WhiteHat Jr. is an ed-tech venture founded by Mr. Karan bajaj in 2018. Within a span of 20 months of its launch WhiteHat Jr. became the fifth largest venture exit owing to its acquisition by Indian ed-tech giant, Byju’s. Since its acquisition and steep rise, WhiteHat Jr. has been riddled with controversies related to operation, staff, marketing and even legal handlings. Let us analyze the business model and proceedings of this controversially successful online tutoring firm, to determine whether it is a unicorn or a basilisk in disguise.  
  
Business Model.  
WhiteHat Jr. is an education startup that focusses on teaching the aspects of coding to primary as well as secondary school students. The founder Karan Bajaj comes with a solid back of experience with companies like Procter & Gamble, Kraft and Discovery Networks. The company started off with 3 curriculum creators, 3 engineers and 1 graphic designer, and grew to employ a total team strength of 300, within a span of 18 months since its launch. Over 5000 teachers are currently working with the firm.   
  
Registrations – More than 7 lakhs, 7000 online classes conducted daily.  
Renewal rate for paid classes – 75%  
Cost – level 1 = Rs. 5999  
 level 2 = Rs. 29,999  
 level 3 = Rs. 89,999  
 level 4 = Rs. 1,79,999  
Refund rate – 3%

Funding and Revenue.   
Total – $11.3 M  
April 2019 - $1.3M in Seed round led by Nexus, and Omidyar Network.  
September 2019 - $10M in Series A led by Nexus, Omidyar Network, and Owl Ventures.  
Investors - Nexus, Omidyar Network, Owl Ventures  
Acquisition - $300 M   
Buyer – Byju’s   
Revenue - Annual revenue run rate of $150 million  
  
Marketing Strategies.   
Now this is where the proceedings start to appear a bit dicey. Media Planners estimated that WhiteHat Jr. spent about 10-15 crores for digital media advertisement out of which around Rs. 90 Lakhs were spent on Facebook ads alone. Over 3000 ads related to WhiteHat jr. were seen online within the last 30 days. But all would have been well if they were spending a comparable amount to hire quality teachers, being an ed-tech firm. If you think their expenditure related to hiring of teaching staff would be anywhere close to their expenditure on marketing campaigns and social media presence, you couldn’t be more wrong.   
Around 56% of the total employees are handling business development, while around 10% are handling sales and only about 10% are employed to handle Operations and human resources. Which raises doubt as to which sector is most important for an education venture?  
Maybe they don’t need more teachers? Maybe the existing tutors are doing such an excellent job that hiring any more or any better would result in malfunctioning. The social media outcry against WhiteHat Jr. indicates otherwise. With the firm blindly suing anyone trying to speak against their teaching practices, the defamation cases filed by the firm are on a steady rise as well. Any video on Youtube broadcasting any gap within the company’s proceedings is sure to be removed. The constant filtering of online criticism goes against the ethics of a business aspiring to grow.  
Aniruddha Malpani, one of the few who were actively against the practices of Byju’s and WhiteHat Jr. was served a suit for defamation. Pradeep Poonia, who was involved in sharing a video of a live trial class, where the teacher couldn’t answer some of the very basic questions related to coding, was also slapped with a lawsuit for defamation seeking Rs. 20 crores as damages. The teachers involved are professionals who are seemingly unaware of the terms like “Github”, “JavaScript” and “Cloud Computing”. Several team chats streaked with racism, sexism and manipulation are taking rounds on the internet.   
The television advertisements have also been branded as ‘misleading’ by many. The claims of complex applications being built by their students in advertisements were reduced to meagre “weight on moon” calculator app and some very simple animation applications in reality.   
With targeted campaigns involving popular celebrities such as Sonu Sood, the start-up was able to gain trust of the masses, but as the cases of incompetence are being discovered the goodwill of the firm is sure to take a plunge.  
  
Actions against WhiteHat Jr.   
The Advertising Standard Council of India has received several complaints against the advertisements put up by WhiteHat Jr. ASCI processed 15 complaints against seven advertisements of WhiteHat Jr. “One such advertisement was taken up suo moto by ASCI as well” said Manisha Kapoor, secretary-general of ASCI, in a statement to Forbes India. Although she also informed that the advertiser immediately agreed to roll back 5 advertisements which were reported to be against the norms of ASCI.

Conclusion.   
WhiteHat Jr. is an embodiment of a successful start-up and an above average exit. But the firm is showing some early signs of faulty Management of Operations and incompetent workforce. The company aims to provide employment to thousands of female teachers, which is a good thing but they need to make sure that the teachers are qualified enough to act as mentors to young students and there is no shortage of deserving female graduates in tech. If a guardian is paying an amount as high as Rs. 1,79,999, they should get a return to their investments in terms of a progress in their child and not in terms of virtual baby-sitting. With a genius idea and excellent success at hand, the firm needs to make sure that their social media campaign doesn’t turn into something that is bound to smear their own goodwill in near future.