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WittyFeed 2.0: VIRALITY WITHOUT SOCIAL MEDIA

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In mid-January 2018, Vinay Singhal, chief executive officer of WittyFeed, India’s largest and the world’s second-largest viral content company, was brainstorming with his two co-founders in the office they had named Winterfell.[[1]](#footnote-1) Today’s discussion was not the kind the trio had every day. On January 11, Facebook Inc. (Facebook) had announced yet another revision to its news feed algorithm, which would essentially discourage public content from businesses, brands, and media in Facebook users’ feeds and encourage content from family, friends, and groups to enable meaningful interactions. Vinay, whose company attracted 90 per cent of its traffic from Facebook, was naturally worried. In addition to Facebook traffic, WittyFeed earned about a quarter of its revenue from traffic it generated through programmatic advertising.

Facebook had been announcing changes in its algorithm at regular intervals,[[2]](#footnote-2) but this time, the WittyFeed co-founders decided it was time they did something. “Can we create a content distribution platform that is independent from Facebook?” Vinay wondered.

Company Overview

WittyFeed was co-founded in September 2014 by Vinay Singhal, his brother Parveen Singhal, and Vinay’s friend Shashank Vaishnav. WittyFeed’s parent company, Vatsana[[3]](#footnote-3) Technologies Pvt. Ltd. (Vatsana), was conceived in 2010 as a website called *Badlega Bharat* (“India will change” in Hindi), on which Vinay and his six college-mates posted content intended to raise Indian youth’s awareness about their country. The parent company took a commercial turn between May 2010 and February 2012, when it got into the business of making websites. During this time, five of the seven Vatsana founders left the company. In 2012, Vinay and Vaishnav started a Facebook page called “Amazing Things in the World,” which they claimed attracted 1 million users in the first six months of its existence. “When we met social media and content for the first time, we met [them] in a viral form,” Vinay said. Later, they monetized the page’s followership by creating a website[[4]](#footnote-4) on which they posted content, with links from the Facebook page. The website displayed programmatic advertising from Google LLC (Google), Facebook, and other large technology companies. When they graduated in 2013, the duo said they were earning US$28,570–$35,714 (₹2.0 million – ₹2.5 million[[5]](#footnote-5)) per month from the website, while their classmates were drawing $7,140 (₹500,000) at most per annum.

Unlike other technology start-ups in India, which established their headquarters in big cities like Bengaluru, WittyFeed was based in the small town of Indore, where Vaishnav’s family lived. The co-founders felt that there was a lot of energy in Indore because of the presence of educational institutes like the Indian Institute of Technology and the Indian Institute of Management. Vinay said, “Our dream is that we want to make Indore the Seattle of India.”

In July 2014, a few weeks after setting up their Indore office, Vinay said that the company’s account, which represented revenue worth $57,140 (₹4 million) earned through Google AdSense, had been banned by Google Adsense due to charges of plagiarism and copyright violation. In response, the company advised that

The content on the website that we had was non-news and things trending on the Internet, which were covered by several other websites also, and thus many times, while we had our own unique angle of covering the same, platforms like Google considered the same as duplicate and plagiarized, which resulted in this misunderstanding as the process was automated, and the crawlers reported it wrong.

Laden with debt of $35,710 (₹2.5 million), the founders decided to scale up the website by creating content on a daily basis and using technology to handle the viral traffic, which would bring in proceeds from advertising. They renamed the website from evrystry.com to wittyfeed.com. Vinay specified that WittyFeed was a technology company first and a content company thereafter. Technology enabled WittyFeed to determine what content to create, based on trends. Moreover, technology also enabled the mass distribution of content through Viral9, another Vatsana property[[6]](#footnote-6) that helped influencers to monetize their followers by diverting traffic to WittyFeed. “WittyFeed.com became the front side, and Viral9 became the back side,” he said.

Vinay said that WittyFeed’s content engagement was at an all-time high of half a billion impressions:

Each of those 500 million touchpoints are moments: Someone laughed. Someone was inspired. Someone felt good. Someone tagged his girlfriend. Someone sent that video to her mom. Someone called his friend over, and they had a conversation. We create half a billion moments every month. And that is our metric of success.

Out of these 500 million impressions, WittyFeed got 300 million unique views per month through Facebook. In April 2016, Facebook blocked WittyFeed’s account for a few hours, thinking it was a spam site, since many influencers were posting the website’s content to the social media platform.

In mid-2017, WittyFeed changed its tagline from “Experience & Explore Beautiful Stories” to “Beyond Stories.”[[7]](#footnote-7) This was to represent the brand-campaigns business launched as part of WittyFeed in December 2016.

WittyFeed had originally been a bootstrapped company. In August 2017, it raised funding from a group of 20 advisors who invested from $5,000 to $50,000 each. “This is a very small equity that they have got among themselves, so they don’t affect how we work,” Vinay said. WittyFeed aimed to use the funding to strengthen its technology infrastructure, enhance its distribution platform, expand its sales team, and increase its product portfolio.

WittyFeed’s content was available in English, Hindi, and Spanish,[[8]](#footnote-8) and 75 per cent of the website’s traffic came from English-speaking countries such as the United States, United Kingdom, Canada, and Australia.[[9]](#footnote-9) The remaining 15 per cent of the traffic came from India.[[10]](#footnote-10) The company had a global presence, with offices in Singapore, Toronto, and New York. “Ours is the story where, from India, you can become global,” Vinay said. The company achieved break-even status within the first six months of its existence and had been profitable since then. WittyFeed earned revenues of $4.66 million in fiscal year 2016–17, an increase of $0.98 million over the previous year.

Operations

WittyFeed was a viral content company, as Vinay said, with technology in its DNA. According to Vinay, WittyFeed’s virality depended upon three human factors: (1) curiosity generated through titles, captions, and thumbnails of articles and videos, which led people to click on the content; (2) shareability of the content, which was a function of the varied emotions evoked by the content; and (3) distribution pushed by Viral9 and Facebook. Vinay said that when people felt emotion, they had opinions, which they then wanted to express, resulting in shareability. The co-founders believed that, unless the distribution act was right, simply making content clickable and shareable would not help, but, “with these three things, you can hack virality.”

Technology helped WittyFeed not only in the distribution of content but also in the choice of content to be created. Analytics helped the team create content that was based on marketplace feedback rather than being provider-centric. Vinay said that he implored all content creators in his company to not give the audience what they (content creators) wanted to communicate but, instead, to find out what the audience was looking for and to feed them content accordingly.

In terms of the nature of the content posted on WittyFeed, Vinay said that it was light-hearted and tabloid-like (e.g., items relating to Bollywood) because such content appealed to the masses. However, he added that it also covered opinion pieces on such issues as crime and elections. WittyFeed’s target group was youth, and so the site posted content on any issue relevant to and involving this group. Vinay did not view Twitter, which was popular among celebrities and journalists, as a threat to his company. In contrast, by mid-2014, three-quarters of BuzzFeed’s[[11]](#footnote-11) traffic was contributed by Twitter, Pinterest, and Facebook.[[12]](#footnote-12)

WittyFeed’s revenue model was two pronged: the site derived 90 per cent of its revenue from programmatic advertising by working with demand-side platforms like Google and Facebook. Google contributed about 30 per cent of this revenue, whereas Facebook accounted for about 25 per cent. Since December 2016, the remaining stream of revenues was generated from direct brand sales. WittyFeed created content for brands in the form of articles, videos, and social media campaigns. Parveen, WittyFeed’s chief content officer, said that the brands were moving away from direct advertising and toward storytelling. WittyFeed had executed a total of more than 100 campaigns for brands like Reebok, Samsung, and Toyota, working for the brands through their marketing and advertising agencies. Vinay said that in a programmatic model, two to three intermediaries in the process shared a cut of revenue, but he ideally wanted to sell 100 per cent of his inventory to the brands.

Organizational Structure and culture

WittyFeed had a largely flat organizational structure, with the three co-founders heading the critical functions (see Exhibit 1). Vinay was at the helm as chief executive officer, while Vaishnav was chief technology officer, and Parveen was chief content officer. In April 2017, Mayur Sethi joined the organization as chief operating officer, responsible for content distribution.

The co-founders—who had been part of WittyFeed from its inception—were equal stakeholders. Vinay and Parveen hailed from a hamlet in Haryana. Their father owned a grocery store in the village. Vinay, who had seen a computer for the first time when he was in grade 10 in school, went on to pursue a bachelor’s degree in computer science from Sri Ramaswamy Memorial University, becoming the first graduate from his family and the first engineer from his village. Parveen graduated with a degree in information systems management. Vaishnav was Vinay’s classmate at university, and his father was a government employee.

The three co-founders shared their work area. This way, they could overhear every conversation any of them was having. They felt that the seating arrangement enhanced transparency and the level of contribution from each of them. It also helped the co-founders to keep themselves updated on most of the issues facing the organization. Because they sat together with no dividers between them, they were able to quickly discuss situations and arrive at decisions like they tried to do on January 11, 2018.

The WittyFeed team had grown to more than 130 employees. For most of the company’s workforce, working at WittyFeed was a first job, and this was reflected in the team’s average age of about 24 years. The office staff addressed each other as well as the co-founders as *bhaiya* and *didi* (“brother” and “sister” in Hindi). However, Parveen felt that lack of professionalism was a challenge that kept WittyFeed from moving to the next level. “The emotion, the family, the relationships which are here can only take you to one level,” he said. Anubha Singh, human resources manager at WittyFeed, said that, in addition to emotion, they were trying to make the organizational culture process driven and performance oriented in order to compete with other corporations. However, she added, “We need to maintain what has been the culture over here. We are pretty sure that we don’t want a 100 per cent corporate culture.”

Prospective employees were tested on three fronts: soft skills, technical knowledge of the work they were interviewing for, and cultural fit within the organization. For example, Vaishnav said that he had previously assessed candidates on a personal level first before judging them on their technical skills. However, he said that, over time, in order to compete with giants, he had changed his recruitment strategy to gauging the technical expertise of candidates and only assessing their soft skills if they were found to be impressive in the technical domain. Many employees had sung, danced, and even done push-ups before they were hired, as part of judging their suitability for the company’s culture.

WittyFeed practised some unique rituals to create and maintain a family feeling, a culture of teamwork, and transparency: Once every month, a *panchayat* or town hall meeting was held, and possible solutions to problems were brainstormed here. The name of the company was decided in one such session. In addition, employees could ask the co-founders any questions during the town hall meetings. Monday mornings at WittyFeed started with employees assembling in a slightly elevated space in a corner of the office. Here, new employees were introduced and welcomed and existing employees shared their success and learnings from the previous week. These assemblies were conducted by Vinay, and one of the other co-founders stepped in whenever he was out of town. The group ended the assembly by singing the national anthem. Every day saw a flash mob performance in the office: by rotation, each employee played a song of their choice and, for five minutes, the whole office danced.

WittyFeed also encouraged its employees to have their families visit their office—just as families would proudly visit schools during graduation ceremonies. Like most other international start-ups in the digital arena, WittyFeed’s office housed a playing area, a space to take a nap, and a full-time pantry for the employees. Formal dressing was not a requirement, and employees were free to dress casually at work. The co-founders, who were often found sporting jeans and flip-flops in the office, maintained an open-door policy whereby any employee could approach them without scheduling an appointment.

The desire of the co-founders to do “something big” had percolated down to their employees, who shared this sentiment. However, they were not able to articulate specifically what this “something” was.

Game of Thrones

Vinay said that 80 per cent of the $600 billion global digital-media industry was controlled by Google and Facebook, while this percentage was as high as 90 per cent within India. “If we go down, we will go down a warrior’s death. We will not go down fighting the petty battles of 10 per cent,” Vinay said. “We will go down fighting a war where we are saying that we want a share from that 90 per cent.”

The following message was displayed on the wall behind the co-founders’ thrones: “The universe is a big genie; it always says, ‘Your wish is my command.”’ Vinay wished that WittyFeed could reach 1 billion touchpoints per month in the next one and a half years. Wishes aside, he knew this was a challenge that needed to be addressed. He closed the door to his room and sat down to draw the plan. What were the options that Vinay had, and what strategies could he deploy to reach the target?

Exhibit 1: WittyFeed’s organizational structure

Notes: CEO = chief executive officer, CCO = chief content officer; CTO = chief technology officer; COO = chief operating officer; CA = chartered accountant; HR = human resources; UI/UX = user interface/user experience; ARD = audience research and development

Source: Prepared by the case authors using information provided by company.

1. Winterfell was the seat of the ruler in the popular TV series *Game of Thrones*. All the sections of WittyFeed’s headquarters were named after locations in *Game of Thrones,* such as King’s Landing, the Great Hall, and House Tully. [↑](#footnote-ref-1)
2. Wallaroo, “Facebook Newsfeed Algorithm History,” Wallaroo, November 20, 2018, accessed February 4, 2019, https://wallaroomedia.com/facebook-newsfeed-algorithm-change-history/. [↑](#footnote-ref-2)
3. The name *vatsana* (“faith” in Thai) was made up of initials of the seven people who started the company—for example, V for Vinay. [↑](#footnote-ref-3)
4. The website was originally called stupidstation.com and was later renamed evrystry.com before being changed to wittyfeed.com in September 2014. [↑](#footnote-ref-4)
5. ₹ = INR = Indian rupee; US$1 = ₹64 on January 11, 2018. [↑](#footnote-ref-5)
6. In addition to WittyFeed and Viral9, Vatsana Technologies had other properties such as FoodMate, GeeksMate, and InnerVoice. FoodMate was a platform where food bloggers and famous chefs posted recipes. GeeksMate gave reviews on gadgets, updates on the latest technology, and so on. InnerVoice allowed people to communicate their feelings online. [↑](#footnote-ref-6)
7. Afaqs! News Bureau, “WittyFeed Undergoes Revamp,” Afaqs!, June 28, 2017, accessed February 4, 2019, www.afaqs.com/news/story/50731\_WittyFeed-undergoes-revamp. [↑](#footnote-ref-7)
8. Content in Spanish was posted on wittyfeed.me in 2016; Spanish content was discontinued thereafter. [↑](#footnote-ref-8)
9. ET Online, “WittyFeed: World’s Second Largest Viral Content Company from Indore,” *Economic Times*, July 22, 2016, accessed February 4, 2019, <https://economictimes.indiatimes.com/small-biz/startups/wittyfeed-worlds-second-largest-viral-content-company-from-indore/articleshow/53295779.cms>. [↑](#footnote-ref-9)
10. Ibid. [↑](#footnote-ref-10)
11. BuzzFeed was a U.S. Internet media and entertainment company; “About BuzzFeed,” BuzzFeed, accessed November 5, 2019, www.buzzfeed.com/about. [↑](#footnote-ref-11)
12. Felix Oberholzer-Gee, *BuzzFeed—The Promise of Native Advertising* (Boston, MA: Harvard Business Publishing, 2014). Available from Ivey Publishing, product no. 714512. [↑](#footnote-ref-12)