

ZENATIX: DISCOVERING MARKET FIT

Dr. Puran Singh and Dr. Harleen Kaur wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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On the night of October 22, 2016, Amarjeet Singh was going over the slides of his pitch deck while his three-year-old son sat by his side curiously observing his father's constant stare at the laptop screen. Singh, along with his co-founders Vishal Bansal and Rahul Bhalla, was scheduled to meet two venture capital firms the next morning to pitch for funding for Zenatix, an energy data analytics start-up that they had founded in 2013. There were no significant financials to show off, given that they had been in operation for only three years (see Exhibits 1 and 2). They had raised US\$500,000¹ in 2015, which had kept them going for over a year; during that year, they tried to achieve a product-market fit but with limited success. Before they knew it, the funds that were expected to last three to four months had dried up. Singh, Bhalla, and Bansal had approached a number of investors in the past two months, also with no success. Singh said, "Lack of a proven model in this line of business, and particularly the hardware business, made it difficult for investors to believe our story. Hardware products move slowly and take time to stabilize. Investors don't like that."