

From the Editor's Desk



This is the era of doing things in the 'e'- way. People want to get things done at the 'click' of a mouse...This fact acts as catalyst of growth for the online industry. The online industry is in the threshold of becoming one of the most sought after business models. Many novel ideas are being thought about by entrepreneurs to foray into this segment. Timtara (www.timtara.com) a premiere online shopping destination with products across 15 different categories, co founded by Arindam Bose, who is also the Chief Customer Office (CCO) is one among such novel business ideas translated into new business venture.

In an exclusive online interaction with **Krishnakumar C.K., Editor, Small Enterprise India**, Arindam Bose shares his success story.

Arindam Bose feels that business ideas take birth from answers to two key questions. "I feel practical inspiration to any business derives from the answers to two key questions. One - what customer need are we trying to address? And second, does it make business sense"? Opines Arindam Bose.

When asked about the inspiration behind starting timtara, Arindam gets spontaneous. "Now online retail is booming across the world. Many people tried to tell us that Indian customers do not like using credit cards online. Well, the online travel industry has proved this statement wrong. Others told us about the 'touch and feel' factor. But the Indian consumers' psyche has changed a lot, and they are now buying apparel and shoes online which are very personal in nature, without any hesitation".

Timtara: The 'Sparkling' Star in the Online Retail Segment

Written by Krishnakumar C K, Editor, Small Enterprise India

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“IAMAI (Internet and Mobile Association of India) estimated the online retail size to be about Rs 1100 crores in 2008. Apart from pure online retails, this constitutes of print-retail (Offers for consumers appearing in print media), tele-retail (phone sales), and also direct home shopping (TV based)”.

He feels that there is a pressing need for an online service that ensures quick delivery of quality products. “There is a pressing need for quality products online which are priced right and are backed up by superb experience and service. This is the main inspiration behind timtara. The business sense part (profit, cash flow etc) follows” adds Arindam.

He says that finding people who share the same passion is always a challenge.

Besides he says that Indian online scenario is not much competitive. “I still feel the Indian online retail is one of the next big things to happen, and is a blue ocean” quips Arindam. “As literacy rate grows, the internet penetration booms, 3G spreads, and rural earnings escalate. (NREGA etc) We will see great acceptance of internet and it will enhance the internet shopping to many fold”. He added

Below are the excerpts of the online interaction with Arindam Bose.

1. Why an online retail service when scores of desi retail giants are doing well over the recent years?

Arindam Bose: We feel there is a huge need and market gap for a 'true online retailer' who promises and delivers '360 degree customer delight'. At timtara we offer only quality products pre-screened by our experienced Sourcing team, and we give customers a good range of products to choose from, 'easy to navigate' site design and layout which give a good experience to timtara visitors.

We make calls to all our customers to check their experience with us and found 100% happy customers. Based on customer feedback and our own analysis we are constantly enhancing our product range and improving on customer experience.

2. What is the response from the Indian online customers towards timtara?

Arindam Bose: Excellent. Within a few days of inception, we were having thousands of daily

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visitors and our percent conversion is quite high already. On some days we get more than 10,000 visits and on certain campaigns our conversion is well over 5%. For a new initiative which is in its 3rd month of operations, this is quite an achievement.

3. What marketing strategy are you employing to reach to the online customers?

Arindam Bose: We believe that our existing customers are our most precious marketers and ambassadors. We are also trying many more creative and innovative approaches.

4. A lot of players, big and small are present in the online retail field. What makes Timtara different from these?

Arindam Bose: We promise and deliver 'delight'. Quality Products, Best Prices, Excellent Experience, and Lifetime Customers - these are what make us stand out.

5. Why a CCO at the top of the organisation structure instead of a CEO or COO?

Arindam Bose : To keep customers at the 'nucleus' or center of everything we do. Organisations talk about it in meeting rooms and circulars. But we wanted to make sure that our employees make it an organization culture and distinct competitive advantage.

6. Can you briefly explain the buying patterns of Indian consumers?

Arindam Bose: In the online domain there is a select community of say about 10 - 20 million active online shoppers. Other than their likings towards services like travel, stock, music etc, this group also buys physical goods. The most common ones are books, electronics, flowers, apparels etc. In this group we see repeated purchases as they already see 'value' (saving of time & effort, convenience, price advantage etc) in online retail. The other buyers are irregular and more experimental in nature. When they are offered with an added value they become active online shoppers.

7. Is there any specific city/state in India which is hyper active in online purchasing? If

yes what could be the reason?

Arindam Bose: I think Mumbai and Delhi lead the way mostly. For products which are less 'experiential' in nature, online retail offers advantages in big metros – such as convenience, no parking issue, home delivery, time savings etc. Youngsters are more active in online purchases. They are more 'experimental' in nature. College students, new professionals, new couples etc, are our most potential customers. We are also exploring niche segments for ladies and semi-urban youths.

8. Are the consumers more hooked to electronic gadgets/gizmos etc when it comes to buying through online?

Arindam Bose: I will not say 'hooked' literally. But yes, mobile phones sell very well online. And so do electronic games for children. The latest MasterCard report says that electronics and home appliances have a 48% frequency of buying among its respondents and CDs/DVDs/VCDs has a 44% frequency among respondents.

9. How will you ensure quality service to the customers that include timely delivery of products, taking care of customer grievance etc?

Arindam Bose: Mainly by 3 ways:

(i) **Organisation Culture** - This is extremely important. In management jargon this is called the 'Service Profit Chain'. Employee satisfaction and loyalty are critical for customer loyalty and satisfaction. So for timtara, 'employee delight' comes before 'customer delight'. By aligning all our employees towards the 'timtara promise' we are trying to make sure that we don't deviate from that promise.

(ii) **Partner Excellence** - However good may be our intentions, our service delivery is linked with the performance of others - suppliers, logistic partners etc. So we have tied up with (sometimes sacrificing on cost advantage) with partners who have excellent experience and proven record.

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(iii) **Continuous Improvement** - Well, perfection is a journey. We are continuously evaluating ourselves. And our evaluation is very action oriented. Our employees are encouraged to point out 'weak points' in our business. And we brainstorm and implement solutions to continuously delight our employees and customers. All this we do with a sense of speed.

10. There are always threats of hackers in the online business. How do you ensure secure and transaction for the customers?

Arindam Bose: We offer the timtara 'Safe Shopping' guarantee to our customers and members. The details are there on our home page. Also we do not record any sensitive information about the customer in our own data base.

We are committed to protecting our customers' personal privacy. We don't give out customer details except where it is required to facilitate the smooth and time bound delivery of the product the customers have ordered for.

We don't and never will rent or sell customer's name, address, email address or personal details to anybody. We do not store any credit card details at our end. This information is collected primarily to ensure that we are able to fulfill the customer requirements and to facilitate a truly personalized shopping experience

However, in case of a situation wherein we are obliged to comply with law or a statutory obligation or a legal process, we would be compelled to provide information about a customer to statutory body or any agency working under Govt.

11. What is the future of online retail business in India?

Arindam Bose: As we see more players like timtara are coming in with 'real value' to the Indian customers, the online retail will make quantum leaps. McKinsey estimates the organised retail in India to be at U\$ 75 bn by 2015. Forrester estimates that the US online retail (pure products) is at U\$ 50 bn now and this is 5% of total US retail. The same percentage in UK as per IMRG is 10%. I feel that by 2015 the Indian online retail (non travel, pure products) will be at 3% of the total organized retail in India.

12. Any special message to the budding entrepreneurs in India?

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Arindam Bose: Focus on the customer need we are addressing to should be perfect by all means - the more pressing the need, the greater the chances of success.