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How to Generate
Passive Income
through
ZeroDha?



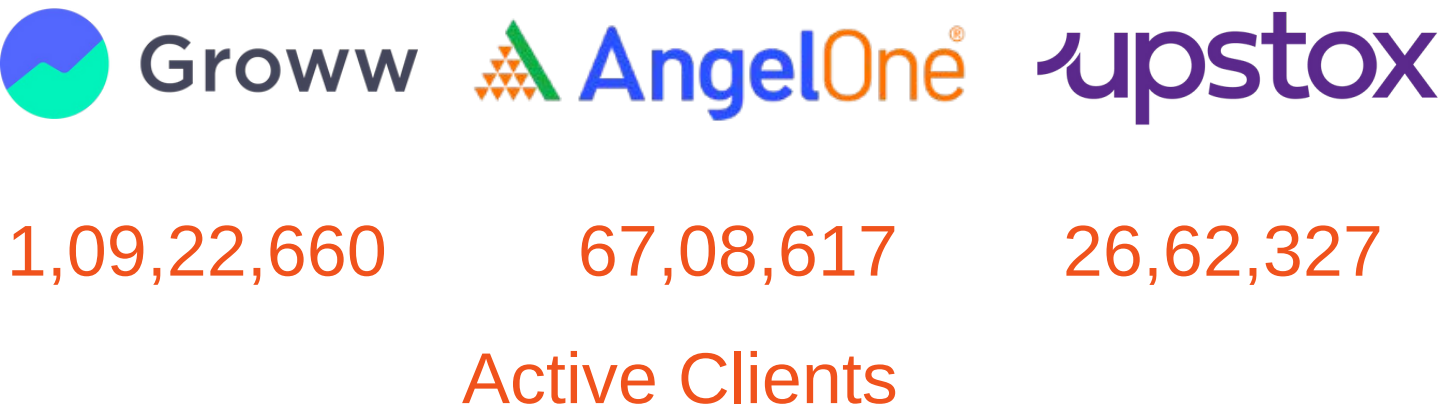
Product Teardown: [ZeroDha](#) Referral Program

By Arpit Shah

What is Zerodha?

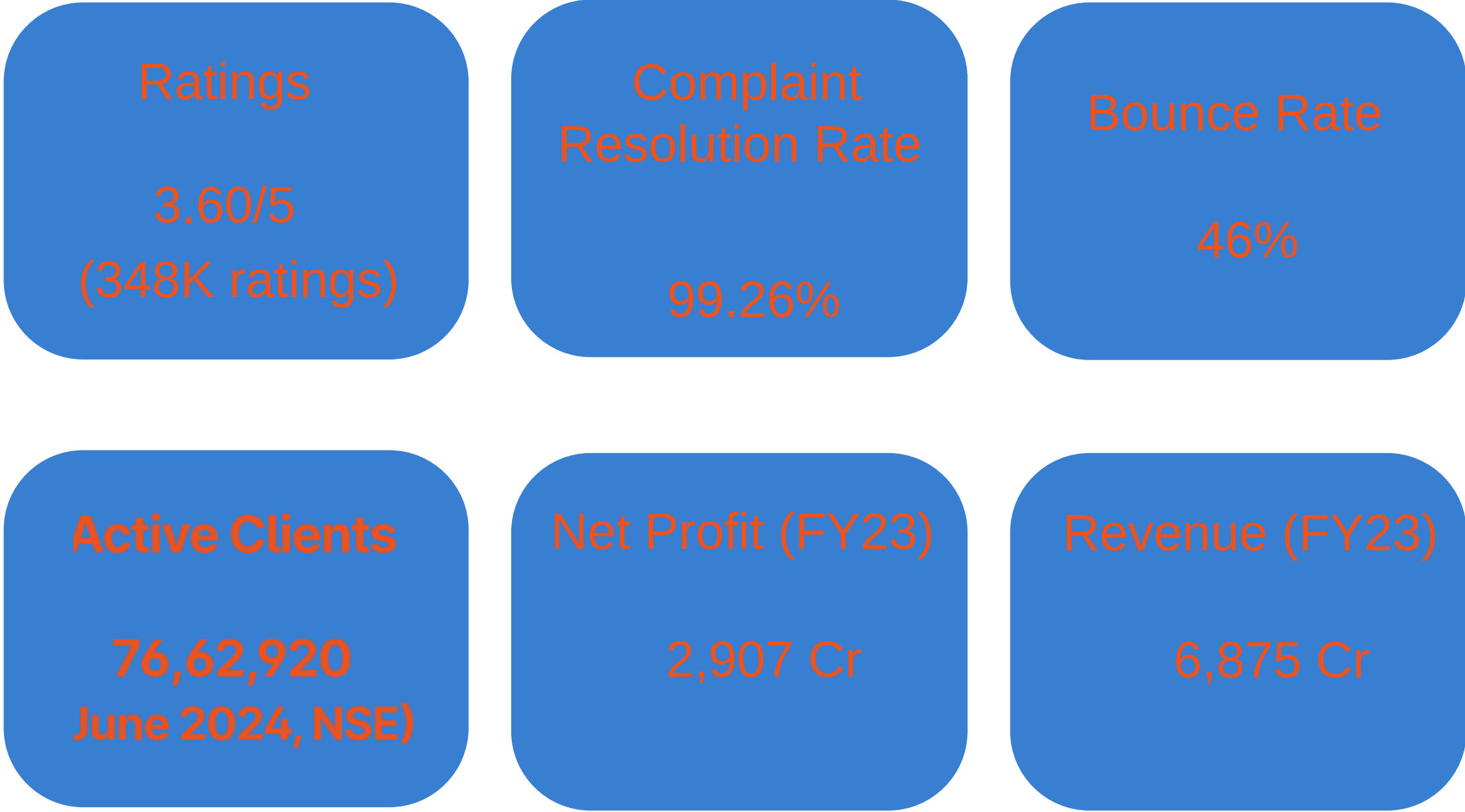
Zerodha is one of the largest discount brokerage firms in India. Zerodha’s flagship product Kite offers zero brokerage investments in stocks, bonds, ETFs, IPOs, government bonds, and gold bonds.

Competitors



Source: NSE (last updated 30 June 2024)

Zerodha, by numbers



Sources: Zerodha, Play Store, App Store, NSE, Semrush

ZeroDha's Referral Program

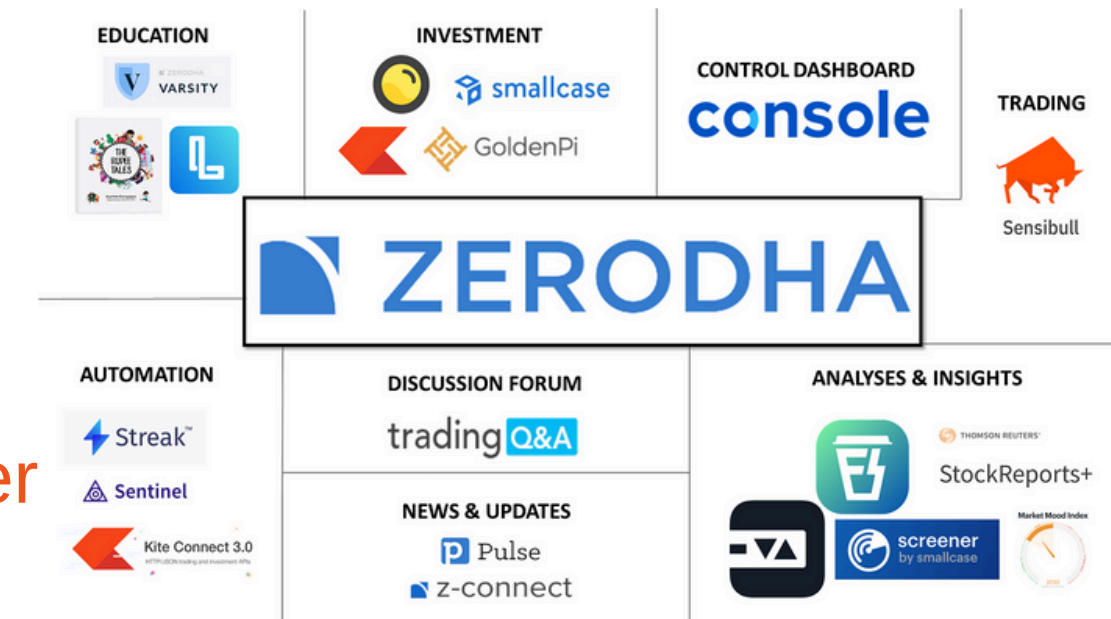
Referrer gets 10% brokerage of all referee's trades (minimum payout ₹1,000)

Referrer gets 300 reward points for each successful referral

Redeem to waive annual maintenance charge (1000 points) or from partner

Partners: Tijori, MProfit, Quicko, Tickertape, Smallcase etc

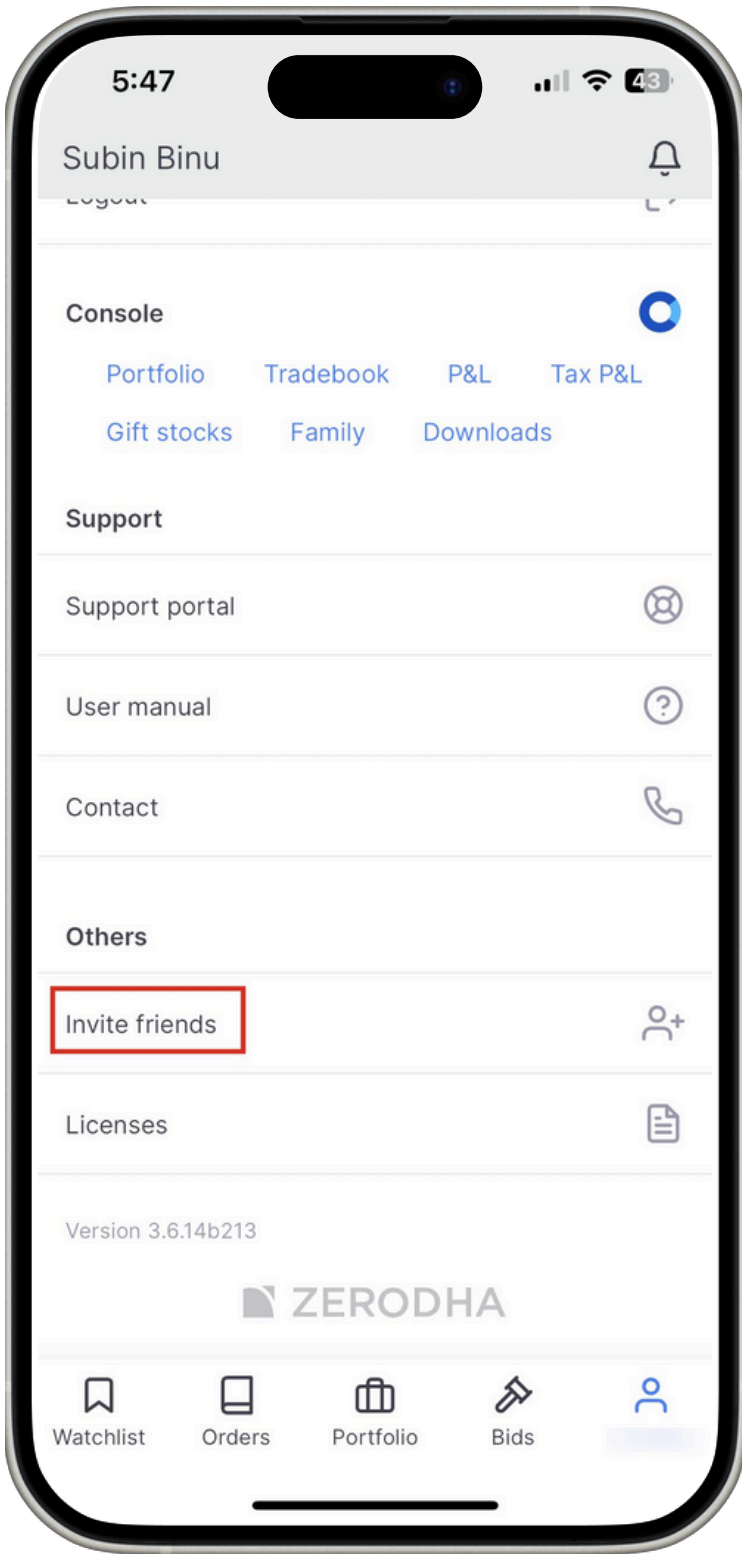
Referee who signs up using the referral link must activate their account in 60 days



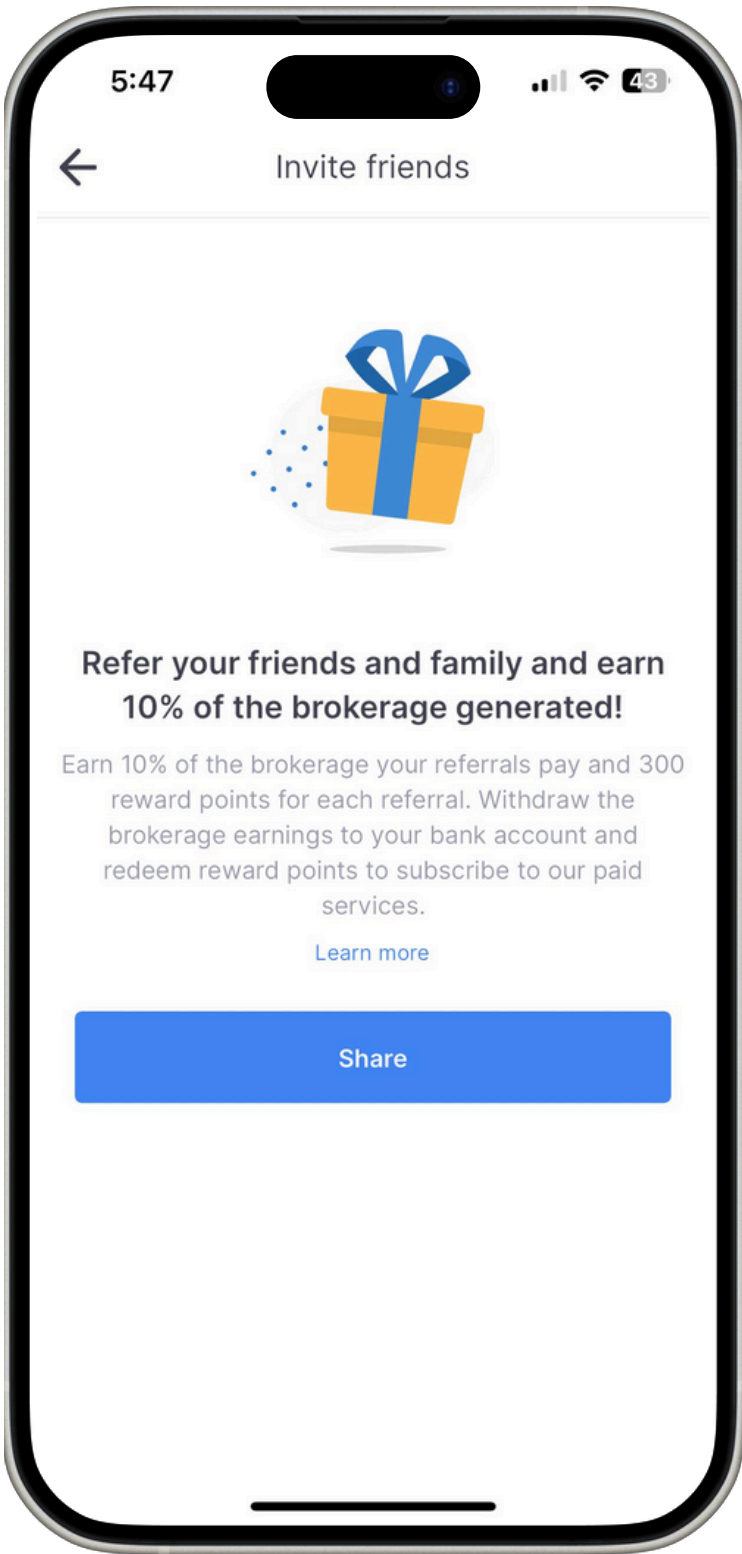
Insights from ZeroDha's Referral Program

- **Follow regulations, you shall**
 - Zerodha paused its referral brokerage sharing system in April 2018 and restarted in January 2020 after NSE's circular that allowed brokers to offer such incentives
- **Leverage your strategic partners**
 - Zerodha leverages its strategic partners to make the reward points more appealing to the target audience, as opposed to partnering with companies that are in other industries
- **Reduce abuse vector surface area**
 - Zerodha prohibits the use of affiliate referral links as paid or sponsored ads (possibly by checking the header of referral requests or tracking analytics parameters from ad platforms)

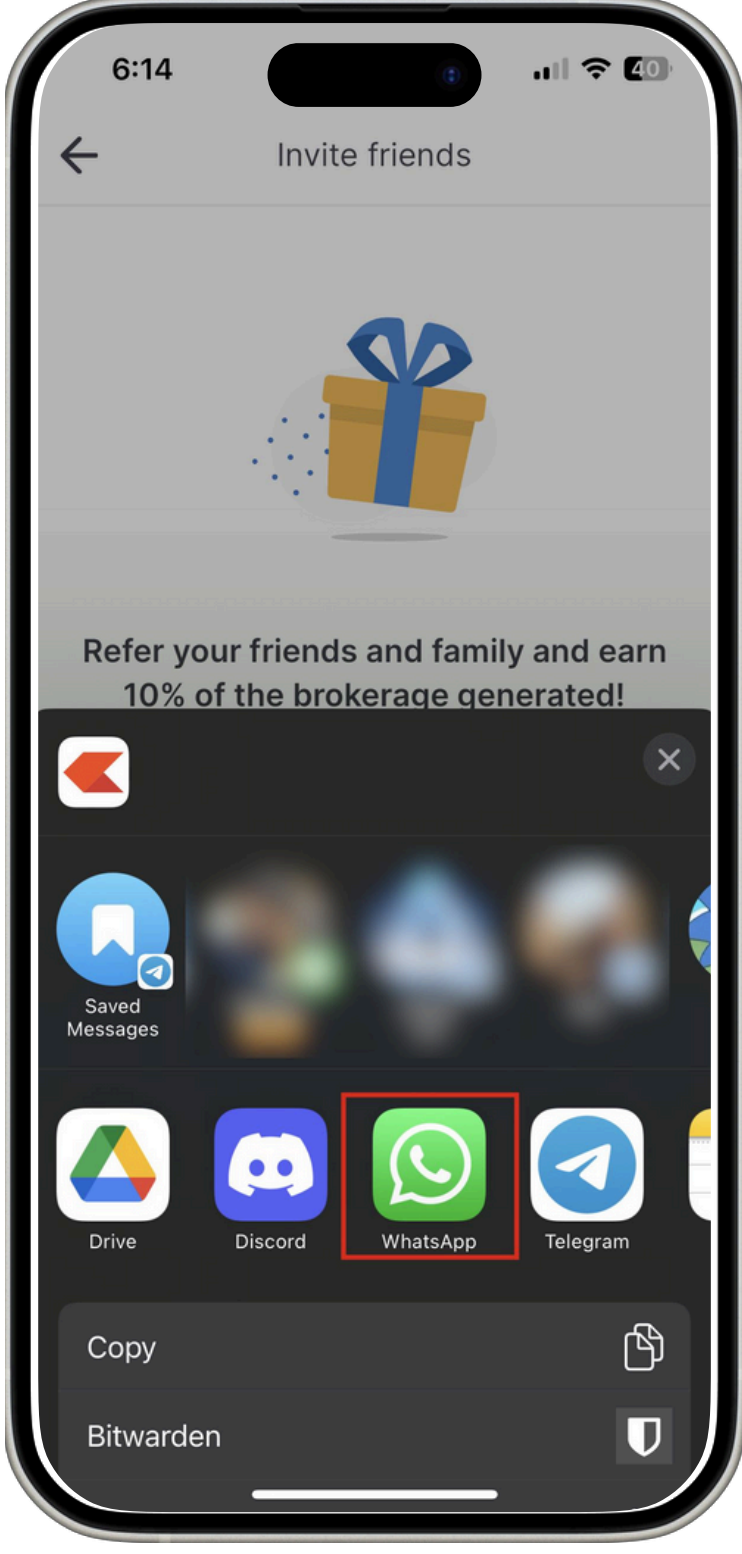
Stages



“Why is it under Others?”



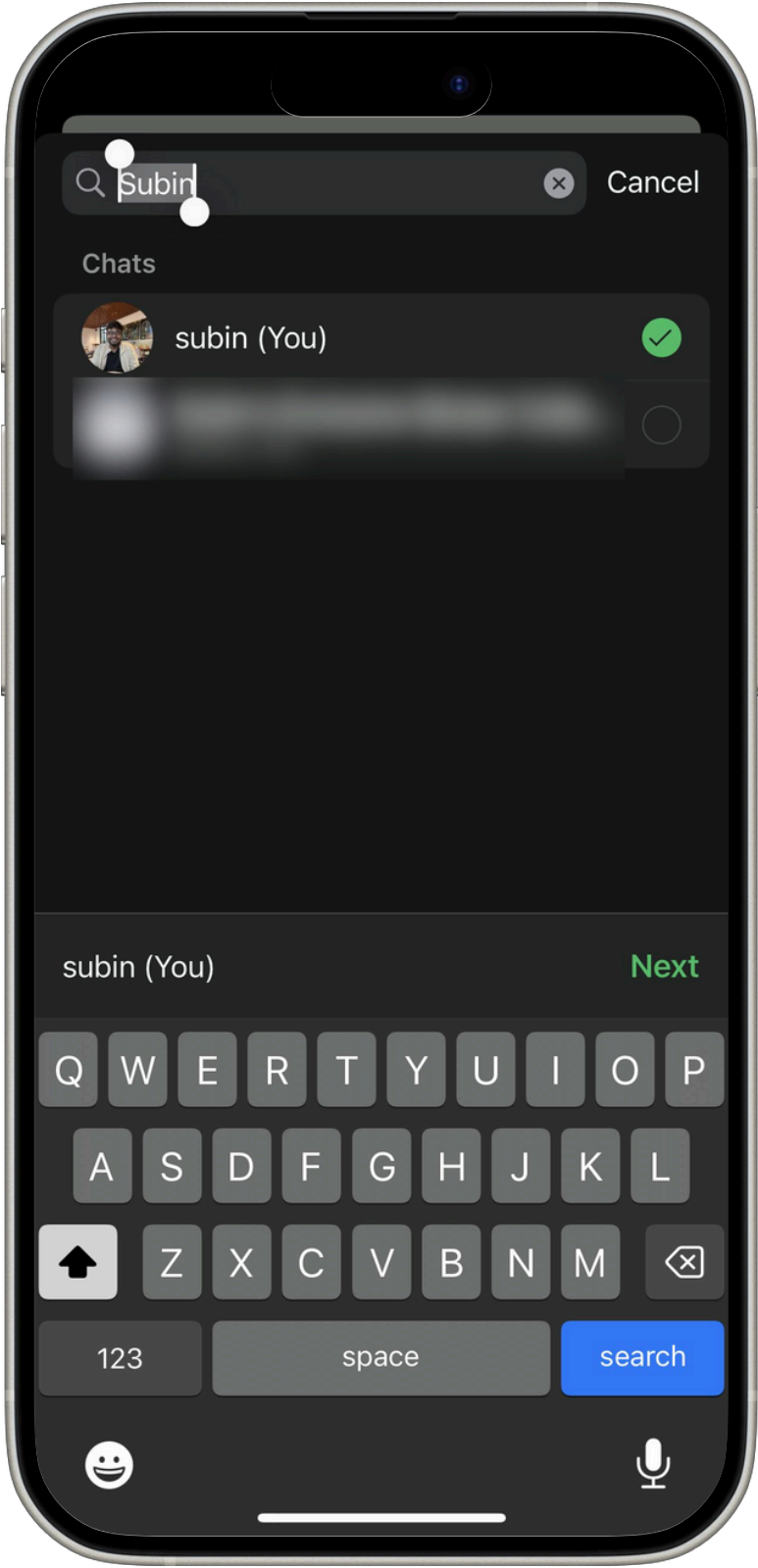
“10% of brokerage sounds like a sweet deal. Not sure what I’m supposed to do with the reward point”



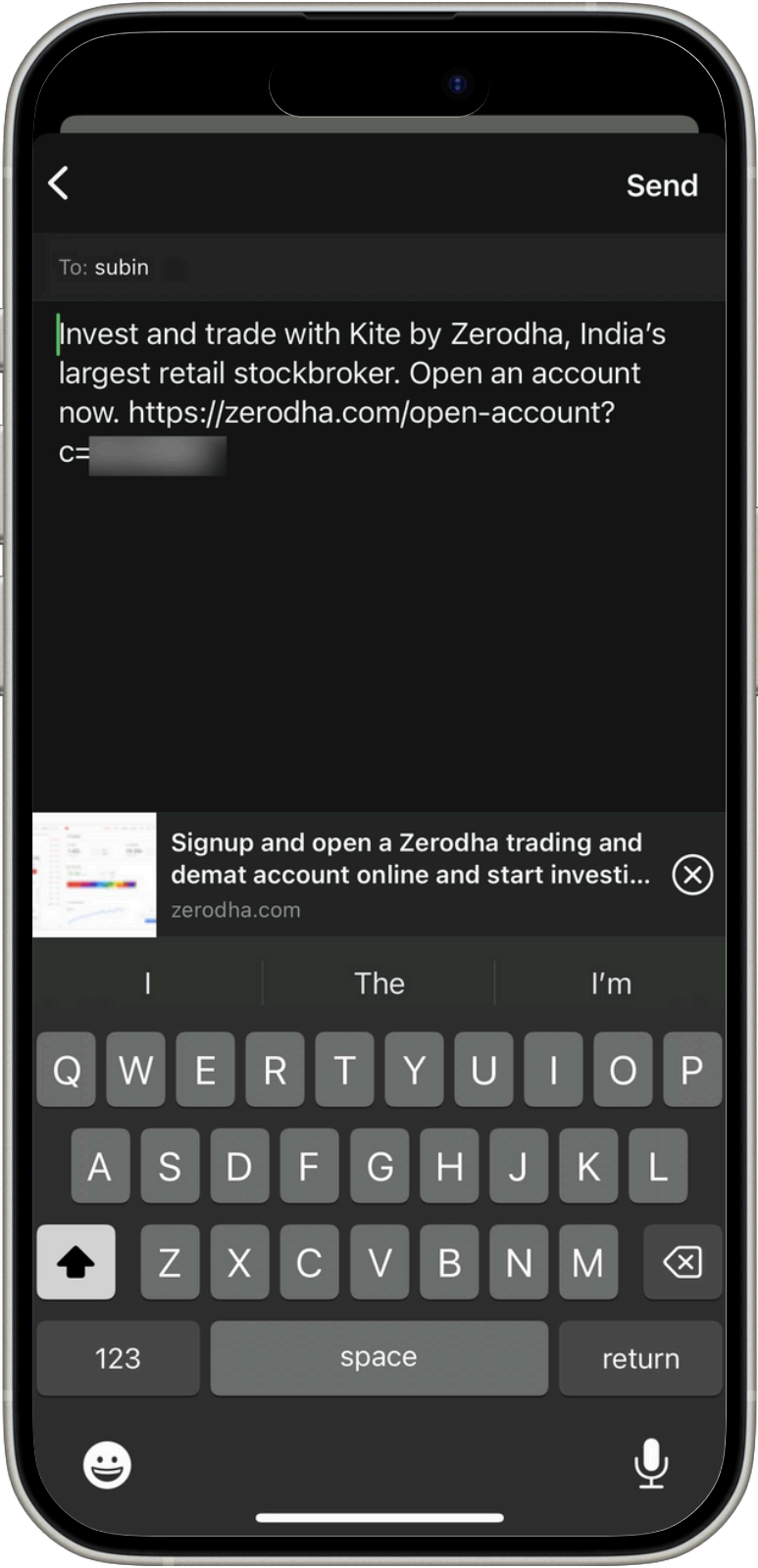
“Where is WhatsApp?”

Feelings & Thoughts

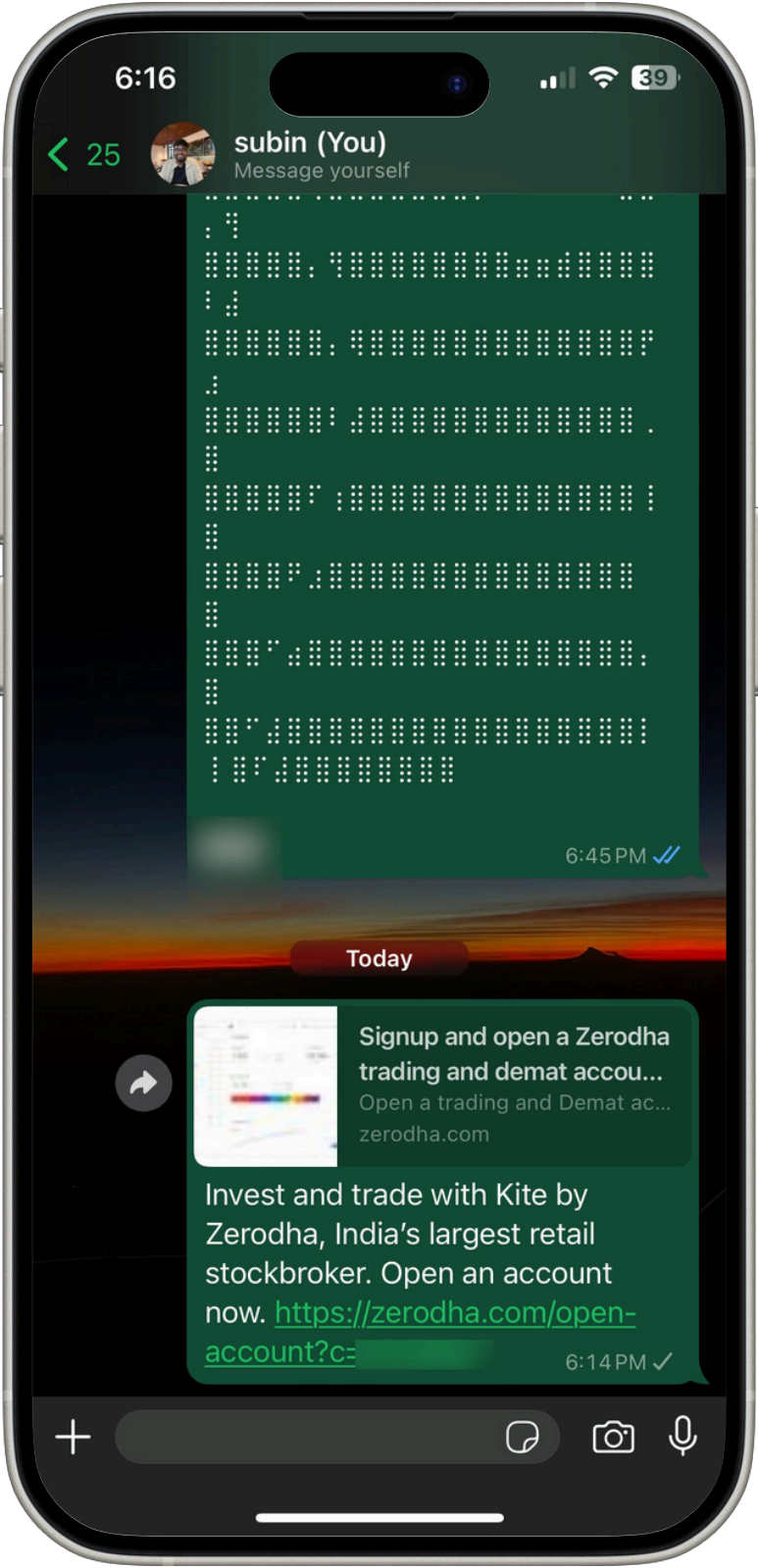
Stages



“Alright, let me find my friend”



“The text seems too generic. Hope he gets convinced.”



“Now we wait”

Feelings & Thoughts

Recommendations to Improve Zerodha's Referral Program



- **Add the names of Zerodha partners to the Invite friends screen**
 - Referrers are likely to miss how to redeem the points, thereby reducing the perceived incentive
- **Rewrite the message with the referral link to add a personal touch**
 - **Current:** Invest and trade with Kite by Zerodha, India's largest retail stockbroker. Open an account now. <link>
 - **Revised:** Join your friend Subin on Kite by Zerodha, India's leading retail stockbroker. Sign up now for free: <link>
 - Establishes trust and familiarity
 - Highlights the fact that Zerodha has stopped charging the ₹200 account opening fee since June 29, 2024
- **Add or highlight benefits of referees**
 - The T&C doesn't highlight what is in it for the referee. I couldn't verify if all the referees are entitled to 300 reward points.
 - If referees are entitled to 300 reward points, the invite message should be revised to highlight the benefit.

Metrics

- **Conversion rate**

- Number of users who successfully sign up on Zerodha through referrals

- **Referral participation rate**

- Number of referrers
- Number of referrals per referrer

- **Churn rate**

- Number of referees who didn't complete the sign up process



 ZERODHA

Referrals just got
more rewarding!

nextLeap



Varsity



Thank you!

Please share your feedback in the comments!