Boosting user spending ecosystem - Introducing BuyBack feature for Journal Writers

for a mental health & Services App

Disclaimer

This is in continuation of a Product Case Analysis:

1. Mental Health & Services App
2. Freemium to Premium Conversion Strategy
3. Feature Prioritization for the MVP

Click the links above to give it a read before proceeding ahead

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Business Requirement

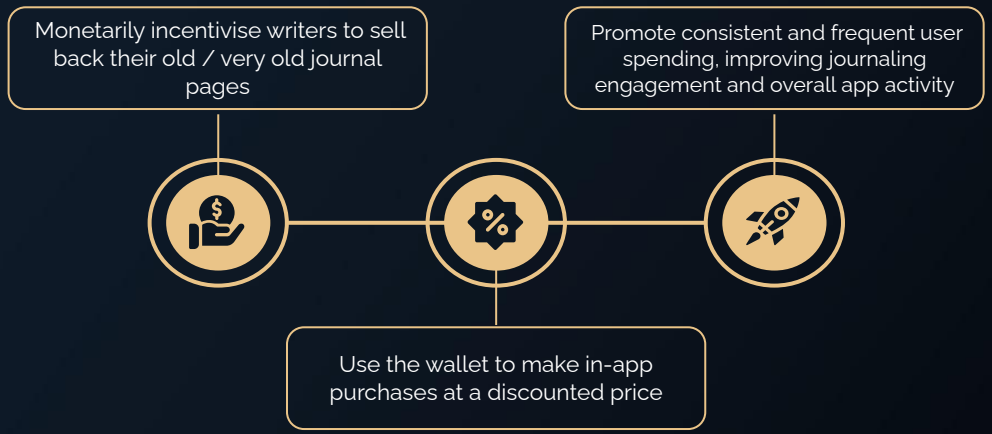
Business Objective

- Design an ecosystem to optimize in-app purchases, driving consistent revenue growth by boosting regular user spending within the application, targeting journal writers.
- Devise a strategy to optimize journal pricing for “Occasional Journal Writers”.
- Promote “Occasional Journal Writers” to “Power Journal Writers”

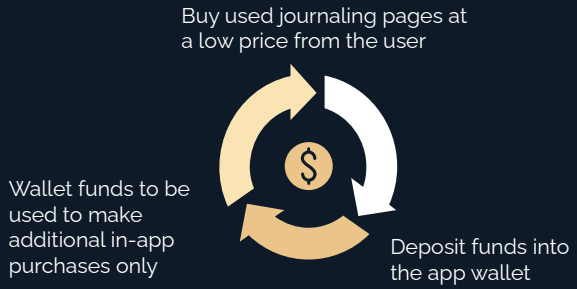
Pain Points

- User’s resistance to spending due to inadequate reward system.
- A certain segment of journal writers (occasional writers) have reported their sensitivity to journal pricing and does not require cost-effective journal page bundles.
- “Occasional Journal Writers” engage with Journaling occasionally, buying Journal Pages from time to time but not at a high frequency.

Suggested Solution



Detailed Solution



- Implement a BuyBack Feature that allows users to sell their used journaling pages at a low price back to us.
- Deposit funds into the app wallet, enabling users to make additional purchases directly within the application.

This approach is inspired by the economic model proposed by the Nobel laureate Milton Friedman, known as NIT (Negative Income Tax) and aims at issuing small financial rewards while maintaining incentives to buy more

Financial Feasibility

EX: Buy back 10 journaling pages from user @ 5Rs and deposit the amount into the user's app wallet. User eventually uses the 5Rs available in wallet + additional 5Rs from his/her pocket to buy a single page priced @ 10Rs.

Scale the calculation with better estimates

Let's say, on average, a user exchanges 20 old journaling pages for 7 Rs. Assuming 2,00,000 journaling feature users, let's assume 1,50,000 choose to use the BuyBack feature.
Cost to us: 1,50,000 x 7 Rs = Rs. 10,50,000 (~10.5 Lakhs)

These users will eventually spend the money they received to make in-app purchases. For simplicity, let's assume they use the funds to purchase more journaling pages.

Further simplifying, let's assume each of these 1,50,000 users buys just 1 page for 10 Rs, adding an additional 3 Rs from their pocket.
Revenue generated: 1,50,000 x 10 Rs = 15,00,000 (~15 Lakhs)
Profit: 15,00,000 - 10,50,000 = 4,50,000 (~4.5 Lakhs)

Value Addition

Users

- Receive a new, usable journal page at an extremely low price
- The amount can be used for additional in-app purchases
- Occasional writers can write more frequently

Our Benefits

- Stimulates user spending
- Potential to advance/activate "Occasional Journal Writers"
- Increased overall journal engagement and app activity

02

BuyBack Feature PRD

Objective

Build a BuyBack feature for the users engaged in writing journals on the app to sell old used pages back to us

Why to build the feature ?

- User's resistance to spending due to inadequate reward system.
- A certain segment of journal writers (occasional writers) have reported their sensitivity to journal pricing and does not require cost-effective journal page bundles.
- "Occasional Journal Writers" engage with Journaling occasionally, buying Journal Pages from time to time but not at a high frequency.

User Persona Impacted

- Occasional & Power Journal Writers

High-Level Solution

- User selects the pages they plan to sell
- User clicks on the "Next" button
- The user is redirected to the checkout page, which displays the total amount and a detailed breakdown of the calculation
- User clicks the "Sell" button
- Amount credited to the user's application wallet

Note: BuyBack pricing strategy yet to be discussed. Refer to the timeline below for more updates

Detailed Solution (Functional Requirements)

- The user taps on the "My Journal" tab to view their list of old journals
- The user clicks on the "Buy Back" button, allowing them to select or deselect the journal pages they wish to sell by tapping on the journal page previews listed
- Each preview should display the journal title, the date it was written, and an image snapshot of the journal
- As the user makes selections, a prompt should appear at the top of the page: "Select at least 5 pages"
- The "Next" button will remain disabled until the user selects at least 5 pages to sell. Once 5 pages are selected, the "Next" button becomes enabled
- The user clicks the "Next" button and is redirected to the Review page to verify the pages they've selected
- The Review page must have two buttons at the bottom: "Next" on the bottom right and "Go Back" on the bottom left
- If the user clicks the "Go Back" button, they will return to the previous page to adjust their selections

- If the user clicks the "Go Back" button, they will return to the previous page to adjust their selections
- Upon clicking the "Next" button, the user is again taken to the Review page
- Upon clicking the "Next" button from the Review page, the user is taken to the Checkout page, where the total amount to be paid is shown, along with a detailed breakdown of the calculation
- The Checkout page should include a disclaimer: "The amount will be reflected in the app's wallet and can be used for in-app purchases during checkout"
- The Checkout page must have a "Sell" button. After clicking it, the user will receive a confirmation pop-up followed by "Success" message upon confirming, and the amount will appear in their wallet

Note: Wireframe and feature flow will be shared soon. Refer to the timeline below for more updates

Tracking of Data/Events

- Users who clicked “Buy Back” button
- Users who reach checkout page but didn't sell
- No. of buy backs
- Monetary amount paid to each user
- Monetary amount spent by each user utilizing the wallet balance

Baseline metrics to track

- No. of users who availed BuyBacks
- Total no. of BuyBacks
- Total no. of pages bought back
- Total amount credited to users
- Total amount user spent utilizing wallet balance (Total Revenue Generated)
- Total user wallet Top-Up (Profit/Loss)
- Average no. of pages per BuyBack
- Average amount credited per BuyBack
- Average amount user spends utilizing wallet balance
- Average amount user spent utilizing wallet balance
- Average user wallet Top-Up

Tentative Timeline

Feature Flow	18th March, 2025
UI Mockups	28th March, 2025
Finalised UI	1st April, 2025
Final BuyBack Pricing Strategy	18th April, 2025
Unit Testing	1th May, 2025
Integration Testing	7th May, 2025
System Testing	18th May, 2025
Acceptance Testing	23rd May, 2025
Feature Launch	1st June, 2025

Thanks!

Do you have any questions?
sunaal96@gmail.com
(+91) 9650441813

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