

# INZPIRA CASE STUDY

How Inzpira personalized  
communicative English training with a  
multifold competitive advantage  
approach





# **The Background**

**- Inzpira Case study**

**Next Gen Entrepreneurship Fellowship**

Here is an interesting fact: William Shakespeare's birth and death dates are the same - 23rd April, celebrated by the United Nations as English Language Day. This becomes relevant in India's context because English is the language used for all official purposes. 10% of the population speaks the language in India, and its relevance is increasing by the day, with English being the preferred mode of instruction.

Businesses and entrepreneurs have smelt this demand and supply gap and have been actively exploring the language training segment for the past few years. While there are innumerable players in the market, ranging from global and large institutional brands to local centres promising impeccable English speaking skills, these educationalists are finding newer ways to acquire audiences, improve adoption of their courses and build their differentiating competitive edge.

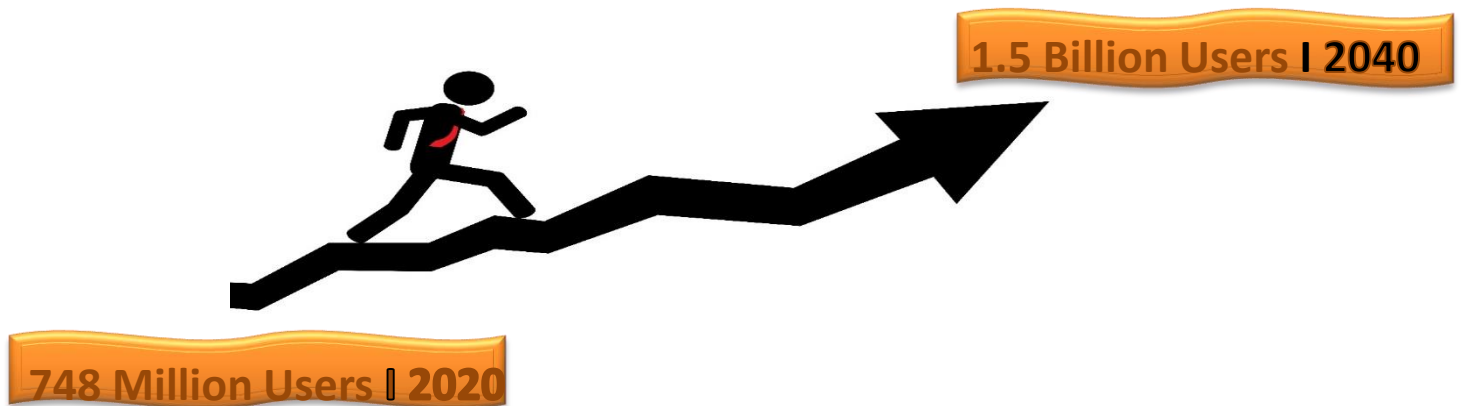
When you peel the layers of this industry, you will notice a complex structure that caters to a broad audience in terms of geography, socio-economic status, demography and purpose of language learning. Another critical element that has evolved over the past few years is the online sessions vs offline classes.



What can CAGR tell you?

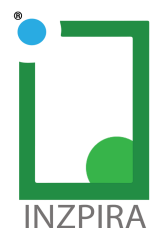
<https://scripbox.com/mf/cagr-compound-annual-growth-rate/>

While Covid-19 forced many businesses to take a digital-first approach, the education sector was at the forefront of this transformation. India alone is expected to grow to 1.5 billion internet users by 2040 compared to 749 million in 2020. The increasing internet penetration in India provided the perfect tailwinds to catapult online learning to new heights.



With English being the primary mode of education in most prestigious institutions, it also plays a key role in the workplace as well. With the private sector and multinationals banking on English as a mode of operation, there is immense demand for mastering the language across all segments in the country. The language learning market is growing globally at 18.7% CAGR and is expected to hit \$172.2 billion by 2027.

Picking up on this opportunity, and being close to the problem of simplifying learning English, Sruthy Ramesh and Rohith Namboothiri started their ambitious journey to build Inzpira Edu Solutions, an online academy for communicative English.







# **Background of the Company and Target Audience**

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# Background of the Company and Target Audience

Sruthy Ramesh, an aspirational girl from Trivandrum was an extrovert, she loved talking to people and exchanging ideas. Since her high school days, she was passionate about participating in public speaking events and debate competitions but lacked the confidence and fluency in English which held her back from achieving her fullest potential. To address this, Sruthy set out to learn English by going through various books and courses all by herself. After a couple of stressful years, she was able to acquire the skills needed for her endeavours. In retrospect, she realized that what she went through was a common problem faced by many.

She wanted to make the process of learning English simpler and less stressful. That's when she met Rohith Namboothiri and they together set out on the quest to establish Inzpira to solve a very simple yet a pressing issue faced by millions of people today!

In 2016, they started a physical institute in the crowded marketplace of communicative English - more commonly known as spoken English. Inzpira sees itself as an enabler of confidence for its students and considers language to be an important element of doing so. They had a very clean business model where anyone could walk into their office and take a 1:1 training session for 60 mins with one of the 8-9 trainers that were working with Inzpira at that time. They focused on operational excellence and took pride in the waiting time for each student is less than five minutes even when the numbers had reached a whopping 120 students per day. These numbers made one thing extremely clear - there was a crucial need for personalized English classes in the market. To cater to this level of demand, Inzpira signed exclusive contracts with trainers under which they had to commit a specific number of hours per week to Inzpira.



# Background of the Company and Target Audience



Inzpira took the route of hyper-targeting in a crowded market to do a focused need analysis of their potential consumers and find the sweet spot. They targeted early and mid-career professionals between the age group of 24-35 years from the A2 category of Socio-Economic Classification by the government which includes shop owners, junior officers and executives etc

In 2018, while analyzing the student profiles, Sruthy and Rohith realized that a lot of students would come to Trivandrum from other localities and stay in hostels to learn with them. To capitalize on the spillover demand from other localities, they evolved into a digital platform from a physical one. Inzpira transitioned into digital-first in 2019, keeping the physical space intact but when COVID- 19 hit the world it accelerated their plans and enabled them to roll out their MVP of the 100% digital model in early 2020.



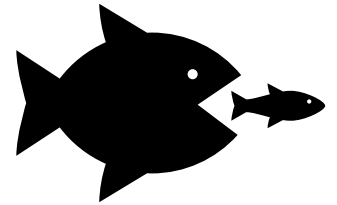


# **Current Competitive Landscape**

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# Current Competitive Landscape



Building a competitive advantage to stay differentiated in a crowded market is easier said than done. It goes beyond theorizing these strategies on paper, to going out there and executing them. One key aspect of this is customer adoption of these differentiators. Organizations more often than not have a difficult time building a competitive edge that customers truly care about, find valuable and relevant.

Inzpira faced similar challenges. There were two primary competitor segments Inzpira had to navigate through. One key segment was direct competitors, the mainstream language training players. These included companies like Speakwell, Beta, Superprof, Cambly and Speechify. Another set were indirect competitors like Duolingo and Preply, which are self-learning language applications.

Rohith and Sruthy found another interesting model to categorize the market. They plotted themselves against the competition on a 2x2 matrix with accessibility as one axis and disruption as the other.

Mainstream learning companies like Speakwell and Beta came under the high accessibility but low disruption quadrant.

Inzpira had set its goal to operate in the high disruption and high accessibility quadrant.





# Unusual Challenges

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While one would expect major challenges to come from competition, the biggest challenge Inzpira faced was from the customer side.

- **Showcasing Value and protecting the perception**

While direct competitors maintained a similar price and structure of learning, the digital economy gave rise to many small online players undercutting costs. There was a sudden boom of low-quality language courses circulating on social media platforms for INR 99. This created confusion among the audience regarding the cost vs value of Inzpira. They started questioning the price and this dented perception and conversions for the company. Inzpira had to double down on showcasing their value proposition from 1:1 learning sessions and justifying their course costs. Their hyper-targeting approach helped them navigate through this problem to some extent. They only targeted the audience that had the financial appetite for such courses and those who were aligned with the final outcome. Once people experienced the 1:1 session, they were satisfied with the offering. This ensured a high conversion rate and low churn.



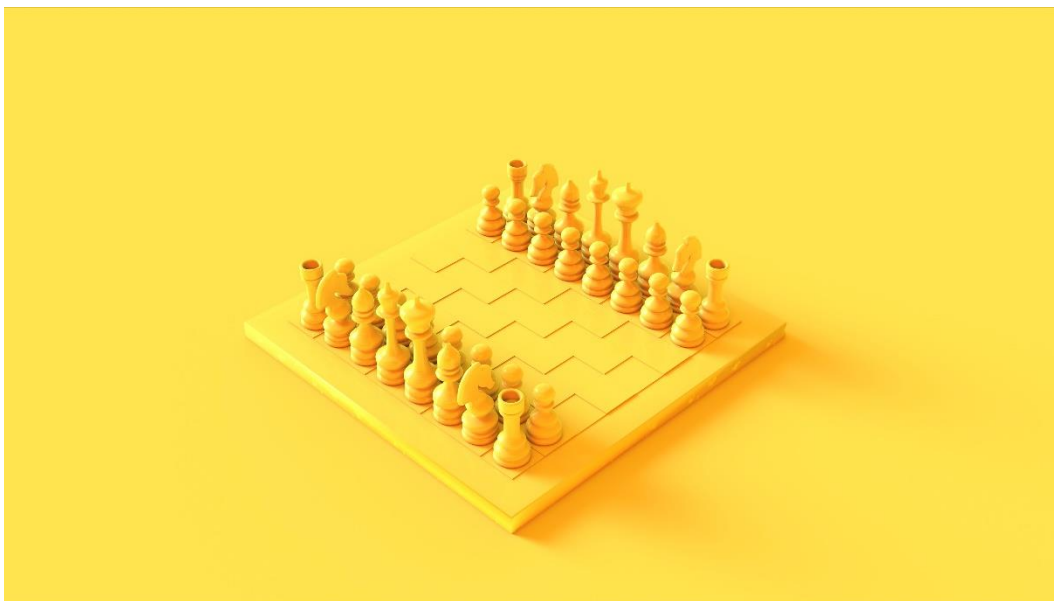
# Unusual Challenges

## - Referral inhibitions

While learning a foreign language, a computer language, an AI course or any other professional skill is highly revered socially, learning English is looked down upon. There is a perception built around it being 'uncool' to learn English after one's schooling years. This has a big impact on referrals in this industry. People refrain from publicly sharing their positive learning experiences.

## - Predicting demand and managing supply

Going digital meant a sudden surge in the number of customers that were accessing the platform. Inzpira had to ensure they had the capacity to manage the supply of trainers to cater to this demand. This also meant improving their forecasting muscle so that they could predict demand and be prepared with the right supply of trainers.



**Helpful Link:** 2x2 matrix -

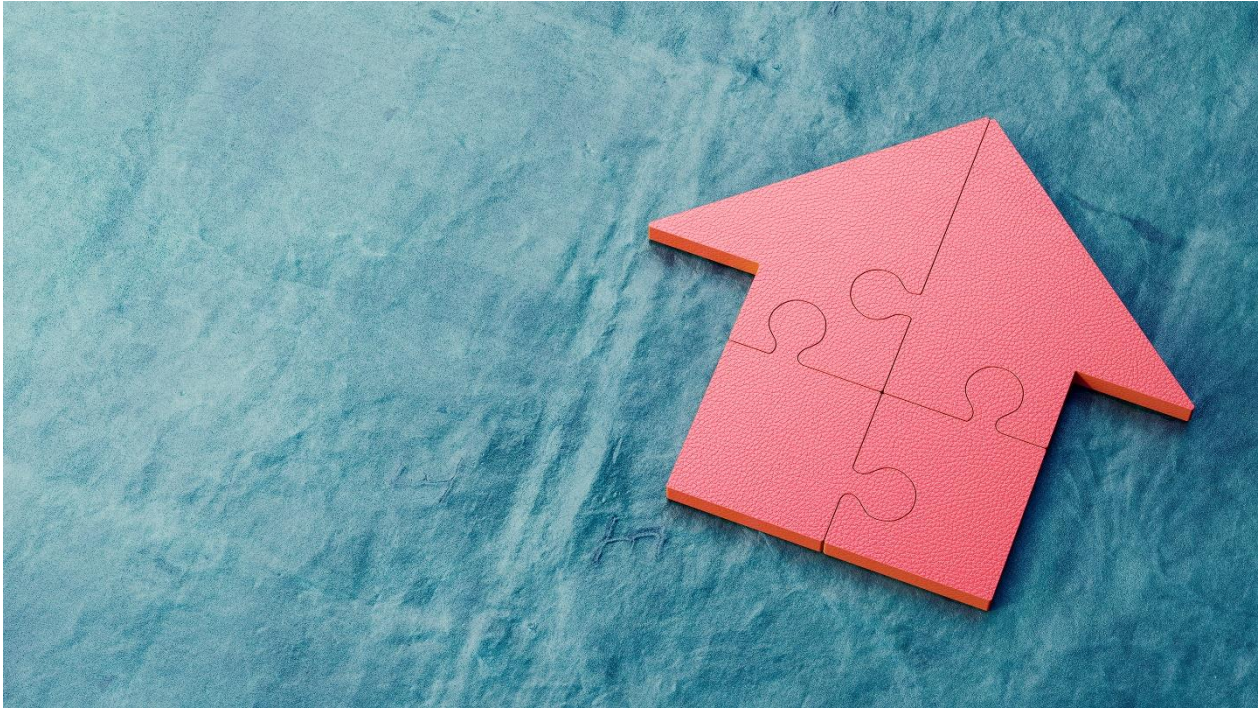
<https://www.preplounge.com/en/bootcamp.php/case-cracking-toolbox/structure-your-thoughts/2x2-matrices-and-the-bcg-matrix>



# **Value Proposition as a Key Differentiator**



# Value Proposition as a Key Differentiator



## Product Differentiator:

Inzpira relates itself to platforms such as Swiggy and Uber as they harness AI to connect a learner with a trainer instantly. The power of AI is used to match the trainer with a learner instantly, keeping the criteria of commonalities in mind. Inzpira connects both the parties on the basis of some shared element like religion, location, profession, the language they speak etc. which enables the trainer to build a rapport with the learner instantly. The 1:1 personalized feature of Inzpira equips them with a lot of data which they use to build better products and services for the future - they consider this to be a major competitive advantage from the angle of the value proposition.



# Value Proposition as a Key Differentiator

## Process Differentiator:

To continuously stay ahead of the curve, Inzpira follows a standardized curriculum exclusively developed by highly proficient language experts and doctorate professors in language and literature and continuously develops it. The feedback received from these sessions is then fed back into the process of developing a new curriculum and continuously updating the existing ones.

The standardized curriculum and intricately mapping student progress enable trainers to pick up teaching from any session without the problem of continuity. For example, today you train with one trainer but tomorrow you get connected with another trainer. But Inzpira will make sure that the second trainer has absolute knowledge about your entire course and progress. The idea of different trainers is to provide an environment of immersive learning, where learners can interact with multiple English speaking trainers and learn from them, for example, if you interact with 10 different trainers for the duration of your course you get the chance to understand their perspectives and practice communicative English with them in each of their unique styles.



# Value Proposition as a Key Differentiator

## **Barriers to entry and defensibility:**

While Inzpira had successfully built a strong competitive advantage, they had to actively strategize defending their differentiator and their edge. After many brainstorming sessions with peers and industry experts, Rohith and Shruthy realized that raising entry barriers could be the key to defending their position in the market.

Technology, if used well, can become a high entry barrier for companies. In Inzpira's case, their AI model was proprietary. In AI and machine learning technologies, it takes a huge amount of data that is collected over long periods of time, for the model to work accurately. It would take competitors and new entrants years to perfect the technology.

This is where Inzpira's first movers' advantage came into play. They had been operating for over six years and this helped them stay ahead of the curve. This helped them in multiple fronts such as building operational excellence, brand building, trust in the market and strong internal team dynamics.



# Value Proposition as a Key Differentiator

They were well known in south India and people trusted their product and service. They also developed and fine-tuned their service and product over the years to build the most effective model for their learners.

One example was that they did not teach grammar through grammatical rules, like other language training institutes. They had a unique gamified practical approach to English grammar. They simplified the learning experience helping the customer achieve their objective with ease. Emulating these features, learnings and technology would take time, effort and money for other competitors in the market.



## Helpful Links:

Barriers to Entry -

<https://www.investopedia.com/terms/b/barrierstoentry.asp#:~:text=Barriers%20to%20entry%20is%20an,easily%20entering%20a%20business%20sector.>

First Mover's Advantage -

<https://corporatefinanceinstitute.com/resources/knowledge/strategy/first-mover-advantage/>







# **Ensuring Sustainable Competitive Edge**



# Ensuring Sustainable Competitive Edge

Every business thrives on future-proofing their business model, their product offering and catering to ever-evolving customer objectives. Inzpira segmented its growth trajectory into three major stages -

## - Learning Platform

This was the bread and butter segment of the business. The goal here was to improve the product, the AI model, the customer journey and their acquisition strategy. They started building initiatives to cater to other customer segments and started expanding across geographies as well. They noticed a similar audience segment in the middle east and this was a far less price-sensitive market than India. It was the right audience to expand their business into.

## - Technology Simulator Platform

Inzpira created a division entirely focused on the technology of tomorrow. Their aim was to build a simulator platform that makes language learning even easier and much more accessible.

*In Rohith's words, "So just imagine you're driving a car and you're stuck in a traffic jam. You've got connectivity features in your car. What if this feature is able to teach you Inzpira English through conversation. In the next couple of years, IoT device adoption will increase exponentially. We want to build a future where Alexa teaching you English or even Siri teaching you English through Inzpira enabled technology is possible."*

This would require a massive amount of data collection, processing and insight generation. Inzpira's data collection model has already prepared them for this journey.



# Ensuring Sustainable Competitive Edge

## - Learner Outcomes & Strategic Partnerships

Having a much better understanding of the customer, their wants, needs and objectives is invaluable for any company. Inzpira heavily focuses on tangible outcomes of learners to help them achieve their end goal. A learner may be interested in developing their English skills for multiple reasons. From a work front, it could be to get a promotion or apply for a new role. It could also be to pursue higher education in the US or Canada, or migrate to foreign countries. It was no longer about teaching English, but about helping learners achieve their final goal.

To help facilitate this, Inzpira engaged in strategic partnerships with key complementary institutes. They tied up with immigration consultants and recruitment platforms (both local and international). This helped the company provide a much more holistic service which was learner outcome-based, and helped differentiate their service from other competitors who focused on language training only.

Building a competitive advantage in a crowded market is a complex web of strategic and tactical decisions. It involved learning from the past, with one eye on the present and another on the future.





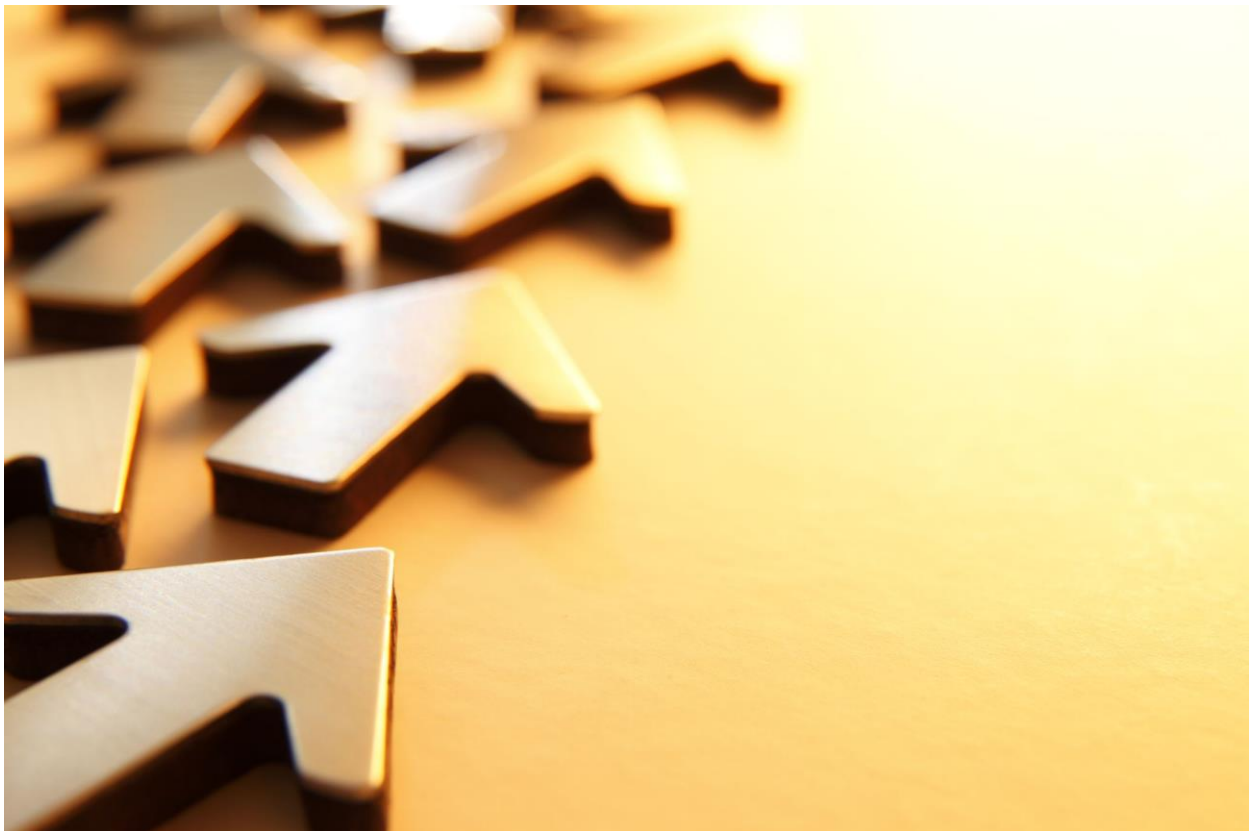
# Inzpira Today

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# Inzpira Today

The company has raised two rounds of investment, the first one being a pre-seed round from 100X and recently they received their seed investment from a group of angels.

Inzpira has enabled over 15000 students with the power of efficient communicative English by leveraging the skills of 360 trainers working across boundaries to create maximum impact. With continuous efforts and determination, they have expanded their wings over 12 countries and have accomplished the milestone of 500000 sessions.





### **Additional Links:**



<https://www.prnewswire.com/in/news-releases/at-18-7-cagr-language-learning-market-size-to-hit-usd-172-71-billion-by-2027-says-brandessence-market-research-828525540.html>

<https://www.timesbridge.com/blog/why-india-is-the-next-frontier-of-growth-for-global-language-learning-platforms/>

[https://www.britishcouncil.in/sites/default/files/draft\\_elt\\_report\\_24\\_dec.pdf](https://www.britishcouncil.in/sites/default/files/draft_elt_report_24_dec.pdf)

<https://www.researchandmarkets.com/reports/4316417/language-training-market-in-india-2017-2021>

<https://www.statista.com/statistics/255146/number-of-internet-users-in-india/#:~:text=In%202020%2C%20India%20had%20over,for%20the%20southern%20Asian%20country.>





# End of case questions

1. What is the core problem that the founders set out to solve?
2. Do you think it is a problem worth solving?
3. Who are the main competitors for Inzipra?
4. How does Inzipra compare on the following:
  - Product Benefits
  - UVP
  - Price
  - Branding
  - Market Review
5. What were the key competitive advantages that Inzipra created?
6. Map these on the 2\*2 matrix:
  - Create
  - Enhance
  - Reduce
  - Eliminate

