

CASE: Partnering Growth in a technology start-up with offering in consumer space

A Case Study

The client is a technology start-up with products in the consumer space. Led by a team of technocrats with established credentials and with funding from reputed Venture capitalists known for investment in the space, the client had a vision of pioneering a new vertical in the country. The product line was unique – a combination of entertainment, and social networking with online, and offline extensions. This combined with the first-mover advantage in the Indian market gave the client an unbeatable lead.

Key challenge

The customer enrolment and engagement were not gaining the expected traction. A similar product line in culturally similar Asian markets had more than 50 million consumers. An engaged customer base of that number gives enormous revenue possibilities from product sales to advertising. While the initial response was customers and the channel through which the customer is accessed was encouraging, the dropouts were very high leading to an unstable base of customers. This also led to channel disinterest. The client and the investors believed in the product but were unclear on the way forward. How can we engage the customer? What is the role of the channel in customer engagement? Is the current sales approach, right? In what ways can we gain customer number traction given the global experience? These questions were put to AIRA Consulting team.

Engagement with AIRA Consulting:

AIRA Consulting team researched current product capabilities, met customers to understand the perception of the client, met the channel members independently to assess their perception of the product and competing products, made sales calls with the sales team to understand capabilities, and studied internal reports and documents. The exercise led to a clear enunciation of the strengths and areas of concern for the client. AIRA Consulting suggested key strategic changes for the client. This involved:

1. Involving the channel in customer enrolment
2. Clear communication of proposition for the channel which seemed very diffused and hence failed to enthuse the channel
3. Focus on fewer identified markets to build traction before going national
4. In the identified markets develop matrices for the saturation of customer numbers per channel member after which the product has the potential to roll based on word-of-mouth.
5. Enhance the sales team's ability to sell the proposition to the channel
6. Focus the sales team's efforts on not just building channel enrolment but also on creating a loyal customer base to ensure the attractiveness of the proposition.

Client response

The strategic team of the client along with the board of directors discussed AIRA Consulting team's recommendations and concluded that this represented the best way forward. AIRA Consulting team worked with the client team to schedule the rollout of the plan.