

## Arvind Singhal: India's Ray Crocs and Estee Lauders

Dreaming entrepreneurially and starting small may be more productive than polishing up CVs and waiting for that interview call



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A recent piece on the impending glut of MBAs in India apparently struck a chord with many who have recently graduated with an MBA degree and are still looking for a suitable job. While a few chose to remain in a state of denial, some others want to know what their options could be. The good news is that India offers extraordinary opportunities for those who are reasonably well educated and are enterprising.

There are many things going on in India for the enterprising and the determined. To start with, the country's economy is not only one of the fastest-growing ones in the world, but at about \$1.37 trillion in 2010, it is already one of the top-10 in the world. It is expected to grow at 8 per cent or more for many years to come and hence, by the end of the next decade, it could well double from the current size in real terms, making it one of the top-five or six in the world. Further, and very fortunately, India's growth is coming from both services and manufacturing sectors. While agriculture is lagging behind, there is every reason to believe that even agriculture/food and food processing sectors will see significant growth in the coming years. Further, with India poised to spend upwards of \$500 billion in infrastructure alone in the next five-seven years, the country's growth will be reasonably well-spread geographically since new power plants, roads, ports, airports and new urban centres will be established all across India creating new hot spots of economic activity in just about every region. And finally, India's economic growth has been reasonably equitable. While there are many hundreds of millions still below the poverty line, it is also true that more than 250 million have been pulled out of the poverty trap during the last 20 years, thereby creating a broad-based, strong and sustainable private consumption story with more than 500 million middle- and upper-income consumers of all kinds of goods and services.

Notwithstanding the many challenges that India currently faces — endemic corruption, creaking infrastructure, runaway real estate prices and, in some parts of the country, internal security and law and order issues — in this very fertile economic environment, there are countless opportunities for entrepreneurs in just about every area of private consumption and public investment. Contrary to popular perception and preference, such entrepreneurial opportunities do not exist only in technology/Internet domains. They range from as basic as affordable and good quality/well-served fast food such as that pioneered by Ray Croc at Macdonald's and personal care and grooming products and services such as those pioneered by Estee Lauder (or even a Vinita Jain of Biotique, and Mira Kulkarni of Forest Essentials, affordable clothing such as Donald & Doris Fisher's Gap and Ortega's Zara, and Kamprad's affordable furniture chain

IKEA) to the thousands of not-so-glamorous but equally promising ventures relating to urban or industrial waste management, vocational training, professional security services etc. etc. etc.

The legions of newly minted MBAs (and engineers and even graduates with basic non-professional degrees) should seriously contemplate starting up simple but innovative entrepreneurial ventures. Almost all successful entrepreneurs, including those who made it to the ranks of billionaires and globally iconic tycoons, started with something exceptionally basic and really small — a first shop, a first restaurant, a first range of products sold at a sales counter of a retail outlet, a first training “shop”, a first pick-up truck for moving merchandise or even collecting and moving waste etc. And many of them did not necessarily start from New York or London or Mumbai or Delhi. In a geographically large country like India, while the top six-eight metros certainly offer many more opportunities, the cost and competition there are also more intense. Hence, the prospective young entrepreneurs should untether themselves from the comfort of their own family homes or the allure of the more glamorous mega-cities and reach out to smaller towns and even rural India to build their fortune. Indeed, generations ago, the pioneers ventured out on the high seas to unknown lands and continents, and many of them successfully spotted entrepreneurial opportunities there.

Hence, dreaming entrepreneurially and then thinking and starting small (even if ambition is big), differently, and innovatively may be more productive than polishing up CVs and waiting for that interview call!

[arvind.singhal@technopak.com](mailto:arvind.singhal@technopak.com)