

Cash injection for Edinburgh start-up, Prodsight, seeds growth



Prodsight, an Edinburgh-based startup enabling businesses to gain insight from customer support conversation data, has secured £115,000 in seed funding.

Set up by Tadas Labudis, Prodsight will use the cash injection to hire key staff over the next 12 months to improve its product and grow the customer base.

The Royal Society of Edinburgh invested £45,000 in the company and a pre-seed round raised a further £70,000. Investors in this first round include a number of prominent Scottish angel investors such as Alistair Forbes, Rob Dobson, Judy Wilson and Andrew Barrie. Over half of the SeedHaus tech incubator partners have invested in the company including Robin Knox and Paul Walton formerly of Intelligent Point of Sale.

Robin Knox explains: "I was really excited to hear about Prodsight. I know a customer centric mindset is essential but

as a company scales, there is very often a customer disconnect.

“At first you are talking with customers constantly and very close to feedback. In time as more management layers emerge, you can lose touch with your customers.

“Prodsight is exciting as an investment for me. I can clearly see how executives easily reconnect with the customer and product teams can have actionable insight to work with, without having to spend days trawling through reams of live chat logs. I believe in the product so much that I am using Prodsight in my new business venture.”



Lithuanian-born Tadas has been an entrepreneur since the age of 18, founding two startups while at the University of Glasgow. After graduating he worked as product manager at leading mobile app agency Kotikan and a messaging startup Yavi. While in these roles he realised that customer feedback analysis is essential to businesses but tricky and time-consuming. This gave him the idea to launch Prodsight.

Taking conversational data from live chat facilities such as Intercom, the company uses its unique software and AI to turn information into summarised insights about customer needs. This allows data-driven decisions to be made quickly and efficiently, helping product teams to rapidly identify problems, education issues and prioritise fixes and improvements. This reduces support costs and helps companies stay lean.

Based in Edinburgh's CodeBase, the business has had a global customer base from day one with 95 percent of its clients coming from outside the UK. Prodsight is also one of the 40

startups participating in the Unlocking Ambition challenge fund announced by Scotland's First Minister Nicola Sturgeon.

Phil Hayes from Eventree, a customer of Prodsight, said: "Issues which caused the most friction for users immediately bubbled to the top in the Prodsight reporting. Every month we identify the top 3 product issues with Prodsight and put these changes into our next development sprint."

Tadas, Prodsight's CEO and founder, said: "The business got off to a flying start and we attracted paying customers almost immediately but this funding is huge for us. It will allow us to build the team and move us on far more quickly than we could have otherwise.

"The customer feedback analysis space is still a relatively young market but it is growing and the opportunities are huge – there are currently some 1.5 million companies across the world using live chat functionality and generating billions of customer conversations.

"We are following "Lean Startup" methodology which enabled us to build a product, get paying customers and secure investment in less than a year. With our low-cost self-service offering we will be able to acquire customers quicker, rapidly refine our product and be less reliant on large clients."

The company also has plans to use the funding to work with two Natural Language Processing experts from the University of Glasgow to improve and refine the products' conversation analysis processes.