Product Requirements Document - How Can ReNEWate Increase Its Revenue?

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1.0 Introduction -

- The following case study consists of my research on ReNEWate as a product and business.
- I have tried to explore the opportunity of increasing the revenue for ReNEWate.
- Firstly, I have broken down the ways in which revenue can be increased and then I have focused on a specific lever which can be focused to increase the revenue.
- Based on that I have proposed a solution.

1.1 Understanding The Business

- India's property improvement market is $50B+ per annum.
- ReNEWate is trying to build a digital ecosystem which serves the important stakeholders in this market, such as Architects, Contractors, Designers etc.
- It is digitizing the end to end flow of the business for these stakeholders right from making a renovation proposal/estimate to the client (property owners) to managing these projects, payments, invoices etc.
- The revenue model is dependent on the % of commission fees that ReNEWate charges per transaction happening on the app.
- Currently there are 80000+ users using the app who have done 10M+ sq.ft. renovation and 100,000 estimates and invoices (Source: ReNEWate Instagram channel & Website)

1.2 What Are The User Groups?

1. Contractors - building or interior contractors
2. Architects/Designers
3. Property Owners - who want to renovate their space.

1.3 Understanding The Product

The product has following key features -

1. **For contractors/architects/designers** -
   - Create Project - this feature helps users create a project (detailed estimates/BOQs or Quick bills) by smart interactive suggestions in the form of requirement gathering.
     While creating estimates, users can use cameras to take measurements of the space to be renovated. This is done by using AR/AI technologies.
   - Projects Tab - User can manage the enquired/ongoing/completed projects in this tab.
   - Create Portfolio - This helps users to quickly add their work summary by smart suggestion prompts and the user can also upload his work related images in the portfolio. This process is a few clicks away.
   - Paint Tools - This helps in visualizing/scanning the wall color using camera and color gallery powered by brands such as Asian Paints, Nerolac.
   - Rate Finder - This tool helps in finding the rates of services/items with respect to the location.

- Bites - This is a quick view option for accessing the latest trends in renovation/architecture.

2. **For Property Owners -**
   - As of now property owners can create a project using the AI personal assistant REVA that takes inputs from the property owners and helps in adding required items into the cart.
   - Users can also explore the different designs of the previous renovation projects that have been done by the contractors on the ReNEWate app.

1.4 What Is The Revenue Model?
- ReNEWate charges a fixed % of commission fees per transaction on the app.

1.5 How ReNEWate Can Increase The Revenue?
- Let us look at the following breakdown of how revenue can be increased.
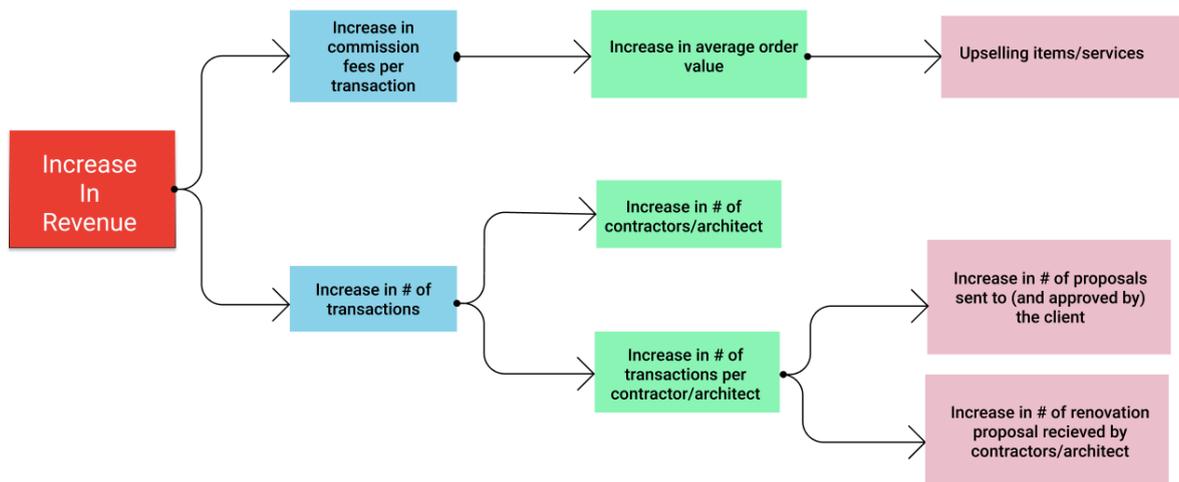
- Revenue can be increased by either increasing the commission fees per transaction or increasing the # of transactions.
- Increasing the commission fees is dependent on the average order value and that is largely in the consumers hands, so ReNEWate can have limitations over there as it will be always in the context of user's needs.
- Also increasing the fixed % of commission fees might affect the retention of transacting users.
- But, the number of transactions can be boosted by user led growth (acquisition of property owners).
- Hence, Increase in # of property owners on the app ➡ **Increase in # of renovation requests/proposals received by contracts** ➡ Increase in # of transactions per contractor ➡ increasing the number of transactions ➡ **Increase in revenue**.

- So, we can say that the revenue can be increase by -
1. **Acquisition** -
    1) By acquiring more # of contractors/architects
    2) By acquiring more # of property owners.
2. **Retention** - By increasing # of transactions per contractor/architect
3. **Upselling** - Increasing the AOV

2.0 Exploring The Retention Lever -

What is retention for ReNEWate? -
- Increase in # of projects per contractor / architect.
- It can be achieved by -
    1) Contractor led user acquisition (contractors getting the client and then onboarding on the app)
    2) Property owners reaching out to contractors.

Let us focus on how property owners can reach out to contractors.

2.1 Needs / Pain Points of property owners

- Where can I find a contractor?
- While Deciding The Contractor -
    1. Is the contractor reliable?
    2. Is the contractor experienced enough?
    3. How much does the contractor charge?
    4. How soon can the work be done?
- Property Owner's role -
    1. What is expected from my side?
    2. Need to convey property owner's ideas

2.2 Proposed Solution - 'Find And Book A Contractor'

2.3 What is it? -
- It is a feature under the property owner's profile in the ReNEWate app, that is like a marketplace listing for contractors.
- This feature lets property owners search, discover and book a contractor from the list of thousands of renovation contractors that are listed on the ReNEWate app.

2.4 Whom is it for? -
- Users registered as property owners on the ReNEWate app.

2.5 Why should it be built? -

- ReNEWate has been building an ecosystem for contractors, and it has been able to onboard 80k+ contractors/contractors till now.
- So ReNEWate has access to data of these contractors/architects, which can be utilised to build a listing interface for property owners where they can visit and book a contractor based on their requirements.
- This feature would increase the stickiness of the product as the contractors would start getting more # of projects from the app, they will tend to use it more often.
- This will reduce the friction on the side of contractors about finding clients, and it would increase the chances of getting more # of projects.
- This will ultimately solve the problem of retention and will help in boosting the revenue for ReNEWate.

## 2.6 What Problems will it solve? -

1. User Retention
2. Revenue

2.7 How will it work?

- Link to screen mockups -
  https://www.figma.com/file/zIaCRpAt8sGrgr19OzAvHD/ReNEWate?node-id=0%3A1

Screens + User Journey -

Screen 1 -

- This is the homepage of the existing ReNEWate app for Property Owner's profile, where I have tried to include the proposed feature - 'Find A Contractor'
- By clicking on this icon, users will be able to search, discover, book the appropriate contractor as per the requirements.
- As this feature would play a key role in getting more # of users on the app, I have tried to place this at the top and next to 'Create A Project'
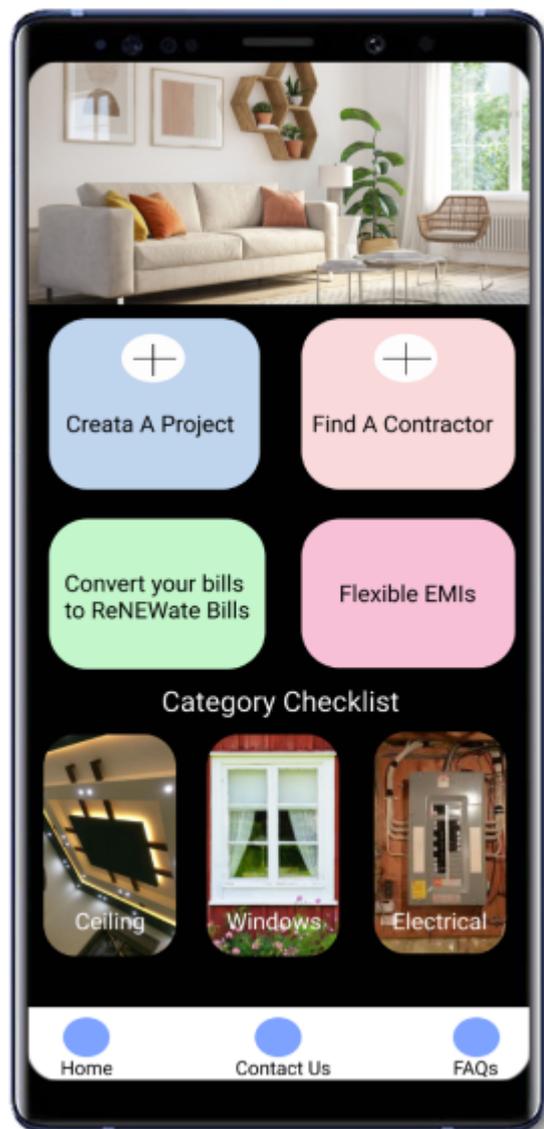
Screen 2 -

- Users will be able to search contractors as per the requirements.
- Appropriate filters can be used to narrow down the selection process.
- Factors such as 'ReNEWate Verified' and 'Customer Review Stars', would enhance the authenticity of the contractor.
- It will also mention the # of renovation projects that the contractor has done, which gives an understanding of the contractor's experience.
- Two quick CTAs are gives -
    1) Request A Call - By clicking on this, the contractor will be sent a call request notification and the contractor will call back the user to discuss the proposal.
    2) Check Portfolio - This allows the user to check the previous work that the contractor has done, which helps in the user's decision making.
- Once the user clicks on view more, a details page of the specific contractor will be opened where more details can be seen.
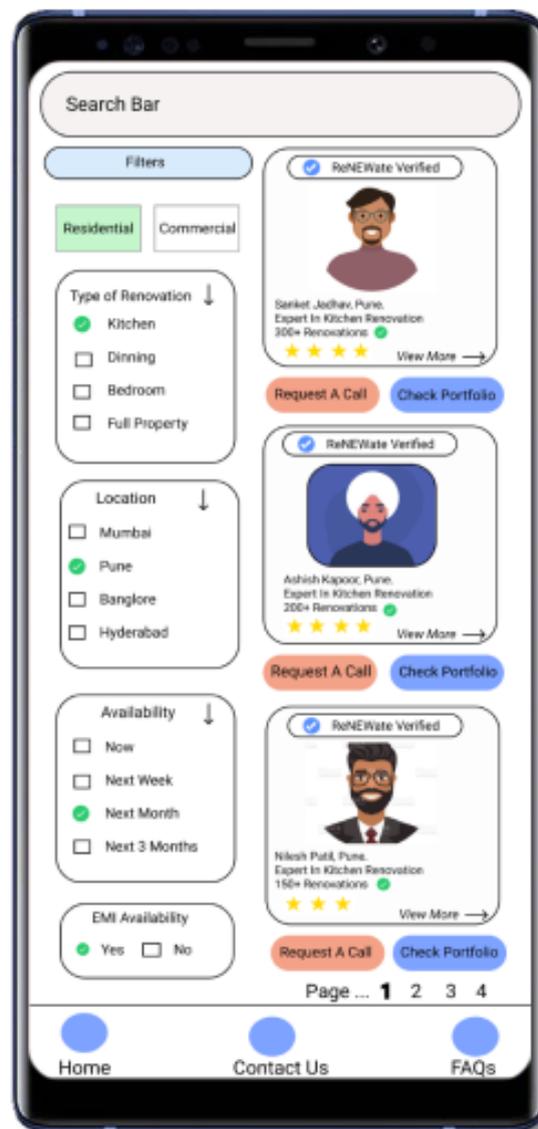
Screen 3 -

- This page gives more details about the contractor.
- It lets you access the portfolio.
- It also lets you see the previous customer's video testimonials that can vouch for the contractor's work.
- **CTAs** -
    1) **Request A Call** - Users can get a call from the contractor.
    2) **Message feature** - User can discuss everything related to proposals, measurements, material choice, expected time to finish the project etc.
    3) **Finalise** - After multiple discussions over phone and message, once a user is sure about selecting a particular contractor, he/she can finalise the project by clicking on this CTA.The contractor will be notified once it is finalised.
- The payment process can be carried out through the existing tools/features of the ReNEWate app.
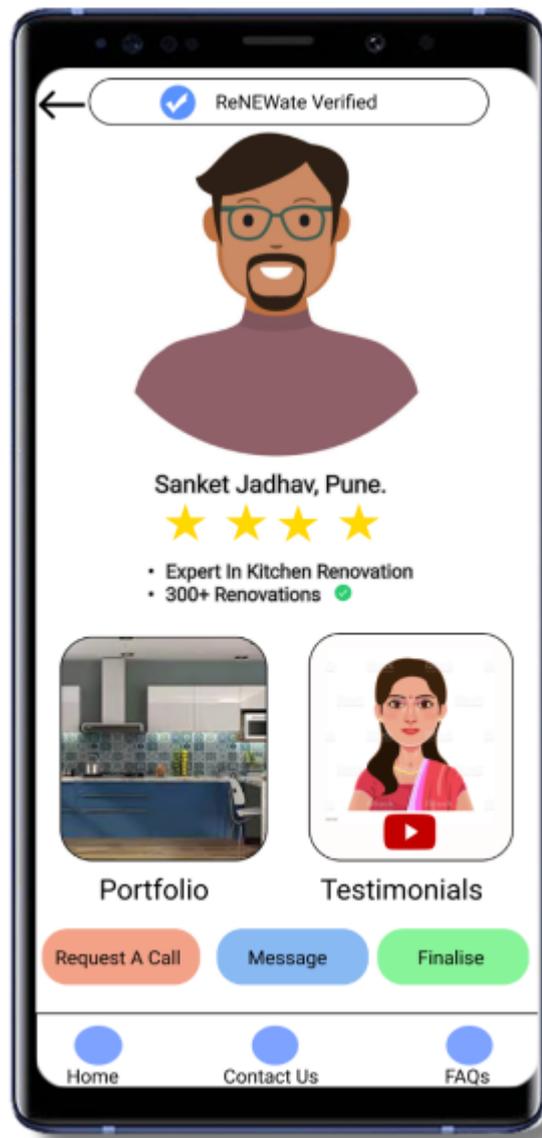
2.8 Success Metrics -

- **All of the below metrics shall be tracked on a month to month basis.**

Type of Metric	Goal / Feature	Metric	Time Frame
North Star		1. # of bookings finalised 2. % Increase in ARPU (per contractor)	1 Month
Secondary	Awareness	1. # of clicks on 'Find A Contactor'	1 Month
	Acquisition	1. # of new contractors registered after releasing this feature 2. # of new property owners onboarded after releasing this feature	1 Month
	Search / Discovery	1. # of search queries on search bar 2. # of filters clicked 3. # of calls received per contractor 4. # of messages initiated per contractor 5. # of views on the portfolio per contractor 6. # of views on the video testimonials per contractor	1 Month
	Retention	1. # of finalised bookings per contractor 2. % decrease in churn	1 Month
	Conversion	1. % of calls converted into final booking 2. % of messages converted into final booking	1 Month
	Payment Related	1. % of successful payments. 2. % of failed payments. 3. % of user availing EMI option	1 Month

2.9 Impact -

- **For Property Owners -**

1. Simplified discovery and booking of a renovation contractor.
2. Ease in decision making with the help of factors like contractor's portfolio, past customer reviews, budget, availability, location etc.

- **For ReNEWate -**

1. Retention of contractors - Increase in # of renovation proposals received by contractors by potential clients.
2. Increase in ARPU
3. Increase in LTV of the contractors.

- **For Contractors -**

1. Increase in # of contracts.
2. Increased revenue.
3. Reduced efforts for hunting clients.

3.0 Risks

1. This feature will only succeed if the acquisition of property owners is taken care of.
2. As ReNEWate has access to 80000+ contractors, this feature might get competitive from contractor's POV and might saturate for a set of users w.r.t. # of projects.