

MAY 2020

INVISION



In Touch, In Tune

INVISION is a new initiative by CED. The vision behind this newsletter essentially is to create a uniform platform that would help us connect better with our audience at NIFTEM. We aim to make this a platform for articles about a plethora of topics that will help our readers improve their knowledge and affiliate them with the latest happenings around the globe.

CONTENTS

| | |
|--|-----|
| 1. Letter by the Editor | 3. |
| 2. CED Events | 4. |
| 3. Launchpad | 5. |
| 4. The Book Club | 10. |
| 5. Foodpreneurship | 14. |
| 6. E-Bits | 20. |
| 7. Intrapreneurship | 28. |
| 8. Entrepreneurship Tips | 32. |
| 9. Economic Insights | 34. |
| 10. Crisis Corner - Marketing Disasters | 37. |
| 11. Tech trends | 41. |
| 12. Rise and Fall | 45. |
| 13. Editors | 49. |

-Dr. Vimal Pant

FROM THE EDITOR'S DESK

A girl decided to marry at the age of seventeen in an interfaith relationship against the wishes of her parents. The man was thirteen years elder to her and the decision didn't go well with her parents as well as in-laws and she was alienated from both households. As she started her marital life, the reality struck her as the husband turned alcoholic and had no income. Soon she became a mother of two and faced domestic violence from her husband who had no earnings. Battered by the harshness of personal and financial distress she took refuge at her father's place once again. It was at this juncture that the woman decided to fight her own battle and do something on her own.

She started making pickles, jams and squashes at home and her mother took them to her office where they were sold quickly. The first taste of success gave her a big boost and then an opportunity came her way. Her father's friend was giving a mobile kiosk to people who could employ at least two handicapped people. She readily accepted the deal and thought of putting a kiosk at the Marina Beach in Chennai. However, that required a government license which was hard to come by in the license-raj era of the pre-liberalization period. With her small kid in toe, she went to the license office day after day for over a year. Finally, she succeeded in getting a license and drove the kiosk to the beach with excitement. She loaded it with samosas, cutlets, tea, coffee, and juice.

Day one started with big hopes but it ended with huge disappointment as only one cup of coffee got sold. She cried but her parents asked her to stay put. Very next day, sales began on a promising note, and then it was no looking back. She was at the beach early morning for the walkers till late night for partying customers. She was spotted by officials who gave her the first big breakthrough to run the canteen of Slum Clearance Board. From there, she went on to get contracts to run canteens of Bank of Madurai and a plum assignment in the form of National Port Management Training School. This march of success brought her a partnership offer with Sangeetha Restaurant Group. Her son grew up and aspired to start their own business. However, tragedy again struck her and she lost her daughter and son-in-law in a road accident just after a month of married life. She was devastated and wanted to take a step back. Her son however persisted and she rolled out her first restaurant Sandeepha which today has grown into a chain of restaurants. From starting with that humble kiosk at Marina Beach in personal and financial havoc, she became FICCI Women Entrepreneur of the Year in 2010. She is Patricia Narayan and without any formal education, her perseverance and dedication have brought her the success she so truly deserves. Hope you are finding our issues readable. Looking forward to hearing from you!

CED EVENTS

CED strives to imbibe the art of creativity among students so that they can come up with new ideas that give value to the society. To provide students with ample opportunities, live instagram session series has been planned with some new age dynamic entrepreneurs and influencers.

The first session was held with Mr Madhur Arora, Founder and CEO of Monk Foods and an ex CED member on 22nd May 2020.

Just a year after college, he started his own facility of chocolate and second manufacturing facility of seasonings. Most of his clients are snack manufacturers located pan India.

Currently his company is in the expansion phase and Introducing new products in the market catering to ice cream industry, confectionery bakery, ready to eat and cook solutions. This is a B2B business.

The company is also Intoducting some new ready to cook spice mixes in the B2C market as per their business expansion plan.



Total viewers (approx) - 220



-Ishleen Kaur Viridi & Adhishree Belsare

Welcome back to the Launchpad series! Now that we are through with the first two steps that are Business Idea Generation and Valuation, and Registration of your business, let's get down to the legal stuff and being honest, the most tedious part, that is - getting the appropriate permits and licenses for your business.

First off, **what are permits and licenses**, and **why are they so important?**

Business licenses are permits issued by government agencies that allow individuals or companies to conduct business within the government's geographical jurisdiction. It can be interpreted as an authorization to start a business issued by the local government. Getting your business licensed can be one of the most important tasks before you start operating. Lack of proper licensing may not be such a problem in the initial stages of your business, but as it grows this can come to bite you in the back. Proper business licensing and permits allow you to operate your business legally within your area and prevents you from landing into trouble during any legal disputes.

What Licences should you get? Depending on the type of business you plan to operate you will need to get different licenses before you start. You need to know exactly what category your business falls in to get the specific licenses you will need before getting started. Regulations vary from place to place, so it's very important to understand the licensing rules where your business is located. To get specific details you can search online for your city's name + business license to find the correct web page.



Meanwhile here are a few basics licenses and permits home-based or small business owners in India should have.

Please note that license requirements vary from country to country, and sometimes even location to location. So before starting any business ensure that you have all the licenses you should have in that particular location.

1] Company or LLP Registration

This particular License makes your company an entity of its own, which in a way gives it a legal identity. In India, the Ministry of Corporate Affairs regulates the registration of a company and LLP. It is advisable for entrepreneurs who have plans for



operating a business with an annual turnover of more than Rs.20 lakhs to obtain a LLP or Company registration. This also helps the owner to enjoy limited liability protection, meaning that an LLP protects each partner from debts against the partnership arising from professional malpractice lawsuits against another partner. Further, the business would also become easily transferable and the entity would have perpetual existence. Hence, before starting a business, its best to consult an expert and register a company or LLP.

2] GST Registration



Depending on your annual turnover and the state your company is based in all companies need to register for a GST permit. In the case of a company supplying goods involved in the intra-state supply, irrespective of their turnover is required to obtain a

GST registration. In addition to the above criteria, various other criteria have been provided under the GST Act, establishing the criteria for GST registration. Every entrepreneur who falls under the specified category that needs this registration should get their business registered within 30 days of starting it.

3] Udyog Aadhar Registration

Owners of small businesses including micro, small and medium enterprises should get this permit before starting. This Registration helps a business to avail of the various schemes and subsidies specially provided by the government for aiding

small scale businesses. You can check the eligibility criterion [here](#)



4] FSSAI License or Registration



If you are starting a food-related business then this is a must. FSSAI or the Food Safety and standard authority of India is the government body responsible to verify the safety and standardization of food products nationwide.

Under FSSAI, the license or registration is divided into three categories namely:

- FSSAI Central License
- FSSAI State License
- FSSAI State Registration

These categories are divided on the basis of the annual turnover of a company. For details on the categories and registration fee [click here](#)

5] Import Export Code

If your business involves import or export of goods/services then you must obtain an Import Export Code from the DGFT (Directorate General of Foreign Trade) Department.

A PAN (Permanent Account number) and a Current Account in the bank are essential to obtain this License.



6] Shop and Establishment Act License



This act was created in order to regulate the conduct of business. Conduct of business includes the hours of work, child labor, payment of wages, safety, and general health of the employees. Shop and Establishment Act license or registration is

issued by the State Governments and varies from state to state. Hence, to obtain this license, a business owner must visit the concerned State Government authority.

7] Gumastha license

This license is specific to the state of Maharashtra. So if your business is not in this state this does not concern you, but if it is then here's what you should know: To procure it, one needs to possess the following documents;



- PAN Card
- An Address proof or a no-objection certificate from the landlord
- Application letter in the prescribed format to the Municipal Corporation of Greater Mumbai
- Authority Letter for Business
- Government Prescribed Fees for a partnership Firm
- Memorandum and Article Of association
- Certificate Of the incorporation of the Company
- Director's ID and Address proof

• Other Licenses and Registrations

Certain types of business that involve aspects of dealing or providing insurance, financial services, broadcasting services, defense-related services, etc., would require special approval from regulatory bodies like Reserve Bank of India, IRDAI, etc.,

Further, a business may also have to obtain permits from the fire department, or the pollution control board, or maybe the local healthcare system. It all depends on the type of business you are planning to operate. Hence, prior to starting a business, make sure you discuss your business with a professional, to determine and understand the legal and regulatory requirements.

Moreover, Each of the licenses mentioned above has certain specifications like expiration dates or inspection intervals that should be kept in mind by the business owner. Operating with an expired license can have legal repercussions. Also if your business does not consistently fulfill the requirements for the license it can be revoked by the authorities, which can get you and your business into a lot of trouble. Hence it is always better to be on the safer side when it comes to our Licenses.

Please note that the above-mentioned Licenses are specific to India. If you plan on operating your business in another country please be sure to optimize your search for business licenses based on your geography. So that was all on Business Licenses and permits, keep in touch to know more about Accounting for your business in our next issue.



THE BOOK CLUB

-Amulya Sharma

The book ZERO TO ONE, written by Peter Thiel, was based on a course that he co-taught at Stanford. Blake Masters put the course notes online and they went viral. Later, Peter Thiel was teaming up with Blake, to turn the course notes into a book. Blake graduated from Stanford Law. It is written in a digestible style that has nuggets of knowledge scattered throughout. It mainly focuses on building a new business or improving upon a pre-existing business.

Peter Thiel, the co-founder of Paypal, makes an attempt to bring out that monopolistic firms perform better than perfectly competitive firms.

Example: Google is a monopolistic and Airline US company is a perfectly competitive firm. Furthermore, if there is a competition, then people will copy from what has been done from the past.

Monopolistic competition occurs when an industry has many firms offering products that are similar but not identical. Unlike a monopoly, these firms have little power to set curtail supply or raise prices to increase profits.

Firms in monopolistic competition typically try to differentiate their product in order to achieve in order to capture above-market returns.

Heavy advertising and marketing are common among firms in monopolistic competition and some economists criticize this as wasteful. The first few pages are very interesting where he explains what he means by Zero to One. When we try creating something new, we often try to move forward vertically, whereas Zero to One means moving horizontally, whilst adding modifications to existing models.

This book mainly focuses on monopolistic firms. Peter Thiel says that companies should not manufacture the same kind of products as it is easy for anyone to copy and make those.

People will not buy the same kind of products every time and would expect something new and thus, their demand for new, innovative things would increase, so if we invent something new, then eventually there will be an increase in demand.

According to Thiel, firms are said to be in perfect competition when the following conditions occur:

- Many firms produce identical products.
- Many buyers are available to buy the product, and many sellers are available to sell the product.
- Sellers and buyers have all the relevant information to make rational decisions about the product being bought and sold.
- Firms can enter and leave the market without any restrictions—in other words, there is free entry and exit into and out of the market.

But these conditions are hypothetical, and thus, perfect competition state cannot be achieved. (Also, if it does, the industry will have zero economic profits)



Perfectly competitive firms should have an equilibrium, that is the supply should be equal to demand, but many firms fail to deliver this.

He justifies this by an example: if someone starts a restaurant with a mountain view in California, say a middle-class man, who looks to invest at a lower rate, he employs an old lady for accounting and he employs some kids for washing the dishes and aims for a profit. Unfortunately, he will fail to earn a profit. As a result, he has to close the firm. This is how Peter Thiel explains perfectly competitive firms. In addition, he explains how cash-flow works. Cash flow is significant and essential and he explains the importance of giving an example of Twitter and the New York Times.

Zero to One is strong where you'd expect it to be strong, mostly in the first half, where Peter Thiel pulls material directly from his now-famous course at Stanford. For someone who has read those class notes, this may be an excellent and more eloquent reminder of a number of those concepts, which I found to be new and worth reading.

The middle and end of the book still have some great personal stories about Thiel's experience with founders and startups generally, but it follows the pattern of most books that are written around one, really interesting core idea - it stretches to ascertain how far it can scale. Thiel finishes up waxing philosophically about the character of celebrity CEOs, futurism, and other things which may or won't be interesting or helpful to someone who bought the book to urge Thiel's in-depth explanation of the Zero to at least one concept. This is where the book splits from the course, and it's hit and miss.

Thiel covers a couple of different sets of criteria which will be won't evaluate founders, start-ups, and businesses generally, and that they seem rough right albeit the examples he provides were selected as easy examples.

Here are a few quotes from the book that illustrates how well written it is.

“

“Zero to One moment in Business happens only once. The next Bill Gates will not build an operating system. The next Larry Page or Sergey Brin won’t make a search engine. And the next Mark Zuckerberg won’t create a social network.”

“The paradox of teaching entrepreneurship is that such a formula necessarily cannot exist; because every innovation is new and unique, no authority can prescribe in concrete terms the way to be innovative. Indeed, the only most powerful pattern I even have noticed is that successful people find value in unexpected places and that they do that by brooding about business from first principles instead of formulas.”

“The best entrepreneurs know this: every great business is built around a secret that’s hidden from the outside. A great company is a conspiracy to change the world; when you share your secret, the recipient becomes a fellow conspirator.”

“Above all, don’t overestimate your own power as a private. Founders are important not because they’re the sole ones whose work has value, but rather because an excellent founder can bring out the simplest work from everybody at his company. That we’d like individual founders altogether their peculiarity doesn’t mean that we are called to worship Ayn Randian “prime movers” who claim to be independent of everybody around them.”

“Madness is rare in individuals—but in groups, parties, nations, and ages it’s the rule,” Nietzsche wrote (before he went mad). If you’ll identify a delusional popular belief, you’ll find what lies hidden behind it: the contrarian truth.

”



FOODPRENEURSHIP

-Ishleen Kaur Viridi



In this feature of FOODPRENEURSHIP read about the role of TRUST in the food sector. This article covers the topic of customer trust and how it can impact a food company. It also discusses some marketing strategies that companies employ to elevate their customer trust and the disastrous impacts on customer trust due to quality compromises.



FOOD AND TRUST

The word Trust is a strong one, and it holds a high value especially, in the Food sector. Building a strong customer network backed by years of trust is the key ingredient to make it in the food sector. Sure, customers love new and innovative products but, no brand can last long if its customer base is not integrated with a deep network of trust. To date, Trust plays a major role in the food sector and no company can flourish without a good reputation and a strong relationship built on trust with its customers. Why is customer trust so important?

Food is something that each and every human on this planet needs, to survive. As essential as it is humanity has had many damaging experiences that have occurred due to unhealthy or unhygienic food. Countless lives have been lost to outbreaks and plagues due to food-related causes. And as they say, the past is a teacher and it has taught us, humans, to be wary and aware of the food we eat.



This is where trust comes in. As food companies have grown they have come to the realization that for flourishing they need a magic ingredient and that is customer trust. For a company to have a good customer base it needs to have a good reputation amongst its stakeholders, i.e., its customers. This good reputation is built over the years by simply developing and maintaining the Trust and Faith the customers put in them.

It's obvious that new companies that launch into the food sector face challenges when it comes to building a loyal customer base like the long-standing food giants. This obvious early friction comes in because customers might be hesitant when it comes to trusting a new brand or product.

If you notice carefully, it is evident in many companies marketing strategies that they loop in their customers by creating assurances of use of "pure" ingredients while preparing their products.

An example of this is Amul, in each of their advertisements you will hear words like "pure" and "shudh". These words create a perception of purity and hygiene among the customers, which in turn influences them to choose these products over other competing brands'.



Big companies might have an advantage of long-standing customer trust, but it doesn't mean they still don't have to constantly work on it. History is proof that without customer trust, a company can't survive for long. Especially in the food sector, one mistake or fluke, no matter the size can lead years of hard built customer trust to come crashing down.

To back this up, what better example than the Maggie ban?

In the year 2014, the instant noodles giant faced one of its biggest challenges. A ban was imposed on Maggie in India because the product was found to contain harmful additives that they specifically claimed it didn't. Adding to that it also was found that the product had exceeding amounts of another harmful substance 'lead'. This came as a major shock to its customer base, which was quite huge at the time. This incident led the leading instant noodles giant's sales to come crashing down by a whopping 80%. This was a major breach of trust by the company and they paid a hefty price for it too.



This was a very crucial time for the brand, they had to make a move and it had to be the right one, otherwise, years of trust built among them and their customers would just vanish into thin air. At, this point the company, once realizing the gravity of the situation, pulled back all of its product from stores, warehouses, and retailers and burned it all. They



started production of Maggie again, but now they made sure it met all health standards and regulations. When their product went back into the market they made sure to assure the customers of its credibility through properly planned marketing.

The end result? Well, the brand came right back into the market, though slowly at first. The customers could see the effort made by the company and hence they accepted the product on its return.

If the company hadn't taken apt decisions quickly to deal with this challenge they would have drowned by now. Their customers would have never replaced their trust in the brand without some efforts from their side. It would have been the downfall of the company.

Another example is when customers found worms in their loved bars of Cadbury chocolates. When customers found worms in their Cadbury bars, they were horrified, and this decreased Cadbury's sales by a huge swing. If you check the statistics each time an incident like this has occurred companies have suffered because they did not maintain their customer trust.



Challenges like these are unto a point unpredictable and can happen at any stage during the production process. It is the fact of how the company deals with these issues that can either spare or take the company's life.

If companies don't take immediate and effective actions in the face of such mistakes things won't look good for them in their future. Having a quick response to such a crisis is a crucial part of any company's existence.

The decision on how to tackle these situations falls on the top management of the company, and every action they take needs to be scrutinized to the last atom to make sure it is the right one. Because situations like these are very sensitive and without the correct actions, they can easily become the downfall of any company no matter how big or small.

Tools to help you trust in your food

Ever since we have moved ahead with civilization's development, there have been many advances in how we prepare our food that has built a better and safer environment for customers. Organizations like FDA, FSSAI, FAO, and USDA, to name a few have had a major role in improving customer trust in their food. Other techniques like HACCAP and certain food accreditations like ISO 2200 have come in handy to ensure the customers that the food they purchase is safe to eat.



On an average almost all of the food that we consume comes through certain processing methods and it goes through multiple hands during its journey from farm to fork.

But we still trust the packet of milk we buy at the local store and the bar of chocolate we so love to devour. But how did we start placing our trust in these foods? It's simple really, as we've grown up we have seen our parents trusting these brands and that has led to our unquestioning trust as well. There are other factors of course. The consumers today have become more educated and hence it helps them to make decisions while choosing the food they eat.

Simple ways for consumers to ensure goodness of the food they eat include:

Check for an FSSAI license number:

It is a 14 digit number that all FBOs are required to print on their food packaging. This license is given to food companies when they pass certain quality tests that are required by the FSSAI. If your food packets have this license it means it has been manufactured in an environment considered safe by the FSSAI.

Following storage instructions:

All packaged food products that require special storage conditions have the instructions clearly mentioned on the packaging. And any layman can follow these instructions.

Maintaining basic hygiene:

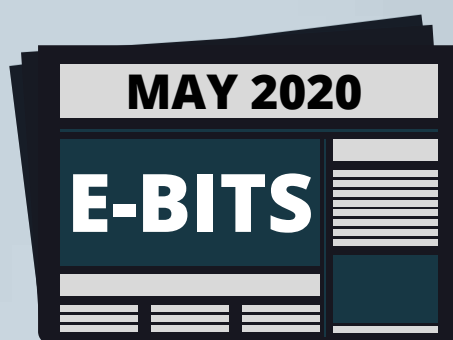
The manufacturing company plays its part in keeping your food safe, but once it is in your hands you are the one responsible for maintaining its hygiene. Once you open a packaging, ensure you store it in a cool and dry place, or as per the specific instructions mentioned on the package.

Checking the Use-by date:

All FMCGs have a use-by date or a packaging date on their packaging. It clearly mentions when the product was made, where it was made, and till when it will remain good for consumption.

Now more than ever food companies need to strengthen the trust their customers have on them. The pandemic of COVID-19 has made every consumer out there more skeptical about who they trust with their food. The average consumers thinks twice more critically towards the food he/she buys. To keep up with this, the companies will have to make more efforts to maintain their sales, or they can perish in these rocky times. Customer Trust in your brand is the key to surviving the hardships of the economic strain caused due to the worldwide COVID-IV lockdown.





-Vishaal

TikTok parent, ByteDance, hits \$3 billion in net profit last year

ByteDance, led by Zhang Yiming, is becoming a viable rival to the dominant American online behemoths, Facebook Inc. and Alphabet Inc. Facebook unit Instagram brought in about \$20 billion in advertising revenue in 2019. TikTok's parent ByteDance Ltd. generated more than \$3 billion of net profit on over \$17 billion in revenue last year, figures that show the world's most valuable startup is still growing at a brisk rate, according to people familiar with the matter. The revenue for last year was more than double the company's tally of about \$7.4 billion in 2018, propelled by phenomenal growth in user traffic that's drawn advertisers away from Tencent Holdings Ltd. and Baidu Inc.

Visa, Mastercard urge RBI to relax limits on 'tap and go' payments

The proposed relaxation on 'tap and go' payments could make card purchases safer for both the consumers and the merchants in the post-covid era as customers would not have to hand over cards at payment terminals and touch the swipe machine to enter PIN, according to these companies. Visa and Mastercard along with the Payment Council of India (PCI) have suggested the Reserve Bank of India to relax the limit on contactless transactions through debit and credit cards allowed without PIN to Rs.5000 from the current Rs.2000.



Lockdown strains another romance: **California and Elon Musk**

Musk's showdown with health authorities in California carries real risks. The Fremont plant now has more than 10,000 employees, some enduring marathon commutes from counties outside the San Francisco Bay Area. Packed with machinery and people, it's not an ideal place for social distancing. California has been a nurturing partner for Musk, 48. Its bold climate goals and incentives juiced the market for Tesla's sleek sedans and SUVs, with purchasers receiving \$266.8 million in state rebates over the years. More than 40% of the company's new U.S. vehicle registrations in 2019 were in California, according to IHS Markit. A full decade since Tesla's IPO, consumers can still apply for a \$2,000 rebate from the state if they buy a Model 3 or a Model Y.



Covid impact: TikTok stares at a gloomy India picture

Fewer people downloaded short videos app TikTok in April and May compared to the previous two months, amid reduced marketing and advertising budgets due to the Covid-19 pandemic, a persistent anti-China sentiment among users and calls for it to be banned on popular app stores due to objectionable content. Data shared with ET by app intelligence firm Sensor Tower show that downloads of the social media platform fell 34% in April and 28% up to May 23, after growing by 8% in March.



Is COVID-19 the biggest opportunity in crypto asset trading?

A larger number of investors believe that Bitcoin is here to stay. Many veterans have been holding onto Bitcoins for as long as 7 to 8 years. The rise in the value of bitcoin has not yet decelerated. The COVID19 pandemic has not only influenced how people across the world travel, work, and shop, but it has also impacted the share markets in the US, India, China, and Europe. Although rare assets are mostly considered safe in all stock exchanges, there has been some trepidation regarding the value of precious metals in the past month. As of May, the value of Gold in the US market peaked at \$1700 and then began to slide off. On the other hand, silver and platinum prices were seeing an increase. According to several share market and investment experts, investors should sell gold and begin investing in silver in the long run.

Top investors line up to evaluate \$50 million round in WhiteHatJr

According to sources aware of the developments, GIC, the sovereign wealth fund of Singapore, Renuka Ramnath-led home-grown private equity firm Multiples Alternate Asset Management and marquee venture capital firm Sequoia Capital, are among those considering an investment in WhiteHat Jr. Top venture capital, private equity and sovereign funds are evaluating a potential investment in Mumbai-based educational technology startup WhiteHat Jr, showcasing ongoing investor interest in one of the few sectors to have made headway despite the Covid-19 pandemic.

Amazon launches food delivery service in India

Amazon has launched its online food-delivery service called Amazon Food in select pin codes of Bengaluru, at a time when order volumes of the two largest players in the segment - Swiggy and Zomato - are at an all time low due to the coronavirus pandemic.

Spinny sells 300 used cars in lockdown, expects to return to pre-corona level volume by next month

Online used car retailing platform Spinny has managed to sell over 300 cars in the lockdown period amid changing buying behaviour of the customers due to the coronavirus pandemic and said it expects to return to pre-coronavirus level volume by the next month on the back of introduction of contactless home test drive initiative, the company said. To ensure safety of the customers and its employees, Spinny has implemented a contactless delivery system and processed a considerable number of orders during this period, it said in a release.



Swiggy starts home delivery of alcohol



Food delivery app Swiggy has started doorstep delivery of alcohol in Jharkhand. Rival Zomato has said it plans to launch the service in the state. The state government's decision to permit liquor sale during the lockdown had led to long queues and overcrowding outside wine shops. Haryana and Odisha are also likely to allow home delivery of alcohol in the next few days.

A Amazon's first major video game is here after several false starts

Amazon has been selling games from independent as well as the world's largest publishers for decades, and its Amazon Web Services and tools support development of other companies' games. Amazon.com Inc. faces a crucial test with the release of its first original big-budget video game. The reception from homebound gamers will signal whether the company can become a force in a \$159-billion global industry dominated by the likes of Microsoft Corp. and Activision Blizzard Inc.



Flipkart's limited India operations hit global growth: Walmart

Flipkart's limited operations during the nationwide lockdown "negatively affected" growth in its international ecommerce business, US retail giant Walmart told investors, counteracting higher sales from China, Canada, UK and Mexico. Walmart's chief rival Amazon, too, said earlier this month that India was its most impacted geography due to the lockdowns brought on by the Covid-19 pandemic. HungerBox launches solution to minimise Covid-19 transmission risk as corporate cafeterias set to reopen



Food-tech company **HungerBox** has created a solution based on FSSAI (Food Safety & Standards Authority of India) and WHO guidelines, and the Government of India's AarogyaSetu App, to make cafeteria operations Covid-19 safe, said a statement issued. As many workplaces prepare to transition back from the WFH model they've been following over the past weeks, reopening cafeterias for staff use while being fully compliant with the latest protocols around social distancing.

You can get banned if you don't wear mask on your next Uber ride

Uber India made it mandatory for both drivers and riders to wear a face mask during rides. Uber driver-partners will also have to verify that they are indeed wearing masks by uploading a selfie in the Uber app. "drivers and riders will be required to wear face masks if they go online in Uber in India and in most other countries where Uber operates," said Sachin Kansal, Global Senior Director, Safety Product, Uber, during a webinar hosted by the firm.

Window seat for startups in Isro's Gaganyaan trip

India's space agency will tap startups to develop food and medicines for astronauts, better tools to access machines in a spacecraft and green engines for its maiden humanspace flight Gaganyaan-1. It will also potentially help them build products and solutions that they can exploit commercially.



Wistron has \$165m for India plant expansion

Wistron plans to invest an additional Rs 1,300 crore (\$165 million) at its upcoming facility outside Bengaluru, a senior company executive said, as the Taiwanese contract manufacturer expects more business from its clients such as Apple. ET reported recently that the iPhone maker was examining the possibility of shifting nearly a fifth of its production capacity from China to India and scaling up its local manufacturing revenue, through its contract manufacturers, to around \$40 billion.



Indian startup, Nocca Robotics, plans to ship COVID-19 ventilator from May-end

IIT Kanpur-incubated start-up Nocca Robotics has developed an ICU-grade ventilator customised for handling coronavirus patients which will cost less than one-tenth of a high-end imported ventilator, the company's co-founder claimed. The company plans to start shipment of the indigenously-developed ventilator from May-end or by the first week of June, IIT Kanpur incubation centre in-charge Amitabha Bandyopadhyaya, who is also co-founder of Nocca Robotics, told.





Unacademy database of 22 million users hacked, information put up for sale

A database of around 22 million users of Unacademy with contacts of employees of Wipro, Infosys, Cognizant, Google and its investor Facebook is up for sale on the darkweb, according to US-based security firm Cyble. The company had suffered a breach in January following which contacts were put up for sale as recently as May 3 for \$2000, the firm said. According to Cyble the database includes usernames, emails addresses, passwords, date joined, last login date, first and last names.

A golden opportunity in crisis? Decoding agri-tech post pandemic

While the country grapples with Covid-19, there are two worries that concern us all - the first being the health of India's large population and how one can minimise the extent of damage. And, second, what will be the future of our businesses after the pandemic eases? Given that agriculture accounts for nearly 60% of aggregate employment in India, there's a fair degree of concern over what will happen in the future, especially post this life-threatening disease.



Uber approaches Grubhub with acquisition offer

Uber is in negotiations to buy online food delivery company Grubhub in an all-stock deal, according to people familiar with the matter. A merger could give Uber Eats' money-losing restaurant delivery service a leg up on market leader DoorDash at a time when the coronavirus pandemic has upended Uber's core business of shuttling people from place to place.

India tops Zoom downloads in April

The US-based Zoom, which is also being used to conduct school classes besides corporate meetings, has also been tightening its encryption as it has come under fire globally for privacy issues. India was the biggest market for Zoom in terms of the number of mobile application downloads in April despite the security issues and government warnings. Zoom was the most downloaded non-game app worldwide for April 2020 with close to 131 million installs, a 60x growth from April 2019, according to Sensor Tower.



Chainsmokers band plans to invest \$50 million in startups

Grammy Award-winning artists the Chainsmokers are expecting to invest \$50 million in startups, with a newly formed firm, Mantis. Musicians Alex Pall and Drew Taggart, who were already investing in startups with their own personal capital, are raising a venture fund.



INTRAPRENEURSHIP



-Vinayak Gupta

Almost 88% of the companies that comprised the list of Fortune 500 in 1955 were no longer in the list by 2015 because they merged, were acquired or in most cases, either went bankrupt or were no longer significant. These disastrous statistics are a result of the tough competitive environment facing the modern industries today with constantly evolving trends pushing enterprises to innovate constantly. As Darwin said, "it's not the strongest that survives, it's not the most intelligent that survives, it's the one that adapts to change that survives." Every company should therefore opt for a joint strategy of optimizing the current products while harnessing innovation as a linchpin of lasting growth and profitability. A simple but powerful way of accelerating innovation is by leveraging the existing resources within the company: the employees. The best way to do it is through **Intrapreneurship**.

Intrapreneurs are entrepreneurs, but in the skin of employees; an employee of a large corporation who is given freedom and financial support to create new products, services, systems, etc., and does not have to follow the corporation's usual routines or protocols. This approach relates to individual employees taking an initiative to advance their company as a whole by stretching current products and services and thus, helping diversify and develop new organisational capabilities.



A recent study showed that more than 20% of the employees exhibited some entrepreneurial activity, so it's not about creating intrapreneurs; it's about finding, recognising and encouraging them. But in today's corporate world, their ideas are ignored or they have to work underground because intrapreneurship triggers the 'corporate immune system' just because they seem different from the normal way of working.

With average company lifespan on Standard & Poor's 500 Index coming down from 55 in 1960 to 19 in 2015; it's quite evident that companies need to make major structural changes to institutionalize in-house innovation across their organizations.



Corporations with entrepreneurially-minded employees see the benefits of intrapreneurship, such as:

Increase in the number of innovations being adopted resulting in new products and services releasing in new and existing markets.

Formation of highly productive and engaged teams.

Increased efficiency and optimum use of resources.

Increase in talent and potential.

Creation of a work environment where opportunities and threats are more easily identified and exploited.

And many major corporations have indeed realised the power of intrapreneurship. There are plenty of examples of intrapreneurship around us. Chances are, it's stuck to your desk right now: the Post-it note. Also gmail, Facebook 'like' button, the fighter planes- the F-22 Raptor and the SR-71 Blackbird, are all products of efforts of intrapreneurs.

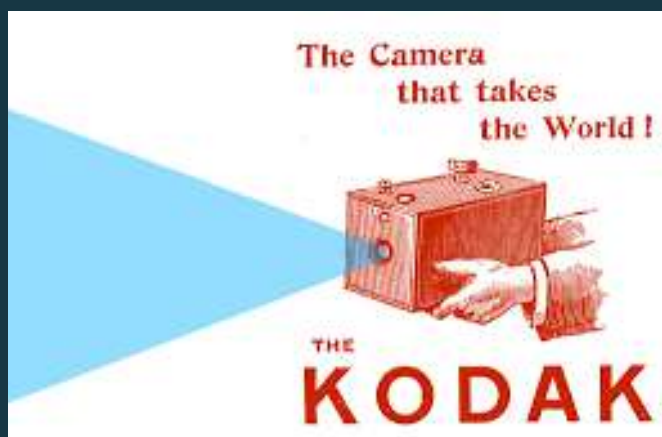
"The Macintosh team was what is commonly known as intrapreneurship. A group of people going, in essence, back to the garage, but in a large company.": Steve Jobs, when he and 20 Apple employees separated themselves from the remaining organisation in order to develop the world-famous **Apple Macintosh** computer.





3M is a major example of a company which encourages many projects within the company by giving certain freedom and funds to employees to create their own projects. **Intel** also has a tradition of implementing intrapreneurship. **Google** is also known to be intrapreneur friendly, allowing their employees to spend up to 20% of their time pursuing projects of their choice. Other companies such as Xerox, Virgin, Siemens and Microsoft are also looking for unique solutions to promote Corporate Entrepreneurship and the list is endless.

So with more and more companies joining the suite, it's pretty clear that intrapreneurship is becoming a more established career creating opportunities for people who are striving for autonomy.



One mistake many businesses make is to ignore the innovative ideas of employees that have the potential to keep the company moving into the future. One big example is what happened to Kodak. While working at Kodak, electrical engineer Steven Sasson invented the first digital camera but Sasson's invention was

considered more of a threat to photography. Even though they allowed him to produce a prototype, he was asked to keep his invention quiet and the camera never saw the light of day. In 2012, Kodak filed for bankruptcy as they were not prepared to compete on the market of digital technology.

So every corporation should make sure to avoid such big mistakes by integrating intrapreneurship into the DNA of their organisation by:



Creating an open culture in which no one is scared to share their ideas and providing a support system for the implementation of those ideas. Also providing resources and advice to increase the chances of success.



Cherishing ideas while tolerating mistakes and failures and also providing motivation and incentives for good entrepreneurial performance.

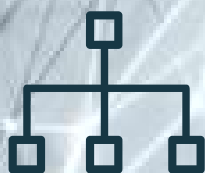


Giving them a certain time in week to work on a project other than their work.



Encouraging them to come up with independent solutions to problems rather than just working by the book.

Making the structure of your company more flexible to innovation and considering innovation as a major department like sales and marketing.



The only constant is change, to fight it is stupid. Big industries need to stop falling in the trap of favoring familiar over the unfamiliar. Today, intrapreneurs are really the "secret weapon" of the business world. Companies need a strategic plan for institutionalizing innovation in the company's culture. This is the only way to nurture the breakthrough innovations needed for the future health of the business.

IDENTIFYING OPPORTUNITIES AS AN ENTREPRENEUR

-Neha Kundu

As said by Peter Drucker,

"An entrepreneur always searches for changes, responds to it, and exploits it as an opportunity." Entrepreneurs, these days, have started to narrow down the difference between obstacles and opportunities. Using these both to their own advantage is the key to build a revolutionary and successful startup. And just like the famous saying, opportunity doesn't always knock, sometimes you have to build a door for that.

According to Dr. Raffi Amit, a renowned professor of Management, opportunities can be both created and identified in the following ways:



1. An entrepreneur needs to be a good observer.

Observing the inefficiencies in the market and developing an idea to eliminate it is what makes a startup revolutionary. But to make it successful, you need to have the resources and capabilities required to correct the market inefficiency that you are targeting. In addition to that, if an existing product or service is not available in the market around you, you can take this as a cue and use it as an opportunity for yourself.



2. Ideas can also be generated by taking some inspiration from existing businesses and startups. But giving a twist and altering the existing idea according to your surroundings and market conditions is, however, what makes your idea successful.



3. The most promising way to generate an idea for a startup is to listen to the customers. Know their views about the existing



products and services can help you to reach to the inefficiencies that you can correct via your startup. What customers want is absolutely essential to understand.

Evaluating the idea and identifying the potential risks is as important as generating the idea itself. This can be done by a customer and market analysis. You can go to the technical method by conducting several surveys. But the non-technical approach can be equally useful. Just ask yourself the following questions:

- Who is my customer?
- What does the customer want to buy?
- What price is the customer willing to pay?
- Who else is supplying same or similar products/ services in the market around me?
- Is the industry expanding or shrinking? (the industry you're entering)



Studying the mindset of your customers, analyzing your competitors, and understanding the attractiveness of the industry you're stepping into are the key steps to give a proper kick start to your incredible startup idea. Idea generation alone is not enough for success. Extra hard work put into all these analyses also equally determines your success rate.



ECONOMIC INSIGHTS ON COVID-19

-AYUSH GHOSH

Impact on the global economy due to coronavirus outbreak-There isn't any question that will there be a global recession or not. The question is how deep and long the recession will persist. The IMF has already said that the world faced the worst economic crisis since the Great Depression of the 1930s. In 2008, the global market tanked and bank lending froze to a virtual halt. But back then customers could still spend money, trade across broader was still intact. This time the coronavirus put all the activities to a sudden halt and eventually brought the global economy to a standstill.

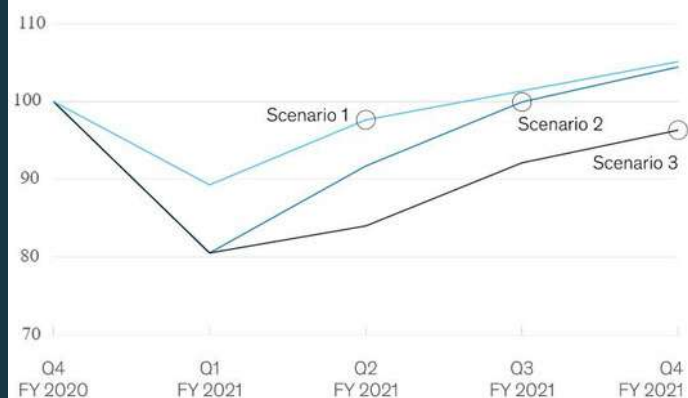
According to the IMF growth forecast, the COVID pandemic is inflicting high and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by -3% in 2020, much worse than during the 2008-2009 financial crisis. In a baseline scenario- which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound- the global economy is projected to grow by 5.8% in 2021 as economic activity normalizes.

Post-economic condition of INDIA after lockdown

Source: McKinsey & company

Three economic scenarios model India GDP estimates.

Real India GDP, index (pre-COVID-19 projection for Q4 FY 2020 = 100)



According to the report of world-leading consulting firm McKinsey & Company, there could be three possible scenarios.

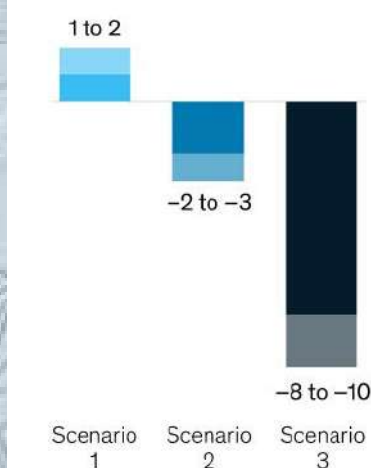
The economy could contract sharply by around 20 percent in the first quarter of the fiscal year 2021, with -2 to -3 percent growth for the fiscal year 2021.

Here, the lockdown would continue in roughly its current form until mid-May 2020, followed by a very gradual restarting of supply chains. This could put 32 million livelihoods at risk and swell NPLs by seven percentage points (just like YES bank). The cost of stabilizing and protecting households, companies, and lenders could exceed 10 lakh crore Indian rupees (exceeding \$130 billion), or more than 5 percent of GDP.

The economic contraction of around 8 to 10 percent is expected for the fiscal year 2021. This could occur if the virus flares up a few times over the rest of the year, necessitating more lockdowns, causing even greater reluctance among migrants to resume work, and ensuring a much slower rate of recovery.

Finally, the difficulties in the household and corporate sectors will no doubt be reflected in the financial sector. The RBI has flooded the banking system with liquidity, but perhaps it needs to go beyond, for instance, lending against high-quality

Approximate India GDP growth, FY 2021 over FY 2020, %¹



collateral to well-managed NBFCs. However, more liquidity will not help absorb loan losses. NPAs will mount, including in retail loans as unemployment rises. The RBI should consider a moratorium on financial institution dividend payments so that they build capital reserves.

Some institutions may nevertheless need more capital, and the regulator should be planning for that. There is much to do. The government should call on people with proven expertise and capabilities, of whom there are so many in India, to help it manage its response.

Prime Minister in his speech on 12th May announced what sounded like a grand vision for an 'Atmanirbhar India' which included an economic package of around Rs. 20 lakh crores or about 10% of GDP. Unfortunately, but predictably, as the details of this 'package' were revealed by the Finance Minister over 5 days of press conferences, it became clear that this is yet another jumla where the central government wants to get away with doing almost nothing while seeming to be doing something very big!

Some of the greatest marketing disasters in history

-Abdullah Shamsi

A company does its best to market a product. But sometimes, luck is not in its favor and there are other factors at play too. Many marketing campaigns have failed miserably and have done more harm than good to the company. Let us discuss some of these marketing disasters.

TATA MOTORS



Tata Motors is one of the most successful auto manufacturers in India. The owner, Ratan Tata wanted every Indian to have their own car. With this vision in mind, the Tata Nano was released with great pomp and show. It was an inexpensive car designed for the lower-middle-class segment. Many people could now buy their first car.

But, this story does not have a happy ending which is clear from the title of this article.

The car boasted of a spectacular design too. So, what went wrong? The car was advertised as the “World cheapest car”. This had a deep impact on people’s psychology.

The makers did not know that India is a third-world country that considers cars a luxury and not a necessity. When Indians buy a car, they consider it a status symbol and do not like the word ‘cheap’ to be associated with it.

They did not want people to think that they could afford only the cheapest car. All future marketing strategies of Tata Motors were of no avail and the car did not receive the expected response.

H&M

H&M is a very popular Swedish clothing retail company. They had to suffer a lot of embarrassment because of an advertising blunder. It was due to this photo that H&M incorporated in its advertising campaign. At first glance, the hoodie looks harmless. But once you read what's written on it, then you realize how offensive it is. Monkey is a derogatory term

used for people from African American ethnicity. The word was and is still used to insult people from African descent. A lot of people, including the popular singer: The Weekend, took to Twitter to call out the blatant racism. Undoubtedly, the brand reputation of H&M took a beating.



AMERICAN AIRLINES



It was around 1981 that American Airlines developed the idea of lifetime passes. The owner of these passes had the ability to fly whenever they want and as many times they wished. The

passes were expensive and cost \$250,000 for a single pass and \$150,000 for a companion pass. It was thought the sale of these passes would give the airlines quick money and liquidity which they required at that time. But people flew like crazy! An infamous passenger by the name of Steve Rothstein was present on more than 10,000 flights which cost the business \$21,000,000 whereas his pass cost \$250,000. Some people even sold their companion passes if their partner was not traveling with them. The company was not in a position to roll back the offer either. But in 1994, they somehow developed methods to terminate memberships with the help of an attorney.

SILO'S STEREOS

Silo's was an electronic stores chain and offered various electronic appliances. Their marketing campaigns were becoming old and they needed something new to draw customers to their stores. In April 1982, Silo's rolled out an electronic supersale which had three items



under its ambit. Back in 1982, bananas was used as a slang term for dollars along with terms like benjamins, big ones, bread, and bucks. So instead of writing 299 USD for a stereo system being sold in the electronic supersale, the company advertised the price of the silo as 299 bananas. The majority of customers understood that the stereo system cost 299\$. But there were some who, knowingly or unknowingly, thought that the price was literally 299 bananas. So, 35 of them lined up outside stores in Seattle and El Paso with large bags of banana to buy their new stereo system. The company did not want to damage its reputation so they honored their deal by providing the customers with a new stereo in return for 299 bananas. They also discontinued the ad campaign to avoid any further financial losses. 299 bananas cost 40\$ and their stereo system cost 299\$.

LIFELOCK

Lifelock is an American identity theft protection company based in Arizona. In 2007, they launched a unique advertising campaign in which Todd Davis, the company's CEO displayed his social security number everywhere including billboards and websites. The intent was to show that he was

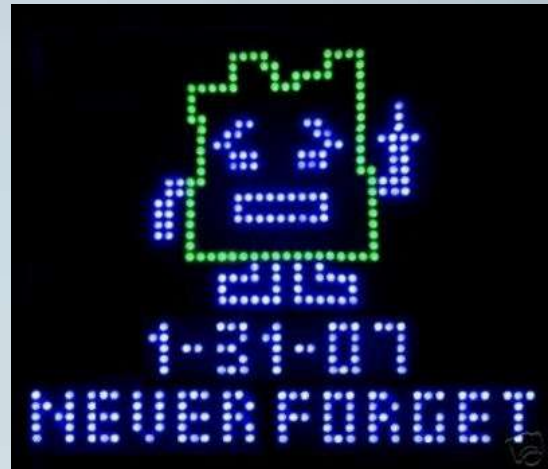
not afraid of identity theft since he was subscribed to Lifelock. However, the result of this brazen advertising was catastrophic. His identity was stolen a whopping 13 times.

He had to pay back a lot of loans that were not taken by him. His company also suffered because of deceptive advertising. He had to pay close to \$100 million for the same.

CARTOON NETWORK

Guerilla marketing is a type of marketing that uses unconventional methods to advertise the product. Elements like surprise are involved. A guerilla marketing campaign was released for 'Aqua Teen Hunger Force Colon Movie Film for Panic Theatres.'

As a part of the campaign, a lot of



promotional battery-powered LED placards of the Cartoon Network character 'Mooninite' were strewn across various places in the US. Sadly, the circuit boards with their wires sticking out did not go well with people and people mistook them for explosives. What followed was complete mayhem. The army got involved and an emergency-like situation evolved. The Boston police and fire department accompanied by ambulances and bomb squads surrounded the parts in cities where the circuits had been placed. The entire series of events became viral and are called the 2007 Boston Mooninite



TECH-TRENDS



-Nairirti Sharma

Find out about the latest trends in technology in the food sector and learn stories of startups that are creating new waves with their brilliant technology!

1. ALGAE AS A GREEN PROTEIN SOURCE

TRITON makes its algae in an environmentally sustainable manner, using chrome steel fermenters during a closed, controlled process, which needs no pesticides or crop protection chemicals. Triton's green algae is an excellent source of protein, and also provides a complete amino acid profile. We have partnered with innovative chefs who have enriched everyday dishes with essential algae. Triton's algae are efficient at utilizing the nutrients provided for its growth, thereby dramatically reducing the waste streams related to the traditional production of crops. Triton is the first company to develop a scalable fermentation strategy for producing heme and other meat-like compounds from a non-GMO organism. Triton has utilized traditional non-GMO breeding techniques to supply *Chlamydomonas reinhardtii* that's rich in heme and other meat-like compounds. Alternate meat or plant-based product with Essential algae achieves the raw to cooked experience desired by many.



BUHLER'S Aeroglide systems are already utilized in the manufacture of seaweed products for a variety of South Asian customers, with dried seaweeds processed on Bühler roller mills in China. However, we also are watching ways of integrating microalgae into other food products. One example is our

partnership with startup Alverto to develop algae as an ingredient in pasta products with a protein content of quite 60%. We also are researching the use of the wet grinding process in bread mills as a cost-efficient means of

rupturing algae cell walls, an important element of large-scale cultivation. While micro algae have long been a neighborhood of Asian cuisines within the sort of seaweed and other dishes, only a small proportion are currently used for food. This suggests the potential for further development is large. What's more, algae grow very quickly, and no arable land is required. Algae are cultivated in open ponds or closed systems with tubes, bags or tanks, and that they take up little or no space. counting on the species, they will even be farmed in both warm and cold climates.

ALGAMA is another startup that puts scientific and technical expertise to form algae as an alternative to animal protein. This relies on fundamental research, the choice of latest strains, the look for new ingredients, and therefore their formulation and the co-creation and industrialization of finished products with partners. Since its founding, Algama has been the planet leader in microalgae food and is proud to possess the support of world-class impact investors like Horizons Ventures, Blue Horizon Ventures, CPT Capital, Veginvest, Beyond Impact, Alwyn Capital. All the team is devoted to innovate and make microalgae key resources for tomorrow's daily food



2. EDIBLE PACKAGING



SKIPPING ROCKS LAB – DISAPPEARING PACKAGE

Disappearing package is right for foods and is formed of sustainable and versatile materials like natural extract (corn, seaweed, agave, sugar, and others). These materials degrade during a natural

environment during a few weeks on average and that they are edible. No got to worry about special recycling conditions, or maybe throwing it during a garbage bin. Skipping Rocks Lab may be a London-based

startup that develops natural, biodegradable packaging materials made up of seaweed and other plant materials to tackle plastic pollution. Their product, Ooho, maybe a natural, flexible packaging for liquids that biodegrades in 4-6 weeks and may even be eaten.

EVOWARE – SEAWEED-BASED PACKAGING

Seaweed-based packaging may be an alternative for replacing conventional packaging during a convenient and healthy way. Algae are an especially eco-friendly staple since their production requires neither

fertilizer nor chemicals. and through growth, they also absorb CO₂. Indonesian startup Evoware develops an eco-friendly, biodegradable, and edible packaging that uses seaweed as their main material. It fits for both food products and non-food based content.



DO EAT – POTATO-WASTE BASED PACKAGING

Developed exclusively from the potato industry's residues (such as potato skin and wash water), the bioplastic aims to be an efficient alternative to synthetic plastic. additionally, to being biodegradable, the compounds of the potato-based bioplastic

promote enhanced food preservation in comparison to traditional plastics. Belgian company Do Eat offers an alternative to disposable plastic by producing containers and packaging that are edible and/or highly compostable as they're supported potato and beer waste.

LACTIPS – CASEIN-BASED PACKAGING

Casein may be a protein found in milk and may be used as an edible wrapping product almost like a wrapping. Combined with an alkali compound, casein film protects food from oxygen 500 times better than petroleum-based wrappings and is immune to



humidity, temperature, and moisture. French startup Lactips produces water-soluble and biodegradable thermoplastic pellets supported milk protein. sorts of this product are often utilized in several industrial applications, varying from food to cosmetics and even medical, detergent, agrochemicals, etc.



CANDY CUTLERY – SUGARCANE-BASED MATERIALS

Companies are developing edible utensils made with 100% natural sugar in an attempt to scale back plastic waste. Canadian Candy Cutlery makes dessert spoons and little glasses made from 100% natural

cane sugar. The products are freed from artificial sweeteners and may be used either as frozen dessert dishes or shot glasses. Candy Cutlery's spoons are available in coffee, vanilla, strawberry, and peppermint flavors — and therefore the packaging is 100% recyclable.

RISE AND FALL

-Himani Singh

ASKME

Askme.com was a mobile application startup that allowed users to find information related to various fields and sectors. It was founded as a classifieds portal in 2010 and acquired by Getit in 2012. Getit is no longer an existing directional media company in India. Its services included E-wallet, E-commerce, Grocery, Local search, yellow pages, etc. It operated in around 56 cities pan India.

It took around 18 months for experimenting with the idea and by 2014 AskMebazar.com started its operations in various regions in India, competing with the likes of Flipkart & Snapdeal. Askmebazar.com was one of the marketplace models of askme.com. AskMe's primary investor was Astro Holdings.



AskMe's USP(unique selling product)was simple – to take advantage of the local listings database of small sellers in smaller towns, that Getit had been collecting in past decades. It took those small sellers online and started providing Next Day Delivery (NDD) offers to the customers. For maximum revenues, it targeted the metro cities, such as Delhi, Mumbai, and Bengaluru. It also managed to enter into other tier-2 cities for the likes of Kanpur, Kota, and Banaras but the revenue generated was low. With the launch of AskMeBazaar's expanding(horizontal) business model,



AskMe decided to increase the product line it was offering (Vertical business) also. It took various steps for expanding By investing in **Mebelkart**, a furniture marketplace, acquiring **BestAtLowest**, an online grocery marketplace, and as a result of new divisions, such as **AskMePay**, payment divisions, & **AskMeGroceries**, groceries divisions came up.

But in retrospect, All these acquisitions & expanding too fast, too early will become its very reason for its Downfall.

THE BEGINNING OF FALL OF AskMe

- AskMe had big stars like Ranbir Kapoor & Farhan Akhtar as their Brand Ambassadors, but the thing they were neglecting was: exactly what they were selling to the customers.
- As being a startup in the Indian market, it was not successful in representing the very work done by the company, which confused their Audiences.
- Well, the audiences weren't the only one who was confused. As the Management was unable to manage all the various divisions of the business.
- As due to their continuous high Acquisition & Investing in other companies, the company was burning cash at a very faster rate. due to this they even lost their biggest sole investor, Astro Holdings. This eventually led to a Capital deficit, as the company was already functioning at high losses.
- As the cash burn rate kept on increasing, there were losses arising & sales were declining.
- At a point AskMe found itself unable to pay to many of its sellers(who

- had already sold the products but didn't receive their payments.) this led to ignoring the order requests by the sellers.
- The company wasn't even able to pay its employees also.
- Finding itself in such a situation, the company decided not to take any more orders at all as of August 2016.
- This is how the company soon became not functioning, and left thousands of its employees jobless & sellers Unpaid.

WHAT ACTUALLY WENT WRONG?

There are a variety of reasons, from weak technology to aggressive acquisitions, are responsible for the failure:

- Lack of focus: The heart of the problem was the company's lack of focus. AskMe tried its enter into almost all online segment. You could name any sector, such as e-commerce, grocery, furniture, classifieds, and payments and you would find askme offering services in it. This led to losing out to the most focused players in each of these segments. Due to this, it was neither a leader nor a challenger, only its presence in every segment made no difference in the market.
- Weak technology: Managing such diverse and increasing business required a great deal of management knowledge and expertise, both in technology and logistics. But instead of this, the company went on to focus on expanding, rather than its technology and management.
- Inconsistent strategy: In the starting AskMe' was just like justdial, but then it decided to become like Flipkart and BigBasket. Their strategy was changing every three months.
- Cash crunch: With such a high cash burning rate, it needed a fresh round of funding to keep going and expanding but Astro(primary investor) decided to pull the plug on funding due to the heavy losses.
- Needless acquisitions: According to few experts, AskMe had possibly tripped as its owners went about buying start-ups, with a aim to build

a mega start-up.

- Single investor: According to a few experts dependence on a single investor had hit the company's ability to raise funds. As the big investor keeps tight control over the company and does not let new investors say much in decision making.
- Lack of technical advisers at top level of management.
- Website management was not good: it had many problems related to items display, return policy was not satisfactory, long delays in orders and many more.
- The company used excel instead of using proper soft wares for management.

WHAT AskMe COULD'VE DONE?

- Modeling out a proper strategy: As the founder once said in the interview, the target kept on changing in every three months. The definite goal and vision of the company was missing.
- Never prefer to have a single investor: as the majority of the stocks of the company were hold by Astro holdings, due to which the decisions being made were extremely unilateral, and the management could not make its own decisions.
- Having proper management system :To manage the vast divisions , the successful running required proper management for both logistics and technology but the management struggled with confusion & chaos due to its indefinite goals & markets.
- Profit is an important aspect of the business: As the cash burning rate of AskMe were increasing and there was a decline in sales, the company was running in giant losses.
- Expanding and acquiring should be done with consideration of the future aspects of the firm.

THE TEAM BEHIND INVISION

EDITORS

DR. VIMAL PANT

DR. SARIKA YADAV

ADHISHREE BELSARE

ISHLEEN KAUR VIRDI

VINAYAK GUPTA

CONTENT TEAM

ABDULLAH SHAMSI

AMULYA SHARMA

AYUSH GHOSH

HIMANI SINGH

NAIRIRITI SHARMA

NEHA KUNDU

VISHAAL

Did you like what you read?

We hope you did. It was the sum of cumulative efforts from a wide range of dedicated people. If you wish to be a part in the making of the upcoming editions of INVISION mail us at niftemced@gmail.com or connect with us through our IG : [cedniftem](https://www.instagram.com/cedniftem).