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BY INVITATION

By Subhrangshu Sanyal

India is a populous country endowed with huge natural resources but humongous social challenges. Hence, one needs innovative solutions to address such challenges.

Technology can play a huge role in this respect. However, large organisations are unable to manage the rapidly changing technological shifts and fluid workforce dynamics. That requires an approach intrinsic to small and flexible organisational set ups quite common to start-ups. India has emerged as one of the fastest growing e-commerce markets and a huge surge in e-commerce start-ups has been observed in the recent years. The success of firms like Flipkart, Jabong, Snapdeal, etc, has generated much enthusiasm among the Indian youth to try their luck with new business ideas in this space. In fact, a majority of the start-ups in India today are focusing on technology-enabled solutions and being run by young entrepreneurs. It is observed that students of leading

NEW PATHWAYS

AN INCREASING NUMBER OF STUDENTS ARE WILLING TO SHUN HIGH PAYING JOBS IN ESTABLISHED COMPANIES TO KICK-START THEIR CAREERS WITH EMERGING E-COMMERCE VENTURES. WE FIND OUT WHY



engineering colleges and management schools are keen

to begin their careers with start-ups and reject high pay packet jobs in established companies. It has become easier to launch an internet business. Access to cloud storage and computing power on a pay-per-use basis, availability of reliable open source platforms and affordable development tools have drastically reduced the initial capital requirements for e-commerce start-ups reducing the cost of failure. This enables entrepreneurs to pilot their minimum viable product through bootstrapping. The entrepreneurship ecosystem is also maturing and incubators are coming up to nurture budding entrepreneurs through mentorship, support services and funding. Several angel funding networks have

emerged and new funding channels like crowdsourcing and peer-to-peer lending are gaining popularity.

In recent years, India has seen several big success stories in the e-commerce space. And if the current trend is anything to go by, this segment has huge potential. There are tremendous opportunities for both horizontal and vertical expansion that can be leveraged by the new ventures. On one hand, there is scope for including more products and services that currently use the traditional mode in the e-commerce basket. On the other hand, there are opportunities to create niche e-commerce offerings by focussing on specific domains and providing high quality end-to-end services in that domain. Huge opportunities exist for reaching out to the underserved segments,

typically at the bottom of the pyramid through innovative technology enabled solutions.

Online B2B marketplaces, that directly connect the producers with consumers eliminating layers of middlemen, are also expected to see a huge traction in India. In the current scenario, there is a big need for such services for the SME sector and start-ups with innovative offerings in this segment.

The online interface of the e-commerce business, as experienced by the end users, is just the tip of the iceberg. The back-end processes like logistics, inventory management, partner management and quality assurance are extremely critical in the success of any e-commerce business. A breed of start-ups offering specialised services leveraging technologies like big data and analytics have emerged to provide insights on various aspects of e-commerce businesses and help them run efficiently. The emergence of e-commerce is a definitely a boon not only for the Indian market, but also for the bright and innovative minds who would like to take the plunge into entrepreneurship. It is to be noted that in an e-commerce business the underlying processes and logistics are equally important as the online interface. Hence, a focus on both the aspects is required to ensure success of a new e-commerce venture.

(The writer is CEO, IIM Calcutta Innovation Park)