cooking instead."

One branding expert, who likes the broad concept of the recipe delivery service, doesn't particularly like the promotion. "The receipts collection requirement seems complicated," says Denise Lee Yohn, author of *What Great Brands Do*. "People shouldn't have to work so hard to get to try a new offering."

For HelloFresh, it's about winning new customers and market share in the fast-growing but competitive category of home-delivered fresh dinner kits. The ingredients are fresh — and mostly natural. The meal kits, which are delivered overnight on ice, eliminate last-minute grocery store runs for meals. But they require preparation, following step-by-step instruction cards enclosed. It's all about less time spent at the takeout counter and more time spent cooking at the kitchen counter.

HelloFresh, which also has locations in much of Europe and was founded with backing from Germany's startup incubator Rocket Internet, currently distributes more than 1 million meals per month globally, says Goldman. But he declined to reveal the three-year-old, privately held company's annual sales.

For some folks, the yearly price tag can be shocking. Fifty-two weeks of the standard subscription service (that's three meals for two people per week) costs \$3,588 annually.

"Most people have no idea how much they spend annually on takeout food," explains Goldman. The two-year-old U.S. division — which has distribution centers in New York City and San Francisco — has just extended its delivery service to the entire contiguous United States.

There's a real branding battle taking place in this new, growing world of fresh food recipe kits. Besides HelloFresh, some of the bigger players include Plated and Blue Apron. At least a half-dozen others are vying for business, too. The service tries to respond to two key needs of many well-to-do consumers: the desire for better food, but less out-

of-home hassle.

For example, fresh ingredients for one of its current offerings, Lemony Chicken and Burst Tomato Linguine, include chicken breasts, lime, chili flakes, zucchini, sweet onion, green bell pepper, garlic, grape tomatoes, linguine and cilantro. It all comes pre-measured in the package.

Perhaps the hardest part: getting consumers to change their habits.

"We know we can't change everyone's behavior," says Goldman. "But there really is a desire on behalf of a lot of people to eat better and cook more."