Case 4B

Type: Growth

Problem Statement:

Client is an OTT streaming service – Hotstar. They want to increase their market share in India, how will you help them?

SCRIPT KEY	
Interviewer	
Interviewee/Candidate	

Client is an OTT streaming service – Hotstar. They want to increase their market share in India, how will you help them?

Can you tell me more about your client? How is the competitor landscape? What is the client's current market share and how much is it aiming for? Are there any restrictions?

The client is the same Hotstar we know. In a year, the client intends to grow its market share by 20%. There are not any significant restrictions. The current market share of Hotstar may be estimated to be approximately 15%, and there are two main rivals.

According to my understanding, Hotstar entered India two years ago and mostly serves the Indian middle class and also youngsters. It is positioned as a subscription-based service and differentiates itself by providing locally produced content. Can you please inform me about the latest subscription plans as well?

Yes, you are right. Currently the company has two subscription plans, two devices for Rs 899/year, four devices for Rs 1499/year.

I'd go ahead by using the 4P approach and examining the potential new product, promotion, price, and place. After that, I'd want to examine which offering might work best in each region.

Okay, you can go ahead.

Hotstar should buy rights for local television shows and films to start with. It could also buy the rights to broadcast any sport, like football, especially when a league is going on and carve out a specific market for itself. Hotstar should concentrate on internal creation, it can also diversify into regional languages, and produce material for children as well. This would draw in a new client base. Additionally, culinary and dancing classes may be included. Special versions like Hotstar Fitness can be started. India has internet connectivity issues, so to counter this, Hotstar can offer an internet free platform.

Looks Good. Any ideas about Pricing?

Keeping in mind that India is a price sensitive market. Hotstar can opt for a 'freemium' model. It can provide some free content and charge for better quality content. It may also provide a subscription model with a restricted selection of languages. It can also create specialised bucket choices so that people with limited budgets can subscribe to a few TV shows and films. For place or channel, Hotstar can introduce a channel-specific app for both Android and iOS. It can also create a gadget like a Firestick that can be connected to any TV or a special tablet with unlimited access made only for Hotstar.

Fair point. Do you think a special Hotstar Tablet will be able to attract new customers given that it will essentially serve just one purpose?

The tablet can be positioned and priced in a way that it targets the binge watchers particularly. The viewers can be provided with the option of downloading the content and all other premium features for longer subscription periods.

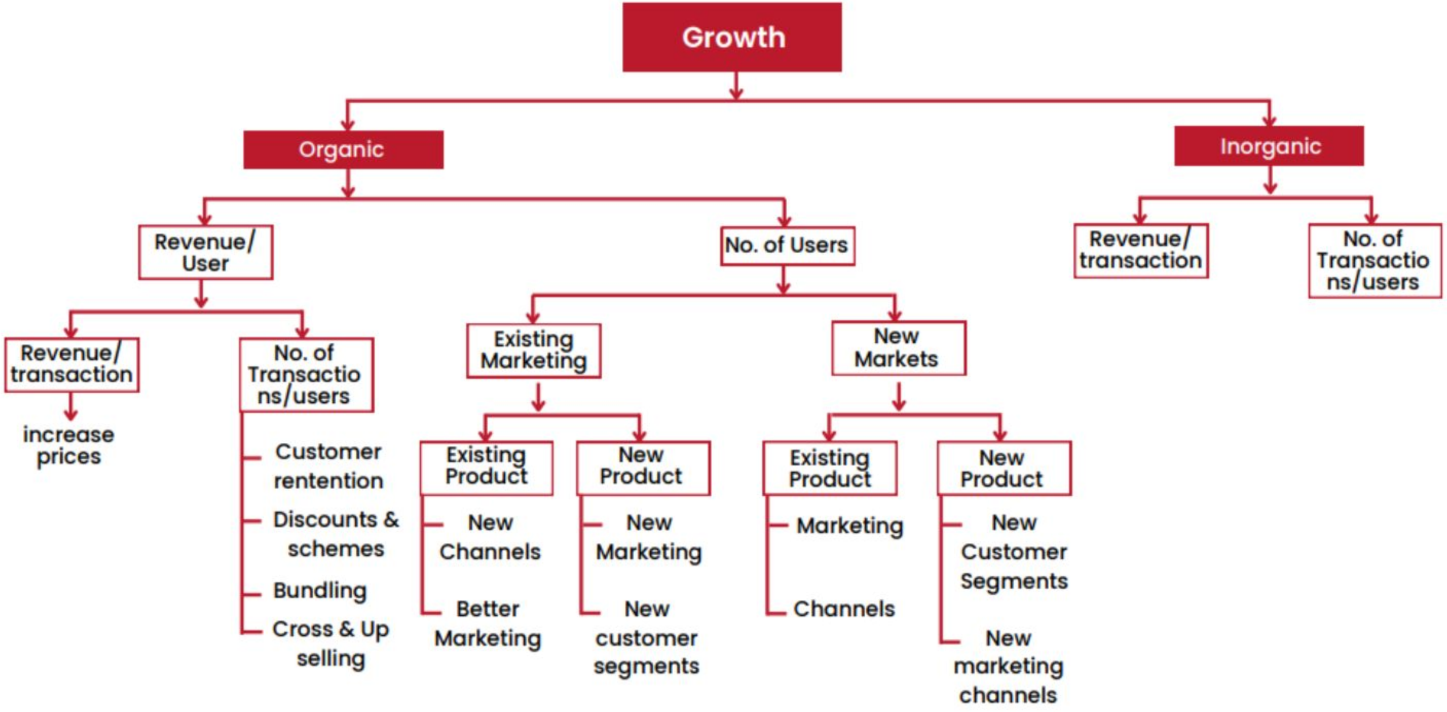
Okay. Let's move on to region-wise offerings.

Metro and Tier 1 cities account for the majority of Hotstar's existing members, so these locations require a penetrative approach from the company. Promoting regional content like TV shows and other content in regional languages can be fruitful here. Hotstar can also produce in-house regional content for regions with higher viewership. The internet free platform can also be pushed to increase the reach in Tier 2 and Tier 3 cities.

That is sufficient. We can end here. Thanks.

GROWTH FRAMEWORK

Client's company is aiming for a XX% Year on Year growth and has asked you to create stepwise growth targets & relevant areas to work on to ahcieve those targets.



QUALITATIVE INFORMATION

Case Background:

Client is an OTT streaming service – Hotstar. They want to increase their market share in India, how will you help them?

Case Facts:

1. The client is the same Hotstar we know.
2. In a year, the client intends to grow its market share by 20%.
3. There are not any significant restrictions.
4. The current market share of Hotstar may be estimated to be approximately 15%
5. There are two main rivals
6. Two subscription plans, two devices for Rs 899/year, four devices for Rs 1499/year.

CLARIFYING ANSWERS TO BE PROVIDED ONLY IF ASKED BY INTERVIEWEE

Interviewee	Interviewer
What is the client's current market share and by how much is it aiming for? What is the competitive landscape?	In a year, the client intends to grow its market share by 20%. The current market share of Hotstar is approximately 15%, and there are 2 main competitors.
Are there any restrictions?	There are not any significant restrictions.
Latest subscription plans	Currently the company has two subscription plans, two devices for Rs 899/year, four devices for Rs 1499/year.

RECOMMENDATIONS

1. Diversifications	• Buy rights for local television shows and films like, rights to broadcast any sport, like football, especially when a league is going on and carve out a specific market for itself • Concentrate on internal creation • Diversify into regional languages • Produce material for children • Culinary and dancing classes • Special versions like Hotstar Fitness can be started
2. Catering to connectivity issues in India	Hotstar can offer an internet free platform
3. Pricing	Opt for Freemium Model of subscription. It can provide some free content and charge for better quality content. It may also provide a subscription model with a restricted selection of languages. It can also create specialised bucket choices so that people with limited budgets can subscribe to a few TV shows and films. For place or channel, Hotstar can introduce a channel-specific app for both Android and iOS. It can also create a gadget like a Firestick that can be connected to any TV or a special tablet with unlimited access made only for Hotstar.