

MILLION DOLLAR BABY

Globalization, competitive pressure, and the quest for productivity has been a major driver for change in the business world today. Only 12 percent of the companies in the 1955 Fortune 500 list – an index of the 500 most profitable companies in the United States- are still on it today. Those that remain are barely recognizable because of the major changes they've undergone. This competitive business environment has led to another great transformation in the way companies provide their offerings and it is now seeing unprecedented success and growth across the globe.

Subscription based business models are based on the idea of selling a product or a service to receive monthly or yearly recurring subscription revenue. They focus on customer retention over customer acquisition.

With the rise of technology, many companies are moving from a business revenue model where revenue is made from a customer's one-time purchase to a subscription model where revenue is made on a recurring basis in return for consistent access to the delivery of a good or a service. The subscription ethos is transforming the way we eat, travel, shop, watch movies, listen to music and also learn and its rise is hardly surprising.

We all are surrounded by subscription based services. Whether it's Netflix, Spotify or Uber, companies have realized that more and more people are interested in services rather than ownership – they want the ride rather than the car. It's a business model that's literally worth billions. But more than that, it's the future.

This model is being adopted across various other industries as well. Motif, a next-generation online broker, announced the launch of Motif BLUE. It is an investment based subscription service that allows individual investors to trade as much as they want while minimizing transaction fees by charging flat monthly or quarterly rates. This business model has boosted sales for car companies in particular. For instance, Porsche Passport, provides subscribers with access to Porsche vehicles via a mobile app. By 2025-26, vehicle subscription programs could account for nearly 10% of all new vehicle sales in the US and Europe. The opportunities in this space have facilitated a number of businesses and is only making a wider range of services accessible to the people.

As an entrepreneur, you have identified an opportunity in the market space of an **innovative** subscription based service for the **rich and elite** in **India**.

TASK AT HAND:

Your task at hand is to prepare a business plan consisting of, but not limited to:

- Name, logo and tagline of the company.
- Mission and Vision Statement.
- The Minimum Viable Product and final service to be offered.
- Marketing strategies classified as under:
 - The problem it solves or the convenience it offers.
 - Marketing through projection of the belief of the company.
 - Marketing strategies to build strong customer relations.
 - Marketing to consumers who shop on autopilot.
 - Any other underlying purpose to be fulfilled.
- Pricing model.
- Three-year growth projections.

DELIVERABLES:

- A PowerPoint Presentation.
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