



Convert free-tier users to Premium in India by combining a gamified free experience, contextual nudges, and localized micro-plans.

Team: User Engagement

Contributors: PRABHAS RAI

Status: Brainstorming

Launching On: TBD

Resources: Milestone 1&2

Problem Definition?

What is the Problem?

Free-tier users in India show exceptional engagement but low premium conversion due to:

1. Pricing sensitivity in a value-conscious market.
2. Low perceived incremental value of Premium versus enriched free experiences.
3. Limited awareness of localized offers and micro-plans.
4. Generic upgrade prompts failing to resonate with regional and behavioural segments.

Who is facing the problem?

- Urban and semi-urban (Tier 1 & 2) mobile-first listeners.
- Students and budget-conscious young professionals.
- Regional-language audiences with limited exposure to global campaign.

What is the business value that will be unlocked by solving the problem?

- 1% lift in conversion \Rightarrow 1.2 M new paid users \rightarrow \$10 M additional annual revenue.
- Enhanced LTV/CAC payback through micro-plan upsells.

How will the target users benefit if the problem is solved?

- Engaging free experience with rewards, badges, and social leaderboards.
- Seamless upgrade to ad-free, offline, high-quality audio.
- Awareness of affordable, localized plans.

Why is it urgent to solve this problem now?

- Competitors leverage telco bundles and in-product nudges.
- Risk of losing share as engagement grows but monetization stalls.

Goals:

Primary Goals:

- Raise free-to-premium conversion by 2–3% within 6 months.
- - - Shorten time-to-first-purchase from 90 → 30 days.
- Boost awareness of localized offers by 25% (measured via in-app nudge impressions).

Secondary Goals:

- Increase Premium plan CTR on in-app surfaces by 15%.
- Improve 30-day retention of new Premium users by 10%.

Non-Goals:

- Global pricing structure overhaul.
- New subscription tiers
- Desktop/web experience enhancements (mobile-first focus).

Validation of the problem:

User Research Insights:

- “I love my streak badge days!” — free-tier user motivated by gamification.
- “I’d redeem a day pass if I had enough points.” — college student.
- “I didn’t know I could get Premium for ₹7/day.” — heavy listener unaware of micro-plans.

Quantitative Data:

75% of free users listen daily, but only 5% convert.

Average session length: 30 mins vs. 25 mins

Students: high DAU (>50%), conversion <2%.

Competitive Insights:

Jio Savan & Gaana: telco bundles, multi-day passes.

YouTube Premium: ecosystem cross-sell.

Spotify: minimal in-app gamification, generic prompts.

Understanding the target audience:

Segments:

Mobile-first listeners, ages 18–35.

Tier 1 & 2 cities, urban/semi-urban.

Daily sessions >15 mins.

Payment-savvy: UPI, GPay, PhonePe users.

Personas:

1. Aman (21)— College Student, Pune

- Creates and shares playlists within his friend group.
- Frequently hits data limits; uses Spotify while commuting or studying.
- Enjoys earning badges for daily listening streaks.
- Wants micro-plans that don't strain his tight budget.
- Influenced by peer leaderboards and gamification.

2. Meena (27)— Young Professional, Delhi

- Listens during metro commute and working hours.
- Ad interruptions annoy her and break her focus.
- Can afford monthly Premium but needs a trigger to convert.
- Isn't aware of ₹25 weekly or ₹7 daily plans.
- Responds well to contextual nudges during friction points.

3. Ravi (33)— Freelancer, Bhopal

- Listens during long train journeys where network is poor.
- Wants offline playback, but avoids Premium due to cost.
- Uses regional language content heavily (Hindi, Bhojpuri).
- More likely to buy 3-day or 1-week plan before travel.
- Prefers simple UPI checkout and regional UI prompts.

Unmet Needs:

Rewarding engagement with tangible incentives.

Clear visibility of affordable plans.

Contextual prompts aligned to user actions.

Solution Overview

High-Level Strategy:

Blend gamified free-tier mechanics, event-driven contextual nudges, and localized micro-subscriptions to convert at moments of peak intent.

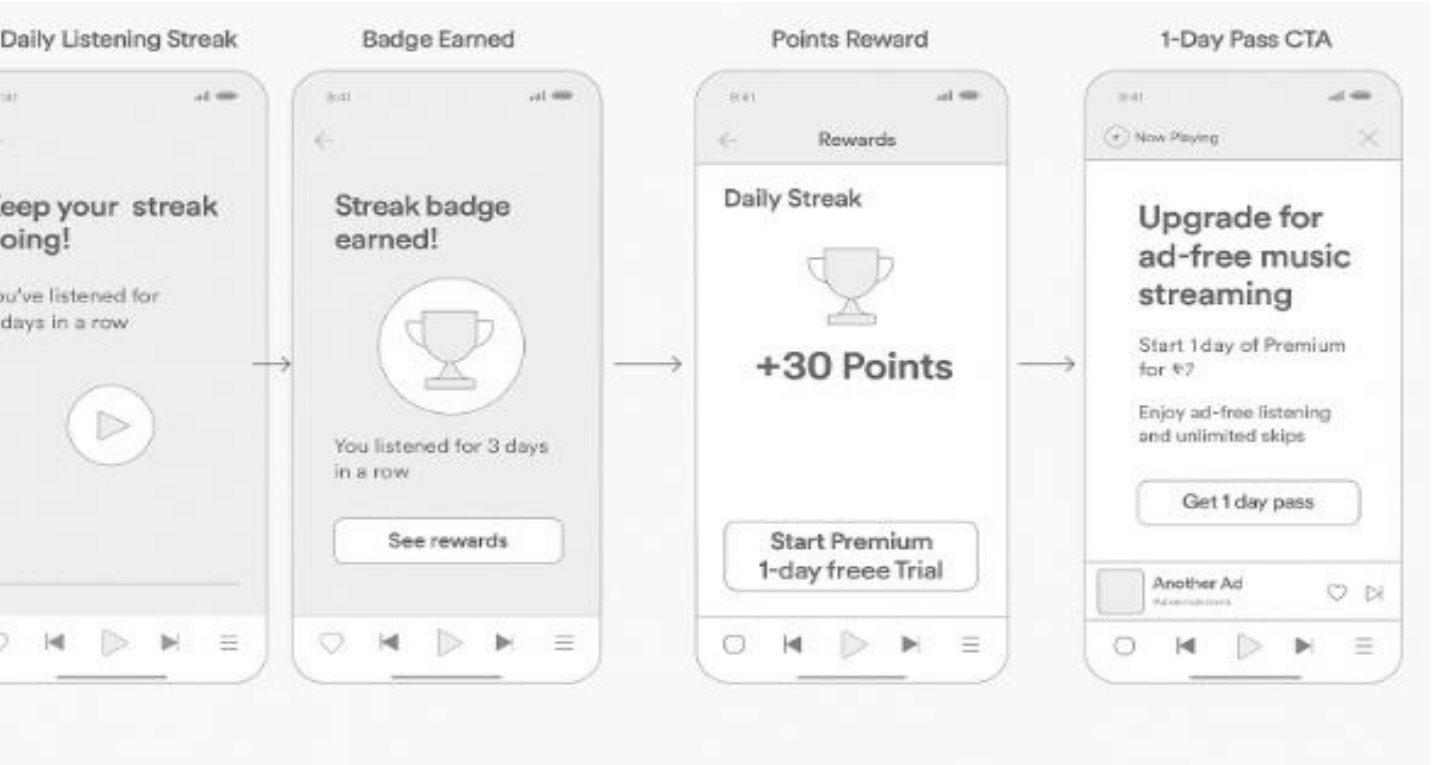
Top 3 Solution Ideas

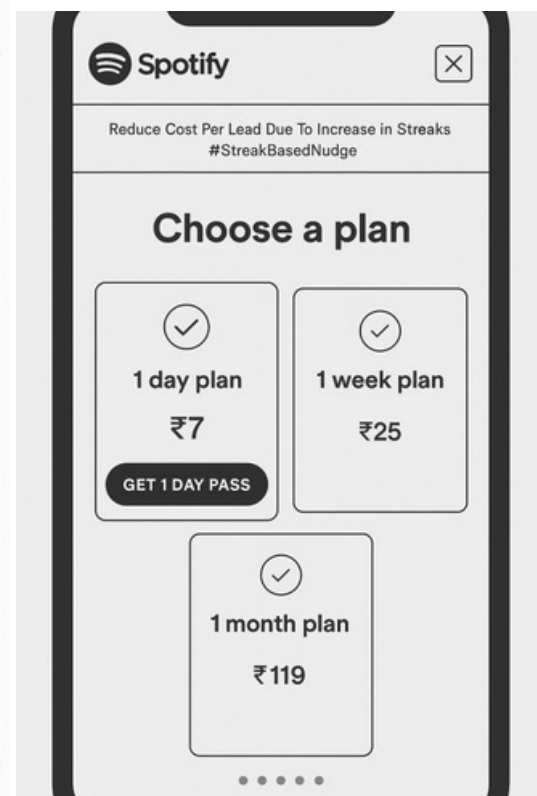
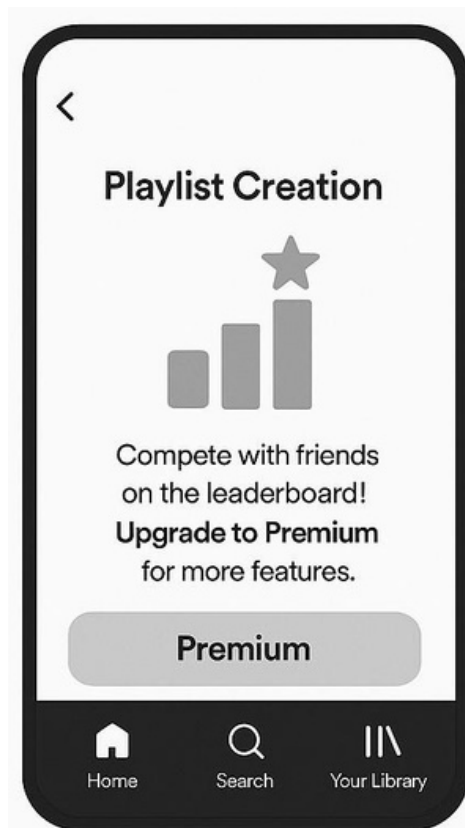
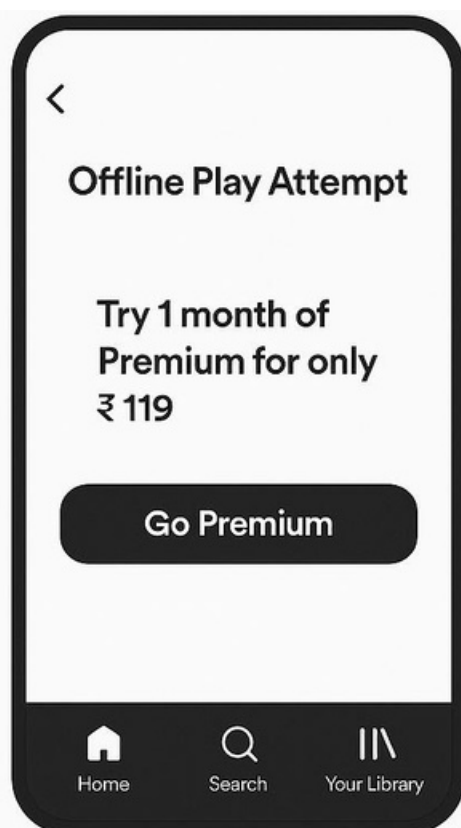
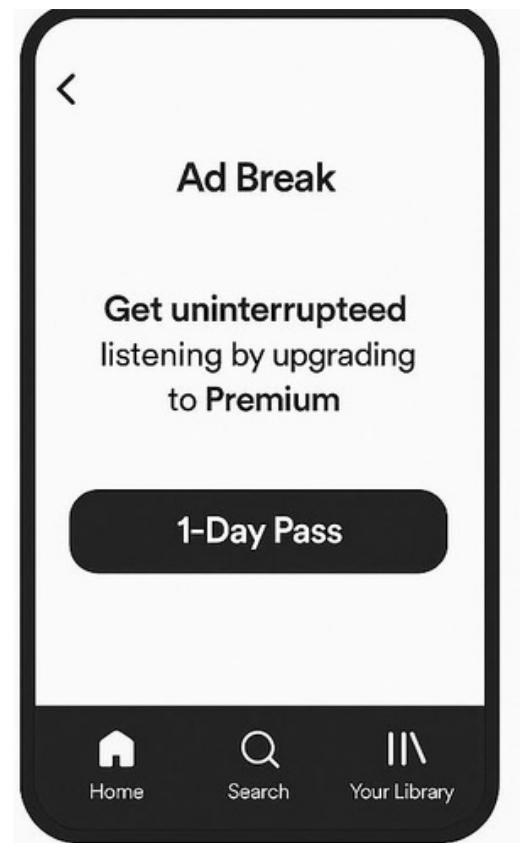
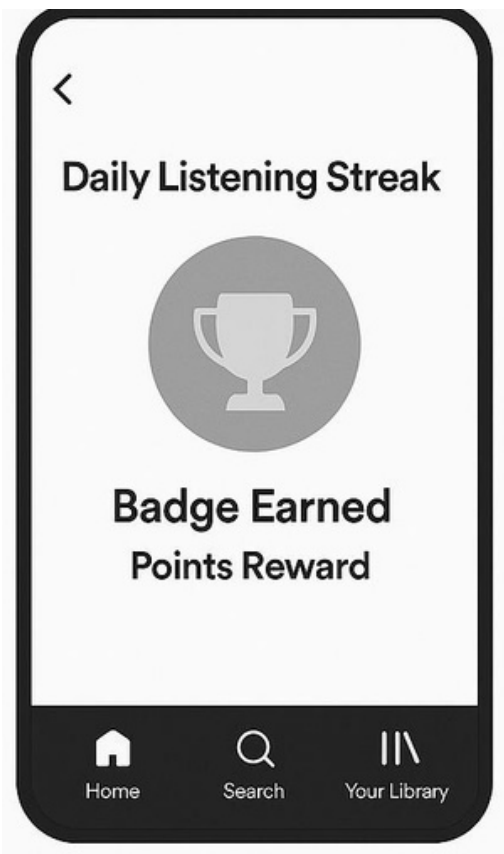
Idea	Description	Pro's	Con's
Gamified Rewards	Badges for listening streaks, points system, leaderboards	Drives daily habit & social buzz	Requires rewards catalog & tracking
Smart Nudges	Pop-ups on ad blocks, offline errors, playlist creation	High-intent moments	Needs robust event infrastructure
Micro-Subscriptions	On-demand 1/3-day passes, dynamic ₹7/₹25 offers	Low entry barrier	Upsell mechanics needed to bundle ARPU

Chosen Approach:
Gamified Rewards + Smart Nudges + Micro-Subscriptions—integrating engagement and conversion triggers for sustainable revenue growth.

User Flows & Wireframes

- 1. Daily Listening Streak → Badge Earned → Points Reward
- 2. Ad Break → Smart Nudge → 1-Day Pass CTA
- 3. Offline Play Attempt → Micro-Plan Offer
- 4. Playlist Creation → Leaderboard Share + Premium Banner





Key Features & Logic

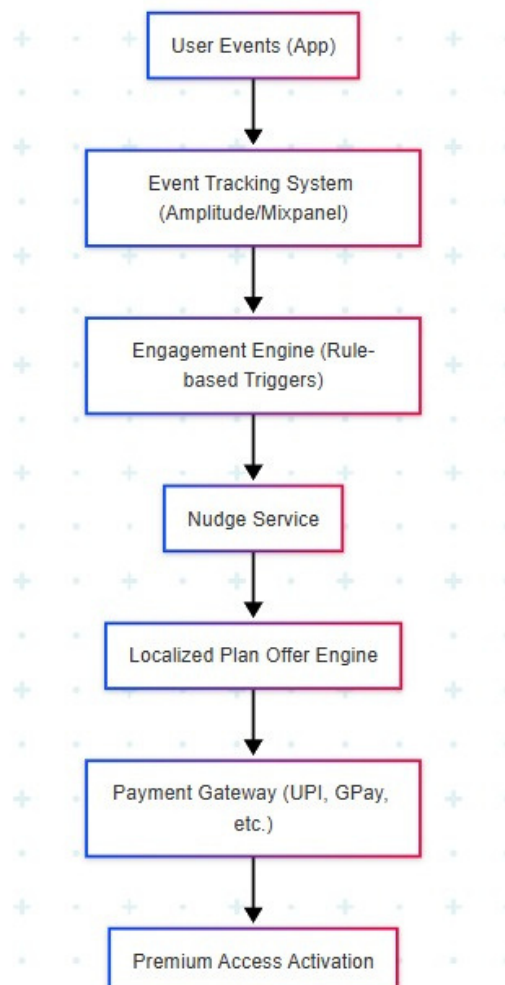
Features:

- Real-time event triggers (ad skip, offline block, streak milestones).
- Points & badges system with social leaderboard.
- Dynamic pricing UI surfaces targeted micro-plans and monthly/subscription bundles.
- Language localization for prompts (Hindi, Tamil, Telugu, etc.).

Logic & Data:

- Event schema capturing key actions and reward earn events.
- Engagement scoring model to qualify users for micro-plan eligibility.
- Geo-IP + profile data to infer language and pricing context.
- Rewards redemption engine tying points to pass issuance.

System Diagram



Data Instrumentation:

Key Events:

- streak_badge_earned
- points_redeemed
- nudge_shown (with event_type)
- plan_checkout_initiated
- premium_conversion_success

User Properties:

- engagement_score
- preferred_language
- past_redemptions
- geo_location

Tools:

- Amplitude / Mixpanel: Funnel and cohort tracking
- Firebase: In-app A/B testing
- Segment: User trait enrichment

Edge/Error Cases Handling:

Scenario	UX Handling
User tries to redeem with insufficient points	Friendly tooltip: "Earn 2 more points to unlock this!"
Micro-plan purchase fails (UPI error)	Retry prompt with alternate payment su
Nudge shown in wrong language	Default to English with toggle prompt
Badge/reward does not reflect instantly	Temporary toast: "Your reward is being processed..."
User unsubscribes post micro-plan	Re-nudge with a better-value monthly bundle

Product Marketing Plan:

□ In-App Announcements:

- Carousel banners, dynamic modals on first app open
- Targeted campaigns during festivals (Diwali, Holi)

□ Push Notifications:

- “You’ve earned a reward! Redeem for a 1-Day Premium Pass”
- “New weekly plan in your city: ₹25 only”

□ Email Campaigns:

- Gamification updates (leaderboard ranking, badge summaries)
- Personalized offers based on usage

□ Partnerships:

- Collab with PhonePe, Paytm for cashback on first Premium purchase
- Student ambassadors promoting micro-plans on campuses

□ Social & Influencer Marketing:

- Regional influencers explaining plans and showing reward systems

Launch Readiness

Milestones:

- Scope finalization
- Design completion
- Development complete
- QA & dogfooding
- Tier 1 & 2 launch

Launch Checklist:

- Stakeholder reviews (Design, Growth, Engineering)
- Event & UTM tracking setup
- Multilingual QA (Hindi, Tamil, Telugu)
- Support flows for reward issues
- Dashboard for real-time metric tracking

Experimentation Plan

- A/B Test Groups:
 - Group A: Reward + nudge + ₹7/day
 - Group B: Nudge + ₹119/month
 - Group C: Reward only + leaderboard
- Size: 100K users per group
- Duration: 30 days
- KPIs: Nudge CTR, points redemption rate, conversion %, 30-day retention

Open Questions & Trade-Offs

Question	Decision
Push ₹7/day universally or selectively?	Only high-engagement, budget-sensitive users
Voice-based onboarding?	Deferred (infrastructure-heavy)
Podcast cross-sell integration?	Phase 2 candidate

Future Iterations

- Voice-enabled onboardingPersonalized audio prompts suggesting micro-plans
- Podcast Premium Cross-SellSmart nudges integrated into Spotify's podcast listening experience.
- Event-based Exclusive RewardsSeasonal or festival-themed limited-time badges
- Referral Loyalty Program: Offer reward points for bringing friends who subscribe to Premium.

Scope of Next Versions

- Expand gamification to include "group streaks" among friends.
- Localized influencer campaigns based on regional music trends.
- Integration with payment partners (PhonePe, GPay) for seamless micro-transactions.

Risk & Mitigations

Risks	Mitigations
Users perceive rewards as "not valuable enough"	Regular refresh of reward catalog; limited-time exclusive rewards
Micro-plan adoption cannibalizes long-term Premium plans	Dynamic upsells journeys after micro-plan redemption
Language mismatches reduce nudge impact	IP + app language settings double-checking before nudge display
Event-triggered nudges become annoying	Limit frequency, implement nudge cooldown periods

Open Questions & Decisions Taken

Open Question	Decision
Push ₹7/day universally or selectively?	Selectively to high engagement + budget
Launch voice onboarding now?	Deferred due to infra complexity
Integrate offers into podcasts?	Planned for Phase 2

Appendix

- Competitive Analysis: [Link to teardown of JioSaavn, Gaana, YouTube Music]
- User Research: [Link to survey reports, focus group findings]
- Data Analysis: [Link to India engagement and conversion metrics]
- Solution Mind maps: [Link to Whimsical board / Figma flowcharts]
- Alternatives Considered:
 - Direct telco bundling (descoped for now)
 - Cross-platform subscription bundles (Spotify + Netflix)