

○ CHAPTER– 12

ROLLER COASTER RIDE OF LIDO LEARNING

Ch.Id:-ASU/GRF/EB/MIVWMSS/2022/Ch-12

DOI: <https://doi.org/10.52458/9789391842758.2022.eb.grf.asu.ch-12>

¹Mr. VISHANT SINGH

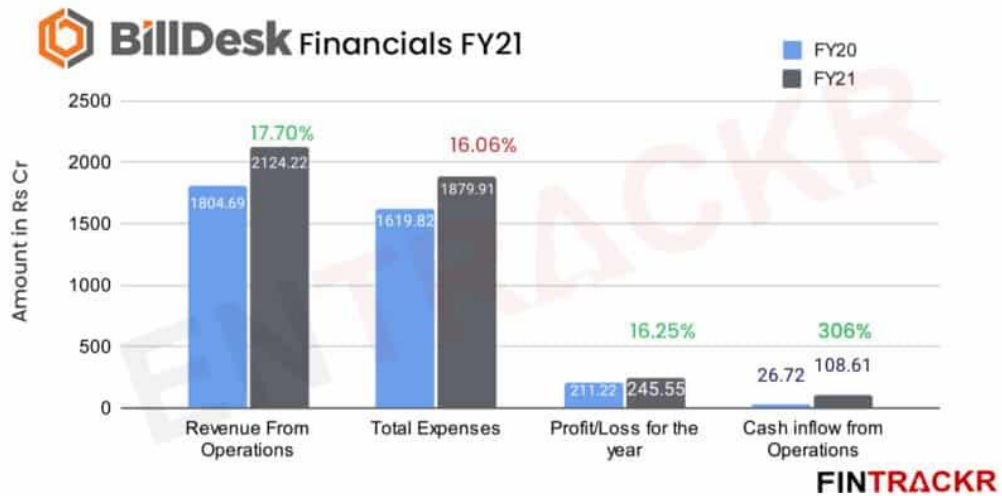
*¹Student, Department of Management Studies
Panipat Institute of Engineering & Technology, Panipat*

²Ms. JAYTI ANAND

*²Assistant Professor, Panipat Institute of
Engineering & Technology, Panipat*

Just imagine that you are working in start-up edtech company. The February 2022 the company have a meeting and you went to the meeting with high hopes of getting more appraisals because you are thinking that company raised some extra funding this year. But things take a turn when the company announces that they are shutting down all the operations of the company because there is no money to run them.

The company is Lido learning. It was founded on April 2019 in Mumbai by Sahil Seth. The company raised total of \$20.5 million through various funding rounds. The company even got the status of 'Unicorn' in the year 2021. But in the year 2022 they went bankrupt and had no money for its operations.



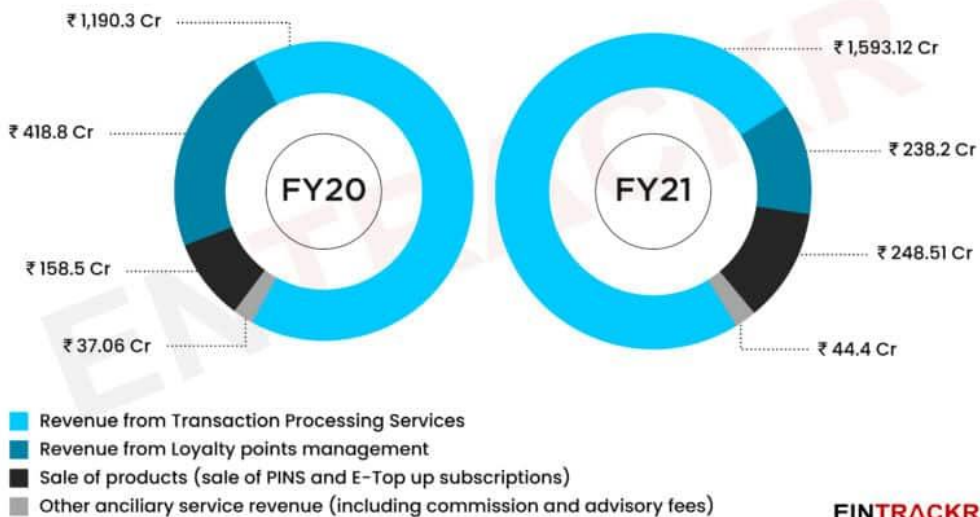
This was a glimpse of their fundings and evaluations now let's talk about what they were delivering to their customers. Lido Learning was providing Tuition classes for the students of UKG to 12th standard also they were giving coding lessons to their students. All of their services were provided virtually through online platform and their USP was that they had small batches of students in each class for better focus and attention on students. The company was doing good in initial days and they had the benefit of pandemic since everything was being done from home.

The cost of one subject's tuition was around 50,000 rupees for a year and money adds with addition of more subjects. It was nothing less than a hole in parents' pockets. Suppose if you want to take tuition of 3 subjects then no doubt your tuition fee will be more than your school's entire year fee.

Lido learning had started the foreign expansion in countries like USA and Canada. And was planning to begin their operations in Southeast Asia, Australia and

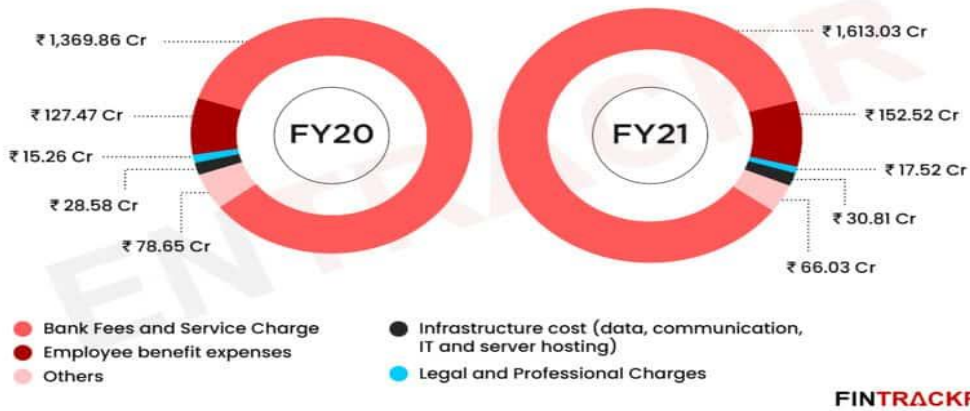
New Zealand. The company was doing good in initial days but things started to dwindle with the lifts of lockdowns and starting of offline tuition centres. With a total workforce of 1200-1500 employees and around 60% of these were Business Development Executives the company was trying to beat Byjus in terms of market share and revenues. But things took a U-turn for Lido learning.

BillDesk Revenue Breakdown



When company went for digital marketing on various social media platforms then their weak Online Reputation Management made it worse for them. They didn't had any plan to counter the negative comments on their advertisements, which eventually became a losing game for them. The poor customer support was cherry on top for losing Lido learning. There was certain complaints how they were not giving any solutions to basic customer issues and ignorance was also there from company's end. The negative word of mouth can turn the tides significantly for any company, so it did with Lido as well. Then in February 2022 the company announces shutting down all operations and asked all the employees to stop working. Now they had many issues related to the payments of salaries and also, they had queries from parents as well.

BillDesk Expenses Breakdown



Company was trying to find any investor but didn't find any. So, they filed for bankruptcy in September 2022. It is just a story of Lido Learning how improper planning and poor management could be harmful for any company.

QUESTIONS

- Q1. Suggest the ways as to what could the company have done to avoid such fate?
- Q2. What should employees do who are still unpaid for their last two-month salaries?
- Q3. Is online learning only well until there was no option for offline learning? Q4. What lesson other companies should take from Lido Learning?

REFERENCES

1. Edtech startup Lido Learning shuts shop, employees cry on social media (businessinsider.in)
2. lido learning: amid rising customer & employee concerns, company downsizes, likely to be acquired - The Hindu BusinessLine
3. entrackr.com
4. <https://tfipost.com/2022/09/lido-learning-files-for-bankruptcy-the-beginning-of-the-end-of-edutech-in-india/>