Software Product Management
Product :- Zee5
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About Zee5 Digital

ZEE5 is an OTT platform owned by Zee Entertainment Enterprises, offering over 3500 movies and series in 12 languages. With a strong brand value and a wide distribution network built over time by Zee Corporation, ZEE5 has a great potential for growth.

Motivation
- Our love for OTT
- OTT spaces are growing exponentially and are highly competitive spaces.
- OTT spaces are constantly evolving with games, sports, nfts etc .

Jayant Lifecycle
- Check health of metrics
- Root cause analysis for any potential bugs and reach out to engineers (10%)
- Improvements in the current platform by collaborating with design and data science teams(10%)
- Documenting Product Requirements to add or drop any features (50%)
- Collaborating with external stakeholders (30%)

Snippets

- **Customer Base**
  - Paid Subscribers - ~11 M
  - Monthly active users 2021 :- ~104.8 M
  - Daily active users - ~10.5 mn
  - ~66%increase in MAU from 2020

- **Gross Revenue** - Rs. 546.4 CR
  - 31% Increased CAGR from FY21

- In buzz
  - Rocket Rashmi - Women empowerment through sports
  - Kashmiri Files - Mid sized film Rs 250 Crore
  - Tamil movie 'Valimai' -100 mn streaming minutes on ZEE5

Business Model Canvas

Key Partners

Suppliers
- Production Houses

Distributors
- Telcos
- Broadband providers

Platforms
- Reselling content to different OTT platforms

Set up box providers

Key Activities

Provide better streaming experience
Dub content for other language market
Providing advertising opportunities for brands

Key Resources

Content
Distribution channels
Cloud Infrastructure

Value Propositions

B2C
- 12 + regional Language content
- Diverse content portfolio
- Feature Catch T.V and Live T.V for enhanced viewership experience

B2B
- Diverse user base
- Relevant understanding of product
- Wide target audience

Customer Relationships
- Self-help Portal
- Customer Support Channel
- Communities on Facebook and other social media handles

Channels

Direct channels
- Zee media, Set up box providers, offline channels

Indirect channels
- Partners through their platform

Customer Segments

B2C
- Customers demographics across age, gender, region, language, SEC.

B2B
- Advertisers including FMGC and Brands

B2B2C
- Loyalty points- Vi, Airtel, Times Prime, Paytm coins

Cost Structure
- Content Acquisition
- Cost of Infrasture
- People and Studio
- Marketing

Revenue Streams
- Subscription fees,
- Advertisement revenues,
- Partnerships across B2B2C

Value Canvas

Product

GAIN CREATORS
- Diverse user base improves product sales
- Ability to record and watch the same show many times.
- Watch all Indian/cultural/regional content through same OTT platform.

Products And Services
- **Advertisements bundling with Zee corporation** having high emotional affinity with the Indian diaspora
- Catch Up T.V
- Dubbed T.V and Live T.V

PAIN RELIEVERS
- Provides trust and additional advertisements through various zee corporation channels
- Can watch shows any time
- Providing authentic indian content as well as dubbing the content in native language.

Customer

GAINS
- Higher product sales and product market fit
- Gratification and Entertainment for the day
- Cultural belongingness

CUSTOMER JOBS

Advertisers : Reach a larger set of audience

Homemakers and Adults : Watch shows at time convenience

South Asian Viewership : NRI, Residents from USA, UK) Watch Indian shows

- **Advertisers** - Advertisements are expensive and do not reach target indian audience.
- **Homemakers** - Working long hours leads to missing the favorite show and having to wait for the repeat telecast is challenging
- **South Asian Diaspora** - Cultural shows are either not available or not translated in native language

PAINS

Heat Map

Strategic Management	Product Strategy	Product Planning	Development	Marketing	Sales and Management	Delivery Services and Support
Coorporate Strategy	Positioning and Product Defination	Customer Insights	Product Architechture Management	Marketting Planing	Sales planning	Service Planning and Preparation
Portfilio Management	Delivery model nd Service strategy	Product lifecycle management	Development Engineering Management	Value Communication	Customer Relationship Management	Service Execution
Resource Management	Ecosystem Management	Roadmapping	Development Ececution	Product Launches	Opperational Sales	Technical support
Portfolio Management	Sourcing	Release planning	User Experience Design	Channel Preparation	Operational Fulfillment	Operations
Compliance Management	Pricing	Product Reqn Engineering	Detailed Requirement Engineering	Customer Experience Design		
Market Analysis	Financial Management		Quality Management	Opperational Marketing		
Product Analysis	Legal and IPR Management					
	Performance and Risk Management					

■ High   ■ Medium   ■ Low

Participation	Core	Orchestration

Strategy

Mission

- To create a better tomorrow by redefining entertainment for consumers, increasing shareholder value, expanding opportunities for employees, delivering innovation to our partners, and taking meaningful steps for society as a whole.

Vision

- To become India's largest, most comprehensive digital entertainment platform for language content.

Structure

- Zee 5 reports to Zee corporation in a Top-Down organizational structure. Annual goals are decided by various heads of corporations, including board members, the CEO, and the president, and passed to Zee5 presidents, who act as a bridge between corporate and product strategy. Product managers further make OKRs based on these high-level strategies for execution.

Goal

1. YoY growth more than 30% by the end of FY - 2022
    - Reducing the high content acquisition costs by improving the current distribution channels
    - Forming mergers and partnerships to enter new potential profitable markets, such as sports
    - Increase the price gradually while diversifying the content

BCG Matrix

Question Marks
NFT and Metaverse

"Zee Studios will provide NFTs for cinema lovers and collectors through its repository of a strong line up of film content." Shariq Patel, CEO, Zee Studios

Stars
Sports

Dogs
Advertisements

Most users prefer subscribing over advertisements due to difficulties in add skipping and navigation using T.V remote.

Cash Cows
Subscription

ENJOY FREE
ZEE5 SUBSCRIPTION
ON
AIRTEL THANKS

ENJOY 4500+ ZEE5
MOVIES & SHOWS ON
VODAFONE PLAY

Market growth — High / Low

Market share — Low / High

SWOT Analysis

Strengths
Brand value of Zee 30 years in the media industry with popular TV shows, good customer relations, strong cash flow and international market to support a large customer base

Weaknesses
Organisation Structure and Legacy System

Offers only niche sports events

Opportunities
Regional content becoming popular. Growth and trend changes in OTT consumptions, Sports affiliation as a new offering and penetration of internet in rural spaces

Challenges
Many competitors offering similar content

Changing policy structure

Product Life Cycle

Zee5 in Growth Phase

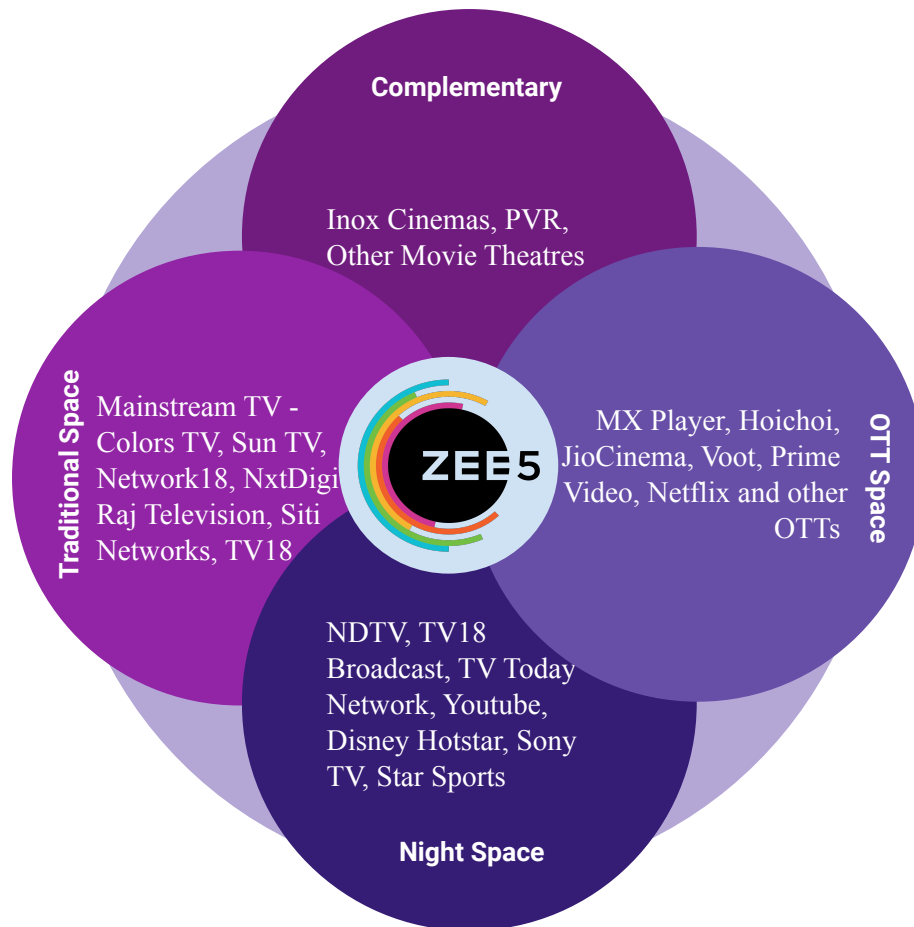| 2018-19	2019-20	2020-21	2021-22	2023 +
Early Adopters	**Crossing the Chasm**	**Early Majority**	**Optimizing**	**Way Forward**
An optimised TV experience for smart TV owners.	Largest OTT platform for entertainment and language content in India.	OTT platform offering for everyone across regions, languages, and geographies.	Optimization of all previous product vision and focus on customer retention.	Spreading arms into the technologies of tomorrow, including the metaverse and NTFs.

Identifying the Market of OTT Platform – Zee5

OTT Platforms have Captured ~7-9% of the Entertainment Industry's Share

Overall Market Potential – India
The number of OTT content consumers at ~125 Mn

3 — ~50 Billion INR

Fortune Business Insights predicts a global CAGR of 15% to 18% from FY21 TO FY23

Indian Customers using OTT Platforms - ~47 Million

2 — ~19 Billion INR

OTT Market in India to grow at a CAGR of ~8 to 10% during FY23 touching ~12000 Crore

People Using Zee5 as a Choice Platform –
~11 Million Subscribers

1 — ~4.4 Billion INR

Ascent Group India – "68.9% of people prefer watching OTT over traditional forms of entertainment"

$3 Billion
Indian OTT Revenue

$0.06 Billion
Zee5 Revenue

~24 %
Zee5 Y-o-Y Growth

Petal Analysis

Complementary

Inox Cinemas, PVR, Other Movie Theatres

Traditional Space

Mainstream TV - Colors TV, Sun TV, Network18, NxtDigi Raj Television, Siti Networks, TV18

ZEE5

OTT Space

MX Player, Hoichoi, JioCinema, Voot, Prime Video, Netflix and other OTTs

Night Space

NDTV, TV18 Broadcast, TV Today Network, Youtube, Disney Hotstar, Sony TV, Star Sports

Ecosystem

Porter's Five Forces

| 01	Rivalry Among Competitors	- Competition - OTT, TV, Gaming, News, Sports industry - Differentiator - Original content, Robust distribution channels, Brand value - Competition - High, Growth with time - High, Cost of Switching - Low
02	Threat of New Entrants	- Barriers to entry - Oligopoly Economies of Sale - Access to distribution channels - very difficult; Government policies - weak but evolving - Capital requirements - very high; Experience in the market - High
03	Bargaining Power of Buyers	- Number of Clients - n = 4, Large user base - Differences between competitors - Content B2C, User base - B2B - Price sensitivity - High, Customer budget - Low switching cost
04	Threat of Substitute Products Or Services	- No of Substitute Products - Many, close to 40 OTT - Buyer propensity to change - Poor Loyalty, 10% Loyal, 30% Top of Head users - Perceived level of production differentiation - Medium: Language
05	Bargaining Power of Suppliers	- No of Suppliers - Few, Size of suppliers Large, Medium - Uniqueness - High Content and Actor Space - Prices - High, Switching costs - High

Pricing

Value Communication
-   Users are Educated.
-   Annual Pack users retained by discounts
-   Loyal Customers rewarded with exclusive content

Price Structure
-   Price Assessment - Sensitivity & Manual Retention
- Value Assessment - NPS & CSAT.
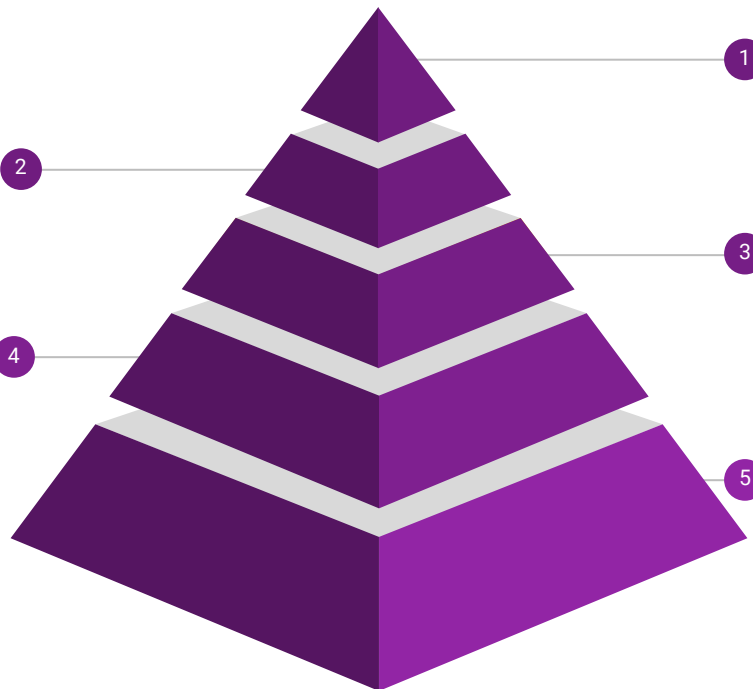
Pricing level
-   3 Months - 399
-   12 Months (HD) - 699
-   12 Months (4K) - 1499

Pricing Policy
-   25% increase in price leads to ~10% decrease in subscribers.
-   Dynamic Pricing Its pricing can be dynamic based on quality of content and consumption patterns.

Pricing Value
-Catchup/Second TV
- News, Regional Content
- Live TV for Indian Diaspora in Foreign land
-OTT For Blockbusters and Webseries
- Education and Ports (New)

Quarterly key goals
- ● Improve subscription funnel
- ● Improve manual retention funnel

Learnings & Recommendations

1. Creating robust **user categories**

    We propose dividing Zee's user base into three categories:

- Youth - Focused on series like Tripling, sports content, and small series that cater to the younger audience.
- Home - Targeted towards families who prefer watching popular Hindi movies, television shows, and a few new buzz movies such as Rocket Rashmi.
- Regional - Focused on daily soap operas and medium-sized blockbusters, catering to customers who prefer regional content.
- This segmentation strategy will reduce acquisition costs from competition for Hollywood and new Bollywood movies and improve customer engagement and loyalty.

2. Strengthening early market niche

    We have identified that Zee has now crossed the tornado stage of lifecycle and thus focusing on the early majority and channelizing content for a niche audience would be more effective. This approach will allow to better serve the needs of specific customer segments, attract new customers, and create a competitive advantage in the market. We recommend focusing on two specific product teams including user research and data analytics for further growth.

3. Pricing "For the user"

    Niche can be priced separately. Youth can be provided with student discounts and language content can be improved and separately priced across regions to capitalize on the market share in regional spaces.

4. Flexible organizational structure

    We recommend that Zee adopts a pod and tribe level organizational structure to increase agility, foster cross-functional collaboration, and promote innovation. This structure will reduce the current problems with the hierarchical structure and allow teams to work towards specific outcomes and goals.