



Consulting and Analytics Club, IITG

strategy storm

XFINANCE

BUSINESS CASE STUDY



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table of content

- pain points
- XFINANCE analysis
- suggested solutions
- new product/service
- marketing strategies



FINANCE

PAIN POINTS

The target audience i.e. people in the age range of 16-22 face a plethora of financial problems. Getting over these problems during the early stage of life can lead to a better and prosperous future.

WHAT ARE THESE PROBLEMS?

1 Lack of financial knowledge

Finance management classes about money making and personal finance are a rarity at schools and households.

However, they are very crucial in setting up the **foundation of financial competence**.

what
how
where
when



2 Low income/ sources of income

Experiments lead to better results. But with a majority of the crowd pursuing education **without any credible source of income**, experimenting with money through trading/investing along with personal expenditure becomes difficult.

3 Setting up saving goals

Everyone expects and tries to save money. However, in India especially, with **low, irregular and unreliable sources of income** like birthday gifts and pocket money, many find it **difficult to save progressively**.



4 Excessive spending

With friends, you **overspend**. At times where making an online payment is easier than taking out your wallet, people tend to spend recklessly. Problem worsens when your teenage reputation is at stake. After **overspending**, **regret** starts to set in.

5 Money tracking

Keeping a **track of your spending is really difficult**. Especially in an era where spending on behalf of a group is very normal, it becomes a pain to track **what you owe to which friend**. Money **splitting apps** try and help this problem but do not eliminate it completely.



6 Data Protection

Data breaches are dangerous. Sometimes, even the **biggest companies can't defend** themselves against such breaches. Concerns over **online payment and data protection** repels potential users. Not maintaining **good financial compliance** can land businesses in trouble.



7 Reliability

Money does not grow on trees. After barely convincing themselves and their family, teens would never use an unreliable product. **Server downtime, obscure user interface, excessive load time** tend to reduce reliability.

- These pain points are specific to the target age group (i.e. 16-22).
- Successfully solving these would ultimately help XFINANCE meet all the expected targets



COMPANY ANALYSIS

Statistics

- monthly average users- 6 mn
- average session length- 3 minutes

strengths

- simple UI : easy to use
- good social media outreach
- creative marketing
- large proportion of tv and print ads

weaknesses

- low session length
- less sessions per user



opportunities

- increasing session length
- improving number of sessions
- increase user retention
- growth in customers

threats

- acquisition
- reduction in session length
- competitor apps-fampay, slice, etc.

SOLVING THE PAIN

1 financial literature



through



hiring professionals

partnerships



target audience

families

existing service

- XFinance already **conducts events** to **educate users about services**
- It has its **social media** and **YouTube** with **massive reach**

FOR TARGET AUDIENCE

associated problem/s?

- Only the info about financial services is provided and basic financial knowledge is left unattended

investing? trading? charts? rate of stock? Options and futures? retuns?



solution

- Including an educational program: providing **educational content** from **beginner to advanced level**.
- It will help the consumer **learn about financial topics** from the very basics
- hence the app will become their **go-to** for **financial information**

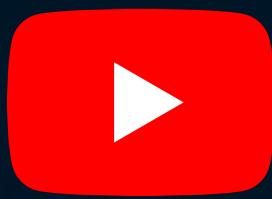
FOR TARGET AUDIENCE

implementation



hiring professional educators

- video lectures on the app, YouTube channel and other social media



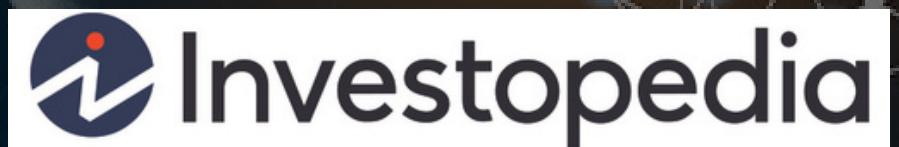
- doubt solving for FAQs and social media stories



- sharing credible sources of information (articles/news letters)

partnerships

- partnering with pre-existing reliable financial literature websites/apps



- eg. Investopedia
- These apps and their existing customer base can enjoy additional benefits from the services that XFINANCE offers.



FOR FAMILIES

associated problem/s?

- families consider the age as inappropriate to think about money
- they rather want their children to focus on education
- they fail to understand the importance of financial education

by starting investments early in life,
one gains a key advantage-TIME

implementation

- income comparison stats with
and without investments

visual
representation



- younger educated parents
interacting and teaching older
parents.



2 increased app interaction/app feedback

existing service/s

- XFinance has virtual trading competitions

persisting problem

- only educated traders can benefit from the app interaction
- Hence, the app needs to be more interactive for remaining users.

rewards
||
savings



increasing interaction

rewards are always welcomed

1. referral rewards
2. new quiz based reward
3. experimental success reward

implementation

QUIZ (financial news and literature)

- pop-up **finance trivia quizzes** and **competitions**
- quiz to **assess knowledge** after completion of a topic from the new education section
- outperform others to climb weekly leaderboard
- **performance based cash reward to increase savings**

no savings



REFERAL REWARD

- referring the app to new people would earn **reward points** that can be **used for in-app trades**
- more crowd pulled results in better financial performance for both, the app and the user.
- **also helps in increasing savings.**



EXPERIMENT SUCCESS REWARDS

- for **beginners**, trading can be **dangerous**
- it is better to start with **virtual paper trading**
- it helps the traders **build up confidence**

for new traders, a nominal starting amount to trade can be provided in order to compensate potential losses



- further **monetary reward** would be earned upon trading successfully
- cycle of trading reward continues to earn you additional rewards
- **promoting experimentation and compensating initial losses** would attract more beginners

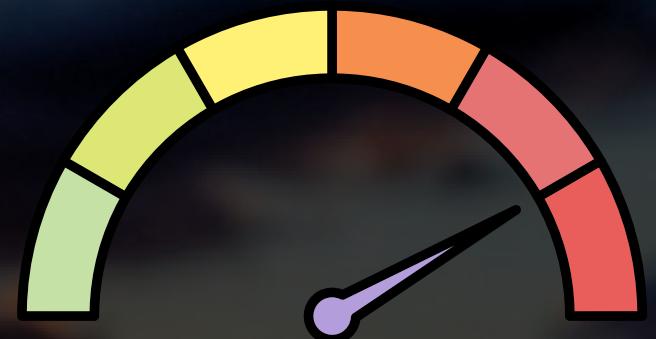
3 credit score maintenance

time matters, and so do those who value it.

A credit score is a value based on your history of repayments which indicates your ability to repay upon taking the credit

existing service/s

- xfinance already offers credit



persisting problem

- credit history of users is not mentioned/considered
- fails to prepare them for real world large credits
- fails to respect timely payers and punish defaulters

implementation

XFIN points

these points can be earned through the following ways:

- **using the app to manage mobile, dish, OTT recharges regularly**

increasing your spending through the app puts you on the favorite list of users.

Making all online transactions through the app in turn benefits you.



- **timely repayment of previous credit**

Credit needs to be repayed.

The faster you repay your previous credit, the more points you earn.

On time repayment makes you a trustworthy customer





increased credit taking

- once you start earning credit/XFIN points, you make all your purchases through the app.
- through this, you set up a mutually benefiting relationship with the app.
- taking higher sums of credit thus becomes more reliable and feasible



other benefits of XFIN points

shopping bonus

claim exciting and exclusive rewards from different brands with special discounts and offers

luxuries

special brand offers, premium theatre tickets, free sports coupons

low interest rate

as credit score increases, the interest rate for repayment starts to go down. This ultimately helps saving

this not only prepares you for real world credit taking, but also gives a sense of accomplishment.

4 Stock chart analysis

existing service/s

xfinance already offers discounted brokerage for stocks, mutual funds, futures and options

persisting problem/s

- assessment of which stock to buy
- analysis of stock price movement
- knowledge of stock price indicators



stock prices need to be **monitored, analysed and compared** before purchasing in order to **make profit and reduce loss**

Implementation

visual finance analytics are the most important tools that help in decision making.

Stock price analysis is not an easy process.



allowing stock data analysis

availability of charts of all stocks along with flexible time periods

involve the top trading indicators for analysis

tools for analysis include various indicators, curves and lines

personalized set of indicators

personal set of indicators, personalised time frame shall be allowed while performing trades

trading knowledge

trading knowledge to be taken from education section and youtube channel playlists

New services track spendings

→ Group splitting feature

spending in a group makes splitting the bills challenging



implementation

- creation of groups for payments (1000 group limit)
- updating payments, payer, and payee
- payment settlement through the app.

existing popular app- Splitwise (analysis)

- valuation- \$20mn, investors-24
- popular and user friendly (**challenge for XFIN**)
- needs third party app for transactions (**opportunity for XFIN**)

→ spending habit analysis report

provide an **in depth analysis report** of your **spending habits**.

HOW?

- **mandatory comment** for each transaction made (what is the payment made for)
- **group similar transactions**
- **monthly reporting**



→ setting spending limits

HOW?

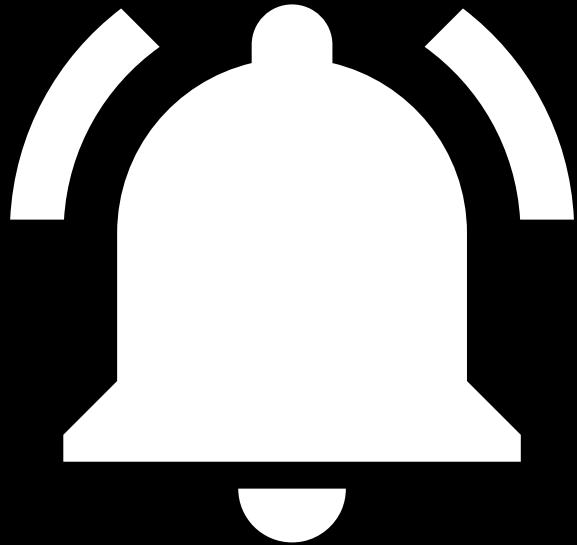
- understand **purpose of saving**
- **input amount** to be saved
- generate **daily saving target**
- **prompt message** before payments for unnecessary transaction



→ payment reminders

HOW?

- track dates of payments
- regular reminders
- improve XFIN score upon timely payments
- reduction in XFIN points upon missing deadlines



increases credit score
promotes regularity



credit card management (other than Xfinance)

- track other credit cards also
- XFIN point rewards based on timely payment of credit cards
- regular reminders
- penalties on missing deadlines
- improves overall credit score

MARKETING STRATEGY



education>marketing

primary aim of the app/website has always been education. With the new education features, the app aims to improve financial literacy significantly.



increase financial literacy >>> boost customer confidence



selling our vision

We aim to **promote financial independence and democracy**.

Everyone should be able to make **key financial decision for themselves and their family**.

The earlier you start, the wiser you get

search engine optimization (SEO)

old technique but highly efficient

- involve **keyword optimization**
- reduced **page load time**
- using **backlink to increase search ranking**

How does it benefit?

help generate organic traffic,
without relying on ads

generates a steady stream of
customers

builds consumer trust



increases reachability of
site and app

ultimately improves the sales
for the business



social media marketing

With our **high reach on social media**, marketing about our new services and changes in existing services becomes an exciting task.

- having celebrity interactions about the importance of personal finance management on Instagram, Facebook and YouTube.
- Instagram story competition about our new products
- youtube ad campaigns
- advertisement on our website
- guest lectures by renowned finance management influencers





customer incentives

Everyone loves free stuff!

- **referral rewards:** refer to earn
 - early loss prevention compensation
initial trading reward to kickstart the journey
- **experimentation bonus**
learn, understand, try, earn
- **shopping and other luxuries**
discounts, early tickets for loyal users



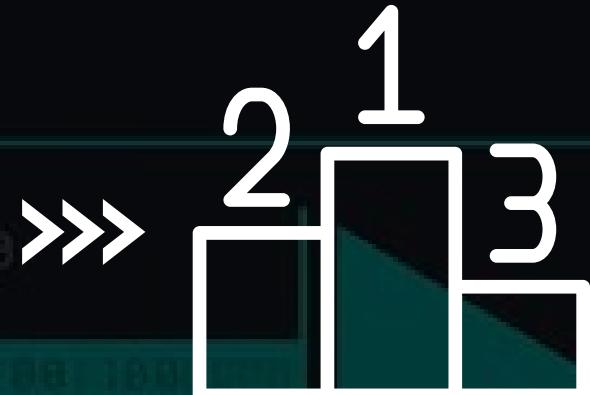
○ gamification technique

regular trivia quiz

- earn cash by performing well in finance trivia
- **outperform others to win exciting prizes**
- and climb up the **weekly leaderboard**
- educate yourself through classes and **assess your knowledge through online test**



START



see yourself climb the weekly leaderboard

gamification works best on millennials and genZs, which are literally our target audiences

trust building (a consequence of SEO)

Money does not grow on trees

- safe and secure payment interface
- improved server downtime issues

- less load time
- data protection

special teams to ensure proper following of protocol and to protect against hackers.

community marketing

highly efficient form of marketing



involves customer participation and creates an emotion

develops personal connection and brand value

- beta version feedbacks
- share regular progress updates

- regular FAQs, meetups
- asking for name suggestions

this ensures a loyal customer base for life



THANK YOU

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