CASE STUDY ON NETFLIX INDIA

BY RUSHALI GAWANDE

AS A BUSINESS ANALYST, WHAT STRATEGIES WOULD YOU RECOMMEND FOR NETFLIX TO ENHANCE ITS REVENUE?

SOLUTION:

The Following strategy I think would be great with suitable example:

a) Content Strategy

1. Increase regional content offerings:
   - Produce more original content in Indian languages (Hindi, Tamil, Telugu, Marathi, etc.).
   - Acquire rights to popular Indian films and TV shows.
   - Create content catering to diverse Indian audiences (e.g., regional language content, niche genres).

   Examples:
   - Netflix Originals: "Sacred Games" (Hindi), "Narcos: India" (Hindi), "Pitta Kathalu" (Telugu)
   - Licensed content: Bollywood films like "Dabangg" and "Bajirao Mastani"

b) Partner with Indian production houses:

1. Collaborate with local producers to create content.
2. Invest in Indian production companies.

Examples:

- Partnership with Phantom Films for "Sacred Games"
- Investment in Indian production house, Vishal Bhardwaj Films

c) Localize international content:

1. Dub or subtitle popular international shows in Indian languages.
2. Create Indian adaptations of international formats.

Examples:

- Dubbed versions of "Stranger Things" and "The Crown" in Hindi
- Indian adaptation of "The Office" (US)

b) **Pricing Strategy**

1. Tiered pricing:

    a. Basic plan (~₹100-200/month): SD streaming, limited content.

    b. Standard plan (~₹300-400/month): HD streaming, standard content.

    c. Premium plan (~₹500-600/month): UHD streaming, exclusive content.

    Example:

    - Netflix India's current pricing: Basic (₹199), Standard (₹299), Premium (₹499)

2. Mobile-only plans:

    a. Offer affordable mobile-only subscriptions (~₹50-100/month).

    Example:

    - Netflix's Mobile-Only plan (₹199) in India

3. Promotional offers:

    a. Discounts for long-term commitments.

    b. Bundle deals with telecom operators.

    Example:

    - Netflix's partnership with Jio for bundled subscriptions

C) **Marketing Strategy**

1. Social media engagement:

    a. Leverage Instagram, YouTube, Facebook, and Twitter.

    b. Create engaging content (trailers, teasers, behind-the-scenes).

    Example:

    - Netflix India's Instagram campaign for "Sacred Games"

2. Influencer marketing:
    a. Partner with Indian influencers and celebrities.
    b. Promote content through influencer networks.
    Example:
    - Netflix's partnership with Indian influencer, Tanmay Bhat, for "The Crown"

d) Offline events:
    a. Host exclusive screenings.
    b. Organize fan events.
    Example:
    - Netflix's "Stranger Things" fan event in Mumbai

SOLUTION:

Netflix should consider partnering with a local player in India to accelerate its growth. While Netflix has made strides in the Indian market, collaborating with a local entity could help it navigate regional content preferences, distribution challenges, and regulatory hurdles more effectively. A local partner would provide valuable insights into consumer behaviour, aid in creating content tailored to diverse Indian audiences, and potentially reduce costs. This hybrid approach could boost Netflix's market penetration, improve subscriber growth, and enhance its competitive edge against other streaming services that already cater to regional tastes.

Firstly, define how partnership and collaboration.

Partnerships and Collaborations

Partnership	Details	Examples
Local telecom partnerships	a. Bundle Netflix subscriptions with telecom plans. b. Offer exclusive content to telecom partners.	Netflix's partnership with Airtel for bundled subscriptions
Distribution deals:	a. Partner with local cable operators. b. Collaborate with DTH services.	Netflix's partnership with Tata Sky for distribution
Content partnerships:	a. Co-produce content with Indian TV channels or streaming services. b. Acquire content from Indian producers.	-Netflix's partnership with Hotstar for content co-production
Strategic partnerships:	a. Collaborate with local players for content production and distribution. b. Invest in Indian streaming services or production houses.	-Netflix's investment in Indian production house, Vishal Bhardwaj Films

I even think Technology and experience play an important role for the company , Lets dive into some improve factors.

Technology and User Experience

Topic which should need Growth	Improve	Example
Improve content discovery:	a. Enhance recommendation algorithms. b. Showcase regional content.	Netflix's "Indian Stories" section on the homepage
Multi-language support:	a. Offer user interfaces in Indian languages. b. Provide language options for content.	Netflix's Hindi user interface
Offline viewing:	a. Allow users to download content for offline viewing.	Netflix's offline viewing feature
Invest in regional language marketing:	a. Create region-specific marketing campaigns.	Netflix's Tamil-language marketing campaign for "Pitta Kathalu"

WHETHER NETFLIX SHOULD OPERATE ALONE OR PARTNER WITH A LOCAL PLAYER:

Pros of partnering with a local player	**Cons of partnering with a local player:**
Faster content acquisition and production	Loss of control over content and user experience
Better understanding of local market dynamics	Potential conflicts with partner companies
Access to existing distribution networks	

Pros of operating alone	**Cons of operating alone:**
Maintaining brand integrity and control	Higher costs for content acquisition and production
Leveraging global expertise and resources	Slower market penetration
Flexibility in content and pricing strategies	

Ultimately, Netflix should consider a hybrid approach:

- Partner with local players for content production and distribution.

- Maintain control over user experience and branding.
- Continuously monitor and adapt strategies to suit the evolving Indian market.

CASE STUDY ON OYO ROOMS

BY RUSHALI GAWANDE

HOW DOES OYO'S CURRENT BUSINESS STRATEGY ALIGN WITH THE BCG MATRIX, AND WHAT INSIGHTS CAN BE DRAWN REGARDING THE POSITIONING OF ITS DIFFERENT BUSINESS UNITS IN TERMS OF MARKET GROWTH AND RELATIVE MARKET SHARE?

SOLUTION:

The BCG (Boston Consulting Group) Matrix is a framework used to evaluate a company's business units or product lines based on market growth and relative market share. Also is a tool used by businesses to evaluate their products or business units based on two factors: **market growth** and **relative market share**. It classifies these into four categories:

- **Stars**: High growth, high market share (requires investment to grow).
- **Cash Cows**: Low growth, high market share (generates stable profits).
- **Question Marks**: High growth, low market share (requires investment to increase share).
- **Dogs**: Low growth, low market share (not profitable and may need to be divested).

This helps companies allocate resources and make strategic decisions.

In our case Here's how OYO's business units can be positioned in the BCG Matrix:

Stars:

1. OYO Rooms (Budget Hotels): High market growth and high relative market share.
2. OYO Townhouse (Mid-scale Hotels): Growing demand and significant market presence.

Cash Cows:

1. OYO Homes (Vacation Rentals): Stable market growth and high relative market share.
2. Silver Key Collection (Luxury Hotels): Established market presence and steady revenue.

Question Marks:

1. OYO Life (Co-living Spaces): Uncertain market growth and low relative market share.

2. OYO Palette (Luxury Vacation Rentals): Niche market with uncertain growth.

Dogs:

1. OYO Capital (Hotel Financing): Low market growth and low relative market share.

Insights:

- OYO's budget hotel segment (OYO Rooms) drives significant revenue and growth.
- The company should invest in mid-scale hotels (OYO Townhouse) to capitalize on growing demand.
- Established businesses like OYO Homes and Silver Key Collection provide stable cash flows.
- OYO Life and OYO Palette require strategic evaluation to improve market growth and share.

HOW DOES OYO'S BUSINESS MODEL CONTRIBUTE TO GIVING THE COMPANY A COMPETITIVE EDGE IN THE HOSPITALITY INDUSTRY?

SOLUTION:

Competitive Edge
OYO's business model contributes to its competitive edge in several ways:

1. Standardization: OYO standardizes services across partner hotels, ensuring consistency and quality.

2. Technology Integration: User-friendly apps and websites enhance customer experience.

3. Co-branding: Partnering with small hotels and guest houses expands OYO's reach.

4. Diversified Portfolio: Multiple brands cater to various customer segments.

5. Aggressive Expansion: Strategic partnerships and expansions into new markets.

Recommendations

1. Continue investing in technology to enhance customer experience.

2. Expand mid-scale hotel offerings (OYO Townhouse).

3. Evaluate and refine strategies for OYO Life and OYO Palette.

4. Maintain focus on standardization and quality control.

5. Explore strategic partnerships to strengthen market presence.

By analysing OYO's business strategy understanding its competitive edge, the company can refine its approach to maintain growth and market leadership in the hospitality industry.

AS A BUSINESS ANALYST SUGGEST SOME CHANGES FOR GROWTH OF OYO ROOMS COMPANY .

- **Focus on Core Markets**: Deepen penetration in markets like India and Southeast Asia where OYO is already strong.

- **Expand Premium Offerings**: Introduce higher-end accommodations to cater to mid-range and luxury travellers.
- **Enhance Technology**: Invest in AI-driven customer service, better pricing algorithms, and personalized recommendations.
- **Improve Customer Experience**: Strengthen quality control measures for standardized experiences across properties.
- **Diversify Revenue Streams**: Expand into complementary services like travel packages, car rentals, or dining.
- **Strengthen Partner Relationships**: Provide more incentives and support for hotel partners to ensure long-term collaborations.
- **Local Market Customization**: Tailor offerings to regional preferences in international markets for better localization.
- **Sustainability Initiatives**: Promote eco-friendly and socially responsible practices to attract conscious travellers.

CASE STUDY ON **RAPIDO.**

BY RUSHALI GAWANDE

GIVEN:

Rapido company

B2C model -→ Drive and passengers

-20 % firm charge

2022-2023 -→ 53.76%

493 crore → 675crore profit from previous year

Revenue operation fy23-→ Rs 443 crore from Rs 145 crore in 2022

FIND:

How will Rapido's zero commission-based business model impact its profitability and sustainability in the ride-hailing industry?

SOLUTION:

Let's first understand zero commission – based business model?

As per the knowledge When a platform, such as Rapido as we are seeing here, uses a zero-commission business model, it indicates that drivers are not charged a commission or other costs for using it. Rather, drivers retain all the money they get from passengers.

IMPACT OF RAPIDO'S ZERO COMMISSION-BASED BUSINESS MODEL ON PROFITABILITY AND SUSTAINABILITY

Factors	**Impact on Profitability**	**Impact of Sustainability**
Revenue Generation	Driver's direct revenue which, if not offset by other revenue streams like advertising or partnerships, may shorten the company's short-term profitability.	limits long-term financial independence and increases the likelihood that the company will need outside financing or other sources of income to stay in operation.
Obtaining customers	As it offers competitive pricing, it may draw in more drivers and riders, increasing demand and market share and ultimately increasing profitability.	provides a competitive edge if retaining clients' methods (like as loyalty programs) are effective in supporting long-term market share growth.
Cutting down the cost	A lower fee could improve profitability by keeping a loyal network and cutting down on operational expenses like driver recruitment and management.	provided cost-cutting measures are taken to maintain operational expenses in check without compromising service quality.
Scalability	Signing on extra drivers and riders speeds up operations, but if profitability isn't properly maintained through technological	If technological advances increase productivity and save costs, enabling the model to grow

	and operational optimization, it could lag.	effectively, sustainability could be guaranteed.
Extra financial support	Rapido may need outside investors to make up operational losses, which might reduce equity or increase debt and have an impact on profitability.	Sustainability issues arise when a company depends too much on outside funding unless it can eventually turn a profit.
Market Competitor	Assists in undercutting rivals by providing drivers with greater earnings and riders with lower prices, therefore gaining a larger portion of the market and boosting sales.	may force rivals to match prices or change, but Rapido may lose its advantage if it can't sustain this approach in the long run.

FIND:

What is Rapido's current market position as determined by its SWOT analysis, highlighting its strengths, weaknesses, opportunities, and threats in the ridesharing industry?

SOLUTION:

SWOT: is strengths, weaknesses, opportunities, and threats.

1. Strengths:
    - Zero Commission Model: By giving drivers more money, this model increases driver retention by luring in more drivers.
    - Low-cost Pricing: Rapido appeals to clients on a tight budget, particularly in Tier 2 and Tier 3 cities, because to its competitive pricing.
    - Strong Local Existence: In India's smaller towns and cities, Rapido is the dominant player, outnumbering bigger companies like Ola and Uber.
    - B2C Logistics: Its business model is more resilient due to the diverse revenue stream provided by B2C logistics.
    - Set a focus on Two-Wheeler Rides: In crowded cities, these services provide quicker and more affordable options than regular taxis.
    - Profitable Mobile App: The app's user-friendliness increases user retention and consumer satisfaction.
    - Local Driver Partnerships: Increases service quality and safety by collaborating with local drivers and drawing on their local knowledge.

2. Weaknesses:
    - Financial Expenses: Rapido has increasing losses (₹675 crore in FY23) because of high operating costs, notwithstanding revenue growth.
    - Weak Presence in Major Cities: Rapido's market share is constrained by stronger rivals like Uber and Ola, who rule larger cities.
    - Thin Rates: Unless other income streams are greatly grown, the zero commission-based approach may compress profit margins.
    - Dependency on Foreign Funding: Has a high reliance on investors for expansion and growth, which presents dangers if funding becomes scarce.
    - Regulatory Challenges: Deals with legal and regulatory issues in a few states, which may result in brief closures or higher compliance expenses.
    - Name Awareness: Especially in urban areas, Rapido's brand recognition is not as strong as that of industry titans like Ola and Uber.

- Minimal Variety in Offerings: Predominately concentrating on two-wheeler services, limiting growth opportunities in the full ride-hailing market.

3. Opportunity:
    - Developing Need for Affordable Transportation: India's expanding urbanisation and middle class present a bigger market for affordable transportation solutions.
    - Growth into New Cities: There is unrealised potential in India's smaller towns and cities, where ride-hailing services are still in their infancy.
    - Partnerships with Transportation Providers: By partnering with e-commerce businesses, B2C logistics can be expanded even further.
    - Adoption of Electric Vehicles (EVs): By lowering fuel costs and increasing sustainability, Rapido stands to gain from the increasing trend towards EV adoption.
    - Technological Improvements: Route optimisation and driver management could be made more profitable by utilising automation and artificial intelligence (AI).
    - Government Incentives for Start-ups: Start-ups and logistics companies can benefit from several programs and subsidies provided by the Indian government.
    - Novel Sources of Income: Opportunities in advertising, premium ride options, or corporate tie-ups to diversify revenue sources.
4. Threats:
    - Strong Competition: Due to the larger ride-hailing businesses' presence in major cities, such as Uber and Ola, there is fierce competition in terms of both pricing and quality of service.
    - Regulatory Difficulties: As transport laws change frequently, they may raise operating expenses or impose restrictions on services in some areas.
    - Fuel Cost Fluctuations: Increasing fuel costs may have an effect on client pricing and driver profitability, making it more difficult to provide affordable rates.
    - Economic difficulties: Consumer spending on transport, particularly for non-essential travel, may decline during periods of slow economic growth.
    - Retention of Consumers: While low prices may draw in price-conscious clients, if competitors offer lower prices, those clients may quickly go to the competition.
    - Driver Shortages: Operations may be disrupted by drivers being difficult to keep because of competition or unhappiness with remuneration.
    - The disruptions Technological: Quick modifications to mobility technologies, like autonomous vehicles, could disrupt the traditional ride-hailing market.

AT THE END WE CONCLUDE THAT THE FOLLOWING ARE THE PRIMARY AREAS RAPIDO SHOULD CONCENTRATE ON AS A BUSINESS ANALYST:

- *FINANCIAL DIVERSIFICATION: LOOK AT SOURCES OF INCOME OTHER THAN RIDE COMMISSIONS.*
- *COST MANAGEMENT: TO INCREASE PROFITABILITY, MINIMISE ADMINISTRATIVE AND OPERATING EXPENSES.*
- *MARKET EXPANSION: TO GAIN A LARGER PORTION OF THE MARKET, FOCUS ON NEW CITIES AND AREAS.*
- *INVEST IN TECHNOLOGY TO IMPROVE CLIENT EXPERIENCE, SCALABILITY, AND EFFICIENCY.*
- *REGULATORY COMPLIANCE: HANDLE AND NEGOTIATE REGULATORY OBSTACLES TO PREVENT HICCUPS.*
- *RETENTION OF DRIVERS AND CUSTOMERS: CREATE PLANS TO KEEP CUSTOMERS AND DRIVERS AROUND.*
- *BRAND DIFFERENTIATION: BOOST BRAND AWARENESS AND VISIBILITY IN MARKETS WITH HIGH COMPETITION.*