Groww APM Case Study - 2021

You aspiring product managers, are a part of GenZ of India. As youth, you are at the cusp of attaining financial independence. According to you -

- What is the biggest problem faced by your age-group in personal finance management ?
- Why would you want to solve this problem
- Propose a product solution to solve it
- What are the risk callouts while implementing the proposed solution?
- What will be your key metrics to measure success

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Problem Overview:

- Stagnation and bias in financial management knowledge in youths (18-25 yrs).
- Financial management as a skill is learnt mostly through one-way communication channels like videos, blogs, news segments.
- Building a two-way communication channel that introduces active learning and community experience.

Impact Analysis:

Users: Freshers and recent graduates who have started a job, moved to higher education. (link: market estimate){market: **5 crore**}

Extent:
- Improper management of loans, income, budget, etc.
- Time/resource loss: In case of crunch decision situations.

Current solution lacks:
- No community for financial knowledge sharing.
- Most of the channels are one-way and can be biased.
- Almost all knowledge shared on videos, news-segments are about the same general topics.

Potential:
- Short-term: Premium content opportunities, Ad revenue.
- Long-term: Community growth, higher user retention, increased content consumption, diversification across different financial domains.

Solution:

The User goal will be to learn and interact socially for finance and personal financial management in particular and use cases will be via the finance community platform.

FrontPage is a social networking app for investors and traders. The platform could be improved such that it can be used to solve our problem statement.

User Types: Writers and Readers

Users	Motivation and Needs
Writers	Helping others, learning, Personal branding, being in community, Thought leadership
Readers	Learning, Upskilling, start/take part in discussions, being in a community

User Persona:

Figure out the user pain points and also which features should be targeted for an initial product. (assuming that covid situation has been normalized)

Theme	College Student	Corporate Employee (Fresher)
Persona Name	Sudhanshu	Ayushi
Demographic Details (age, gender, education, income, marriage status)	23 years old, Male, Masters in engineering, Dependent on scholarship and parents, Unmarried	22 years old, Female, Graduate, job earning 60-70K, unmarried
Psychographic Details (personality, beliefs, interest, lifestyle)	Goes to college 9-3, lives in hostel with friends, higher propensity to explore, tech-savvy	5 days a week, 9-6 job, works overtime on days, lives in pg or flat with a flatmate, tech-savvy, tries exploring financial avenues
Goals	Manage his fees, education loan. Discuss options for future investment.	Wants to validate her short-term investment option Manage her budget properly with the income
Pain Points against the goals	➔ Distrust on unmoderated web content. ➔ Mental fatigue from excessive scrolling ➔ Biased solutions on the internet ➔ Content that needs a longer attention span(like courses, papers etc.) ➔ Can't validate his investment choice	➔ Lack of focussed content on investment ➔ Indirect or longer content for her personal finance problems ➔ Couldn't discuss her investment strategies for different goals(for e.g. long term, short term) ➔ Tired of browsing through many tabs for finding answers

FrontPage Sole *(social + learn)*:

A social community platform where users can interact on various financial topics ranging from personal finance, trading to investment. Let's just quickly look at overview of the product, following which we can analyse and understand each of the features.

{Competitive analysis: link}

FrontPage is a networking platform for traders and investors. It provides a good baseline for our product solution to solve the personal finance problems faced by the youths. We consider the following features to work upon the user pain points: writing posts, blogs with finance specific features, interacting with posts using comments and like, introducing sub-tags within the top financial topics for users, mentorship from experts under various domains of finance for the users and a holistic search to cover all posts, people, groups and tags such that user journey towards connecting and networking becomes much simpler and less time-consuming. We also look at macro extension of the features in each section ahead.
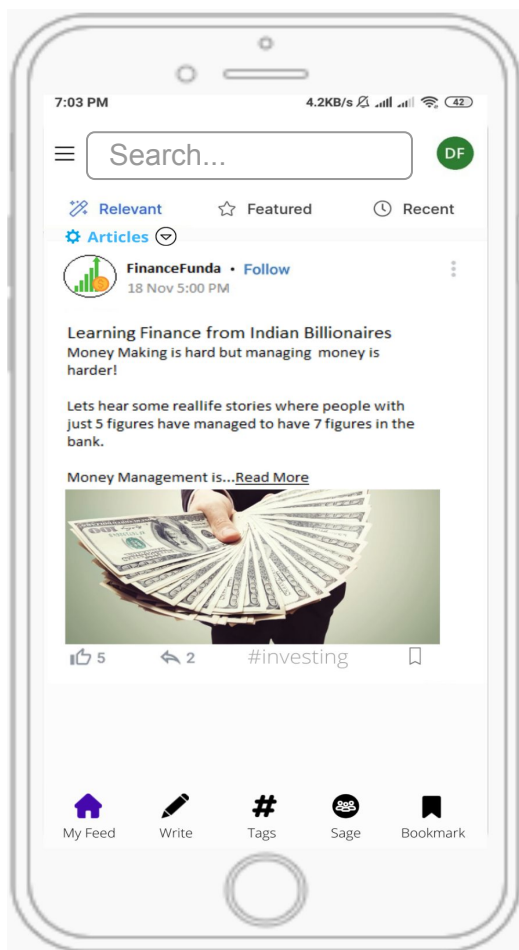
My feed contains posts /articles / news(content). Users can interact with a post using like, comment, save, share options and tags to choose content. Users can follow writers directly. Clicking on *Read More* advances to full content. It could be filtered by three sort options:

1. **Relevant** is default and based on a personalization algorithm to present content based on tags and people followed.
2. **Featured** shows content that has gained popularity in the community.
3. **Recent** shows newest content published.

Write: This section will be used by the writers to make their content. To assist users in making posts/blogs, there is a guide button with a tutorial for each feature.

The process to write, add images, pdf or links is kept very plain for users. Writers can include tags in their content to address a specific topic. We could integrate Groww API to add specifics like charts related to gold, stocks, etc.

They can also mention other users or groups within the item.

Once drafted, writers choose 5 categories for which the post is relevant, e.g., company name, market, budget, etc. and publish it.
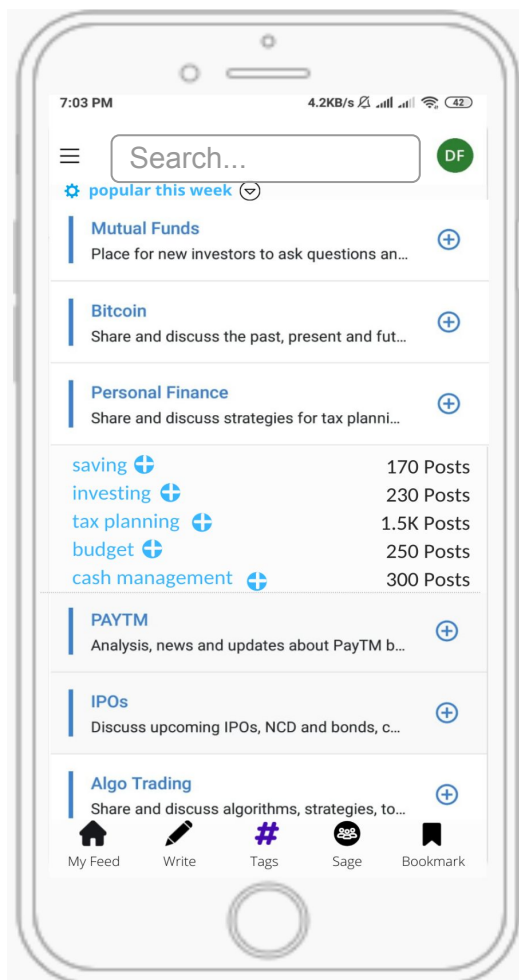
Tags: Users can easily bucket /identify /explore the topics here using tags, which could be followed. Tags will be like #personalfinance, #trading, #company, etc. Each tag will have components within it (e.g. #loans, #tax within #personalfinance). Selecting a tag would direct users to relevant content. We could filter the tags in 3 ways:

1. **Popular this week**: Sorting tags based on the traction gained every week.
2. **All-time popular**: Tags with the maximum number of followers and posts all time.
3. **Recently added**: Tags that are recently added sorted by newest first.
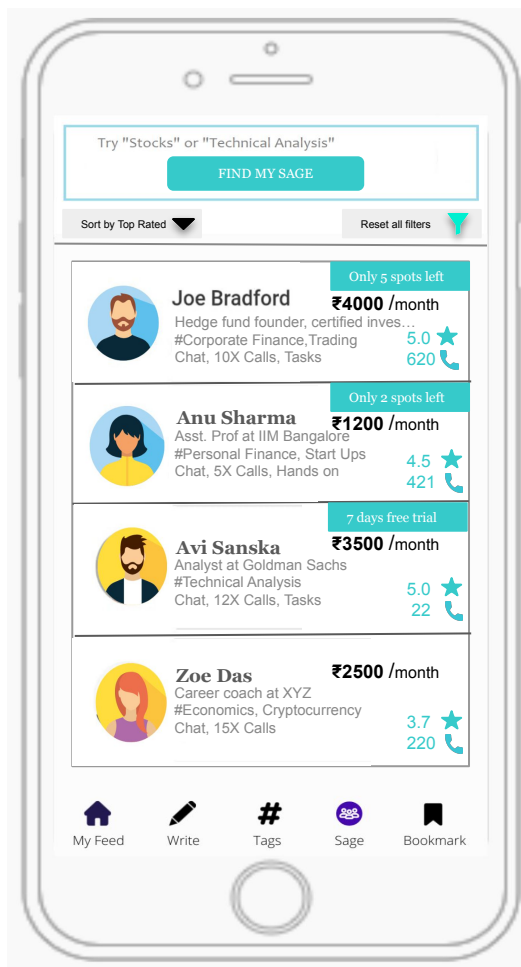
Sage: This feature will enable users to get mentorship or consultation from experts in the field of finance. It will enhance the user experience. Based on the user search query, a list of expert mentors would be displayed.

The user can sort the list by top rated, newest, cheapest, most experienced options. Users can also filter based on price, services(chat, calls, etc.), location, company and skills.

Sole can have some percentage commission from the mentorship fee. Along with some fixed calls, the user can get unlimited chat, e-mail or text with mentors. Mentor onboarding steps like identification, verification, training, and referral would be significant.
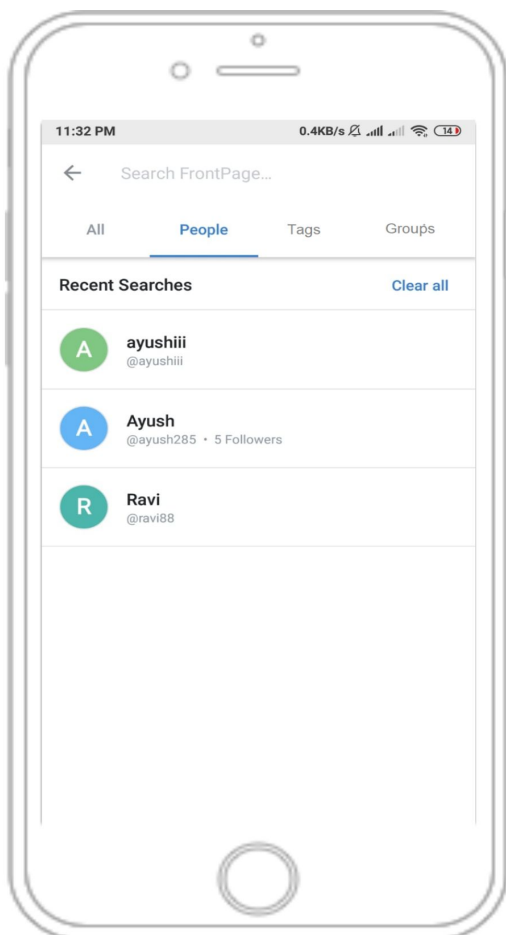
Search: Based on the search query, the user can select what section to look for, like people, groups and tags. The idea is to engage users with content they aren't aware of. Followed by recent searches, there can be some most popular posts.

A general search(in all) will be based on a relevancy score for the categories like people, tags, and posts.

Content based or collaborative recommendation systems can be used here as the algorithm to display the results to the users.

Risk and Pitfalls:

Risk Type	Risk	Possible Workaround
User Driven	Non-routine journey for the users: Adding tags(info) for a better recommendation	1 Creating 'begin with' tutorial for users for easy onboarding.
	Irrelevant Tagging may lead to frustration	1 Cross icon ⊖ for users to mark the post irrelevant. After certain hits it can be removed from the feed. 2 Auto-tagging based on the intent of the content using NLP model. 3 Tag moderators can validate the content in the tag under them.
Product Driven	Increase in app size or latency because of search API{no. of hits/(tag/user)}	1 Eliminate files inside the APK which are less used. These can be work in progress add-ons like language options, Market charts etc.
	Lack of motivation or incentive for writers, less number of mentors.	1 Discovery options like Sole Top Publisher Sole Weekly Voice and Sole LadyBoss Writer. 2 Organising events with finance influencers, podcasts or in clubhouse to boost mentorship service and referral rate. 3. Onboarded financial mentors and writers would be verified (with a tick) as experts on the platform.
	Adoption: Users may not find interacting with the platform useful and resort to conventional ways	1 Gamification options for readers like a streak, badges, Influencer marketing to spread the word for readers.

Key Metrics:

1. Engagement/Retention:
   a. Stickiness: Ratio of daily active users to monthly active users.
   b. The number of users with at least one reading session upon total users on the platform per day.
   c. The number of comments/number of viewers per item per day(writer).
   d. Average Session Length.

2. Adoption:
   a. #new users onboarded.
   b. $\dfrac{\text{\#users with at least one completed mentorship call}}{\text{\#users who clicked Sage(same time)}}$
   c. $\dfrac{\text{\#users who followed at least a tag}}{\text{\#users who clicked on Tags(same time)}}$

3. Happiness: User reviews on App stores about the features.
   NPS [Net Promoter Score] scale to map out how well the products are doing with the current users.

For business:
The major cost will be involved in onboarding finance experts on the platform, the output of this investment can be measured as the number of new users.
Number of new users/ No. of writers and mentors onboarded
Customer Acquisition Cost(CAC) and Customer Lifetime Value(LTV) can be key metrics to understand if the product is sustainable. LTV should be higher than CAC for a profitable product.

CAC = total cost of sales and marketing/ total users gained in that period
*LTV = avg. revenue per user*avg length of the relationship.*

The metric below can tell us if the mentorship feature turns out to be successful. If the ratio > 1 after, say a duration on 3-6 months, the feature is viable.

$$\frac{\text{Revenue generated using mentorship per mentor}}{\text{Avg. Onboarding cost of mentors}}$$