
PROFILING OF ONLINE RETAIL ENTREPRENEUR'S: INDUSTRIES SWOT ANALYSIS

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Abstract: This paper aims to profile Indian on-line retailers and to build a picture of the current scenario of the changes driven by them in Indian on-line retailing industry. During last few years we have witnessed unprecedented growth of the entrepreneurial ventures in the e-commerce sector in the country some of whom have shut down while few others have emerged as the leaders of the industry with their competitive business model and marketing strategies. In the current \$500 billion retail sector, the online segment's contribution is less than 0.50%, which signals a further huge growth in this segment and calls for a need for understanding a current scenario in the e-retail space in India. With lot of foreign ventures and global giants like Amazon entering the Indian e-retail space, it is important to look at the Indian entrepreneurial ventures. Through the analysis of report from the company disclosures, news articles, media coverage, analysts' reports and other related articles in public domain, this paper aims at analysing the current state of Indian e-retail companies, their current sales figures profits (or losses) and other related parameters such as investors etc. This paper also looks upon the strength, weakness, opportunities and threats for Indian on-line retailing entrepreneurs, which would be useful for the upcoming entrepreneurs to appropriately devise their strategy to sustain in the Indian online- retail space.

Keywords: online-retailing, entrepreneurship, E-tailing Marketing Strategies

Introduction: Indian online retail market is estimated to grow over 4-fold to touch \$ 14.5 billion (over Rs 88,000 crore) by 2018 on account of rapid expansion of e-commerce in the country. According to research and consultancy firm RNCOS, the online retail market is projected to grow at a compound annual rate of 40-45 per cent during 2014-18. The Indian online retail marketing has been striding leaps and bounds over the past few years on account of digital revolution. The trend is expected to continue as the online retail market in India is estimated to touch the mark of \$ 14.5 billion by 2018," a report by RNCOS said. As per the 'White paper on Indian Online Retail Industry: The War of Clicks', India is among the most swiftly emerging online retail market across Asia-Pacific region although the expanse of e-commerce is at a sprouting stage. The above mentioned trend as accelerated growth in internet based Indian

entrepreneurial ventures; this paper looks at the changing scene in the e-retail sector in view of many MNCs (Amazon, Tradus etc.), large foreign venture capitalists, investors and Indian entrepreneurs entering into this segment. India is one of the top retailing markets in the world and among the fastest growing.

For nearly a year now, some of the world's most renowned investors have poured in big money to get a slice of the action in India, one of the fastest-growing markets for e-commerce. This surge of capital from a plethora of sources, including risk capital funds and business conglomerates, is directed at a select group of online commerce companies - those who are leaders in their categories and have demonstrated a track record of capital efficiency. Since 2011, equity investors have put in about \$1.2 billion (over Rs 7,490 crore) into online product retail according to research firm Venture

Intelligence. About half of this money came last year as investors returned to back companies that showed them a path to becoming profitable. "Serious money is now backing the serious players in the industry," said Raja Lahiri, a partner at financial advisory firm Grant Thornton India. This flow of capital has given rise to a pool of entrepreneurs with enormous personal wealth who have crafted unique management styles to propel their companies forward at a rapid pace.

Literature Review:

E-tailing: The sale of goods and services through the Internet. Electronic retailing, or etailing, can include business-to-business and business-to-consumer sales. Etailing revenue can come from the sale of products and services, through subscriptions to website content, or through advertising. It is a play on the words "retail" and "e-commerce."

CRISIL Research defines e-commerce companies as those in the primary business of providing web platform(s) and website(s) through which individuals, using a computer or smartphone, can purchase a product or service. The definition excludes classifieds and information portals, online transactions between businesses, and websites offering online financial services.

E-tailing requires businesses to tailor traditional business models to the rapidly changing face of the Internet and its users. E-tailers are not restricted solely to the Internet, and some brick-and-mortar businesses also operate websites to reach consumers. Online retailing is normally referred to as e-tailing.

For the purpose of this article, our definition includes retailing of products through online only and we have excluded online ticketing and online deals, which does not contribute for profiling online retailing entrepreneurs and don't compete directly with the traditional brick-and-mortar retail and .

E-entrepreneurship: is the act of managing an electronic enterprise that has the potential to make a profit or incur a loss.

E-entrepreneur is defined as an individual willing to take the risk of investing time and money in an electronic business.

Objective of Study: Main objective and research motivation of the study is about, profiling Indian On-line retailers and their business models, to find the determinants of attitude formation to enter into On-line retailing business. Other specific objectives are

- To analyze the current state of on-line retailing market in India
- To study about strength, weakness, opportunities and threats in on-line retailing business

All the above mentioned objectives are based on secondary data with respect to Indian on-line retailing and on-line retailing entrepreneurs which are reported in Newspapers and investigation done in previous papers, journals, studies and research.

Research Methodology: Source of data for this research study is from secondary data. Detailed studies and various research reports, Government report in study topic were used as a secondary data. Online and offline previous research paper, articles, literatures from books, journals from the period of 2007-2014 were the main sources. Details regarding secondary sources are mentioned in reference section.

Findings and Discussion:

Profiling of Indian based E-entrepreneurs:

Increased flow of capital to this sector has given rise to a pool of entrepreneurs with enormous personal wealth who have crafted unique management styles to propel their companies forward at a rapid pace. Close on the heels of the leaders are a posse of aspirants managing fast-growing specialist portals such as PeyushBansal of Lenskart, PrashantTandon of HealthKart and SupamMaheshwari, cofounder of baby care portal.

Name	Year of Start	Vertical In	Founder	Fund raised	Investors	Sales	Founder's Success Stragies
Lenkart	2010	Eyeware	Peyush Bansal	Rs. 87000 Crore	IDG Venture India	50 Crore for fiscal year 2014	.Innovate and build . Speed and flexibility in adapting changing environment.
First Cry	2010	Baby and Mother care Products	. Supam maheshwari . Amitava Saha	Rs. 205 Crore	. Vertex venture Managemet . Saif Partners	35 Crore for fiscal year 2014	.Team is most important in organization . Adapting to the environment.
Health Kart	2009	Pharmacy	Prashant Tandon	Rs. 126 Crore	. Kae Capital . Sequoia . Omidyar . Intel Capital	120 Crore for fiscal year 2014	. Tapping underserved and underpenetrated Market . Focus on unit economics and profitability
Myntra	2007	Multi-brand fashion retail	Mukesh Bansal	Rs. 780 Crore	. Premji Invest . Sofina . Tiger Global . Accel partners . IDG venture . Kalaari	1500 Crore in fiscal year 2015	. Focused, Determined, and good leaderthese . Strong structure, process and system . Managemnet Style - consensus building
Flipkart	2007	Multi-Category retial	. Sachin Bansal . Binny Bansal	Rs. 3,360 Crore	.Naspers . Murgan standly Invest . Tiger Global . Accel partners	6,200 Crore in fiscal year 2015	. Evolve and Unlearn . Empowering Senior Management . Good Listener . Long term Vision . Deal with
Zomato	2008	Restaurant directory	. Deepinder Goyal . Pankaj Chaddah	Rs. 330 Crore	. Info edge . Sequoia Capital	40 Crore for fiscal year 2014	. Fixing things which are Broken . Hiring people better than Yourself . Empowering employees to take risk
Snapdeal	2010	Multi-Category retial	. KunalBahi . Rohit Bansal	Rs. 636 Crore	. EbayInc . Recruit Corp . Intel . Nexus Venture . Silicon Valley	6,200 Crore in fiscal year 2015	. Determination to remain in game/Industry . Mission is to change lives of millions of small retailers . Social economic equalizer . Innovation . Aligning clients to companies vision

SWOT Analysis for Indian online Retailers:

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> . Low overhead . IT Infrastructure . Execution Speed . Low advertising cost . Global market . Flexible target market segmentation . Niche market 	<ul style="list-style-type: none"> . Concerns over security . Lack of trust and dependency among users . Elderly age users are less due to high technology . Limitation of products . Lack of personal services . Limited advertising . Customer stratification
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> . Reverse logistics . Changing trends . Increasing number of users . Regular global expansion . High availability . Wide business growth . Cost effective advertising 	<ul style="list-style-type: none"> . Controlling customer data . Handling returns . Delivering goods cost-effectively . Language problem . Increasing Competitors . Innovations in field . No direct Interaction

Conclusion: The current growth in e-tailing was driven by start-ups, and backed by venture capital and entrepreneurship. While the Indian e-tailing market is yet to achieve a steady state, these initial entrants have succeeded in capturing the imagination of a sizeable consuming class. These have also acted as a catalyst in the creation of an ecosystem necessary for the growth of e-tailing.

E-tailing’s potential cannot be tapped on the premise that investments by a few organizations will unlock this opportunity. Going forward, the projected size of e-tailing by 2021 will not be composed of pure e-tailing companies, as is largely the case today. E-tailing can provide

employment to ~1.45 million people by 2021. Its growth will spur the creation of new capabilities and human skills in the areas of logistics, packaging, and technology. Additionally, such growth will promote the rise of service entrepreneurs who will have the potential to earn ~USD 7.5 billion, annually, by 2021. It will open up international markets for the SME sector and can become an important facilitator for the growth of the telecom and domestic air cargo industries. Top 7 Indian online retailers are rising stars are grabbing investor attention and attracting serious capital that could catapult them into the exclusive club of India's internet commerce companies valued over Rs 1,000 crore.

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