

PGDM/IB, 2018-20
Bootstrap Marketing
DM-534/IB-511

Trimester – V, End-Term Examination: December 2019

Time allowed: 2 Hrs 30 Min
 Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 3 question with internal choices and CILO (Course Intended Learning Outcome) covered Or Maximum 6 questions with internal choices and CILO covered (as an example)	3*10 Or 6*5	30
B	Compulsory Case Study with minimum of 2 questions	20	20
			50

Section A

Q1. What is bootstrap marketing? What are the challenges faced by an entrepreneur in bootstrap marketing? (10 Marks) (CILO 1)

Or

Q1. What are key qualities of an entrepreneur? Is entrepreneurial marketing an interface between marketing and entrepreneurship? Explain. (10 Marks) (CILO 1)

Q2. Explain different type of competitive advantage a firm can achieve. Give examples from start-up companies. (10 Marks) (CILO 1)

Or

Q2. Explain the concept of guerrilla marketing and ambush marketing with examples. (10 Marks) (CILO 1)

Q3. Explain lifecycle of a start-up enterprise? (10 Marks) (CILO 3)

Or

Q3. Explain some of the most important distribution channels for start-ups? (10 Marks)
(CILO 3)

Section B

Case Study

How this bootstrapped clothing startup is eyeing success by marrying Indian ethnic fashion with international trends.

With a team of over 50 employees and presence in 14 states and 1,200+ stores pan-India, Mumbai-based startup B:Kind aims to reach out to informed urban women looking for fusion sartorial choices.

India, with its elaborate ethnic couture and culture, presents a unique challenge: marrying its rich fabrics, textures, and silhouettes with the clean western cuts and lines that a modern Indian woman prefers. When Vidhi Dalal returned from Milan, where she did her course in Fashion Communication and Marketing, she realised that there were not that many brands in the fusion fashion segment catering to women in India. So she started B:Kind for women who would be comfortable transitioning from ethnic to western wear.

Mumbai-based B:Kind, started in 2010, is a lifestyle brand that deals in western fusion clothing for women of all ages and sizes. Vidhi, 32, started the company to cater to specific Indian body types.

What do (Indian) women want?

With a team of over 50 employees and a presence in 1,200+ stores pan-India, B:Kind aims to reach out to every modern Indian woman who is informed, and is not a blind follower of pure western wear trends.

Vidhi's portfolio includes working behind the scenes at the Lakme Fashion Week, and as a part-time designer for a clothing company, actively participating in marketing and promotions activities, and interacting with retail giants such as Pantaloons and Shoppers Stop, to name a few.

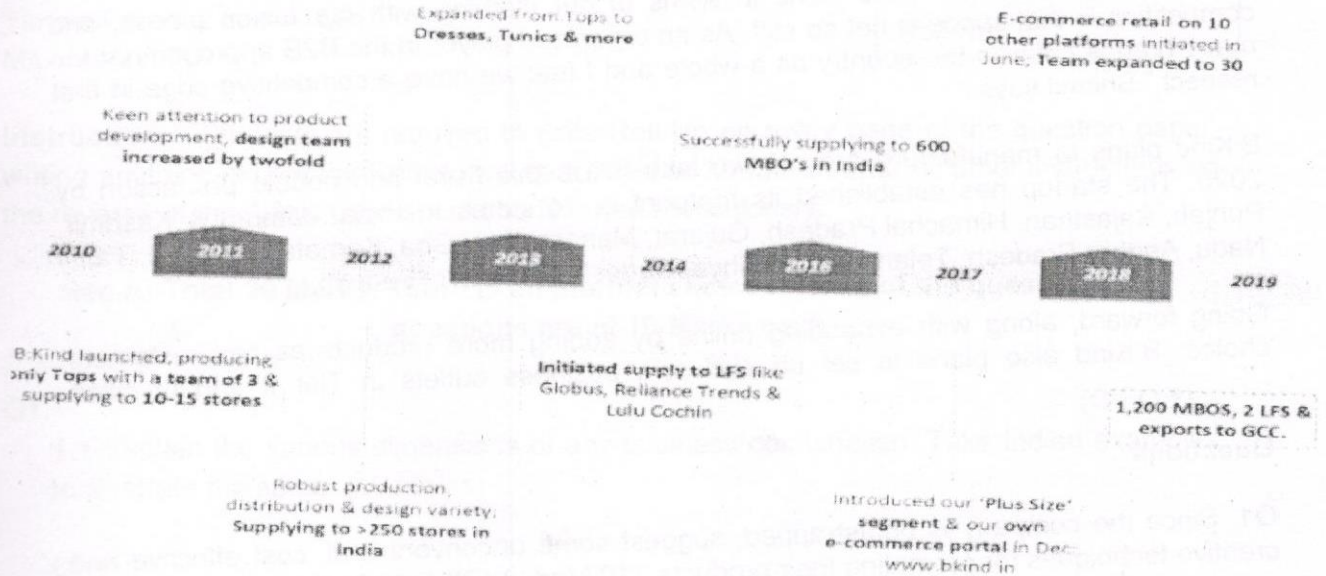
In 2010, she decided to strike out on her own with all the experience she had gained in the fashion industry. B:Kind's core offering is "affordable fashion" for the women of India. With products competitively priced between Rs 799 and Rs 2,000, it has certainly succeeded in its ambition.

Business model

Starting on a B2B model, B:Kind has recently shifted some focus to B2C by launching its own ecommerce platform in the beginning of 2019. With minimal market spends, the brand sees 20-30 orders per day on its platform. Speaking on the current growth, Vidhi Dalal, the Founder and Creative Director of B:Kind, says,

"We are currently supplying to over 1,200 multi-brand outlets via a distribution channel with agents and distributors. We are also available in 36 Globus and two Lulu Cochin stores. Lastly, we are supplying to over 14 marketplaces in India and retailing through our very own ecommerce portal."

The Journey So Far...



B:Kind also exports its clothes to Lulu, Label 24 in Dubai, and Blue Age, and Rina in Saudi. The startup claims to have seen an average growth rate of around 20-30 percent year on year.

In 2015, Vidhi was joined by her sister, Shimul Shah, who is currently managing Operations and Marketing. Before joining her sister she had worked as a consultant with Ernst & Young for over six years. Speaking on the USP and the idea behind the name of the brand, Shimul, 27, says,

"B:Kind wants to be a subtle, kind support system for the aspiring woman who wants to gradually transition from ethnic choices to modern sensibility. The product range starts from an affordable bracket while still ensuring it's on par in terms of quality and trends."

B:Kind claims to be cash-flow positive, and is currently self-funded. However they are now on the cusp of a big expansion drive and B2C focus, and are looking to raise some money externally for expansion and growth.

What it takes

The sisters attribute their success to their team, which has been with them since inception, barring designers who are the only constant change. The capital required for long working capital cycles is very high in fashion, which Vidhi finds the most challenging. But she notes that business has nevertheless been good.

"We have seen good traction, from 30 stores in 2010 we are currently supplying to a network of 1,200 stores in the country. We believe this will continue to expand. The next stage for us is to expand in more large format stores, do more shop-in-shop concepts, which would allow the brand to get traction, and concentrate on our own portal, where we foresee a 2.5x increase by 2025," Vidhi adds.

The fashion business

Vidhi notes all national organized players such as AND and Chemistry in the western wear space, and W and Biba in the ethnic space as competition.

“However, we have carved a niche in terms of our clothing with our fusion pieces, and competition in that space is not so stiff. As an organized player in the B2B approach not too many brands cater to the country as a whole and I feel we have a competitive edge in that respect,” Shimul says.

B:Kind plans to manufacture around two lakh SKUs this fiscal and double production by 2025. The startup has established its footprint in 14 states in India: Jammu & Kashmir, Punjab, Rajasthan, Himachal Pradesh, Gujarat, Maharashtra, Goa, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Madhya Pradesh, and Uttar Pradesh.

Going forward, along with expanding online by adding more products as per customers' choice, B:Kind also plans to set up exclusive business outlets in Tier II and III cities.

Questions

Q1. Since the company is bootstrapped, suggest some unconventional, cost effective and creative techniques for promoting their products. (10 Marks) (CILO 1+2+3)

Q2. Do you think setting up exclusive business outlets in Tier II and III cities would be a good strategy for their future growth? What other options they can further explore for growth? (10 Marks) (CILO 2+3)