

KOKO: THE CHALLENGE OF BEING FIRST. BUILDING A EUROPEAN UNICORN



[Koko](#), its a dockless [scooter-share](#) company, based in Madrid. Koko was founded a couple of months ago by Oriana Circelli, formerly VP of Jobandtalent and IE alumni; Teofilo Ortega, Head of Product in several startups, and Javier Coronel, a highly versatile CTO. The company has been operating for just two months, and is closing a first seed financing

round of €500K led by British and Spanish business angels. The round values the company at €2,5MM, they are aiming to be the first Spanish scooter-share company to hit the European market.

The plan is to launch the first pilot (small city or neighborhood) in September. After testing the market and achieving the first metrics they plan to raise a series A financing round before the end of the year and the plan is to open 12 cities in 12 months.

The model have been [successfully tested in the United states market](#), with companies [positioned](#) as [unicorns](#) in less than 12 months. The kick scooter sharing market has definitely [hit records](#) that no company have achieved in the mobility sector before ([Bird](#) and [Limebike](#) are the two top company US. Both are [planning to open in Europe](#) in the coming months). The current investment will be designated in its majority into hardware investment, followed by operations and development. The marketing plan for the company is to have scooters on the streets every 50 meters. The idea is to make the service viral.



The challenge: we are talking about an incredible capital intensive model, not yet regulated inside cities and with limited barriers to entries. Koko has to be one of the first players in the market to be able to fight the battle.

In the current scenario, the Koko management team would like your advice in the following issues:

- How could we differentiate our brand from all competitors, considering that they provide a similar service at a similar price? Could be social media be an entry barrier for new competitors?
- With a limited marketing budget (apart from the use of the scooter as way of customer acquisition (free rides, bonus, etc.), how can they acquire the first one thousand users in less than 30 days? How would you improve customer engagement and usage levels (recurrence, how often a user uses the service, is considered a key metric for success)
- Knowing that relationship with municipalities are key when operating a city. How would you use social media to win space in negotiations with this municipalities?

Please include any links you find relevant to backup your answer. You will have approximately 80 minutes to work on your document. Feel free to answer the questions separately, or to group them together into one essay. As soon as you finish (max. 2 pages, soft limit), please submit your exam using the Assignments tab in the Campus.

