

The first in a two part **Brand Equity** special series on the startup universe, a scene of heated battles for funds, fame and fortune in an increasingly temperamental market

STARTUPOLY

All Things God

Is India ready for a branded player in the \$40 bn religion & spirituality market? **By Shephali Bhatt**

Remember that guy from your group who would set up a small *mandir* (temple) in his house just a week before the final exams? Or that aunt from the neighbourhood who biennially distributed *prasad* (devotional offerings mostly in the form of a food item), singing, "Pappu *paas ho gaya!*" Helping with academics isn't the only use-case for God though. Indians pray to a multitude of Gods in multiple situations: good, bad, and ugly. Even as parts of the world wage wars in the name of God and religion, other parts drive economies even as they invoke the almighty. Especially true of a multi-religious country like ours. No wonder then that religion and spirituality is approximately a ₹2.5 lakh crore market in India (roughly \$40 billion).

There's scope for a branded chain in the religion and spirituality segment provided the player caters to sub-segments across different sects in the country

After the #BigFatIndianWeddings, if there's anything else we unquestionably (and unquestioningly) spend on, it's religion and spirituality. It's only a matter of time before international publications include priests among the world's more lucrative jobs. In such a scenario, it was a no-brainer

for an entrepreneur or three to spread their wings in this direction as well. Startups (like Shubhpuja) provide services ranging from arranging a puja and pandit, besides offering consultations in astrology, numerology, and Vastu. Then you have players like onlineprasad that, as the name suggests, saves you the bother of standing in queues for prasad, with segmentation by geography and deity.

In this slew of services, there's of course an established ecommerce player for all things religious and spiritual: Shubhkart. Founded in 2014, Shubhkart is both an online as well as an offline player that sells products across 18 sub categories; and around 200 puja items and merchandise via modern retail stores.

Add to Shubhkart?

Shubhkart was launched by Aditya Pittie, CEO of the Pittie Group that has businesses across food & wellness, entertainment, and realty among others. So, what makes this startup with a family-led seed funding of ₹1.5 crore (\$200,000 approx) so special?

For starters, it is the only branded player for this segment with such a wide offering, especially in a market hugely dominated by unorganised players barring a few Cycle and Mangaldeep Agarbatti brands (Incense sticks incidentally account for ₹10,000 crore of the ₹2.5 lakh crore market.)

Why do you need a branded product-line for this category though? "Well, people veer towards branded things in any category," says Damodar Mall, CEO — grocery at Reliance Retail.

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The Me-too Startups

Does the Indian startup universe have a clone problem? **By Ravi Balakrishnan**

The short answer is, yes, it does. The more nuanced answer is it may not necessarily be a problem. Sure, it's easy to get cynical about the umpteenth e-commerce portal with dollar signs in its eyes and pretty much the same old assortment on its site. It's also too easy to point out that almost every much lauded startup today has a global forebear. Some of whom are even present and currently slugging it out in India.

Read on to find why originality finds relatively few takers, why 'original' does not always equal 'good' and where having a fresh idea works best

An original idea is sometimes a harder sell:

If a remarkably original idea flops in India, blame it on the caprices of the investors, a VCous circle, if you will. Marketing consultant turned angel investor and founder/director, Fingerlix, Shripad Nadkarni points out, "One of the first things venture capitalists ask is 'where else in the world has this idea worked?' It's almost as if a young dynamic entrepreneur has to think of something in the US and then quickly get it here before the original comes in." It's the quickest way for entrepreneurs to tailor their thinking to some-

thing that will fetch them quick money. Or look for the next space they can be the "uber of" even if they are the third or the fourth to go to market with that concept. Between her two stints at Café Coffee Day, Bidisha Nagaraj, the chain's group president — marketing, spent a few years as consultant. From her experience, there are two sorts of entrepreneurs: the first that believes in their idea and is willing to put in time and effort till it percolates down to the consumers.

The other are the poster children of the VCs. Says Nagaraj, "Regardless of whether there's an impact in the consumers mind or a problem they can solve, as long as they show a growth plan on revenue, come what may, they get funded. The first sort believes there is a time to learn and a time to earn. The second type believes first I want to earn and in the process I may also learn."

To flip things around a bit, originality matters a lot less in the grand scheme of things than the potential an idea has. Which brings us to...

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In the startup lexicon, 'I'm a serial entrepreneur' has been demystified as 'a person who had two ideas, both of which failed'. Funny, huh? Not really. The current business scenario has inculcated immense respect for any form of entrepreneurship, failed or otherwise. 'At least he tried', is the common comment when discussing setbacks. Success of course does not need any explanation. Which makes for an interesting societal change. Especially considering how the valourising of those who dare is by no means a global phenomenon, at least going by the numerous reams that have been written on how the fear of failure keeps many from taking the plunge in more advanced markets like Germany and Japan.

In this special issue of **Brand Equity** on the Startup Economy, we have tried to look at the oft-written about phenomenon from an altered lens. We ask some experts to decode how much of the

innovation in the startup universe is kick-ass original and how much of it is of the me-too variety. And more importantly, why this is the case.

We also look at some brands across sectors as varied as FMCG and healthcare who have made it big on the back of a product or a service that dared to defy norms and conventions. And some people who took on the challenge of breaking away from a sedate, salaried existence at job-secure setups and moved to launch or work in new-age companies. And we ask them to reveal all — their trials and their learnings from the switch.

We look at the crisis of perception venture capitalists are dealing with from a life partner's point of view. The 21st century entrepreneur also speaks a language alien to many, so we have a list of words that might just help you decipher Start-upese.

This is just the first of a two-part special issue on the flurry of activity in the Indian startup economy. Look out for Part 2 as we peel off the layers on this global phenomenon that is fraught with uncertainty and yet flush with funds. Or so the world believes.

The current business scenario has inculcated immense respect for entrepreneurship

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Patanjali
Paper Boat
Practo
Pulse



Speaking Startupese

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The Express Shuttle To...

The folks who gave up life at traditional companies to lead a startup existence



Pg4

It's hard to be a VC, harder to be his wife...



It's the technology, stupid!

By Nikhil Rungta

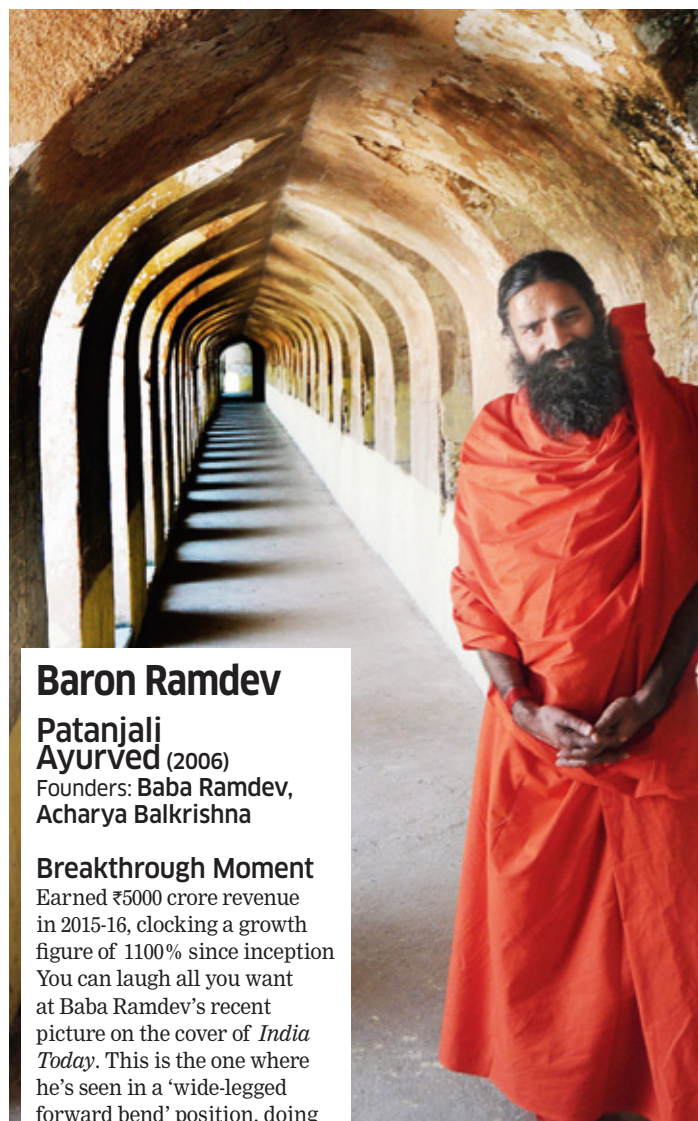


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Baron Ramdev

Patanjali Ayurved (2006)
 Founders: Baba Ramdev, Acharya Balkrishna

Breakthrough Moment
 Earned ₹5000 crore revenue in 2015-16, clocking a growth figure of 1100% since inception. You can laugh all you want at Baba Ramdev's recent picture on the cover of *India Today*. This is the one where he's seen in a 'wide-legged forward bend' position, doing what's known as the Prasaritha Padottanasana. Of the several funny memes that the picture gave birth to, there was one that rightly pointed out that the picture was symbolic of the Fast Moving Consumer Guru mooning the behemoths of the Indian FMCG world. The insight behind Patanjali was simple: To build consumer products for a country that's becoming increasingly conscious of its health and wellness, and rapidly realising the benefits of Ayurveda.

The Approach
 Until early 2015, Baba Ramdev propagated Patanjali products during his Yoga sessions. Last year we saw him aggressively marketing Patanjali across media. While analysts say only Colgate stands to suffer the most from Patanjali's success, Baba Ramdev has openly claimed to beat several top players in the FMCG space. It's hard to find one category he's not already entered or has announced his plans to enter in the near future. To ensure the Ayurved empire steers clear of individual-led controversy, he's also successfully made MD Acharya Balkrishna the face of the company. Patanjali has also tapped into the resurgent spirit of nationalism, wearing its

Swadeshi credentials on its sleeve (or should that be dhoti?)

The Struggle
 "Some perish in controversy. I flourish in it." Baba Ramdev had said this in an interaction with *The Economic Times* last year. From issues with the FSSAI to the ASCI, Patanjali has been through it all and emerged stronger. The company has been working hard on distribution, admittedly a pain point as previously documented in *Brand Equity*. The Swadeshi company even announced its plans to raise ₹1000 crore project loan from several public sector banks to expand its presence nation-wide, and extend product lines.

The Success
 While Patanjali has clearly led the Ayurveda wave in India Inc with its exemplary growth, that growth will slow down now that the base is not zero anymore. Several analysts doubt whether Baba Ramdev will be able to meet his claim of doubling FY16's revenue to reach ₹10,000 crore by 2017. People close to the Yoga man say he has a plan. Well, he's made the likes of Unilever and Colgate take a serious look at ramping up their herbal portfolios.

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INDIA STARTS UP

Lessons not just from traditional startups, but any brand that came along to give a moribund category a swift, invigorating kick

Doctor Where?

Practo (2009)
 Founders: Shashank ND, Abhinav Lal

Breakthrough Moment
 From being a B2B clinic management software seller to a B2C doctor appointment product, Practo managed to get the largest fund-raise in the health-tech space. The year was 2008. Shashank ND needed to get a second opinion from a doctor in the US for a surgery his father had just undergone. The ordeal of sending his father's medical records overseas made him realise how healthcare had largely missed the technology wave that other industries were quick to ride on. And the realisation led to the foundation of Practo - or what he claims is a full-stack health-tech solution centred around the patient.

The Approach
 Practo started off as a clinic management software provider in 2009 and became a consumer-facing app that allows people "to find doctors, diagnostic labs for tests, order medicines and even read healthcare tips and articles



currently running trials for medicine delivery in Bengaluru," Shashank tells us.

The Struggle
 We would say not being able to raise funds for more than a couple of years must have been a struggle for sure but Practo did turn that around as of August 2015. With an approximate valuation of more than ₹3000 crore as of date, Practo managed the largest fund-raise in the health-tech space (₹573 crore) from players like Tencent (Chinese online venture giant who made its debut in India with this investment), Sofina (Belgium), Altimeter Capital (the US). According to Shashank, the struggle really has been in ensuring "100% reliable and accurate information about doctors and clinics."

The Success
 Practo claims to hold over 90% marketshare amongst all doctors who use software solutions to manage their practice. And it's indisputably the most successful startup in the health-tech space in India - with a presence in 50 cities across 15 countries. Seems like healthy numbers to us, at least. shephali.bhatt@timesgroup.com

Memories Afloat

Paper Boat (2013)
 Founders: Neeraj Kakkar, James Nutall, Suhans Misra and Neeraj Biyani

Breakthrough Moment
 The story goes like this, says Neeraj Kakkar, CEO and co-founder, Hector Beverages, the company behind Paper Boat. Four friends gathered after a long time, and amongst many things discussed was if Maa's Aam Panna could be packaged and made readily available to the public at large. Paper Boat was thus born, as possibly India's first pure-play ethnic drink, in a world where for long, colas have reigned supreme. The brand has been backed by investors including Catamaran Ventures, Footprint Ventures, Sequoia Capital and Hillhouse Capital Group, amongst others.

The Approach
 The brand's corner stone has been all about dipping into the legacy of home-recipes and serving them up in modern-day households. Its portfolio keeps changing with new drinks being added. These range from North's favourite

Aam Panna to the ancient Panakam from down South and many more like Chilli Guava, Neer More, Badam Milk. There are also inclusions like Kachhi lassi (around Baisakhi) and Thandai (around Holi). Quality right at the sourcing level is given a lot of importance. For Aamras, for example, the company sources mangoes from their farmers and ripens them naturally - by laying them out on bales of hay in the sun, and turning them by hand to ripen them evenly. By no means an inexpensive method, but it's the sort of thing that authentically brings much flavour and taste to the Aamras, informs Kakkar. In an earlier meeting, a couple of years ago, he spoke of his struggle to get the right quality and quantity of purple carrots to make his



personal favourite Kanji. We are told that his search for the juicy marrows still continues. The brand follows a very strict no preservatives and no added colours policy. Not just what goes inside but even the packaging has been a big deal right from pre-launch planning. On the prized real-estate of the pack, little nuggets of joy - playful mnemonics, stories, one-liners - are crammed, shares Kakkar.

The Struggle
 Distribution has been the biggest challenge. In spite of being widely available online, in modern trade and general stores, the company has to necessarily go toe to toe with the big daddies of the big business: both MNCs as well as the Indian players like Dabur and ITC.

The Success
 "For us, innovation is not merely in the way we conceive our products, but in how we reinvent the ways in which we delight our consumers." amit.bapna@timesgroup.com

Not A Sour Note

Pulse (2015)
 Founders: DS Group, the makers of Rajnigandha, Pass Pass mouth fresher and Catch masalas, among others

Breakthrough Moment
 Pulse, a hard boiled candy the flavour of *kaccha aam*, is not a "startup". After all, its maker is an 87-year-old Indian conglomerate with interests as varied as tobacco, confectionery, dairy products and hospitality. But when within 8 months of launch the candy's sales surged to ₹100 crore it became what company officials like to call "the startup brand". Which, by the way, equalled a record set by The Coca-Cola Company's Coke Zero, as reported in this paper. In fact Pulse's phenomenal launch and growth contributed significantly to the growth of the overall candy market.

The Approach
 "Ek orange candy de de" No brand. No differentiation. That was pretty much the



state of affairs in the hard boiled candy category. And still is in many respects. Even though brands like Alpenliebe from Perfetti Van Melle, Parle's Mango Bite and Indonesian coffee candy Kopiko have made inroads in the ₹6000 crore candy market, the category lacked excitement and genuine innovation. With that as a backdrop DS Group turned to consumer research to see what people wanted, find the need gaps and hopefully fill it with some candy. Flavour

was a no brainer. Indians love mango. But they were missing one thing and that was raw mango flavour. Anyone familiar with how we eat raw mango know that it's taken with a generous sprinkling of salty masala. After extensive sampling exercises, often with employees doubling up as guinea pigs, Pulse, a raw mango-flavour hard boiled candy with a tart salty centre, was born. Shashank Surana, VP, new product development, at DS Group, says "It's Indian tastes in western format". The other critical decision the company took right at the start was pricing the candy at ₹1 in a predominantly 50 paise per candy market. Today, over 1300 tons of the candy are pumped out per month and are delivered to Pulse addicts and recreational users using DS Group's distribution might.

The Struggle
 Puls, Pulz, Pulsy, and whatnot. Imitation, they say, is the sincerest form of flattery. But it's also awfully annoying. Especially when the imitators stuff their copies in jars full of Pulse, so their candies will be picked up by default. Unsuspecting consumers gobble it up and are left unsatisfied by what they think is Pulse. The company has a massive on-ground

sales staff to check malpractices such as this and address consumer complaints. But Surana says they will also take the legal route if there are any copyright infringements on the part of these regional players with their knock-offs.

The Success
 Sales of Pulse crossed ₹150 crore in March 2016. DS Group has launched a guava-flavour Pulse and plans to introduce more flavours by the end of this year. The company is also currently courting a few ad agencies for Pulse's first telly commercial, a departure from its internet focussed marketing strategy which was led mostly by word-of-mouth.

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12 WORDS To Make Your Startup-ese BETTER

Valuation, venture capitalist, burn, churn, unicorn, decacorn, pre-revenue, resting, vesting - words that have become a rather familiar part of business lexicon. But here are a few more you might or might not know, that could come in handy if you're speaking to a twenty-something chief visionary in khakis and flip-flops or an investor in a suit.

BY DELSHAD IRANI

ACQUIRE

Remember the line 'Leave the gun, take the cannoli' from *The Godfather*? Well, acquire is kind of like that; when a company is acquired primarily for its people, their skills and expertise, rather than the product or service.

BLEEDING EDGE

Technology that's still experimental and risky (bugs, temperamental, costly). Yet lead adopters give an arm, leg, and first-born to acquire it. And cutting themselves on the edge while at it.

BOOTSTRAPPING

Starting up on a strict budget, stretching all resources to max, using personal finances or operating revenue to build the company and eating *vada pav* for breakfast, lunch and dinner.

FOUNDERITIS

Or Founders Syndrome, an affliction which turns a founder into an autocratic **know-it-all** who thinks she/he and her/his invention will inevitably change the world. Disagree and its detention or the **highway**.

HOCKEY STICK CURVE

When growth surges after an initial slow growth spell. The line chart looks like a hockey stick. If it doesn't stay that way, the stick can double up as **Exhibit A: Murder Weapon** in court.

STEALTH MODE

When the company practices the utmost discretion about its workings to protect the product/service and secure the company's future. In some cases, pre-launch frenzy because of all that secrecy can help attract bigger investments. Nothing like slapping **STRICTLY CONFIDENTIAL** on a file if you want people to open it. Software company Domo came out of stealth mode after five years and raised \$200 million at a \$2billion valuation.

ONE DOLLAR BILLIONAIRE

Founders take home a dollar salary for tax benefits. Also indicates that they're focused on company growth when they take a significant equity stake rather than a boatload of cash. In any case, they can still buy \$500 Ralph Lauren bed sheets on \$1 salary per annum.



WANTREPRENEUR

Aspiring entrepreneurs who want all the glory but don't have the guts to see their ideas and companies through. Also the type who introduce themselves as **"serial entrepreneur"** at parties and on LinkedIn.

SHEEP

Investors who fall prey to herd mentality. VC: "You've got a great idea and team, but I'm just not a believer." At which point the founder drops the name of a hot shot investor and then the VC, hands up in the air, sings "I Believe! I Believe!" like man just healed by faith on the God channel.

UBERIZE

Cambridge Dictionary: To change the market for a service by introducing a different way of buying or using it, especially using mobile technology. Urban Dictionary: To destroy or defeat in a quick and effortless manner.

***SPECIAL MENTION: All the pompous designations founders give themselves - chief disruptor, chief visionary, chief dreamer, chief jedi and whatnot. Any Chief Ass Kickers out there?**

GRAPHIC: BHAVIN GAJJAR

Express Shuttle To Startups

Brand Equity asks some of the movers to the startup world what made them shift gears and the rules of the journey

Richa Kar

founder & CEO, Zivame
Previously: Spencer's Retail, Oracle and SAP

The Shift

Retail Marketing (general) to Vertical Ecomm

Moment of Truth

While I was studying the Indian lingerie market as part of my previous job, I realised there was so much social awkwardness around buying it, that it got reduced to a five minutes hurried chore. The offline nature of the business also resulted in limited stocking, because of which most women were deprived of variety in terms of styles and sizes. Zivame was conceptualised

to become that place where women can understand their lingerie needs, browse through styles, order for their right size and get the order delivered to their doorstep without any embarrassment.

Biggest Crisis

No crisis so far. Biggest challenge has been to make the most intimate category more acceptable and mainstream; to help consumers unlearn and undo mistakes that they had been making while dealing with the category.

Combat Strategy

Breaking taboos, making the category more acceptable. We were the first ones to speak out the word 'bra' unapologetically on national TV. We empower the consumer with a lot



of information, so she can make an informed choice, and understand the category deeper.

What Works

Vigour and passion that I can consistently transfer to my team.

tently transfer to my team.

What Needs More Work

Constant supply of self-motivation and proactiveness.

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Vivek Prabhakar & Shubhra Chadda,

founder- chief executive and co-founder of Chumbak

Previously: Vivek – Titan, Fabmart.com, Platinum Guild International, Motorola and Sun Microsystems; Shubhra – Nortel and NetApp.

The Shift

(Vivek): Right from my first job, carving an identity for brands is what I have loved doing. While at my first job at Titan, I learnt the ropes and this experience set precedence for all my other roles over the years across many organisations; my pre-Chumbak traditional avatar was all about marketing.

Moment of Truth

Shubhra, my wife and I loved travelling and would take time out every year and venture to new places, bringing back souvenirs. One day, she was staring at our fridge adorned with magnets from all the places we had visited and that's when she had her moment of realisation — first, that the souvenir market in India was extremely boring and saturated and second, there aren't any Indian brands that represent the eccentricities and peculiarities of Indians and their realities. Chumbak took off without the financial assistance of a VC, as we invested our own money to launch. In the initial weeks and months, we saw great traction and that's when we knew that we would need external money to propel the brand and to make it reach its potential. This is when VCs started showing interest. About two years later, after Chumbak was selling across the country, we received our first round of venture funding and this is when we entered the 'start-up environment'.

Cross Learnings

I worked in companies where I dealt with product development, merchandising and marketing. This experience definitely helped with understanding how to find vendors, suppliers, sourcing materials, quality

People don't know how to manage money well and tend to spend on what isn't imperative in the initial phase

checks, the right designers and so much more.

Word of Caution

I have seen a lot of start-ups launch and shut in very short durations. This happens for many reasons, but the one that stands out is that, people don't know how to manage money well and they tend to spend on what isn't imperative in the initial phase. I have seen many start-ups spend on large marketing campaigns, salaries, fancy offices and other overheads that can be compromised till the business starts generating revenue.

The Biggest Crisis

Honestly, we haven't had a crisis so far. We take things as they come and have smart people to deal with potential crises.

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Lakshmikant (LK) Gupta,

chief marketing officer, GirnarSoft

Previously: L.G. Gillette, IMRB

The Shift

Heading marketing in a traditional consumer durable to marketing assignments in the startup space

Moment Of Truth:

4 years ago, in my previous organisation, I realised that digital is the medium of the future. But in that conventional corporate setup, business teams pushed back a lot on new digital initiatives simply due to inertia and the pressures of delivering the current month's numbers. It convinced me that as a marketing specialist I'd become redundant in five years if I didn't take the plunge into the online domain. A startup that was looking for a brand building professional was the most logical choice.

The Learning/Unlearning



Process

An e-commerce company is constantly on the move. You experiment almost daily, learn and tweak as you go along with measurement done on the fly. This is very different from conventional consumer marketing where you execute and wait for weeks before learning the results and recalibrating. This puts your alertness regarding input-output equations at a different level altogether. The online business demands a very direct correlation between spend-

ing and effectiveness, whether it be traffic, downloads or transactions. A marketer has to put away many intermediate measures like awareness, consideration etc in the short term and embrace solid demonstrable metrics. Because an online startup does a lot of work in-house, I had to develop a much deeper understanding of digital marketing methods and tools than when agencies handled all the work.

Cross Learnings

Two words: Value proposition. Online startups focus so much on transactional messaging in day-to-day activities that a consistently applied brand proposition often takes a backseat. But an insightfully derived value proposition find its way into everything—that's the biggest cross-learning I could apply. A structured process to ideate, plan and implement marketing initiatives is another cross-learning.

Biggest Challenge

You don't get a huge organisation to back you for systems and processes.

In both redBus and GirnarSoft, I had to pretty much set up the marketing teams, define the brands' basics and start many new practices, both online and offline. The challenge was to do a lot of things with very small teams to begin with. And that with small budgets compared to what a large multinational brand works with. Thankfully, I like to roll up my sleeves and get my hands dirty. So, for many months I was working as the assistant brand manager-cum-social media manager-cum-CMO, even while building specialist teams to take on the responsibilities for the long term.

The Guide For Marketers Contemplating The Switch:

There must be complete alignment with the vision of the founder. The working style and priorities of the founder will determine how much you will achieve. Some are intrinsically very ambitious while others will be extremely efficiency-oriented. Don't go in assuming well-funded startups will splurge money on marketing.

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GAURAVNABH,

marketing director, Koovs

Previously: business head - Quasar, a GroupM agency and ITpreneurs - an IT Technology & Training Startup.

Moment Of Truth

Large/established businesses and brands work in a certain format and pattern, which though time-tested leave marginalized the ability to take risks and a pace of business that is moderate. In the startup world the speed/time to market is a given and problem solving is a must. That coupled with the excitement of building a brand, drew me to a start-up.

The Reason I Opted For E-Commerce

It is the e-commerce ecosystem that attracted me, which in India is at a nascent stage and thus has its own set of challenges and learnings.

Specifically, Koovs because it is a vibrant young start-up brand that has built a cult-following and a high on fashion image for itself, with lot of growth potential. The task at hand here is to tell the brand story to a wider audience in a disruptive manner and be able to stand out in a cluttered market.

Where Startups Could Improve

Startup players tend to get lured by prospects of fast growth or get distracted with competition and their activities. Stay true to the business objective and focus on building a unique and differentiated brand position.

The Biggest Crisis

It's almost a daily crisis in a start-up, with ever-changing variables and market dynamics. The key to success, then is dependent on not losing sight of the larger business objective and goals

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All Things God

And basis consumer behaviour, the store keeps or removes a set of products. And at least someone's prayers are being answered considering the fact Shubhkart is moving to the chain's stores in the North and South as well. "By early next week, Shubhkart will be present across 150 Reliance Stores across India," says Pittie. Online, Pittie has seen 20% quarterly growth rate of traffic over the last two years. 40% comes from repeat customers. He's allocated a tentative budget of ₹7 crore for marketing of Shubhkart and expects to garner a business worth ₹15 crore (online) and ₹30 crore (offline) by next fiscal year. Plans in the offing include offering a listing of pandits for various religious services.

Questions about Shubhkart and its model: Why opt for a standalone

Religion and spirituality is a sub-sub category within Snapdeal where you'll have about 30,000 products. We offer you close to a lakh products with more than just the basic product price and description."

Aditya Pittie, Shubhkart



er can cater to the sub-segments across different religious and spiritual sects in the country. No one size/product fits all, even when it comes to all things God. Let's see how well Shubhkart takes that into consideration.

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"Branding brings consistency in product and packaging. It builds trust. The consumer will always be careful with unbranded products, but she assumes a certain standard from a branded one. And that's the reason people have increasingly started buying fruits and vegetables from our stores rather than off roadside vendors. They know Reliance Fresh won't be growing fruits by the railway tracks," Mall adds. That explains why 200 Shubhkart products are available in 50 Reliance Retail stores across Western India. We ask Mall how important religion and spirituality is as a category for the supermarket chain. "I don't stand in judgement of that. As a retailer, my dharma is to increase choice for the consumer, provide her ease of shopping," he says. He lets consumer take that call

MUMBAI'S NO. 2 NEWSPAPER HAS LEFT WORLD NEWSPAPERS BEHIND.



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It's hard to be a VC, harder to be his wife...

By Shephali Bhatt

There's a certain perception issue that Venture Capitalists suffer from — and I realised it first hand when I told a few friends from the industry that I was getting married. “What does the guy do?” was the most obvious question they asked, hoping I would say he's a journalist or an adman such as themselves. “He's a VC,” I said, rather plainly. And the reactions I got were anything but vanilla. “Oh, now you don't have to work for a living,” said one. “Why do I not find such guys,” sighed another ad(wo) man.

I wasn't displeased with their reactions. Fine, maybe I was. But I knew they were happy for me. The problem was they weren't happy I was marrying a nice human being, they were happy that he's a VC. Because they have a certain perception of VCs — hotshots with a lot of money. And then there's this other perception that the entrepreneurs have created of them — heartless, shrewd businessmen.

Honestly, I was living with the same perception myself, till I got married to one. That's when I saw what a day in the life of a venture capitalist is like — straight from hell, to put it mildly.

An entrepreneur has one company and its accompanying crises to deal with. A VC has several such startups in his portfolio to take care of, and something somewhere is going wrong with all of them simultaneously.

I won't blame those propagating these stereotypes alone though. The VCs are to blame for this as well. They don't explain themselves because they think there's too much at stake for them to indulge or entertain perception-makers. They think it's better to focus on what their job is - looking for those who want to and can change the world, and helping them do it.

I know it must be hard for them to live with all the unwarranted hate that comes their way. It's harder for their partner who's a silent spectator of all their suffering and can do nothing (much) about it despite knowing the truth.

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When a startup shuts down — and we've had several such instances in the recent past — everyone sympathises with the entrepreneur. Which is fair - he lost his company. What's amusing is how no one thinks of the VC who lost all his money and got nothing in return except a certificate of “You don't know how to make a good investment”.

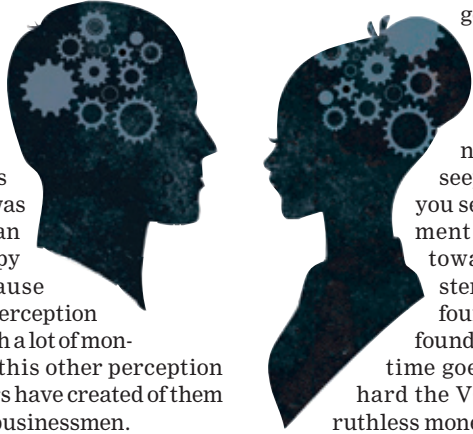
An entrepreneur can pivot however many times he wants and still make it all sound glorious. It takes a VC years and years to prove he's a good investor and gain respect in the market.

From the little I have seen, read, and experienced, the zeitgeist has a soft and encouraging attitude towards entrepreneurs and that's a good thing. But it also seems very unforgiving of VCs without caring to know their side of the story. And now that startups have seeped into pop culture, you see that the entertainment shows tend to veer towards portraying VC stereotypes as well. The founder works hard, the founder has stress. No airtime goes into showing how hard the VC works, he is just a ruthless moneymen who instantly grows devil horns if he doesn't see merit in the hard-working founder's unscalable idea.

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As long as its 'original' to the consumer or the country, who cares?

Critics will point out that this the same logic Bollywood's most noted plagiarists have used to justify their wholesale borrowing. However in the world of business, the same rules don't necessarily apply. Ravi Kiran, angel investor and co-founder, VentureNursery, says of the criteria he uses to evaluate startups, “While the team is central without a doubt, no matter how good they are, they can't change the course of the market. But if they've identified a problem that is real intense and big, we start from there.” There's a general consensus that too many wannabe entrepreneurs are hung up on “original ideas,” which may or may not be relevant or have potential to go the distance.

Besides, as Nagaraj points

out, “How do you define original? If I am seeing or embracing something for the first time, it is original; I don't care if it's already there in the US, Europe or Timbuctoo.” The genius of Indian startups often lies in how well they are able to package an international idea for uniquely Indian situations and conditions. Says Nagaraj, “We need to applaud them for that rather than criticise them for replicating ideas.”

Original ideas need to emerge in places they are needed

VentureNursery has a clutch of categories it focuses on: media and entertainment, retail, ecommerce, technology, education and clean technology. Of these according to Ravi Kiran, ecommerce is oversubscribed while clean technology, a great need in these more environment conscious times, goes begging. There are several such spaces that could do with some innovative thinking, built to address the unique challenges of India as a country.

A lot of Nadkarni's investments, he admits, have been in companies that have filled up niches left by major players: be

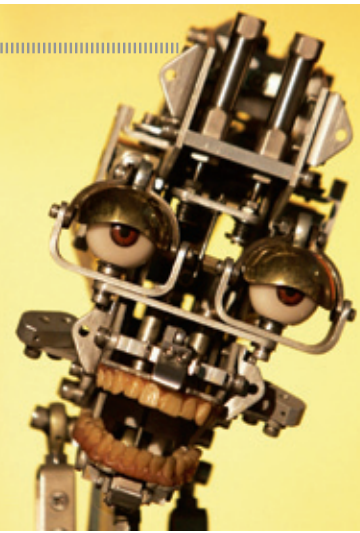
it ethnic drinks from Paper Boat or craft beers from White Owl. “Given consumer trajectories, I can see them becoming big very soon,” he says.

What funders are looking for is not necessarily something freakishly original but a spin on an existing idea that can lead in a different direction; a spin that a larger player either cannot or will not replicate, and the potential increase in the size of the pie, once the spin is factored in. While many of the global food giants have spent millions of dollars trying to change Indian eating habits, companies from Nadkarni's Fingerlix to Future Group are attempting to create offerings more suited to the Indian palate. In a country with millennia long culinary history, a curry is not an original idea. But it can become one if made convenient, healthy and yet allowing a home chef a certain degree of control over the final outcome. Original ideas exist, but just take a lot of looking, and a lot of convincing. Is it any wonder then that people gravitate towards being the next Amazon-killer or the Uber of X?

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By Invitation

It's The Technology, Stupid!



Nikhil Rungta on why Indian tech startups fail to succeed the way their global counterparts do



There was a time when flight tickets were a booklet and the only way to get them was through an agent or by travelling to the airport. Today, we do it from the comfort of our homes or offices, or even on the go, in fact I don't even know too many people who use or know of an agent! So, how did we get here?

The short answer to that question is - technology. However, this is not something new, through the ages, technology has been defined and redefined several times, there was a point when the steam engine was considered cutting edge technology! Today it is more subtle and sits in the palm of our hands. Yes, we are talking the technologies that are being cultivated to make our lives easier and to address several problems we face.

All this is happening at a break-neck speed in the proverbial 'garages' across the world with the adoption of Valley or Valley-like culture. Uber, Airbnb, WhatsApp and Truecaller are some of the prime examples of what technology can achieve. While Truecaller with a handful of employees has created one of the largest global database of mobiles

and telephones, WhatsApp with 55 employees got bought by Facebook for a whopping \$19 billion. And on the other hand, Airbnb and Uber have become one of the world's largest hospitality chains and transport operators respectively, without owning a single property or car!

The secret to their success (if we can call it that) is their laser-sharp focus on the problems they want to solve and their effective use of technology. And this is where the roads diverge for the global and Indian start-up ecosystems. There have been a fair share of Indian startups that have made a mark on the world, but they are few and far in between, and this despite having what is arguably the world's largest English speaking population and the best technology talent pool. Or perhaps is that the issue?

The traditional Indian response to a business problem is to deploy more people, be it offshore call centres or deployment of large-scale IT projects. And this mind-set seems to be creeping in the Indian startup ecosystem too. Instead of developing the technology to solve a problem, several startups just add more people in the hope that it would work. It does not. This is also where several startups in India are struggling.

Instead of developing tech to solve a problem, startups add more people hoping it would work. It doesn't.

It is a known fact that startups, particularly those in the consumer business have a long gestation period, and it takes several years for them to start making money. So the pressure to succeed, to make the first million dollar, or worse still, to become a 'unicorn' can be daunting. Given this, they need to scale-up and if the scaling-up is done Indian style by adding people, it is likely to fail nine out of ten times.

More people mean more salaries, larger office space and rentals, additional overheads (start-ups are known for their perks so that can't go away!) and so on. Here is where the investors come in. Like anyone putting their money at stake, Venture Capitalists too want to make money and the physical scaling-up does not impress them, because they've invested in a technology company and not in a direct marketing company for a reason!

By definition, a product or a technology startup is expected to solve the problem using technology. The scaling-up has to happen using technology. It is expected to bring in the ten millionth user by playing smart and not by physically sending out a thousand people, it just defeats the purpose. So, if you are someone who has a brilliant idea and are just starting off, here are three things you should keep in mind:

- **Fall in love** with the problem, not the solution - never lose sight of the problem, how you attack the solution can remain more flexible, iterative and ultimately, be more likely to succeed

- **Build the Business**, not just the valuation - avoid focusing on funding and valuation from day zero instead focus on the problem you are trying to solve and on the users you are targeting.

- **Throw technology not people** at problems - most Indian startups begin as technology or product companies; and given that there is no dearth of skilled population, start throwing people at problems rather than throwing technology and using it to address the issue.

Finally, it will only be fair to say, that to build the business be people-first, but to grow and scale be technology-first.

(The author is CMO of Housing.com. Views expressed are personal)

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Google thinks it has solved the biggest problem with reading comics on your smartphone

Smartphones are well-suited to many tasks - but reading comics is not one of them. Even on the biggest phablets, text bubbles become small and illegible, forcing the reader to laboriously zoom in-and-out as they read. But



Google thinks it has solved this problem with a nifty new feature called Bubble Zoom. Bubble Zoom is built into an update for its ebook about Google Play Books, for Android. It automatically detects text bubbles in a comic and enlarges them - letting the user clearly read what's being said without having to zoom and swipe around the page. It's powered using Google's machine learning tech, the company said in a blogpost published Thursday. Right now, it doesn't work on everything: Just “all Marvel and DC collected volumes.” But the company has some high ambitions for the technology longterm. “As we continue to teach our machines to read more comic book styles,” it says, “our goal is to eventually bring Bubble Zoom to all the comics and manga ever made.”

(Source: businessinsider.com)

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