**Go-to-Market Strategy for MED Mobile Ltd’s Chamamobile product**

**Company Information**

**Company Name**

MED Mobile Ltd

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**Product Name**

Chamamobile

**Our Company**

MED Mobile Ltd was incorporated in 2013 as a software services company with its headquarters in Nairobi, Kenya. The company’s mission is the delivery of a truly nation-wide, round the clock, convenient and efficient savings and credit financial service, delivered on an e-money platform to an all-inclusive customer base.

To date, the company operates the Timiza Vikoba service in Tanzania in collaboration with Maendeleo Bank PLC and Airtel Tanzania. The service is based on the company’s pioneer product, the Chama Mobile Software Application 1.0 (CMSA 1.0) which is a group banking software based on the Grameen microfinance methodology.

MED Mobile intends to shortly introduce a new product into the market. The product will be based on the CMSA 2.0 platform which is an enhanced version of our group banking software.

The following is an outline of the Go-to-Market plan for CMSA 2.0. The plan is specific to Kenya but can be adopted to other countries with country specific customizations.

**1. What problem are we solving?**

The value matrix below highlights the customer pain points which we are trying to solve.

|  |  |  |
| --- | --- | --- |
| **Pain Points** | **Product Value** | **Tentative Message (to be improved)** |
| Unfavorable lending terms:   * Low payout on savings accounts * Exploitation by mobile lenders * Privacy concerns | * Group members receive attractive dividends * Group members agree on the terms under which they would like to operate including penalties * Borrowing details only known to group members | * Let your savings work for YOU * Borrow on your own terms! * Your loan, your business |
| Geographical constraints & manual & record keeping | * Join from anywhere * Accurate & automated record keeping | Chama banking on steroids |
| Listing in Credit Reference bureau in case of default | Loans secured by group's own savings hence no possibility of listing | Avoid CRB listing! |

**2. For whom are we solving these problems?**

* The ideal customer is:
  + Anyone with the ability to save at least KShs 100/week;
  + Looking for financial independence;
  + Not satisfied with existing savings & credit services;
  + Owns a basic smart phone.
* Examples of people who fit this profile include:
  + Small time traders & vendors
  + Members of women’s merry go round groups
  + Small business owners
  + Farmers
  + Students
  + Members of investment groups
  + Persons in formal employment
  + Members of existing SACCOS
  + Family groups

**3. How are we solving these problems?**

Chamamobile is a platform where groups of at least 5 persons save together, borrow against their pooled savings and ultimately share amongst themselves the benefits arising from their activities.

The platform will:

* enable signed up users to save and earn above market returns while simultaneously accessing credit on self-defined terms;
* enable signed up users to easily track their savings and income generation journey transparently;
* give signed up users the opportunity to earn additional commission income by onboarding additional groups;
* be securely hosted within a regulated commercial bank
* be simple and easy to use with the some features being accessible without needing to sign up or create a savings group;
* be easily accessible via the Google Play store;
* have inbuilt onboarding materials which will help potential users understand it quickly.

**4. What is the competition?**

We are competing against:

* Traditional merry-go-round groups
* SACCOS
* Other mobile lenders e.g. Mpesa, Tala, Branch
* Individuals managing their own savings without working in a group.

**5. How will we differentiate ourselves to win?**

We will win by using the right positioning and sales strategy to make the awesomeness of our product obvious to our potential customers. After sign up we will delight our customers by living up to our promises.

**Overall Go-to-Market strategy**

Chamamobile will adopt a product led GTM strategy to reduce the cost of acquiring customers since the product will sell itself.

In a product led strategy, the features and usage of the product are the primary drivers for

* customer acquisition,
* retention and
* expansion.

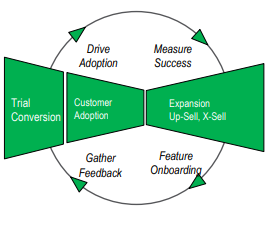
To achieve this, Chamamobile will allow non-signed up users to access some of the product’s features and aim to convert at least 20% of these free users into signed up users through a strong onboarding and adoption process. Chamamobile will seek to Build, Measure and Grow in an iterative process in which our product development team will play a key part.

Using a First Mile of Product approach we will onboard and activate users to drive them to the a-ha moment, measure the impact of every release on new sign ups and define journeys based on stages and goals making these easier for our users. We will collect targeted feedback and act on it.

Benefits of a product led GTM strategy:

* Aligned with how customers want to buy
* Able to personalize the experience earlier in the buying cycle
* Product usage is better correlated with buying intent
* Focus sales, product and success around solving customer problems
* Build an innovative product which people love to use

**Fig 1 – Go to Market pictorial:**



**6. Objectives for the first 12 months**

* Launch the product in August 2021
* Put our advertising message in front of 2 million people through paid and non-paid channels
* 500,000 app downloads
* 100,000 active users
* Collect user feedback and act upon it in >90% of cases

**a. Marketing strategy**

Will use inbound marketing strategies i.e.

* Focus on creating quality content that pulls people toward our product, where they naturally want to be.
* Align our content with our customer's interests in order to attract inbound traffic which we can then convert, close and delight over time.

**b. Positioning**

Our positioning and messaging will be built around the concepts shown below:

|  |  |
| --- | --- |
| **What is it** | **Target Segment** |
| Chamamobile is a platform where groups of at least 5 persons save together, borrow against their pooled savings and ultimately share the benefits arising from these activities amongst themselves. | Mama mbogas, SACCOS customers, self-employed people, small businesspeople, women's groups, kiosk owners, artisans, employed persons, farmers, traders, students, investment groups, family groups |
| **Market Category** | **Competitive alternatives** |
| * Group savings & credit * Table banking * Microfinance * SACCOS * Self-employment * Income generation | * Traditional merry-go-round groups * Microfinance & SACCOS * Other mobile lenders e.g. MShwari, Tala etc. * Individuals working outside groups |
| **Primary differentiation (to be improved)** | **Key Benefits** |
| * No risk of CRB listing * Set your own borrowing terms * Attractive returns * Transparent * Inbuilt earnings forecast * Many features can be explored without sign up e.g. group chat | * Earn above market dividends * Access automatic revolving credit on agreeable terms * Set your own borrowing terms * No risk of CRB listing * Earn passive income as an agent * Savings securely held in a regulated bank |

**c. Sales strategy**

We will carefully manage each stage of our sales funnel to achieve downloads and conversion as shown below.

|  |  |  |
| --- | --- | --- |
| **Funnel** | **Media** | **Message** |
| TOP (get attention) | Facebook, Twitter, Google, Field agents, Radio? | * Earn while you save! * Be your own boss! * Avoid CRB listing! |
| MIDDLE (answer questions) | Webpage and In App FAQ on features & process, Online video training & blog, Email support, WhatsApp for business chat, Field agents? | * How to get the best of the product * Tips and Testimonials * Based on FAQ |
| BOTTOM (make a sale) | App features which can be accessed without sign up | Earning potential of primary user & agent, group chat and no ads for signed up users |

**7. What velocity do we need?**

**Breakeven:**

Assuming average weekly savings of KShs/100/week/member and an average loan interest rate of 10% per month, we will require 5,000 groups (25,000 customers) to achieve monthly breakeven. We would aim to achieve this number within the first 3 months of launch.

**Other key metrics:**

Number of visitors to Facebook page & product website

Number of app downloads

Number of individual signups

Number of groups registered

Number of agents & second generation groups

Average weekly savings amount/group

Number of inactive groups

Loan offer acceptance rate

Forecasted revenue/group

Actual revenue/group

Number of reviews (positive/negative)

Number of support tickets and time taken for resolution

**8. High level timeline**

