

Product Teardown

URBAN COMPANY

Plus Subscription



URBAN COMPANY

ABOUT URBAN COMPANY

- **Founded:** November 2014 (formerly UrbanClap)
- **Headquarters:** Gurgaon, India
- **Services:** Beauty, home repairs, cleaning & more
- **Global Presence:** Expanded to **UAE, Singapore, Australia**, and the **USA** after rebranding in 2020.

COMPETITORS



Biggest competitor in home cleaning, repairs, and beauty services.
Strong in tier-1 cities.



Competes in home maintenance, cleaning, and painting, **backed by NoBroker's real estate network.**



KEY STATISTICS



- **Net Revenue:** ₹827 crore in FY24 (**+30% YoY growth**)
- **Profitability:** **₹12 crore** profit before tax in **Q1 FY25**
- **Market Size:** USD 4.3 billion in 2022 → projected to reach **USD 14.8 billion by 2030**
- **CAGR:** **16.7%** expected growth (2023-2030)
- **Gig Economy Impact:** **50,000+** professionals onboarded

BUSINESS MODEL



WHAT URBAN COMPANY HELPS USERS ACHIEVE



- **Convenience:** On-demand, hassle-free home services.
- **Quality & Trust:** Verified professionals with training & background checks.
- **Time-Saving:** Quick service booking via app.
- **Reliability:** Transparent pricing & standardized service offerings.

HOW DOES UC PLUS WORK ?

UC Plus offers **priority booking, exclusive discounts**, and enhanced service benefits for frequent users through a **subscription model**.

VALUE GENERATED FOR URBAN COMPANY:

- **Enhanced Retention and Order Frequency :** Recurring benefits and exclusive offers increase customer stickiness, leading to higher order frequency and reduced churn.
- **Boost in ARPU and LTV :** Increased usage and recurring subscription revenue result in improved ARPU and higher lifetime value.
- **Steady Revenue Growth :** Consistent subscription income and frequent service bookings create a scalable and predictable revenue stream.
- **Long-Term Market Leadership :** Strong retention, higher user engagement, and increased customer value position Urban Company for sustainable growth and market dominance.

IS UC PLUS WORTH IT?

UC Plus Break-Even Point:

- ₹299/year → You break even after ₹2,990+ in bookings.
- ₹249/6 months → You break even after ₹2,490+ in bookings.
- **Max Savings Limit** → 4x the membership price paid.

Best for:

- Frequent users booking multiple services.
- Users who spend ₹2,500+ in 6 months or ₹3,000+ in a year.

Not ideal for:

- Occasional users spending less than ₹2,500/year.
- Customers looking for discounts on excluded categories (bathroom cleaning plans, home decor, smart appliances).

Urban Company Plus has over **1 million subscribers**, accounting for approximately **20% of Urban Company's total user base**.

USER SEGMENT

Our Primary users are customers who frequently avail home services and seek value from subscriptions.



TARGET SEGMENT FOR UC PLUS

- **Value Seekers** aiming to maximize cost savings through subscription benefits.
- **Frequent Service Users** : Regular customers using multiple services, benefiting from recurring discounts.
- **Existing UC users** who trust the platform and are **willing to commit for long-term benefits**.

USER PERSONA



Rayn : 25yr old, IT Professional

I want my subscription to work harder for me!

Goals:

- Maximize savings by using UC services frequently.
- Unlock additional benefits and exclusive offers.

Pain Points:

- Current subscription features don't fully align with his needs.
- Desires more customization and tailored service options.
- Frustrated by limits on maximum discounts per transaction.



Ruby: 29yr old, Home Maker

If I'm paying, I better see real value!

Goals:

- Ensure the subscription offers tangible value.
- Make informed decisions based on reviews and comparisons.

Pain Points:

- Believes loyalty programs may be gimmicks.
- Concerned about hidden charges and unclear terms.
- Prefers to pay only for services she uses without subscriptions.

USER JOURNEY

Stages	Discover Plus	Evaluate Benef-	Purchase Plan	Use Service
Actions	Learns about the UC Plus membership program.	Reads about the benefits and cost of subscribing.	Completes the payment to subscribe to UC Plus	Attempts to book a cleaning service using
Thoughts	"This sounds interesting, priority bookings would be helpful	"This seems like a good deal, I can subscribe."	"I have plus now, waiting times should be shorter	Is Plus worth it? I'm not sure I'm getting value here
Emotions	 Curious	 Optimistic	 Hopeful	 Unsatisfied
Frustrations	Priority booking might not get fulfilled during peak hours	Low cost options are no longer available; certain cart value is required	Low cost options are no longer available; certain cart value is required	Hard to find value from the membership if low unavailable

RECOMMENDATION

UI Solution:

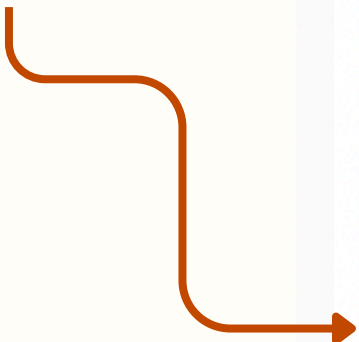
- If a priority slot isn't available, automatically suggest the same slot for the next day.
- Show a message like "Book for Tomorrow & Save 5-10%" to encourage booking for the next available time.

Impact on Metrics:

- **Customer Satisfaction (CSAT):** Increases by reducing frustration when desired slots aren't available.
- **Retention Rate:** Improved by offering value even when immediate slots are unavailable.
- **Conversion Rate:** Likely higher since users may choose a discounted next-day slot rather than abandoning the cart.

User Value:

- Builds awareness of UC Plus savings, making it easier for users to see the benefit.
- Reduces post-subscription dissatisfaction when users feel they're not getting lower prices.



When should the professional arrive?

INSTANT
In 75 mins
High demand

☐

Next day available:
Tue, 01 Aug 12:00 PM
Book for Tomorrow & Save 10%

☒

Show UC Plus prices

☒

Select start if later

Tue 01 Aug

Wed 02 Aug

Select start time of service

₹510
₹600

u Plus

12:30 PM

01:00 PM

01:30 PM

01:00 PM

03:30 PM

METRICS

North Star Metric

Subscription Retention Rate (% of users renewing UC Plus after 6/12 months)

L0 Metrics (Direct Impact):

Conversion Rate (% of users opting for UC Plus during checkout)

Cart Abandonment Rate (Reduction after offering next-day slots/discounts)

Average Order Frequency (Increase in orders per subscriber)

L1 Metrics (Indirect Impact):

Discount Usage Rate (Frequency of users leveraging priority/discounted slots)

CSAT Score (Customer satisfaction post-booking with UC Plus)

ARPU (Increase in revenue per user through higher order frequency)

Churn Rate (Decrease in subscription cancellations)

Time to First Purchase (Duration between subscription and first booking)



THANK YOU

