

Entrepreneurship Essentials
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Module - 01
Lecture - 11
Marketing for Startups – I

Hello and welcome. Topic of the session is Marketing for Startup. Mr. Arjun Malhotra, the co-founder of HCL computer and many other ventures, has threw a question to IIT students, that what is the most important event in the life cycle of a start-up? And he himself happily answered that it is that time when a customer is bringing out money from his wallet and making payment in excess for goods or services that is under offer.

So sales is the most important part. If you can sell anything at a profitable price, then you have wonderful business proposition.

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And to arrive at that point, when you are capable of selling something in excess for profitable money, you have to do a lot of thing. I mean there are a lot of things at the background before you come to that level. You try to understand the pain, you develop a product, then you eventually come up with a competitive value proposition, eventually customer becomes convinced that your product is offers better value from their money than the competition and then the purchase.

So, marketing management actually is all about identify identifying potential customers and then converting them into customers. Meaning, when they actually buy and then keeping them satisfied so that they come repeatedly and purchase repeatedly.

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- Marketing starts from the time of identifying a pain point and continues as long as the company remains a going concern.
- Marketing is about building a strong brand, reaching to increasing audience to acquire and retain satisfied customers, establishing credibility, and helping customers to use the product for deriving values: build a lasting satisfied customer base.

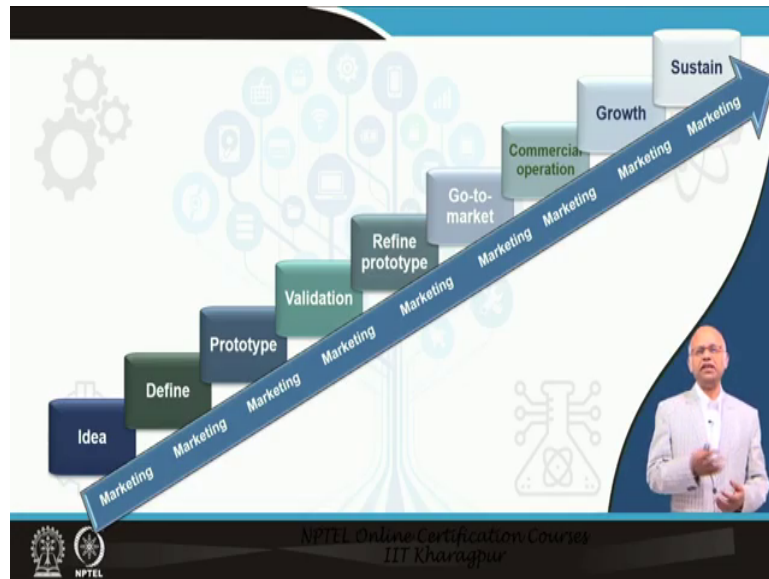
**The best product does not always win.
The best marketing does. - Steve Denning**

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Marketing starts from the time you think of starting a business. So, you identify a pain or pain point in a group of people based on the size of them of the people who have the same similar kind of pain, whether bringing out or developing a solution will make economic sense. For that you need information and then you will start gathering information about what kind of product that will be liked by the customer.

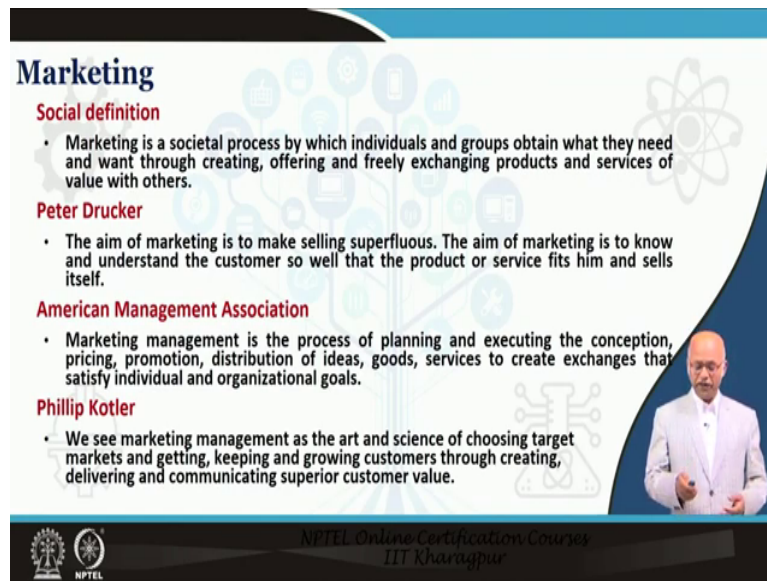
So, marketing starts from there. And then throughout the lifecycle when the company is growing or even when the company is matured, marketing remains as one of the main course of action for any enterprise. Steve Denning, in an article in Forbes magazine wrote the best product does not always win, the best marketing does. Meaning that even if you develop a best product, but there is no guarantee that it is going to sell, but if you can really do a wonderful marketing perhaps, you can sell anything.

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So marketing is relevant at every stage of the lifecycle of an enterprise.

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Marketing

Social definition

- Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others.

Peter Drucker

- The aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself.

American Management Association

- Marketing management is the process of planning and executing the conception, pricing, promotion, distribution of ideas, goods, services to create exchanges that satisfy individual and organizational goals.

Phillip Kotler

- We see marketing management as the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering and communicating superior customer value.

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There are several definitions, there is a social definition: marketing is a societal process by which individuals and groups obtain what they need and want through creating offering and freely exchanging products and services of value with others. There are other definition, Peter Drucker has said the aim of marketing is to make selling superfluous. Meaning that you do marketing in a manner that customer is absolutely convinced and they are just ready to buy so sales people will not have to do anything they will just come and buy.

So that is the objective of marketing. There are other definitions one by Phillip Kotler, who is the kind of father of textbook on Marketing Management, that is followed by all management schools.

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Marketing is a Process by Which Companies -

1. Create value for customers.
2. Build strong customer relationship.
3. Understand changing needs and choices.
4. Refine or redesign products and services to meet them to give customers a sense of higher value.
5. Build strong brand by establishing emotional connectivity with customers. Create premium brand equity and gain pricing power.
6. Create value for stakeholders and sustain for a long time.

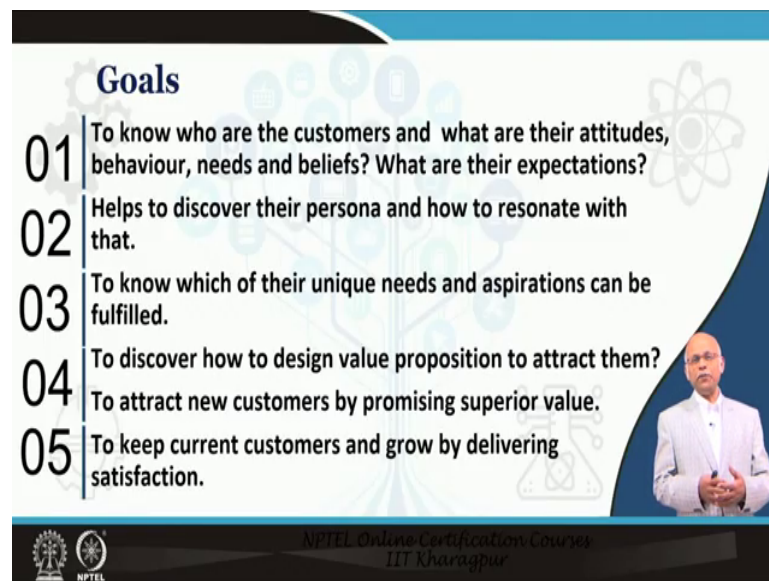
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Marketing is a process by which companies create value for customers, build a strong customer relationship then understand changing needs and choices so that they always remain ahead of competition because they come up with the new product or services that that the new demand match the new demand of the customers.

They refine and redesign the products or services to make them to give customers a sense of higher value. Continuously make efforts to create higher value for customers. They build strong brand by establishing emotional connectivity with customers, create premium brand equity and gain pricing power. Brand gives pricing power because through a strong brand, strong brand means strong emotional connection with the customer, customer would ordinarily not like to change from one brand to another.

So once you have strong brand, you have loyal customers you can increase the price of your product with the risk of losing the customers; then create value for stakeholders. Once you have a strong brand, once you have loyal customer following then you can increase the price to some extent to increase your profit or you can increase the turnover moving forward and then eventually you create greater value for your stakeholders.

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Goals

- 01 To know who are the customers and what are their attitudes, behaviour, needs and beliefs? What are their expectations?
- 02 Helps to discover their persona and how to resonate with that.
- 03 To know which of their unique needs and aspirations can be fulfilled.
- 04 To discover how to design value proposition to attract them?
- 05 To attract new customers by promising superior value.
To keep current customers and grow by delivering satisfaction.

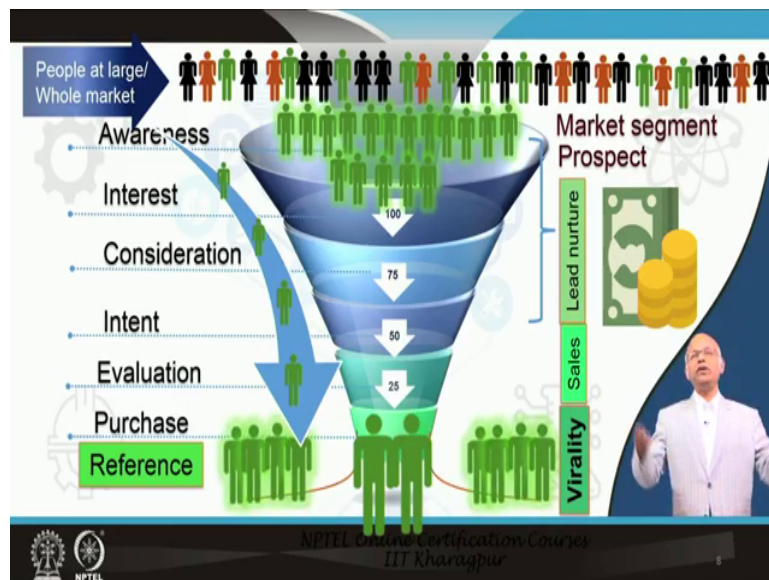
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Therefore, goal of marketing is to know who the customers are and then try to understand their aspirations, their behaviour needs, brief belief and then what are their expectation, what kind of product they would buy. It helps to discover their persona and you try to have your own narrative so that there is their persona and your narrative resonate and then they have emotional connectivity with your product brand and the company.

You do marketing to know which of their unique needs and aspirations that you can fulfil so that you can add features to your product, subtract features from your product so that you do not have unnecessary phrase that will add to the cost, rather you add only those that customers are willing or demanding. To discover how a how to design value proposition to attract them.

So same thing, to attract new customers by promising superior value. To keep customers or current customers happy and help or entice them to attract more customers towards you so that there is a growing repeat customers, you acquire them by delivering satisfaction.

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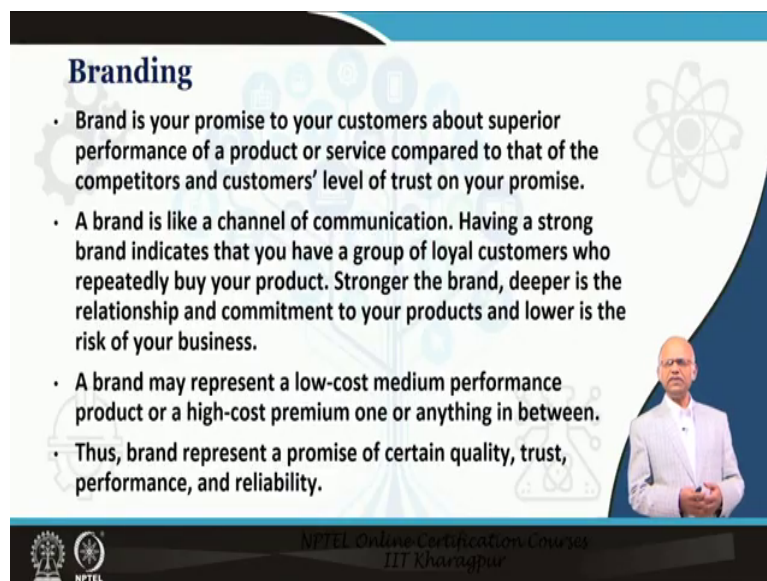


This is something called sales funnel. This shows how you identify a group of people among a heterogeneous population. The group of people who have similar kind of aspiration or similar kind of pain, for which they are really looking for a solution and you can come up with a solution or you already have a product and you identify this group of people and then

gradually, gradually you try to make them aware about your product, you tell them about the superior value proposition. Eventually, you make some sales promotion and they actually take actions meaning, that they actually purchase your product so they become customer. At the beginning, their prospect eventually, they become customer.

A story does not end there. Actually, once they become customer if your product delivers more than you promised, they will be excited super excited and they will tell the story to others. So eventually, this is the segment eventually, they will be evangelist for you, they will talk to other people and then they will get converted into customers so you have higher sales moving forward.

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Branding

- Brand is your promise to your customers about superior performance of a product or service compared to that of the competitors and customers' level of trust on your promise.
- A brand is like a channel of communication. Having a strong brand indicates that you have a group of loyal customers who repeatedly buy your product. Stronger the brand, deeper is the relationship and commitment to your products and lower is the risk of your business.
- A brand may represent a low-cost medium performance product or a high-cost premium one or anything in between.
- Thus, brand represent a promise of certain quality, trust, performance, and reliability.

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But then, for all these you need strong connectivity you may make people aware about your value proposition so they need to get connected for a long-term relationship so that they

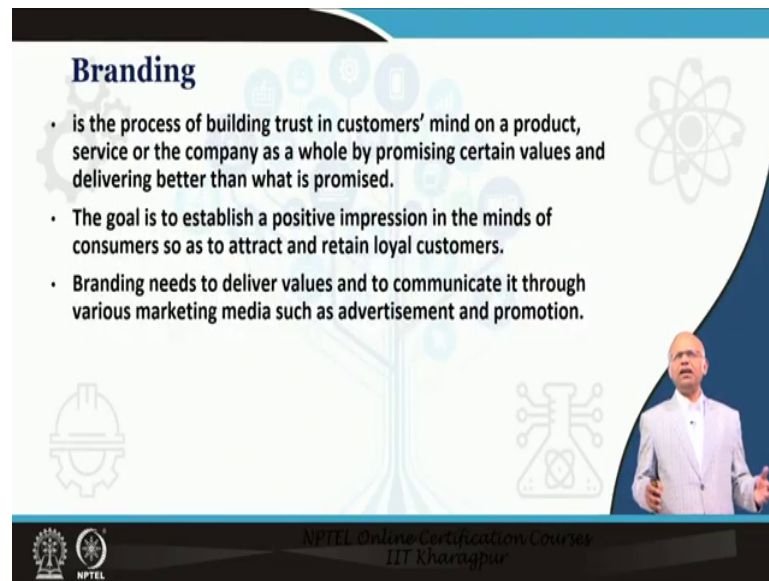
become repeat customer not only that, they become loyal customer. So that at times of a stress when your input cost goes up, you can actually pass on some of the cost to the customer and then by raising price and they will not mind because they already respect your brand they have trust on the company.

So eventually, you make superior profit irrespective of the market condition. So brand is very important. Brand contains the message of your value proposition. Brands is brand is a symbol. But then on that symbol people attached or people identify your company and the promises that you make that is associated with the name of the brand or the or the symbol of the brand.

So it actually conveys to the customer that anything that is sold under this brand can be trusted, they deliver more than they promise and customer will know will buy that rather than buying products from a competitor. A brand is like a channel of communication having a strong brand indicates that you have a group of loyal customers who repeatedly buy your product. Stronger the brand deeper, is the relationship and commitment to your products. And lower is a risk of risk in your business, there will be less attrition of customer.

A brand may represent a low cost medium performance product as well. Its not necessary that a brand means best quality product. A brand can cater to the people at the bottom of the pyramid, Maslow's pyramid or pyramid economic pyramid. So suppose you are catering to them so there may be a brand that most of them will be associated or identify them as superior value proposition. So rather than buying another product in the same segment they will buy your product. Thus, brand represent a promise of certain quality, trust, performance and reliability.

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The slide features a white background with a blue header and footer. The title 'Branding' is in a bold, dark blue font. Below it, three bullet points define branding. The slide is decorated with faint icons: a gear, a lightbulb, a smartphone, a tree, a hard hat, and a chemical flask. A small inset image of a man in a suit is in the bottom right corner. The footer contains the NPTEL logo and the text 'NPTEL Online Certification Courses IIT Kharagpur'.

Branding

- is the process of building trust in customers' mind on a product, service or the company as a whole by promising certain values and delivering better than what is promised.
- The goal is to establish a positive impression in the minds of consumers so as to attract and retain loyal customers.
- Branding needs to deliver values and to communicate it through various marketing media such as advertisement and promotion.

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And branding is a process of that building that relationship. The goal is to establish positive impression in the minds of consumer so as to attract and retain loyal customer. Branding needs to deliver values and to communicate it through various marketing media such as advertisement, promotion we will see that moving forward.

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Brand

- Branding has two definite components: one rational (tangible: quality, features, price), and the other, emotional (Intangible: mental image, esteem, trust).
- It has been proven that many customers become passionate on certain brands though they cannot make distinction in blind tests.
- By showing association of celebrities with a product or company, companies try to create perception in peoples' mind about quality, trust, and esteem. It is also a process of co-sharing of brand equity. For example, Nike associates its products with star athletes.

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This has two components: one is emotional another is rational. The rational part that is a tangible; that means, the features of the product, the quality, the price the packaging the esteem associated with that maybe. Esteem of course is emotional or intangible mental image, trust etcetera. So that is a brand contains all of that. Meaning, it may it may promise a quality, at the same time it may promise some esteem like a superior product like superior people using them sort of. At the same time, maybe trust.

It has been proven that many customers become passionate on certain brands though they cannot make distinction in blind test. You try to test some people with Coke and Pepsi in a blind-folded context, you will find that many of them would not be able to make a distinction, but you ask them which brand they like? They will say either this or that. And they like it

strongly because they have built some kind of an emotional attachment with the brand over time.

And as we all know, that there is a feel good factor associated with our emotion. If we feel that something is good then our brain actually secretes some hormones some of them are something like dopamine. If dopamine secretes, then we feel something is good and whenever we look at it, we feel this is good. Our brain sends a signal that this is good. Then the more we use them, we feel this is really good and then more and more dopamine secretes, there are many other hormones.

But this is a psychological phenomena and physiological as well. So if you can really connect with some customers in your segment and then send across positive message and if they get connected, then more and more and more they will use your products stronger and stronger they will build an emotional relation with the brand.

By showing association of celebrities like people are fan fans of some celebrities when those celebrities will be your endorser in advertisement, people will associate your product with the celebrity and eventually because they like the celebrity they will like your product. And then you try to deliver more than you promise, miracle will happen. People will never ever leave your brand. For example, Nike associates its product with star athletes. So there are fans across the world and then whosoever are fans of those stars they will prefer to buy Nike over other products.

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Building a Strong Brand

Storytelling is a powerful and effective way to make emotional connection & build lasting relations with your audience.

- Design a compelling story. Advertise to create awareness.
- Use the story to engage consumers and elicit emotion to foster loyalty, forging a meaningful relationship that goes far beyond product and service.
- Use promotion to call-to-action with an offer that they can't refuse.
- Over-deliver on your promise and give unexpected satisfaction.

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How to build a strong brand? Storytelling is another way that you can build a strong brand. Of course, maintaining quality, maintaining trust, ethical standard then making promise and keeping delivering better than your promise are all necessary. absolutely necessary to build a strong brand. But then how people are going to know about all those values?

People will know about it if you can really make a wonderful story and if the story the narrative resonate with the persona of the customers, of the type of customers that you are targeting, then there will be a quicker and stronger bond and then there will be some kind of virality into it and people will try to share, try to tell the story to others and then it will go viral and then very quickly you your brand will emerge as a most sought-after brand.

So storytelling has enormous power. Its powerful, its effective way to make emotional connection and build lasting relationship with your customer. Design a compelling story,

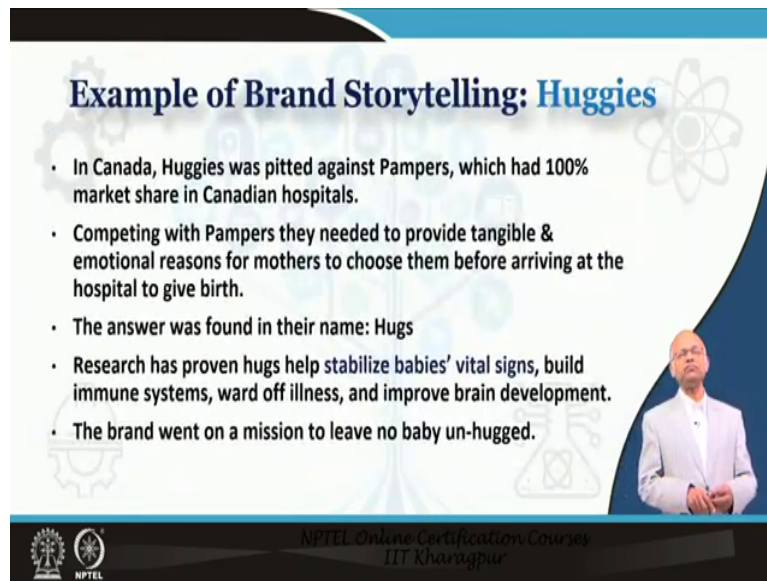
advertise to create awareness, advertise through any medium may be particularly social media and others internet, this digital media is offering wonderful opportunity at low cost you can actually reach out to lot of people, so reach out with your compelling a story to a lot of people and awareness will be created.

Then use the story to engage consumers and elicit emotion to foster loyalty, forging a meaning meaningful relationship that goes far beyond the product and service. Use promotion to call to action with an offer that they cannot refuse. Once they are aware about the product, then you come up with some kind of a discount or some story that not a story here, you actually really have to offer something.

Something like, buy one get one free or say some stimulation so that if somebody is favourably disposed with this offer they will immediately go to the market and buy or buy online. So, you have to call to action so that they take action and purchase. Over deliver on your promise and give unexpected satisfaction. So, they feel excited. So excited that they tell this story in the drawing room, in the office, in in the buses where they travel everywhere.

Rather than telling other stories, they will share their experience. People today nowadays are more interested in experience. They want to tell people that I am using something that you are not using. So give them that edge so that they feel that they have something superior that other people do not. So you have to tell the story and deliver and then people will take care of publicity and customer creation, acquiring acquisition.

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Example of Brand Storytelling: Huggies

- In Canada, Huggies was pitted against Pampers, which had 100% market share in Canadian hospitals.
- Competing with Pampers they needed to provide tangible & emotional reasons for mothers to choose them before arriving at the hospital to give birth.
- The answer was found in their name: Hugs
- Research has proven hugs help stabilize babies' vital signs, build immune systems, ward off illness, and improve brain development.
- The brand went on a mission to leave no baby un-hugged.

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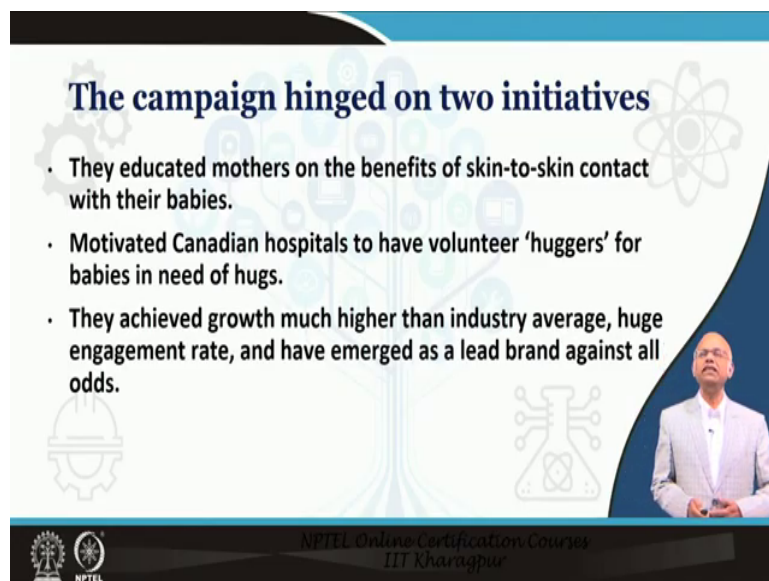
A wonderful story it is about Huggies. Huggies was a Canadian company and they were when they thought of coming out in the market with a baby diaper, the market was dominated by Pampers and market meaning they wanted to enter into Canadian hospitals. But in hospital, 100 percent market share was enjoyed by Pampers at that point. So, it was absolutely impossible and somebody has captured 100 percent market shares, very difficult to dislodge them and enter into that segment.

But, look how they made a story and how wonderfully that story was connected to all mothers and then eventually, they acquired significant market share in very quick time. How did they do that? You know, they laid their hands on a research paper or maybe number of papers where it was evidenced that if you hug a baby a new-born baby, their vital signs become stabilized very quickly.

It builds immune systems, it ward off illness and improve brain development. Not only that, through skin-to-skin contact, you build a strong bond with the baby and that bond actually lasts forever. Meaning it becomes a everlasting relationship with your baby. So Huggies actually was advertise not advertising, they were making people aware that you should hug your baby. Not only that, it became almost like a revolution because hug the company, educated the hospitals they even engaged professional huggers.

So that if any baby is just lying alone so that there will be somebody to hug that baby just to stabilize their vital signs and eventually, mothers who came to know about this story, and who are expecting to deliver babies, they bought Huggies from the market before joining the hospital to deliver. So Huggies did not have to market, it did not have to sell, their story actually sold and eventually they captured a significant market share in quick succession.

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The campaign hinged on two initiatives

- They educated mothers on the benefits of skin-to-skin contact with their babies.
- Motivated Canadian hospitals to have volunteer 'huggers' for babies in need of hugs.
- They achieved growth much higher than industry average, huge engagement rate, and have emerged as a lead brand against all odds.

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Huggies said no baby no baby should go unharmed. Everybody should receive hug and then they build up their personality, their vital signs, their immunity, etcetera. Now if you can really make this kind of a story, its not always possible, but you have to find out some story that will connect just like that hug connected with mother, mother sentiment if you can connect if you can tell some story that will connect with your customer sentiment, selling will be superfluous.

This this will be acting as marketing; this is something like content marketing. This is called content marketing, we will discuss that later. But do some content marketing of marketing of this kind, and you do not have to really work hard to sell.

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Brand Equity

- Strong brand means high brand equity.
- Brand equity is the premium commercial value that can be derived from consumers' loyalty to it and the emotional attachment.
- The value depends on how strong is the loyalty and the number of loyal people who are loyal.
- Branding is the process of creating lasting connectivity with customers. The process creates a unique impression for a product in the consumers' mind, mainly through storytelling through advertising campaigns.
- Branding aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers.

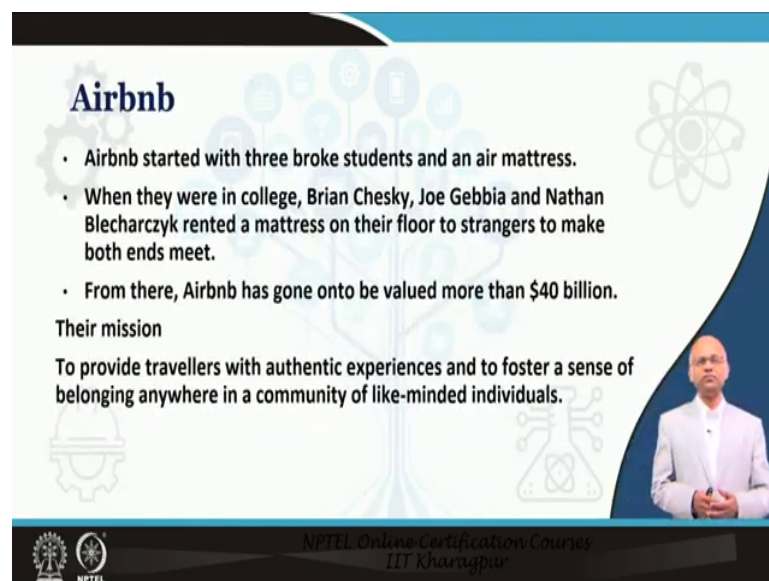
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If you have a strong brand of this kind, brand is brand has a strong equity. Meaning, the value of a company will go up if they have a strong brand. Why so? Because a strong brand will

ensure that the company is going to continue to grow through their existing customer and acquiring new customers because there is already a huge loyal loyalty of existing customer and it will not be difficult to acquire more customers and maintain loyal customer base.

So a strong brand actually makes gives a huge premium to a company. Look at any of the FMCG company, they have a strong brand and their valuation in the stock market is very high compared to other brands. Very high in the sense, if their earning per share is say 50 rupees, their share price will be something like 5000 rupees. Whereas, whereas, say a bank has 50 rupees earning per share their price will be something like 500 rupees. Its almost like that kind of a differentiation because of a strong brand.

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Airbnb

- Airbnb started with three broke students and an air mattress.
- When they were in college, Brian Chesky, Joe Gebbia and Nathan Blecharczyk rented a mattress on their floor to strangers to make both ends meet.
- From there, Airbnb has gone onto be valued more than \$40 billion.

Their mission
To provide travellers with authentic experiences and to foster a sense of belonging anywhere in a community of like-minded individuals.

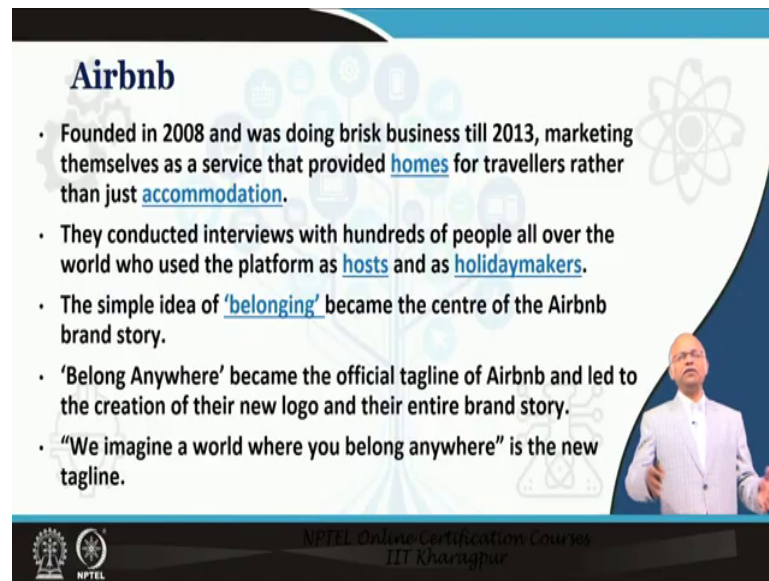
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Airbnb is another example. But this is an example on a different context. Airbnb, the full form actually is or full concept is air, bed and breakfast. So air bed and breakfast how the concept came? 3 students were almost broke. They were at California and not they were in the lookout for a job they did not have a job, but they had hired an accommodation an apartment.

So one day they were in the bus stop somebody asked them about the address of a cheap hotel because he did not have the money to spend for a regular hotel. But they these students did not know where to send him. Then suddenly something occurred to some of them, one of them they said how about accommodating him in our apartment. So they bought a air-bed meaning a rubber bed that you can blow with air and then it becomes a bed. So they invited this guy that why do not we stay with us and pay us a small rent.

So this guy agreed and this guy stayed in their room on that air-bed and then in the morning, they offered him a wonderful breakfast and a business was born. And that is how Airbnb started. But they started well, they started in 2008 and then up to 2013, they became a wonderful company.

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Airbnb

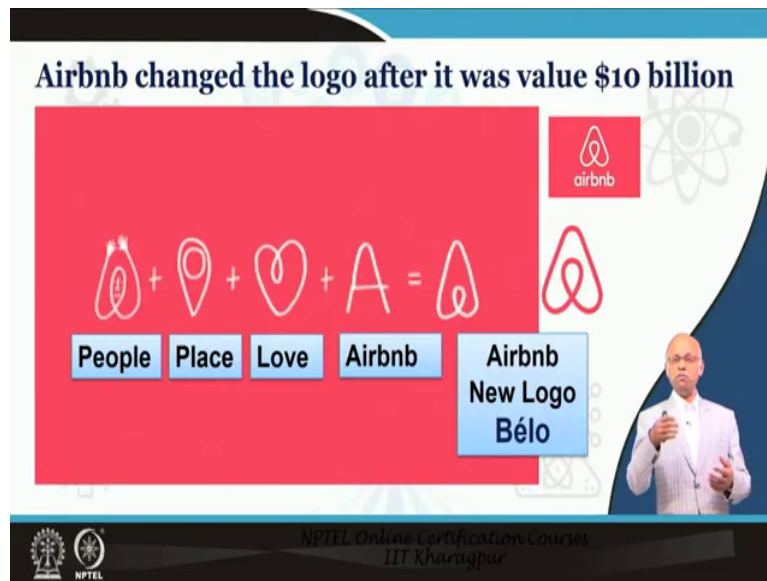
- Founded in 2008 and was doing brisk business till 2013, marketing themselves as a service that provided **homes** for travellers rather than just **accommodation**.
- They conducted interviews with hundreds of people all over the world who used the platform as **hosts** and as **holidaymakers**.
- The simple idea of **'belonging'** became the centre of the Airbnb brand story.
- 'Belong Anywhere' became the official tagline of Airbnb and led to the creation of their new logo and their entire brand story.
- "We imagine a world where you belong anywhere" is the new tagline.

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But, look what they did after that. In 2013 or from 2008 to 2013, they were acquiring data, gathering data from customers meaning the holidaymakers who are coming for accommodation and the hosts who are offering them their home as accommodation. They were gathering data and they were shifting through the data to understand what experience these people valued the most. As I said, experience matters the most in today's world. Any company that gives customer a wonderful experience, they win.

So they found the word belonging appeared maximum times in their comment, whatever they commented on their experience staying in particular, accommodation. And they realized that a sense of belongingness perhaps, rings the most important chords in the sentiment of the customer.

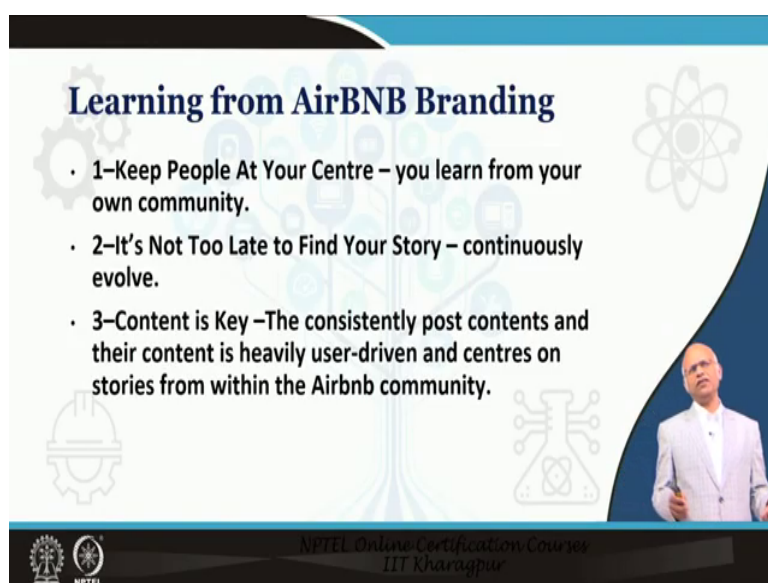
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So using that, data they rebranded Airbnb, altogether new so that is how the new logo has come called Belo or Bele. The logo actually contains several symbols. One is people meaning they are guests, as well as the host then the place where they stay, place actually if you make a Google search about a location, you get this symbol then love, meaning people to people love the guest and the host, love between guest and the host that makes the place belong belonging meaning you belong everywhere plus Airbnb.

So everything together, became the logo Airbnb logo becomes Belo. So the new slogan became, that you belong anywhere. Anywhere in the world you go, and you reside in an in a property of Airbnb, you will feel that this is my house, this is my home. So that kind of they train their host, they train they the kind of instigate or educate their guests also to behave properly with the host. Eventually, they make a wonderful relationship.

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Learning from AirBNB Branding

- 1-Keep People At Your Centre – you learn from your own community.
- 2-It's Not Too Late to Find Your Story – continuously evolve.
- 3-Content is Key –The consistently post contents and their content is heavily user-driven and centres on stories from within the Airbnb community.

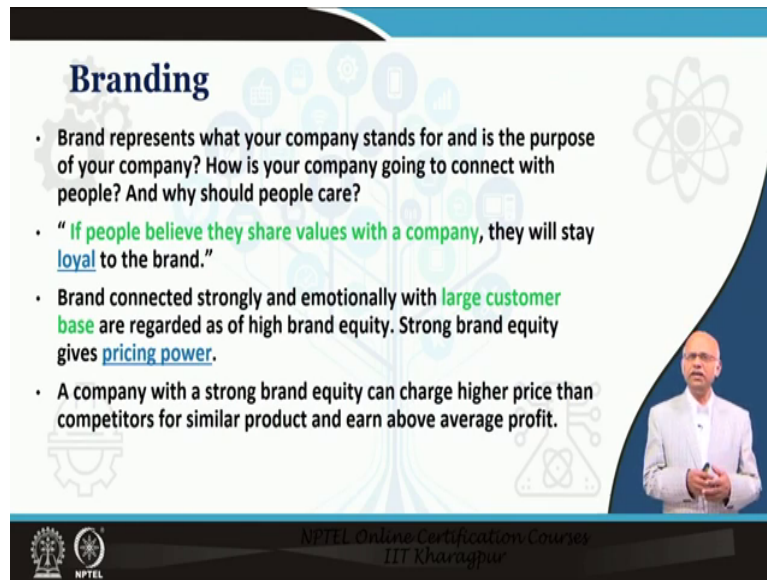
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So what do we learn? We learn from this experience is keep you keep people at your centre. Obviously, people means everything. You learn from your own community, they learn from their customers they learn from their hosts. Through sifting through the words, of their comment they realize that sense of belongingness and today that belong anywhere has become such a catchy phrase that that becomes so valuable that it catches the fancy of anybody who is thinking of making holiday for them.

Its not too late to find your story. So even though they started in 2008, in 2013, they invented their new story that connects both parties so well. Third is content is the key. Meaning, they sift through the content and not only that, they empower or encourages encourage the guests to write a review where there are wonderful reviews because there are wonderful hosts and

they use them as a content and for advertisement or for educating others about the value proposition that Airbnb is offering has been offering.

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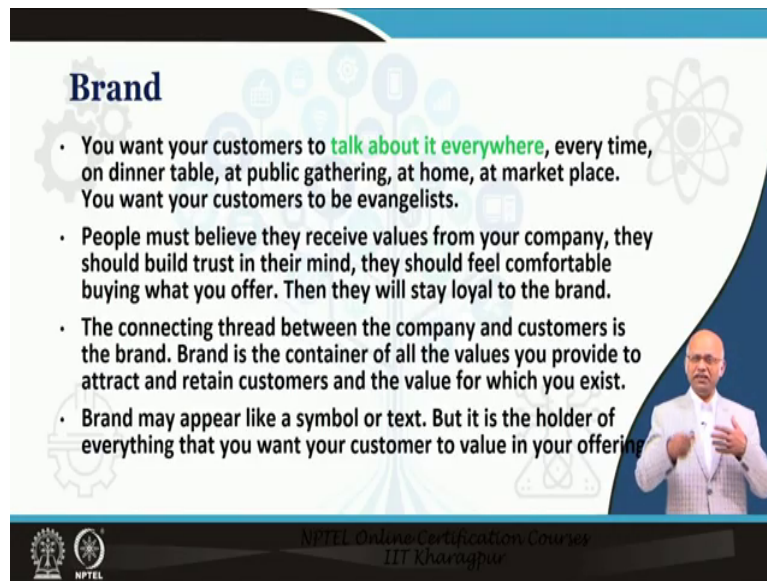
Branding

- Brand represents what your company stands for and is the purpose of your company? How is your company going to connect with people? And why should people care?
- “ If people believe they share values with a company, they will stay loyal to the brand.”
- Brand connected strongly and emotionally with **large customer base** are regarded as of high brand equity. Strong brand equity gives pricing power.
- A company with a strong brand equity can charge higher price than competitors for similar product and earn above average profit.

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So eventually, that is what brand a people believe they share value with your company they will stay loyal, loyal to the brand. We also learn this from Airbnb. Brand connected strongly and emotionally with large customer base are regarded as high brand equity, strong brand equity gives pricing power because they are loyal customer they will not go anywhere.

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Brand

- You want your customers to **talk about it everywhere**, every time, on dinner table, at public gathering, at home, at market place. You want your customers to be evangelists.
- People must believe they receive values from your company, they should build trust in their mind, they should feel comfortable buying what you offer. Then they will stay loyal to the brand.
- The connecting thread between the company and customers is the brand. Brand is the container of all the values you provide to attract and retain customers and the value for which you exist.
- Brand may appear like a symbol or text. But it is the holder of everything that you want your customer to value in your offering.

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You want your customer to talk about it everywhere, drawing room, office, kitchen everywhere. Brand is the container of all the values that you provide to attract people and retain. So develop a strong brand if you are in if you are really working on a start-up, you have to really make a plan about the story and the brand so that you have a sustainable business.

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The Brand Symbol

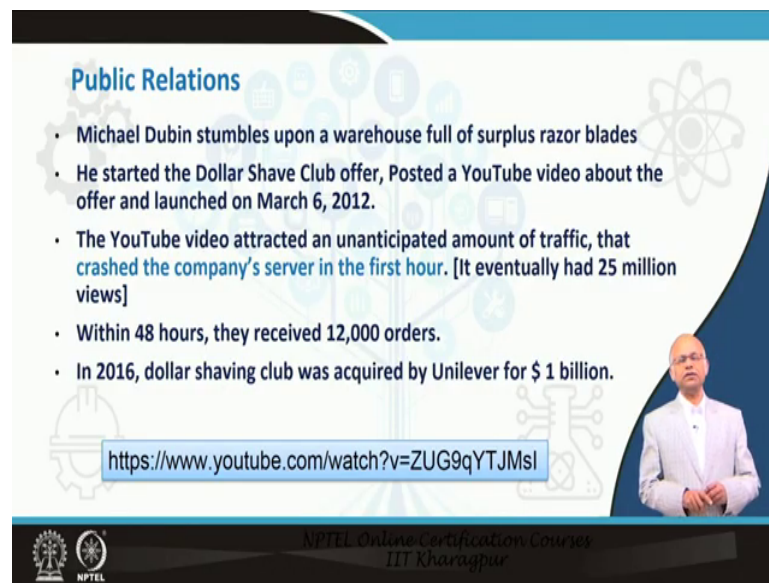
- A meaningful logo, color mix, a brand message or tagline aligning with your mission/vision.
- It should transmit the message you want your customers to perceive about your product/service and company.

The slide features a central image of a smartphone displaying social media icons for Twitter, LinkedIn, Facebook, Tumblr, and Pinterest. The background is light blue with faint icons of a hard hat, a gear, and a molecular structure. A presenter in a white shirt is visible on the right side of the slide.

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Now some grammatical thing about brand is something like a text or a symbol or a combination of the two and that represents your value. Or that is the medium of communication between you and your customer. Because your company name may not be known your found co-founders name may not be known to the customers. They will connect with you through the brand. So that should be meaningful, simple, attractive, should not be repulsive.

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Public Relations

- Michael Dubin stumbles upon a warehouse full of surplus razor blades
- He started the Dollar Shave Club offer, Posted a YouTube video about the offer and launched on March 6, 2012.
- The YouTube video attracted an unanticipated amount of traffic, that crashed the company's server in the first hour. [It eventually had 25 million views]
- Within 48 hours, they received 12,000 orders.
- In 2016, dollar shaving club was acquired by Unilever for \$ 1 billion.

<https://www.youtube.com/watch?v=ZUG9qYTJMsI>

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Next is public relation. Public relation is very important for creating brand, for connecting customer, for making the story, everything together. Michael Dubin stumbles upon a warehouse full of razor blade. Meaning, Dubin visited a friends party where the friends father-in-law was having a drink with Dubin and he expressed a problem. He said to dubin that I have a huge problem; I have two warehouses full of blades and I do not know what to do because these blades are not selling and I cannot dump it anywhere because that will cause penalty if I dump it anywhere.

So can you suggest something? Dubin said let me think over. Then he went home, he was kind of ruminating over the idea and he got an idea. And then he built a 90 seconds video and that video was so informative, so enticing and the package that he offered was so attractive

that within 48 hours of showing this video in YouTube, 12,000 orders were received.

In 2016, Dollar Shaving Club was acquired by Unilever for 1,000,000,000 dollars. He got the blades free of cost. What was the package? He said in that in the video that you pay me only 1 dollar for a month and I will send you full requirement of your blade throughout the month at your doorstep. You do not have to come anywhere just press a button and somebody will be there at the door within certain time, deliver you the blade. And for your requirement of the entire month, where you were spending 20 dollars a month, you have to spend only 1 dollar.

So there were many people who were attracted to this idea. Blades were already there in the market, many people it was something like a liability for somebody, but look how Dubin has converted that into a wonderful asset and how he did that? Through a story. That is what is public relation. You try to connect with the public through some media, through some content, you can see the video at youtube dot com etcetera, link is given right here.

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Public Relations

- Dropbox early MVP was just a video showing how the file sharing service is different from all other existing ones. They received 10,000 plus signups in the first day.
- Warby Parker's PR firm helped place a story in *Vogue*—a piece that dubbed the company the “Netflix of eyewear” and generated so many sales that the startup ran out of inventory.
- If those companies' founders hadn't decided to spread the word about their companies—each in their own way—they may have never become household names.

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Dropbox also met the similar kind of a kind of a public relation content, content marketing. What did they do? They actually made if they approached to investors, but investors did not agree to invest because investors have already invested in more than hundred companies and all of them failed. Its a file sharing website. But then Dropbox was offering something which is superior compared to anybody else but that nobody paid hit to that.

So a video was made for about a minute or so to demonstrate that this website is different here there is no loss of data and whatever you upload, you receive the same thing and the upload speed and download speed is really really fast. So looking at that, the real demonstration 10,000 plus signups were there in the first day and that the rest of that is history. Its a more than unicorn. I think its maybe 10,000,000,000 dollar company today.

Warby Parkers, they also did this is a real public relation story. 4 students joined in a management school. One of them lost his eyeglass and then 4 of them were thinking that why eyeglasses should be so costly? You lost your eyeglass that was 900 dollar and now buying another one is going to going to be so painful. Then they realize that this whole market is dominated by a single player Ray-Ban was one of the brands.

So they realize that eye glasses are not that costly, but then because there is monopoly of 1 single company that is why they are actually charging so premium. So they thought that this offers a unique proposition for a business. In a market, when 80 percent of the market is dominated by a top of the world brand and its very difficult to actually break into that market, but then Warby Parkers came up with a wonderful idea. They were offering first of all, most of the people that they pissed before, they said people will never buy eyeglasses online, everybody wants to you know test eyeglass and then after testing, maybe 10 or 20 pairs they would like to buy.

Why should they buy online? But then, these people Warby Parker had a different idea. They wanted to send 3 pairs, 3 selected pairs at home and then they take responsibility of getting back the 2 pairs that people will not like and then most the important thing what happened is, one of their faculty members was connected to one guy in the vogue, one reporter of journalist of vogue. So he put across a word that you know one batch of our students is is developing some product and this is a wonderful product why do not you write an article in vogue?

And the journalist readily agreed. So he came, talked to the students and realized this is a wonderful idea. So he brought out an article dubbing this company as the Netflix of eyewear. And that article generated so many cells that they ran out of inventory. In fact, the company was not prepared to serve that kind of a huge customer base. They thought the company will grow very slowly, etcetera. Even their website was not optimized. But then the company, the rest of the thing is this is all history. I think they are more than a unicorn.

If all these founders had not decided to spread the word about their companies, their value proposition each in their own way, they may have never become household names as they are today. So you have to being an entrepreneur you have to really come up with your own idea, your own story your own method of communication with the with the people that matters and maybe there will be almost like a rocket propulsion you stick-off and never look behind.

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PR

- Many startups fail—even if they offer a great product or groundbreaking service—because they fail to get the word out.
- They may think the product will sell itself – if we produce it will sell.

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Many start-ups failed. Even if they offer great product or groundbreaking service. They fail because they fail to get the word out. You have a wonderful product, nobody knows. How is it going to help? People need to know that you have a wonderful product. So everything together should be done in a balanced manner. Just not focusing the product per se, focus only on the market is not going to help. What is going to help is, doing things in a balanced manner.

You may think that if I have a wonderful product, groundbreaking or latest cutting edge, what not? If you if you are not capable of putting across the word to the right people, its not going to sell if it is not going to sell there is no success.

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Make no mistake! Product-market-fit is the most important element for success. But the sooner potential customers get to know of the value proposition, higher is the success potential.

PR - Create Awareness

Product-market-fit

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Make no mistake. Product, market fit is the most important element for success. But the sooner potential customers get to know of the value proposition, higher is the success potential. So both are important. One is product market fit, the other is creating the awareness. We will continue in the next session; we will end it here.

Thank you so much.