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PARENTUNE.COM: Partnering Parents

Anupama Prashar wrote this case solely to provide material for class discussion. The author does not intend to illustrate either effective or ineffective handling of a managerial situation. The author may have disguised certain names and other identifying information to protect confidentiality.

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Parentune’s vision is to empower parents to do more for their child. Our goal is to be the must-have support for parents and to make parenting a joyful experience.

Nitin Pandey, Parentune.com

In June 2016, Nitin Pandey, the chief executive officer and founder of Parentune.com (Parentune), a rapidly growing online parents’ community, was reflecting on his company’s eventful journey. Based in Gurgaon, India, Parentune offered an online platform for networking among parents. In addition, it provided expert advice to young and time-pressed parents, helping them make informed decisions related to their child’s care and development.

In less than four years of its launch, the online platform had connected more than half a million Indian parents, and was adding 50,000 or more parents to that cohort every month. Realizing that 91 per cent of Parentune’s traffic came through smart phones, the company created an adaptive mobile site, followed by a mobile application (app). With more than 326,000 downloads of Parentune’s mobile app since its launch in September 2015, Parentune overtook BabyCenter, a global parenting network, becoming the most downloaded parenting app from the Internet. Furthermore, with mainly user-generated parenting resources on the platform (more than 90 per cent), the average session duration was an unparalleled nine to 10 minutes per session.[[1]](#endnote-1) In addition to supporting online interactions, Parentune facilitated offline connections among parent groups by organizing community meet-ups—events consisting of parent networking, workshops, children’s activities, and interactions with parenting experts.

In 2015, Parentune was one of six Indian start-ups in a selection of 250 start-ups from 26 countries featured in the Wall Street Journal’s global start-up showcase.[[2]](#endnote-2) In 2014, Parentune was adjudged by an expert jury and online voting as a Hot 100 Indian technology start-up.[[3]](#endnote-3) Parentune had an ambitious target of connecting more than 25 million parents by 2020. So far, operating in a niche market segment, the major challenge confronting Parentune was not only to compete with similar digital parenting platforms mushrooming in the online marketplace, but also to remain the most relevant to the millennial parents through its personalized, validated, and real-time parenting solutions, delivered digitally.

DIGITAL PARENTING SERVICES

Digital parenting platforms were the online platforms and communities of parents, teachers, doctors, and parenting experts providing assistance in positive parenting.[[4]](#endnote-4) These services had been expanding, owing to the global rise in Internet access (3.2 billion at the end of 2015)[[5]](#endnote-5) and an ever-greater social media penetration (2.08 billion active social media accounts in 2015).[[6]](#endnote-6) Despite a lower regional Internet penetration in South Asia (19 per cent) as compared to that in Western Europe (81 per cent) and North America (88 per cent), parents in the Asian nations constituted a highly competitive market for the digital parenting platformsAccording to Asian Digital Mum’s Survey, 2015 (conducted across six Asian countries: India, Thailand, Indonesia, Malaysia, the Philippines, and Singapore),[[7]](#endnote-7) Asian mothers increasingly preferred online interaction to the offline mode for seeking parenting advice. The survey indicated that 48 per cent of Asian mothers interacted online at least once a week compared to the miniscule 7 per cent who chose offline interactions. This offered a golden opportunity for digital parenting services to establish online communities that encouraged open and useful conversations between parents and experts.

With a growing young population, rising household incomes, and integration of technology into everyday lives, India offered a parenting market with great potential for online parenting platforms. According to the United Nations Population Fund’s report in January 2016, India had the world’s largest young population, with 28 per cent of the population aged 10 to 24 years old.[[8]](#endnote-8) Within this young population were 4 million women giving birth annually, thus constituting an ever-growing generation of parents. With regard to digital access, 28 per cent (375 million) of the Indian population had Internet access, of which 80 per cent (303 million people) used their mobile devices (smart phones) for access. In terms of social media use, 10 per cent (136 million people) were active on social platforms including Facebook, WhatsApp, and Twitter. Further, the spending of Indian households was ever-increasing and expected to quadruple to US$4 trillion dollars by 2017.[[9]](#endnote-9)

Sensing the growing opportunities in the digital parenting service segment, many innovative start-ups mushroomed. One global player in the segment, BabyCenter, sponsored by Johnson & Johnson, claimed 45 million parent-users since its inception in 1997. BabyCenter had websites, mobile apps, social programs, and public health initiatives. The companion portal BabyCenter.in had over 1.8 million unique visitors with parenting resources customized for Indian parents (e.g., content translated into Hindi).[[10]](#endnote-10) Among the domestic players, India Parenting Pvt. Ltd. had been operating IndiaParenting.com for 14 years, making it the oldest player in the digital parenting marketplace. Promoted as the destination platform for parents, with 60 parenting channels, interactive tools, and communities, India Parenting had 1.5 million unique visitors per month.[[11]](#endnote-11)

In addition to these seasoned players, the niche segment of parenting services had begun to attract a new pool of technology start-ups. BabyChakra.com, a platform launched in 2014 by start-up Infomoko Technology Private Limited, focused on the maternity–child market, connecting parents with 15,000 neighbouring childcare services, including hospitals, doctors, and daycares.[[12]](#endnote-12) ZenParent.in, started in August 2014 as an online parenting advice service, was targeted at new-age parents residing in Tier 2 and Tier 3 cities with children aged three to 14 years.

Other than web portals, several smart phone apps offered parenting solutions, further mounting competition in this niche segment of digital parenting services. KIDSS (Kids Social Shell) offered parenting services through a mobile app platform. KIDSS witnessed a 300 per cent growth in daily impressions since its inception in June 2015. The venture received funding of $500,000 from strategic investors for technology upgrades. Another mobile application launched in 2015 by young entrepreneurs called MyChild App was aimed at leveraging technology to help parents track the growth of their children to aid in the early diagnosis of developmental disorders such as delayed motor coordination. This venture raised $100,000 in first round funding to work on its technology and service delivery. Another novel parenting service app, UOLO, targeted improved communication between parents and schools with regard to a child’s location, attendance, and school performance. The app connected more than 150 preschools with parents in India’s southern states. Yet another mobile application, the Knit app, focused on enhancing teacher–parent communication through technology.

Clearly, digital parenting services had become a competitive segment with the majority of existing platforms gaining traction and raising funds for expansion. Gauging the intensity of competition, Pandey reasoned, “The winner in the online segment will be the one that becomes indispensable to the mothers. It remains to be seen whether Parentune can be the one.”

PARENTUNE.COM

Founded in November 2012, Parentune was owned and operated by Gurgaon-based Proparent Solutions Private Ltd. The service catered to both mothers and fathers, even though registered mothers substantially outnumbered the fathers—71 per cent versus 29 per cent, respectively. The digital platform was targeted toward supporting expectant, new, and experienced parents of all age groups, at all stages of their parenting, from pregnancy through children’s developmental years.

An alumnus of International Management Institute Delhi, Pandey had wide-ranging work experience in early childhood education and child development services. He worked at prominent positions in companies that included Kidzee, India’s first and largest chain of preschools; Learnmile, an educational research and consulting firm; and L’Oréal S.A., a leading fast-moving consumer goods multinational. During his stints in the education sector, Pandey found that the existing early childhood education system in the country lacked a structured and supportive ecosystem for areas beyond educational service delivery. He realized that the gap could only be bridged by developing a deeper understanding of the needs of the customer segment—the parents. Over a period of three months, Pandey interacted with more than 2,000 parents to explore their parental requirements. Pandey described his research:

I used to travel across major Indian cities to interact with parents. Everywhere, urban parents seem to have similar concerns as they lack the support that traditionally comes in an [extended] family. Whereas most problems in a person’s life can be fixed with a one-time solution, questions that crop up in a parent’s life require sustained guidance.

In 2014, to boost Parentune’s market presence, the company raised funds from Kae Capital. “Whereas [technology] start-ups prefer securing funds after a few months of operations, we wanted to build on the fundamentals before raising the funds,” Pandey said. It was only after the second quarter of 2015 that the company started experimenting with different revenue models.

Parentune’s popular service features included “Parent Talk,” “Ask An Expert,” and “Parent Blog.” The service also offered a range of “Proparents”—parents who used and advocated the best parenting practices, and supported other parents by sharing parenting experiences in live chats, webinars, workshop videos, and expert counselling. “Over 7.5 thousand practising doctors are a part of this parenting network as parents,” said Pandey. The Ask An Expert section offered users expert advice in the fields of education, nutrition, and wellness. Parent Talk fostered networking among parents with children in similar age groups. The Parent Blog was the feature intended to put Parentune on the wider web. Member parents wrote blogs with a wide range of subjects including household remedies and food recipes. The blog also covered topical issues for parents, research articles, and excerpts of interviews with celebrities about their parenting experiences.

HOW PARENTUNE WORKED

Parent Verification

User registration at Parentune was seamless and safe. “The key is to have a secure place for the parents to interact with trust and overcome the stigma of open networks,” Pandey explained. After validating users’ details in an online registration form, the system sent a one-time password to the registrants on their mobile devices to verify their identities, thereby completing the registration. Finally, either the user was verified by a referring verified parent or the user received a verification call from the helpdesk, thus completing what Parentune called the “onboarding” process. From there, a personalized experience was delivered to the expectant, new, or experienced parents, with technology at its heart.

User Profile

Once they were members of the Parentune community, parents personalized their profiles with their children’s ages, and their own concerns and interests. Then, in subsequent logins, parents could see their children’s developmental stages on a dynamic child age bar (or timeline) that ranged from pregnancy through the children’s entire life cycles. The personalization was optimized with each parent action, on each visit. This gave parents customized access to parenting information that corresponded to their children’s developmental stages.

Navigation

The navigation system on the digital platform was designed to reflect parents’ digital experience and access, including cultural and linguistic diversity within and across parent communities in the country. Compared to other digital parent platforms (e.g., IndiaParenting.com), Parentune’s user interface was clean and well spaced. It had the minimum possible advertising clutter on the webpages. The menu tabs were consistent and took the user through the different stages of parenting. In fact, according to the website analytics research company Alexa Internet, Inc. (Alexa), Parentune’s homepage loaded three times faster than the average of its competitors, positively affecting the user experience (see Exhibit 1). Further, site content was grouped in sections devoted to the different stages of a child’s development. For instance, the “Expert Corner” tab presented questions that had been answered by the experts according to a parent’s child’s age group.

Content

Having thoroughly researched the changing information needs of parents, the content team at Parentune developed reliable, usable, and portable parenting resources. Most of the content on the site was user-generated, which reflected the active participation of the parent community. “Partnerships and co-development are central to creating Parentune content,” Pandey said.

The usefulness of Parentune’s content was clear from the service’s bounce rate—the lowest among its Indian counterparts (one-third of IndiaParenting.com and two-fifths of BabyCenter.in), as observed by Alexa (see Exhibit 2).[[13]](#endnote-13) The quality of the Parentune content was further substantiated by a measure of the time spent per user daily, again as measured by Alexa (see Exhibit 3).[[14]](#endnote-14) Users spent an average of 22.63 minutes per day on Parentune—almost three times the second best time of 8.03 minutes spent by users on ZenParent.in and almost 10 times users’ time on IndiaParenting.com (2.10 minutes) and BabyCenter.in (2.55 minutes).

The content team scoped, reviewed, and developed new articles, blogs, videos, and interactive content in collaboration with the parents and subject-matter experts. For instance, to develop a food recipe resource for babies, the team closely worked with paediatric nutritionists. “We have empanelled experts from various fields of child development such as neonatology, nutrition, education, clinical psychology, and vision and oral care. These experts validate content before it is shared on the platform,” explained Swati, the content expert at Parentune.

To suit users with different preferences, content was published in different formats such as text, graphics, interactive elements, and audio-visual. In addition to selecting the appropriate formats, Parentune listened to, and partnered with, the parents to tailor the messages and presentations to enhance the content usability. The content was developed to be portable (i.e., it was screen-optimized), making the entire website available as a smart phone friendly resource; the website was almost a mirror of Parentune’s mobile app.

Privacy

Parents’ common concerns when becoming part of a digital parenting community were centred on information privacy and safety. “Parents are usually wary of sharing sensitive details about their children on social networking sites. So, ensuring the security of information is critical,” Pandey added. Parentune had an unambiguous privacy policy regarding the nature of collected user information and its intended use by the company. The profile setting on the platform allowed users to control what information they wanted to keep public or private (e.g., children, spouse, or family details). Parents could add or delete any fellow parent to their community, request that any inappropriate content be removed from the site, or permanently close their account.

Personalization

Parentune relied on the technology to deliver personalization on a massive scale to the parents. As a registered parent surfed through the web pages on the platform, the analytics team tracked the parent’s information seeking and sharing behaviour using a back end intelligence tool called “Hotspot.” The tool, intellectual property developed by Parentune’s technology team, led by Parentune’s co-founder and chief technical officer, Venugopal, was characterized by a combination of natural language and big data processing. This tool facilitated real-time analysis of large amounts of unstructured, user-generated data on the site including talks, blogs, live chats, and interactive videos. Through these analytics, the team obtained an overview of user actions (e.g., total visits on the website and mobile app), traffic sources (referrals, social media, or search engines), search clouds (most searched topics on the site), user interests (e.g., health, education, or career), and popular content sections (pages, sections, and topics). Analytics were also employed to classify user profiles on the platform into “seekers” (parents asking questions) and “solvers” (parents answering questions). On a given day, if seekers were found to be more active on the site than solvers, relevant notifications were sent to the solvers, encouraging them to increase their participation. Through its analytics, Parentune also identified the most active and helpful parents in the community, naming them the proparents of the month and working hard to cultivate long-term relationships with them. Parentune rewarded the proparents by offering them free participation in live chats together with their involvement in other offline and online events.

Community Meet-Ups

To strengthen the bond among members of the community, Parentune hosted a number of community meet-ups on special occasions such as Parents’ Day and Mother’s Day. These community events included supportive workshops for parents conducted by top experts from Parentune’s expert panel, and special activities for children. “More than 6,340 parents participated in Parentune’s carnival organized on the eve of Parents’ Day in 2015. It was the largest such parent community meet so far in India,” Pandey said.

PARENTUNE BUSINESS MODEL

Among the first few to undertake this novel service concept, Parentune focused on growing its user membership and engagement rather than generating revenue during the initial years of its inception. But, since the second quarter of 2015, the company had undertaken three different revenue streams.

Parentune ran native advertisements and integrations exclusively for brands that fostered childcare and development. “Banner advertisements are often intrusive and distracting, whereas in-feed native advertisements that match the form and the function of Parentune’s editorial content are a good source of revenue for the company and are more effective in capturing parents’ attention,” Pandey elaborated. These brands included fast-moving consumer goods (e.g., Horlicks, Himalaya herbal babycare, and Dettol), health accessories (e.g., Philips Avent baby feeding and health accessories), and financial firms (e.g., Franklyn Templeton Investments). For instance, Philips Avent integrated native advertisements for its range of breastfeeding products with the editorial content (blog posts) on breastfeeding. “These brand messages work well on any technological platform—desktop, laptop, or smart phone. However, we don’t take parents’ trust for granted and don’t disguise sponsored content. The platform places prominent disclaimers transparently,” Swati said.

Another revenue source for the company was brand-supported solutions. This model involved a native integration of brands with services that supported parents with useful solutions. For example, if parents wanted to have a live chat with an expert about some health issues their child was facing, that live chat could be sponsored by a childcare brand. Similarly, a brand might sponsor a parent community meet-up, such as the meet-up that offered free bone density check-ups for mothers that were sponsored by a supplement brand for mothers.

The third source of revenue for the company was value-added parenting services, such as one-on-one chats with experts (e.g., a child psychologist). The service was available for a reasonable fee.

Broadly, Parentune’s monetization model was centred on targeted advertising and engagement. Parents’ profiles and behaviours, tracked through live chats and Parent Talk, were a gold mine of information for marketers, who could target specific products to support specific parent profiles at different stages of a child’s development. “For a diaper manufacturer, the relevant consumer segment is the parents of newborns to one-year-old children. For nutrition supplements for children, the target consumer is the parents of children in their preteen years. It’s a win–win for parents and brands both, as they are able to connect with what is relevant to them, and has worked for us,” Pandey said. Advertisers employed this information for targeted reach and engagement, though Parentune was always strict about protecting the users’ identities.

Once Parentune started monetization, the quarter-on-quarter revenue growth increased to 100–110 per cent. The costs also began to stabilize, suggesting an early operational breakeven for the company, estimated to occur in the next two quarters (see Exhibit 4). Meanwhile, by the end of the second quarter of 2016, the number of registered parents in the community had reached 580,000, with two million sessions per month (see Exhibit 5).

The ROAD AHEAD

With the entry of plenty of technology start-ups with their novel parenting service offerings, Parentune was no longer the newcomer and had to fight the perception of being a look-alike. However, with the market size for the baby, children, and maternity products growing at 17 per cent annually, the market opportunity was huge. “We have to stay relevant to each parent, continue to be highly differentiated, and move toward becoming a must-have support for parents to retain our leadership,” Pandey said.

One of the key challenges for the company was personalization of parenting solutions that met specific user needs in optimal time. With the bulk of online traffic coming from mobile devices, meeting an optimal response time (from request to response) in service delivery was a key metric for Parentune. However, the company had always been firm on its policy of foolproof user verification and resource validation before publishing an expert piece. Achieving these conflicting objectives put heavy demands on the analytics. “Our plan is to bring down the response time to less than a few seconds through extensive use of the technology,” said Venugopal.

Another focus area for the company was to scale up its registered user base to make parenting resources available in multiple regional languages. Facilitated by a sound, technology-driven service delivery system, the content team worked with regional editors to translate and adapt the content to regional parenting information needs. “We are going live in multiple languages in the next two months. We will start with one language, and scale it up to many [languages] by the end of 2016,” Pandey stated.

Pandey further summarized, “We will continue to be a technology company at the core with a strong understanding of parents’ challenges, and curate superior support for parents to do more for their child,” To date, Parentune’s strengths were in building a community of like-minded parents, and bringing the community and the brands together in a responsible manner. Leveraging these strengths, the company was ready to capture future opportunities. It remained to be seen—with its ever-increasing focus on technology and inevitable pressures for revenue growth—whether the service delivery process of Parentune was apt to meet the challenge of staying relevant to its target audience.

Exhibit 1: SITE LOADing TIME AMONG THE INDIAN PARENTING SERVICE PORTALS (seconds)

Source: “Find Website Traffic, Statistics, and Analytics,” Alexa, s.v. “Parentune.com,” accessed November 9, 2016, www.Alexa.com/siteinfo.

Exhibit 2: BOUNCE RATE AMONG THE INDIAN PARENTING SERVICE PORTALS

Source: “Find Website Traffic, Statistics, and Analytics,” Alexa, s.v. “Parentune.com,” accessed November 9, 2016, www.Alexa.com/siteinfo.

Exhibit 3: DAILY TIME SPENT (in minutes) PER USER onTHE INDIAN PARENTING SERVICE PORTALS

Source: “Find Website Traffic, Statistics, and Analytics,” Alexa, s.v. “Parentune.com,” accessed November 9, 2016, www.Alexa.com/siteinfo.

Exhibit 4: FINANCIAL OUTLOOK FOR PARENTUNE

Source: Company documents.

Exhibit 5: GROWTH IN NUMBER OF REGISTERED USERS AT PARENTUNE.COM

Source: Company documents.

endnotes

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12. “About Us,” BabyChakra (Infomoko Technology Private Limited), accessed November 28, 2016, www.babychakra.com/about-us. [↑](#endnote-ref-12)
13. Bounce rate was the percentage of visits to a website that consisted of a single page view. Lower bounce rates indicated more useful, relevant, and engaging content on the website. [↑](#endnote-ref-13)
14. Daily time spent on a website (measured in minutes) was the estimated total time a visitor spent on the website daily. More time spent on the website indicated the content was more engaging and relevant for the visitor. [↑](#endnote-ref-14)