

Kristin Babbie Kelterborn
Amy Gillett

The Nourishers: Navigating the Challenges of a Digital, Two-Sided Marketplace in Bahrain

As Hamad Al Saad finished his daily workout, he reflected on the path his life had taken over the past five years. Now, in February 2023, he had just received an invitation from the producers of *Beban*,¹ an entrepreneurship reality show, to pitch his business to investors in April. It was five years previous that Al Saad had left his job as a police officer in Bahrain to pursue his passion in health and well-being as a certified coach and entrepreneur. Al Saad was the founder of a digital platform, The Nourishers, which connected health and well-being professionals (“experts”) with people seeking their services (“end users”).

Over the past two years he had onboarded more than 450 experts from 22 countries and served over 3,000 end users on the platform. Despite this success, he was unsure how to proceed. He had been having difficulties with his web developer. He also struggled to focus his marketing efforts as he was serving two sides of the market—experts and end users. Additionally, he felt pulled in other directions, particularly by business clients interested in having him lead workshops for employees.

Al Saad knew he had built a strong brand but was unsure how to proceed. Could the platform flourish by simply finding a better web developer? Or, did he need to spend more time on developing a strategy for reaching experts or end users, or both? Should he abandon the platform altogether and focus solely on business clients?

Al Saad was currently participating in a four-month mentorship program in Bahrain that matched him with a seasoned entrepreneur, and he was planning to raise these questions with his mentor.² He needed to define the next steps so that he would be well-prepared to pitch his business on *Beban*.

Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.

©2023 Kristin Babbie Kelterborn and Amy Gillett. This case was written by Kristin Babbie Kelterborn and Amy Gillett, both of the Entrepreneurship Development Center at the William Davidson Institute at the University of Michigan. The case was prepared as the basis for class discussion rather than to illustrate either effective or ineffective handling of a situation. The case should not be considered criticism or endorsement and should not be used as a source of primary data. This case was completed as part of the Center for International Private Enterprise (CIPE) Project “Economic Diversification and Access to Finance” designed to support inclusive and sustainable development by expanding opportunities for Bahraini SMEs. The project was supported by the U.S. Department of State.

Seeding a Passion

In 2008, Al Saad was a student in business administration and general management at the New York Institute of Technology's Manama campus when he developed a passion for health and well-being. While studying, he worked in customer service for a telecommunications company, followed by a position as a credit risk analyst.

In his spare time, Al Saad began dedicating time to discovering new recipes and meal prepping, as well as exercising. Encouraged by how these lifestyle changes were impacting his body and mind, Al Saad became determined to inspire others. He documented his personal health and well-being journey on Instagram, connecting to other like-minded individuals or, as Al Saad called them, his "tribe." Although Al Saad was spending more time on his newfound interests, he did not yet realize they could be the basis of his career.

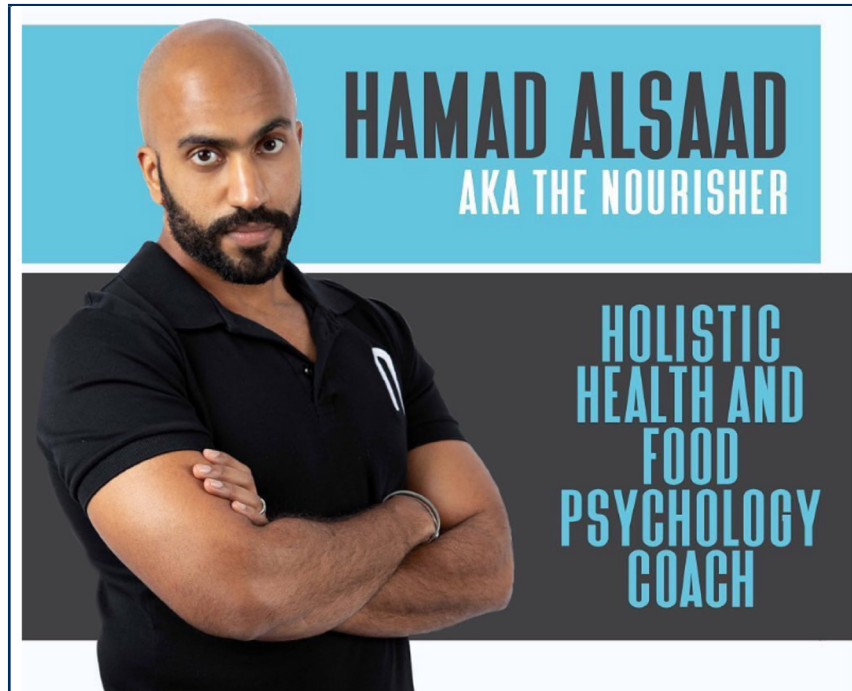
Upon completing his degree in 2011, Al Saad accepted a position with Bahrain's Ministry of the Interior as a police officer. Later, as a top performer, he was asked to train high-ranked officials and was assigned to mentor many cadets.

Still passionate about health and wellness, in 2015, while serving as a full-time police officer, Al Saad built a commercial kitchen and started Health's Kitchen Catering. The business offered nutritious prepared meals via a subscription model. It did well enough for Al Saad to hire four full-time employees and a delivery driver, and purchase a delivery van. The business was active for about two years until Al Saad was relocated to Riyadh, Saudi Arabia, for work. Due to the relocation, Al Saad could no longer manage the business himself and he was unable to find an effective successor. He ended up selling the commercial kitchen, without the branding, in 2017.

From Police Officer to Well-being and Health Coach

In 2017, Al Saad enrolled in online studies to obtain two certifications, both offered by institutions based in the United States. He became a certified Mind Body Eating Coach through the Institute for the Psychology of Eating, as well as a certified Holistic Health Coach through the Institute for Integrative Nutrition. At the end of that year, Al Saad left the police force, returned to Bahrain, and began 2018 by launching his personal brand, “The Nourisher,” on Instagram (see **Figure 1**).

Figure 1
Promotional Graphic Shared on Instagram



Source: @purefit.bh. “Hamad Alsaad AKA THE NOURISHER.” *Instagram*, 5 Nov. 2019. https://www.instagram.com/p/B4ewpcWju8N/?utm_source=ig_web_copy_link&igshid=MzRlODBiNWFiZA==.

Al Saad utilized his certifications to offer personalized well-being and health-related coaching services to individuals. He also collaborated with other experts to offer events such as cooking classes, self-care workshops, motivational talks, and informal open mic nights. Through these events and social media promotion, Al Saad continued to build his reputation among health and well-being enthusiasts in Bahrain, rapidly expanding his network and recruiting new clients.

As Al Saad grew his client base, he began spending more time on administrative tasks essential to operating the business, which required him to use many different digital platforms. These included: email, WhatsApp, and Instagram for communicating with clients; Calendly for booking appointments; Google Docs for registering new clients; BenefitPay and PayPal for collecting payments, as well as bank transfers, tap payments, and cash; and Zoom for conducting online appointments. Al Saad relied on Instagram to advertise (see **Figure 2**), after which potential customers would direct message (“DM”) him and ask for more information on services and how to schedule them. It would often take many messages back and forth to set a firm appointment with a client.

Figure 2
Promotional Graphic Shared on Instagram



Source: @thenourisherbh. "Personal Training October." Instagram, 14 Oct. 2022. https://www.instagram.com/reel/Cjse0gUhc-r/?utm_source=ig_web_copy_link&igshid=MzRlODBiNWFlZA==.

While Al Saad was satisfied with his career transition, he was motivated to reach even more clients and build a thriving business. His vision was to establish a two-sided online marketplace, serving as an intermediary linking health and well-being professionals ("experts") to individuals seeking healthier and happier lifestyles ("end users"). Examples of experts included certified trainers, healers, yoga instructors, behavioral therapists, and coaches. Al Saad viewed experts as his primary target market—not end users. The business would generate revenue through commissions earned on each transaction made on the platform. Since Al Saad would begin involving other experts in the business, he added an "s" to his personal brand name. The business would be called "The Nourishers."

Accelerating to the Next Level

Motivated to take action on his vision, in 2020 Al Saad applied to the Flat6Labs accelerator, the Middle East and North Africa's leading seed and venture capital program.³ He was selected to participate alongside 11 other entrepreneurs. Through the program, he generated \$32,000 USD in funding to build a prototype online platform.

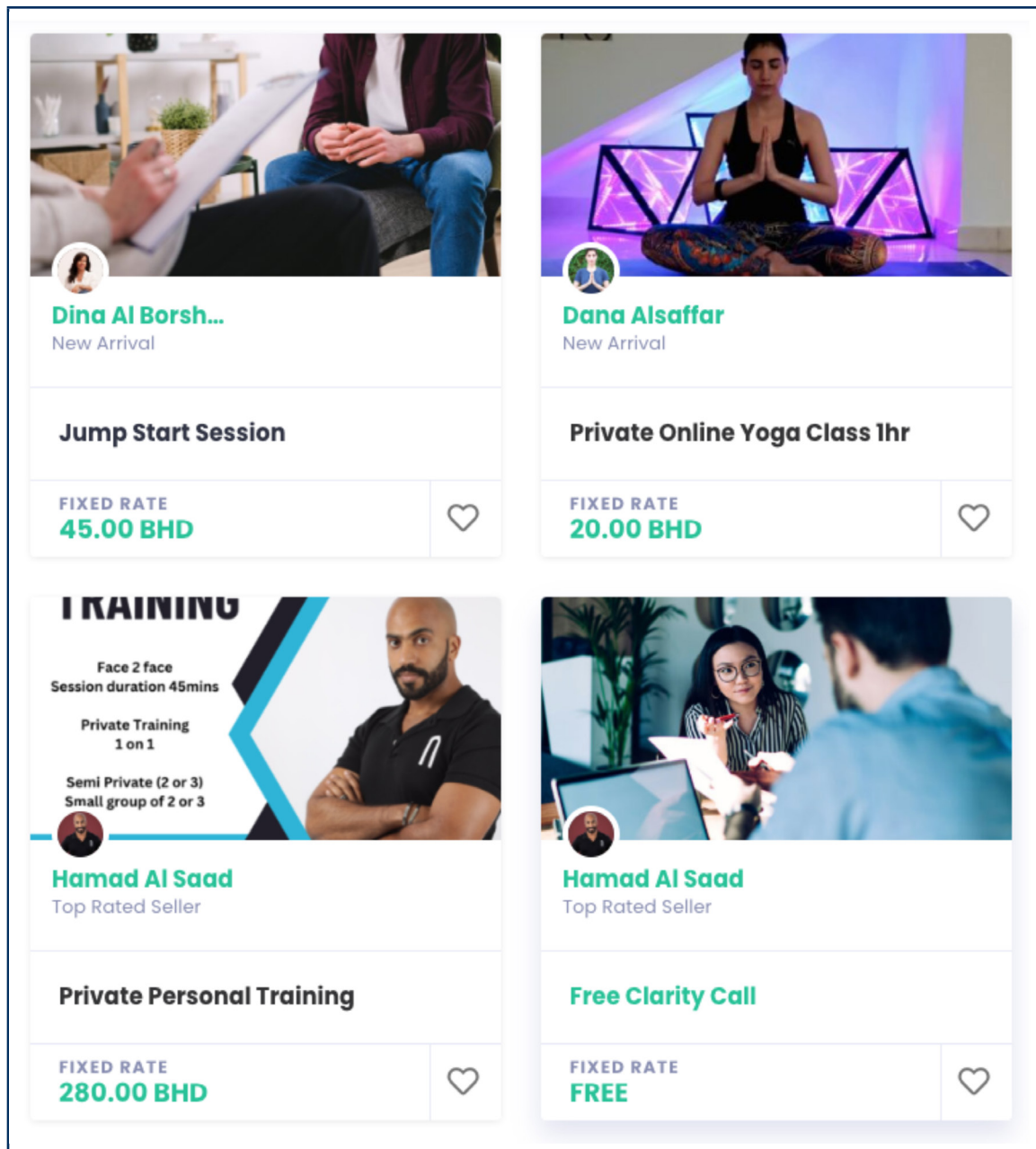
Al Saad received feedback from investors, mentors, and program staff that he needed to redefine his target market to be the end users, not the experts. They advised him that end users would be the paying customer, and thus should be his target market. However, Al Saad did not agree, and thought "no experts, no customers." He thought he would first need to target experts and recruit them to join the platform in order to have an offering for end users.

Launch of the Platform

Al Saad announced the launch of the new online platform on his Instagram account in January 2021, at which time he had 1,000 followers. Experts rushed to register for the platform. Al Saad capped the number of registered experts at 300 and began a wait list. Over two years, Al Saad had onboarded more than 450 experts from 22 countries, linking them with over 3,000 end users on the platform. Al Saad had focused his marketing efforts on recruiting experts for the platform but there were fewer end users who signed up than he expected.

The platform had basic functionality, listing experts and their associated services and prices (see **Figure 3**), and users were able to book appointments and pay online. For example, a “Private Online Yoga Class” was featured by an expert who was a yoga teacher, aromatherapist, and masseuse, and was listed at an hourly rate of 20 BHD (approximately \$53 USD).

Figure 3
The Nourishers Platform



Source: "Advance Search for Jobs." *The Nourishers*. <https://thenourishers.com/search-jobs/>.

For experts, the main benefit of the platform was the online booking system, eliminating the time-consuming Instagram direct messages that many experts had relied on. In theory, it also allowed experts to reach new customers as a "Nourisher." For end users, the benefit was that they were able to identify an expert for their specific need, view the expert's services and rates, and easily find a mutually convenient time for the appointment.

For each transaction made via the platform, The Nourishers received 15 percent as commission and the expert received the remaining 85 percent. Commissions comprised 70 percent of Al Saad's total revenue.

The remaining 30 percent came from well-being workshops that Al Saad offered to business clients. In addition to Bahrain, these clients were based in Saudi Arabia and United Arab Emirates.

Challenges

While Al Saad was experiencing success, it was not without challenges, including:

- The web developer contracted to create and maintain the platform was expensive and not producing quality work. Al Saad experienced difficulties identifying a good web developer in Bahrain.
- Striking the right balance between the number of experts and end users was challenging. Al Saad was not sure that there were enough end users registered to provide a steady stream of business for his experts.
- Al Saad's base of business clients was increasing, which demanded more of his time and made it more difficult for him to focus on enhancing and maintaining the platform.
- The platform had only one source of revenue generation—the commission from transactions. Al Saad did not have a mechanism to prevent experts and end users from doing business outside the platform after the initial connection.

Conclusion

While Al Saad was satisfied with the brand awareness that the platform had brought him, he was not sure if the platform should be his focus into the future. He had found it particularly challenging to appeal to both experts and end users, which also made marketing efforts unclear and his ability to sustain a loyal customer base difficult. The business model was based on the commission generated by transactions, which was not as profitable as the services he provided to business clients.

Despite these challenges, Al Saad still saw an opportunity to build a business around health and well-being and technology. He even dreamed of developing a smartphone application that had the same functions as The Nourishers platform, plus a social networking component for experts, similar to LinkedIn.

Al Saad knew that he had the experience, tools, and brand recognition to build a profitable business around health and well-being. Now, he had to decide on his next move before appearing on the set of the reality show *Beban*. Should he continue investing resources into the platform? Or, should he abandon the platform and focus on a different business idea?

Endnotes

- ¹ "Bahraini Entrepreneurship-Themed Reality TV Show Beban Facilitates Startup Investments Worth US\$160,000 in the First Episode of Its Second Season." *Entrepreneur*, 10 Jan. 2023. <https://www.entrepreneur.com/en-ae/starting-a-business/bahraini-entrepreneurship-themed-reality-show-beban-tv/442518>. Accessed 13 Sept. 2023.
- ² "CIPE Launches a Program to Drive Sustainable SME Growth in Bahrain." *Center for International Private Enterprise*, 10 Dec. 2021. <https://www.cipe.org/newsroom/cipe-launches-a-program-to-drive-sustainable-sme-growth-in-bahrain/>. Accessed 8 Aug. 2023.
- ³ "Accelerating the Future." *Flat6Labs*. <https://www.flat6labs.com/>. Accessed 13 June 2023.

Notes



Established at the University of Michigan in 1992, the **William Davidson Institute** (WDI) is an independent, non-profit research and educational organization focused on providing private-sector solutions in emerging markets. Through a unique structure that integrates research, field-based collaborations, education/training, publishing, and University of Michigan student opportunities, WDI creates long-term value for academic institutions, partner organizations, and donor agencies active in emerging markets. WDI also provides a forum for academics, policy makers, business leaders, and development experts to enhance their understanding of these economies. WDI is one of the few institutions of higher learning in the United States that is fully dedicated to understanding, testing, and implementing actionable, private-sector business models addressing the challenges and opportunities in emerging markets.