

BUSINESS MODEL OF UPGRAD

Priya Parashar, Pritesh Raj, and Prince Raj BBA,
School of Business,
Galgotias University, Greater Noida, Uttar Pradesh,

ABSTRACT

Upgrading is often seen as a means to strengthen customer loyalty between investments in new equipment, but there is more to it. It is a means to introduce innovation in small, but continuous steps keeping both OEMs and their customers at the innovative forefront of technical and business development. Upgrading also improves sustainability and it is a driver in the development of the circular economy. Basically, upgrading means the transformation of a used piece of capital-intensive equipment to meet the new conditions in the user's business environment, but in practice, it can take on a variety of forms depending on what type of added value is provided to the customer. In this article, we define four generic types of upgrade business models based on the industrial cluster cases in the UIW-project. Using a modified business canvas approach, we define the four Upgrade business models and compare how they create value for the customers, how they organize their main activities, and how they earn money. A central means of achieving profitable upgrade business is to develop efficient business processes through digitalization and through the use of modern information technology. Here we identify four areas where technologies such as AR and VR help to create an efficient environment for information management and communication in the upgrade value network.

Introduction

COMPANY PROFILE

Introduction upGrad Education Private Limited is an online educational platform that enables people to develop their professional skills in a highly attractive learning environment. Online education is a significant disruption to the traditional model and will have a major impact. At upGrad, we are working to turn the online education wave into a tsunami! At upGrad, our mission is to help individuals improve their career prospects and switch to promising career profiles.



UpGrad is an online higher education platform that provides robust industry-related programs designed and delivered in partnership with industry-leading enterprises. Combining the latest technology, pedagogy, and services, upGrad creates a deep learning experience - anytime and anywhere.

Vision

- Building Careers of tomorrow

Mission

- Provide opportunities to further your professional journey through strong online programs that provide personalized support, developed in partnership with leading class professionals and industry experts.

Founders

1. Mayank Kumar (Co-Founder & MD)
2. Phalgun Kompalli (Founder and founder)
3. Ronnie Screwvala (Founder and Executive Chairman)

How did it start?

upGrad started in 2015 believing that in an ever-changing industry, professionals need to keep improving themselves in order to stay relevant. Since then we have been focusing on building the best online learning experience in collaboration with relevant universities and industry partners. Then we proceeded to build a strong support system for our students. Starting with our first Business plan, upGrad has created some of India's largest online programs to help thousands of professionals achieve their career goals in the field of data and management technology.

UpGrad Values & Cultural Pillars

LEAD the future of education through upGrad

L Long-Term Thinking and Clinical Killing

E Sensitivity and impact

Accountability and Identity

D To bring vitality

UpGrad Business Model

UpGrad uses a successful business model that doubles the way between students and faculty to build a brighter future together. In other words, UpGrad acts as a bridge between educational institutions and students to gain the best possible knowledge and skills. Educational institutions offer their program courses in various courses through the UpGrad app and the website at reasonable prices.

Candidates who are interested in the courses offered, register with UpGrad by fulfilling the important eligibility criteria set by the institution. Afterward, the eligible candidate pays the prescribed fee for the study. UpGrad offers two payment transfer options: complete payments simultaneously or installment option. In addition, UpGrad also employs professional directors who will enroll professionals in their courses. This creates a two-way business approach that assists UpGrad in achieving its main goals and outlines an easy way for companies to hire potential people.

UpGrad is built primarily on a specific B2C business model where the customer subscribes to the program (authorized posts) and pays for the registration first.

Through its business venture, the company receives payments from companies that train its employees.

UpGrad earns revenue from the contract

The price of the upGrad program shows its commitment to getting students included. 50% of the program fee is collected from the student only if it is deposited after the completion of the program. This pricing strategy is the first of its kind in India.

UpGrad - Competitors

UpGrad's top competitors are –

- Byju's
- Coursera
- Udemy
- Edureka
- Simplilearn
- Unacademy and more.

However, there are some features that stand out upGrad apart from its competitors. One of the main USP handshakes is given to each student. This practice is called 'student mentorship' and the team behind it is known as 'Student Success' at upGrad.

Figure 1



What's Different about Upgrad business model

The most unique thing about the UpGrad business model is that it is not another ed-tech company with instructional videos and content. UpGrad is a leading platform that provides expertise and knowledge for entrepreneurs and professionals. UpGrad provides tons of student-based resources and always delivers amazing results.

UpGrad is working on more than 15 new courses that can be added to the programs and are all set to expand their facilities worldwide.

Key Services of UpGrad

UpGrad offers some online courses and rewards students with a recognized certificate in many fields such as Machine Learning, Data Science, Digital Marketing, Software Development, Product Management, and many more.

In addition, it provides unique information to its customers on content developed by academics and industry experts. Also, practical training and job support.

The company offers 3 different courses -

- Data
- Technology
- Management

In the data field, there are various courses such as the PG Diploma in data science, a master's in data science, and a PG certificate in Data Science.

UpGrad targeted audience

UpGrad is mainly focused on people over the age of 22 or 23. It directs exactly the same as the Simplilearn company. UpGrad focuses on working people in the 23-45 age group, who are eager to learn and develop their skills through online channels.

Sales process

Selling is a term used to describe activities that lead to the sale of goods or services. Businesses have sales associations divided into different groups. And these sales groups are usually determined on the basis of:

- The region in which they sell
- The product or service they are selling
- Targeted customer

Vendors reach out to potential contacts who may be interested in purchasing a product or service sold by their company. Also interested parties (e.g., visiting a company website, downloading a piece of content, interacting with your company on social media). The goal is to reach out to managers who have shown interest or are desirous of their customer's target information, hoping to provide them with a solution that leads them to purchase your product or service.

Objective and Scope of the Study

The objective of this project is to try to find out what students want if they choose to enter an online course, and how Upgrad holds the market. With the advent of technology in the world through the introduction of portable and wireless equipment, it has become increasingly important for the education sector to capture this technology in the teaching and learning system.

Hypothesis

Online courses are gaining recognition and many users, especially professionals, are interested in getting an online certification course. They enroll in online courses for a variety of reasons such as skills development, getting a better job, new opportunities, etc. Collaboration and collaboration are an important part of the e-learning platform and users need new and smart features to help them with their learning.

Scope

The goals of educational technology are focused on the process. The use of educational technology is not limited to teaching ,learning methods and theory but provides deep assistance in the development of human personality.

Below is a list of scope for Upgrad

- The development makes the learning-teaching process more efficient and process-focused.
- Electronic and electronic gadgets can be easily used for educational needs.
- Improve and improve the learning process of students with the help of teaching resources and structured teaching materials, etc.
- Traditional devices such as television, radio, tape-recorder, V.C.R,
- To be the first in India to pay for university-approved degrees through integrated online degree programs.
- Strengthen its global footing

Literature Review

RidhiGoyal UpGrad is an e-learning platform that produces industry-focused learning programs. These courses include digital marketing, product management, data analysis, data driven management, and digital technology management.

UpGrad offers many different courses in trending disciplines such as Artificial Intelligence, Learning Machine, Blockchain, etc. You can enroll in Diplomas, PG degrees, or certificate courses based on preferences. However, confidence is limited in some way. As there are a few domain preferences on the platform.

They are government-based programs, which means you have to learn everything they teach no matter what job experience you have.

The rapid development of technology has made primary education easier (McBrien et al., 2009). “Many of the words (online reading, open reading, web-based reading, e-learning, mixed-reading, m-reading, for example.) Are like the ability to use a computer connected to a network, which provides the ability to read anywhere, anytime, anytime. rhythm, by any means” (Cojocariu et al., 2014).

Online learning can be termed as a tool that can make the learning-teaching process more focused on students, more creative, and more flexible. Online learning is defined as “the experience of learning incompatible or non-compatible environments using a variety of tools (e.g., cell phones, laptops, etc.) through internet access. In these areas, students can be anywhere (independent) to learn and engage with teachers and other students Singh & Thurman, 2019).

A cohesive learning environment is built on the idea that students go to live lessons, there is real-time communication between teachers and students, and there may be a quick response, while non-synchronized learning environments are not well organized. In such a learning environment, reading content is not available in the form of live talks or classes; is available in various learning programs and forums. Quick response and quick response are not possible under such an environment (Littlefield, 2018). Learning about synchronization can provide many opportunities for social interaction (McBrien et al., 2009).

In the midst of this deadly virus is still being spread online forums where (a) video conferencing of at least 40 to 50 students is possible, (b) interviews with students can be held to maintain organic classes, (c) good internet communication, (d)) lectures are available on mobile and not just on laptops, (e) whether it is possible to view pre-recorded lectures, and (f) instant feedback from students can be reached and assignments can be taken (Basilaia et al., 2020)

According to various studies, about 77% of teens (ages 10-13) and 86% of teens (ages 14-17) use the Internet in their schoolwork, a way that children do not use the same number of teens use . . technology, but kids still have a high percentage of using technology and their time is spent most of the time playing online games, while teens and young adults spend their time in email probably talking to professors, earning marks etc. and homework. Some schools may offer the latest technology to their students, enabling these students and teachers to understand the increasing use of technology in the classroom. By spending time on laptops, some on their new tablets can find great sources of research for their projects. Smart calculators and

DIFFERENT TYPES OF MARKETING STRATEGIES

1. SWOT and TOWS Analysis

SWOT and TOWS are both abbreviations of strengths, weaknesses, opportunities and threats. Although both use the same basic concepts in their analysis, TOWS emphasizes the external environment while SWOT focuses on the internal environment. These models help you visualize strategic options and rotate your strengths and reduce your weaknesses to avoid threats and increase chances.

2. 7Ps marketing mix

7Ps in marketing machines represent product, price, location, promotions, people, process and tangible evidence. A marketing mix is a widely used marketing model that helps to plan the business strategy stages from its design to its evaluation. By using 7Ps segmentation, you can analyze each component of your company to see ways you can improve your strategy and meet your goals. Here is a description of what each P means:

3. STP sales model

STP stands for segmentation, identification and placement. It is a popular model that uses a high-level approach by focusing on the way the company communicates with customers. STP uses a four-step process to deliver relevant, specific messages to your target audience. Advanced models such as STP marketing model have gained popularity over the years as companies focus on delivering content provided to their target audience through social media.

4. Porter's five powers

Porter's five strengths are competitive competition, supplier strength, consumer strength, threat of change and the threat of new entry. This model is unique in that it measures profits by focusing less on the product or audience and more on external influences and competition..

UPGRAD IS USING AIDA MODEL

5. The AIDA model is probably the most well-known marketing model among non-retailers of all types of classic marketing. Many retailers find it useful, either as we use it daily or consciously or recklessly when we think of how to make our marketing communications more effective.

The AIDA model identifies the stages of understanding that a person goes through during the process of purchasing a product or service. It is worth buying where buyers go again in each category, to support them in their final purchase.

It is no longer a consumer-company relationship as the social media platform has expanded to achieve the various goals of AIDA with information added by other clients through social media and communities.

MARKETING SALES FUNNEL

6. Ansoff matrix

Also called the product or market expansion grid, the Ansoff matrix is a 2x2 grid that outlines four strategies you can use to grow your business and analyze potential risks. Ansoff grids have markets on the y-axis. The lower end of the axis represents new markets, and the upper end represents existing markets. Products and services are on the x-axis. One side shows existing products and services, and the other represents those that are new.

Growth-share matrix

The growth-share matrix uses four quadrants to help businesses decide how to prioritize their different ventures. In this marketing model, the y-axis shows low

RESEARCH METHODOLOGY

Objective of the research:

To understand the concept and public awareness about online qualifications.

Understand your preferences for online or offline education based on drivers, barriers, teaching method choices, payment options, etc.

The objective of this project is to try to find out what students want if they choose to enter an online course

Research methodology: This study is divided into several phases:

Phase 1: QUALITATIVE REVIEW

Qualitative research is conducted to analyze important causes, barriers, and perceptions for choosing online certification.

- **Methodology:** Focused group chats and a collection of conversations from web search.
- **User segments covered:** Users who choose higher education (online) - women, , users of online certification

courses - men's group

PHASE 2: QUANTITATIVE ANALYSIS VIA ONLINE SURVEYS SEARCHES

Based on the inputs of Section 1, a quantitative survey was conducted to measure the various aspects of consumer behavior for all online users, who aimed at online education.

• **Methodology**: About 200 participants in online research conducted in the North (Agra, Chandigarh, Delhi, Jaipur, Kanpur and Lucknow) regions, East (Guwahati, Kolkata, Patna, Ranchi), West (Ahmedabad, Bhopal, Mumbai, Nagpur, Pune, Surat, Vadodara) and South (Bangalore, Chennai, Coimbatore, Kochi, Hyderabad, Madurai, Thiruvananthapuram, Vijayawada, Vishakhapatnam). Interviews were limited to 15 to 20 minutes, with 25 questions per session, including test questions.

Internet Survey conducted by Google - KPMG Internet Education Survey.

Methodology

Market revenue estimation: Volume rate is based on the number of internet users in India, the unmet need for education at all levels, the number of users of the category and the acceptance of online learning in the major categories. The 2021 volume estimates are based on the levels of potential change in the regulatory environment and the perceived increase in internet penetration in India. Revenue in the Indian market is based on the percentage of paying customers and the average transaction amount of the pay base in all key categories.

Research design

The survey was conducted in online mode. The questionnaire was prepared and floated, and answers were collected. The data used were extensively collected through initial research.

Sample Process

Here the sampling process used was random sampling. Each comment had an equal chance of being selected

Period of study:

The selected study time was January 2022 to April 2022 which was during my 6th semester.

This study was conducted in a systematic manner from topic selection to the final draft report. The whole process and procedure of the method followed in the study are described further. The report title is Upgrad Business model. The topic was well discussed by my University management, in order to prepare a formal internship report.

Sources of data

Primary research

Discussion with industry experts and key players conducted by KPMG in India – Opted from Web Search

Secondary research

- Facebook Ads Manager
- Reports published on India's education system, published by MHRD and sources of foreign companies
- Industrial journals and magazines
- Publishing company news

Hypothesis

Online courses are gaining traction and many users, especially professionals, are interested in getting an online certification course.

They enroll in online courses for a variety of reasons such as skills development, getting a better job, new prospects etc. Collaboration and collaboration form an integral part of the e-learning platform and users need

new and intelligent features to assist them in their learning.

Upgrad courses improve in the skills of the working professionals.

Findings

The findings of the study are based on a sample size of 200 respondents for staff working in various departments.

- 71 percent of respondents were interested, and 29 percent were not interested in E-learning Respondents who said yes
- 37 percent of women and 63 percent of men are committed to E-learning. -The majority of respondents are 21-25 years old as 80% of respondents are in this age group. Their average age was 23 -
- Qualifications: 69 percent were bachelor's degree holders with various degrees such as Bachelor of Computer Application, Bachelor of Business Administration, bachelor's in commerce, bachelor's in science, Engineering and more. 38% had a master's degree with a Master's degree in Business Administration & Masters in Computer Application & a percentage with diploma holders and finally, only 5% others would like to pass only 12 subjects)
- Respondents held a variety of positions such as 28 percent of respondents were Important, 16 percent were agents, 19 percent were in the Office 8 percent were technical support, 1 percent were party leaders. Eleven percent were representatives, only 1 percent were executives, and another 13 percent were executives. Finally, 3 percent indicated that their subject was not on the checklist list. Among the selected, unlisted items were information analysis, Authenticator, E-relationship officer, etc.
- 19 percent of respondents are dissatisfied with their work and 81 percent are dissatisfied. About 50 percent better job they strongly agree that additional qualifications can help them find better job opportunities followed by 34 percent positive. 9 percent are neutral, 5 percent disagree, and 2 percent strongly disagree.

- That administrative field is the most selected with 39 percent of respondents interested in it. Information technology is the second choice of 29 percent of interested responders. The technology sector is 18 percent, the Commerce sector is 8 percent, the medical sector is 2 percent and 4 mentioned others. There are a

CONCLUSION

Constructive feedback is collected from respondents as many respondents have shown interest and are willing to attend Developmental Education. This field of call center staff is a good potential market for the company to provide them with E-learning courses because as call center staff they have extraordinary working hours that require flexibility in learning when doing any course. And additional qualifications will provide them with new job openings or better job opportunities that are also firmly entrenched by them.

Respondents feel that additional qualifications will help them because they do not see many job opportunities in the future and this experience (working in call centers) is not considered a work experience in many other workplaces.

Therefore, we can conclude that E-learning can enter the market to offer courses to employees working in various fields.

Scope of future research

- Finding a potential E market for business training E
- Learn the learning process (Visual, Feeling, Touching) required for E-learning.

REFERENCES

- upGrad
- exchange4media staff, (2020, Feb 27). [https://www.exchange4media.com/marketing news/cupshup-launches-btl-activation-across-3000-corporates-for-edtech-major-upgrad 102996.html](https://www.exchange4media.com/marketing-news/cupshup-launches-btl-activation-across-3000-corporates-for-edtech-major-upgrad-102996.html). Cupshup launches BTL activation across 3000 corporates for EdTech major upGrad
- [https://wootclub.com/blog/all-about-below-the-line-marketing activities/#:text=BTL activations induce a list,telemarketing, free sampling & exhibitions. \(2019, July 19\). All About BTL Activities-Significance,](https://wootclub.com/blog/all-about-below-the-line-marketing-activities/#:text=BTL activations induce a list,telemarketing, free sampling & exhibitions. (2019, July 19). All About BTL Activities-Significance,)
- Benefits & Ideas for Brand Act
- <https://www.greatlearning.in/>.(n.d.).
- <https://www.simplilearn.com/> (n.d.).
- <https://www.upgrad.com/>. (n.d.)
- Impact of covid -19 – March 2020
- LinkedIn.com – Various Blogs
- Ms. Divya Golaknath (Co – Founder, Byju’s) Blogs Survey report of Google – KPMG on Online Education
- Byju’s.com/ AboutToppr.com/
- AboutMeritnation.com/ AboutUpGrad.com/ AboutUnacademy.com/ AboutVedantu.com/ AboutAcademia.edu
- Medium.com

