

Case Analysis I: Shradhanjali.com New Address for Memories of Our Ancestors

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Brief Synopsis

Mr Vyas and Mr Popat, who were working with an insurance company, came across an idea of starting an online obituary service. They did not find any online business providing obituary service such as any memorial website or online obituary advertisement service, especially in India. It prompted them to think about starting a business of online obituary with different features. But they were foreseeing many roadblocks on their way and among such roadblocks the lack of a marketing strategy and lack of technical know-how to start a business on Internet were some major hurdles. The lack of entrepreneurial experience also deterred them from taking a leapfrog in this direction. Overall, they were grappling with the entire business and marketing strategy to move ahead.

Positioning of the Case

The case is suitable for devising the entire marketing strategy along with a go-to market strategy. In this view, it is pertinent to look at the case in terms of segmentation, positioning, pricing policy, strength of Internet as a distribution medium and various ways to communicate to the prospective customers. The case is also suitable to understand entrepreneurship approach and customer relationship management in tackling roadblocks in a new business scenario.

Following are some leading questions from the case.

1. How to segment the customers for this market? What are the positioning strategies against the chosen segment? What are the value propositions?
2. What kind of pricing approach can be adopted in this kind of product?

3. Does launching it on the Internet provide some unique advantage in terms of reaching to the customers?
4. In the era of social media, does mere presence through website provide adequate communication and strategic coverage?

Following are some discussion points based on the above questions which may guide the students to discuss the case in a logical manner:

How to Segment the Customers for this Market? What are the Positioning Strategies against the Chosen Segment? What are the Value Propositions?

Some probable ways to segment the market for this kind of service are as below:

Based on Internet Penetration and Strength of Internet Users

As per a report by Internet and Mobile Association of India and the market research firm IMRB International, the urban India with an estimated population of 444 million has close to 60 per cent Internet users whereas in the case of rural India, there are 17 per cent Internet users (source: live mint, 2 March 2017).

Based on this figure, it is clear that opportunity for such a business model does exist and hence with the rising number of Internet users, the business is also supposed to grow. However, from the segmentation point of view, it makes sense to target urban population primarily and therefore the targeting and positioning strategy shall be crafted accordingly.

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Based on Education and Income

Education level will ultimately add to the Internet literacy or higher degree of familiarity of individuals' with the Internet. Apart from Internet penetration, familiarity of the individuals with the Internet could be one way to understand the consumers for this service.

Income can be used in narrowly targeting the consumers for this service as the longer duration of service like subscription for 30 years can be targeted to an income group differently as against ₹ 1,000 per year for service.

Based on Geographical Location

Since Internet provides a worldwide reach, the segmentation process can also be done based on the location of the individuals willing to avail this service. Indians living abroad can be segmented and targeted differently as against those living in India.

The way students choose to segment the market for this service will pave the way for further discussion on positioning strategy.

Value Proposition

Some leading points on the value position may include the following:

1. What are the clear value propositions being offered to consumers?
2. Are these value propositions unique in nature and not easily imitable?
3. Do Mr Popat and Mr Vyas understand clearly the gap available in the market for such kind of services and are they providing a unique value proposition for their prospective customers?

What kind of Pricing Approach can be Adopted for this kind of Product?

The case also provides some pointers to discuss the pricing approach which Mr Popat and Mr Vyas may consider. The pricing can be built on two types of approaches.

Cost Plus

If the basic cost of the service is accurately calculated, then the final price for consumers can be decided after adding the desired mark-up. The case in the current form does not elaborate more on the basic cost.

Value-based Pricing

As subscription-based model is for longer duration, a value-based pricing approach seems more suitable in this

option. Apart from a one-time registration fee of ₹ 2700, no other charges have been mentioned in the case. In this option, the service provider may charge suitably for providing additional services like reminder mail to the customer and their acquaintances about the death anniversary. They may also think of real-time updating options available for customers under the value-based pricing approach wherein the customers may customize their obituary messages with each passing year with additional price.

Does Launching it on Internet Provide some Unique Advantage in Terms of Reaching to the Customers?

As the reach of Internet is increasing in a much wider and faster manner, it makes sense to use Internet and launch a service like obituary through it. The print obituaries in newspapers are costly and the same is also limited to a few newspapers which may or may not be subscribed by the intended readers. Internet provides a much faster way of reaching to the intended audience and the same can be clubbed with reminder mail kind of services to guide the individuals towards reading the obituary. Apart from the reach, it is also possible to do real-time changes on the Internet in the obituary content as and when required. This real-time updating facility which may provide the users to modify messages or similar things may also provide an avenue for value-based pricing for such services.

The reach of the Internet does also provide this service to Indians living abroad to use this facility assuming service providers target only Indians to start with.

The students may also be encouraged to discuss the following questions with regard to efficacy of the Internet as a channel for these kind of services:

1. Is Internet a suitable channel to launch these kind of services?
2. What are the pros and cons of launching it through Internet versus launching such services through newspapers?
3. Can there be a suitable mix of online and offline channel usage in such services?

Now, almost all newspapers have their online presence. In this context, what is the feasibility of an independent online obituary service?

In the Era of Social Media, Does mere Presence through Website Provide Adequate Communication and Strategic Coverage?

The case also provides enough discussion points with regard to its communication coverage while making the

marketing strategy. In this era, when social media has penetrated deeply into all types of socio-economic strata, mere presence through a website can be a challenge. Social media may provide an additional avenue to communicate about this service. Social media may also provide rich data about consumer behaviour using a plethora of easily available data analytic tools. The case also provides enough room to discuss the role of technology and operations in such entrepreneurial journeys.

Some additional leading points to understand the communication strategy and the role of social media to augment the same are as below:

1. Will presence through website provide enough coverage for this kind of service?

2. How can social media be clubbed with a website-based business model to augment the service offerings?
3. How can the consumer behaviour be tracked using different social media analytic tools if the same is utilized in conjunction with website-based business?

Following are some suggested readings which may help in guiding the case discussion:

References

- Eisenmann, T. R. (2014). Business model analysis for entrepreneurs. HBS. 9-812-096.
- Tiago, M. T. P. M. B., & Verissimo, J. M. C. (2014). Digital marketing and social media: Why bother? *Business Horizons*, 57(6), 703–708.