

Add price comparisons & authenticity score to Cred's e-commerce Store

Authored by Vishesh Gupta. Last updated on Oct 13, 2021.

This project aims to increase LTV for Cred Store by introducing some features on the Cred Store Page (i) tag of "hotlist items" that have the lowest price in comparison to other e-commerce sites (ii) user options to flag ingenuous discounts

Overview

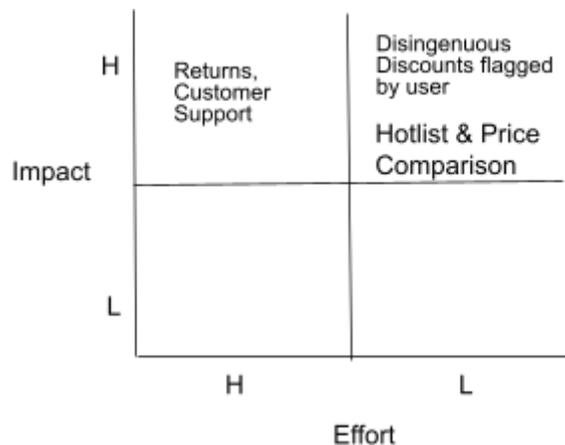
(a) Problem

1. **ARPU (for Store Purchases) is low:** People are not buying high value items, instead opting for low value purchases. The reason that can be inferred from reviews is that people do not yet trust Cred as an e-commerce website with the smoothness & agility of an Amazon/Flipkart.
2. **High Churn Percentage:** People feel that the store listings are either disingenuous (where discount is merely a gimmick) or the discounts provided are not sufficient. This can be inferred from Play Store Reviews, Google Maps reviews as well as posts on Social Media.

(b) Customer Persona

A person shopping on Cred would typically be from a middle to high income class with a good credit score. They are people who would expect the best experience from Cred whether it is card payments, rewards or shopping. Also, this segment if provided the right value, can become incredibly sticky with increasing LTV. However, any friction will cause them to turn to a competitor product immediately.

(c) Proposed Solutions



Hotlist & Price Comparison - This helps to solve the problem of churn. By aggregating results of the same product from Google & other e-commerce websites, Cred can show a price comparison tool. This gives the user confidence that the points they gain on Cred are really worth spending on e-commerce purchases. Otherwise, the user tends to buy the same product on a different website. This solution has medium effort & high impact.

Flagging of Disingenuous Discounts - The user is able to see the original price of the product on multiple websites/retail shops and is able to flag whether the discount given on Cred is authentic or not. Many products can be actually fake in terms of their quality or discounts provided. By allowing the user to flag, we are ensuring that high quality and genuine items are highlighted. It helps improve churn as well as ARPU. The solution has low effort & high impact.

Returns, Customer Support - To increase ARPU, a customer support & returns plan has to be formulated. However, this is high effort & thus we will not be prioritizing this solution.

(c) Goals & Metrics

We will be running an A/B Tests for individual features in the Bengaluru region in the cohort of 24-35 years with a credit score of 650+ and ARPU > Rs 150/mo. The reason is that this is an audience that uses Cred regularly, has knowledge of discounting and spends regularly on the app. It is an urbane audience that can appreciate the proposed solutions. If we are successful in the A/B Test, then we will scale up the solution to other segments.

1. **Test if flagging can decrease churn and increase ARPU:** We need to decrease Churn by 10% and increase ARPU by 10% to justify inclusion of the feature.

2. **Test if price comparison can decrease churn:** We need to decrease churn by 20% in order to justify the effort & costs on this feature.

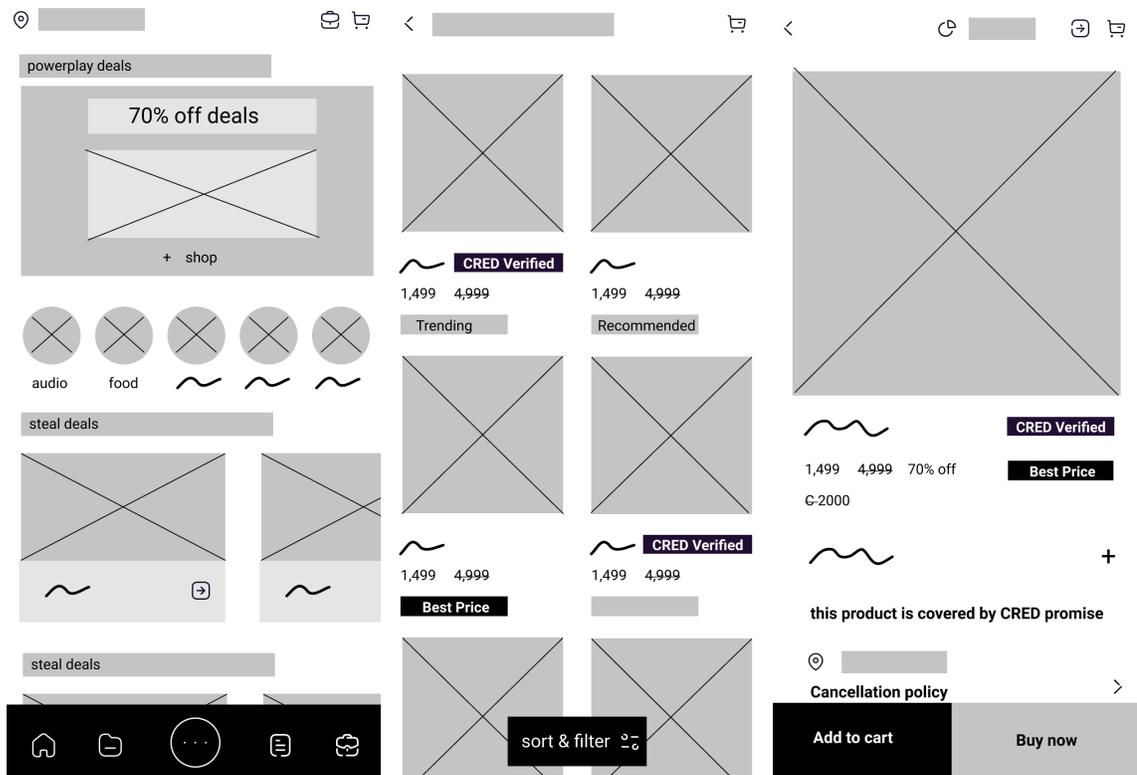
(d) Out of Scope

1. **Major UX Changes:** Only minor UI additions will be allowed. Major flow changes are not encouraged.
2. **Web Scraping:** Building a price comparison tool from scratch is not the goal. We need not build a perfect tool. We can choose any vendor that provides price comparison. The goal is to estimate impact on churn, not build a perfect tool.

(e) Team

Design Head
Design Engineer
Tech Lead
Marketing Head
Backend & Frontend Developer
Operations Head

(f) Wireframe



<https://www.figma.com/file/8n1IG7RiKAI8dMQ5QLmvji/Wireframe---PRD-Cred?node-id=12%3A586>

The complete link to the prototype is given above.

(f) Solution

1. **“Cred Verified” Label** - For items where price & discounts have been verified by Cred and are deemed to be accurate, Cred can label these items as “Cred Verified”. Returns & Cancellations can be added advantages to such items, as well as awarding Cred Coins on such purchases.

2. **Best Price Label** - Cred can link up with a third party vendor that scrapes results from Google & e-commerce websites and gives back a result to Cred stating whether the price & discount indicated are "Best Price" or not

3. **Flag This Product Option** - Option given by user to flag the product in case they find the info unreliable.

(g) Risks

1. The "Verified" label can turn out to be inaccurate. So, a strong operations play will be needed here.

2. The "Best Price" Label might not be correct in a real-time scenario. A strong vendor/web-scraping approach might be needed.

3. Too many flags on products might create a difficulty for operations teams to manually verify all products.

(h) Future work

If the test does not succeed: Need to try a larger Customer Support Team, more lenient Returns policy.

If the test succeeds: Roll out at larger scale, better vendor selection, stricter operations play.