

Market Analysis of OYO

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TABLE OF CONTENTS

01

MARKET RESEARCH

02

TARGET AUDIENCE

03

MARKETING STRATEGY

Market Research

Founded by Ritesh Agarwal in 2012 named "Oravel Stays".

Being a passionate traveller, he soon realized that the budget accommodation sector lacked many things in India.

Competitors were none in India during inception, except for Airbnb which was in the global market. The goal was to create an Indian version of Airbnb.

Main Competitors

- MakeMyTrip
- ClearTrip
- Trivago
- yatra
- treebo
- FabHotels

The primary aim of OYO was the standardization of hotel rooms on the basis of a basic spotless clean bedroom, a clean bathroom, flat-screen TV, free wifi & free breakfast occasionally.

OYO generally partners up with non-standardized hotels & blocks rooms by just buying them for a certain period.

Main factors for customer growth

- **Standardization:** Promise to provide the same facilities and amenities at all places shown on mobile application or website while booking the property.
- **Affordability:** Promise to provide high-quality experience at pocket-friendly prices.
- **Technology:** Enjoy hassle-free booking experiences through the OYO app within a few clicks.
- **Variety:** Customers can book spaces according to their preferences like budget, type of stay, and many other factors.

NUMBERS TELL A STORY

18,000+ BUILDINGS

OVER 515,000 ROOMS

500+ CITIES

10 COUNTRIES

12,000+ GLOBAL EMPLOYEES

KEY INVESTORS

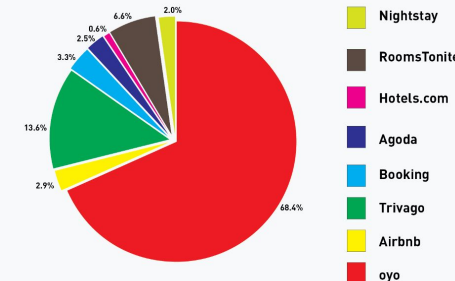
SOFTBANK GROUP, LIGHTSPEED INDIA, SEQUOIA CAPITAL, GREENDAKS CAPITAL, HERO ENTERPRISE AND CHINA LODGING GROUP, AIRBNB AMONGST OTHERS



OYO'S GLOBAL FOOTPRINT

The hotel chain, like Uber, is possibly using a cookie-cutter model to scale up.

Market Share - March 2017



Target Audience

TRANSFORMING TRAVEL



International users have increased
6X IN NEPAL
3X IN MALAYSIA

WHEN YOU JUST DON'T WANT TO GO!



Presence of OYO hotels has increased



Initially OYO began as a single product i.e. budget accommodation. But over the years they have done segmentation according to customer preference.

Segmentation Based on

- Age
- Financial Status
- Class
- Social Media presence

Segment 1

Teenagers 19-22
Income - Pocket Money
Student
Upper Middle Class
Tier 1 - Tier 2 cities
Average 4 hours on social Media

Segment 2

Young Adults 23 - 27
Income - 20,000 to 30,000
Freshers and working professionals
Upper Middle Class
Tier 1 - Tier 2 - Tier 3 cities
Average 2 hours on social Media

Segment 3

Adults 28 - 35
Income - 10 to 12 lakhs
Designated working post
Upper Middle Class, High class
Tier 1 - Tier 2 cities
Average 1 hours on social Media

- **OYO Townhouse** which is promoted as the neighbourhood hotel is in the midscale segment targeted at millennial travellers.
- **OYO Home**, which OYO claims is India's maiden Home Management System that offers private homes in different locations and are fully managed by OYO.
- **OYO Vacation Homes** which identifies itself as the world's 3rd largest vacation home brand with vacation rental management brands Belvilla, Danland, and DanCenter along with Germany-based Traum-Ferienwohnungen.
- **SilverKey** launched in April 2018, caters to the needs of the corporate travellers undertaking business trips for a short or long duration.
- **Capital O** offers hotel booking services.
- **Palette** offers the perfectly curated staycation for those in search of an intuitive experience at competitive prices, an upper-end leisure resorts category.
- **Collection O** offers booking and renting services to business travelers.
- **OYO LIFE**, targeted at millennials and young professionals in search of fully managed homes on long-term rentals, at affordable prices.
- **YO! HELP** is a self-help tool that offers support for check-ins, check-outs and payments.

Marketing Strategy

OYO adopted a wide range of digital marketing strategies to promote its campaigns, including social media marketing, Google ads, & of course through its app.

The main marketing strategies are:

- SEO
- Social Media Marketing
- Contests and Campaigns
- Influencer Campaigning

With such aggressive digital marketing, OYO achieved a fanbase of its own.

It has a strong social media presence on Facebook with over 1.1 million fans and a Twitter following of over 60,000 followers.

The app has over 10 million-plus app downloads with a good number of active users. Their major campaign videos on YouTube garnered over 175 million views to the brand



Social media presence of the brand is marked by several popular videos, including the ones such as #AurKyaChahiye on YouTube, #OYOnauts, Jai Hind Campaign, and so on.

#OneforEveryone: Eight different short movies highlighting the customer segment, the diverse demographics OYO is catering to



OYO has optimised YouTube to bring forward the 'human' side of doing business with it. It seemed to work pretty well for OYO too. Their channel rolls in testimonials and clients' feedback in a highly professional way. It also documents the team's day-to-day life and how the customers' satisfaction and happiness is the number one priority for OYO. The playlists are 'Heroes of OYO', OYO FriYAY diaries, OYO Travel Diaries that is the perfect use case for influencer marketing!



12:16 AM · May 15, 2015 · Twitter for iPhone