Running A Hardware Startup In India Is Hard! [Interview With Bahubali Shete Of Gecko]

nextbigwhat.com/hardware-startup-in-india-challenges

What are the challenges of building a hardware product from India?

Quite a few:

1. **Funding**: It is not easy to get funding for tech-hardware startup as compared to software solutions. Even the finance community in India is yet to understand the potential of hardware startup and their valuation is very low. The finance community is not willing to take risks.

Upfront investment is mandatory for hardware startup, which means we need to live with seed funding only. This is also because of the fact that there are not many success stories in India.

2. **Visibility**: Getting visibility is difficult. Marketing and e-Marketing expenses are still prohibitive.

3. **Customer acquisition**: Customer acquisition is very difficult without ready product, market acceptance for hardware products and long penetration process.

4. **Ecosystem**: This is the most important challenge; The ecosystem is not conducive for hardware startups. Most of EMS are settled with defence projects or PSU or large CE product manufacturers and not willing to support small tech-start ups.

The lead times for hardware and enclosures are so high that we find it easier, cheaper and faster to get it done in China.

What in your opinion has changed from the past to make the ecosystem conducive for hardware startups?

New government policy announcements are raising a ray of hope but we are yet to see the real impact.

Why did you decide to go for crowdfunding? Did you face any challenges raising funds?

As a startup, the above mentioned challenges are really hard to overcome. Crowdfunding offers the best solution for all the challenges. If there is a credible idea, presented well with facts, crowd funding provides, funding, visibility, market penetration and customer acquisition. hence it is the best way to go for hardware startups.

Do you think the government's plan to support the electronics and fabrication Industry will help startups in the hardware product space?

The ecosystem needs subsidies, relaxed taxation and statutory norms to enable hardware startups. Funding from government will surely help.

Outsourced Product Design is a big space in India. What has changed so that startups have started launching their own hardware products?

It is time that design houses start realising the potential of hardware products, instead of looking for quick money, long term product and brand development, as it is more important for themselves as well for the country.

One thing that every startup should think and act is to see global market as their playground for the game not just India. Focussed approach and doing one product at a time is very important.

Innoz Founders Return Money to Seedfund; Raise $500k for Q&A App Quest in Silicon Valley

Mobile value added services startup Innoz is returning the money it raised from Seedfund, as its founders move to the Silicon Valley to build another app called Quest.

Deepak Ravindran, the CEO & Founder of Innoz told NextBigWhat in an e-mail:

> This is a separate entity outside Innoz. Hisham and I will be running both Innoz and Quest in parallel.

The company had raised $3 mn from Seedfund in April 2012. Ravindran & Hisham, his co-founder at Innoz, have already moved to the Valley.

The company has also raised $500,000 from Valley based incubator 500 Startups to develop Quest, a location aware app that uses people nearby to get questions answered for the members of its community (via). Quest has advisers like Pranav Mistry, Asha Jadeja and Kyron founder, Louis Monier on board.

The VAShout of VAS Business in India

Innoz made it to the Limca book of records for being the "largest offline search engine," in October last year.

At the time, it had answered 1.3 billion queries from 7 different countries over its SMS based platform called Smart SMS. Users can send a query to 55444 as a text message for replies.

In December last year, the company served a billion queries over its SMS platform.

Value added services in India, has lost much steam in the last few months as the telecom regulator made it tougher for operators to sell them to customers (for instance Airtel, one of Innoz key customers is promoting messaging apps/data over SMS) .

Moreover, Innoz, which is an SMS based platform might not be favorably positioned for the future as mobile Internet picks up increasingly fast in India. As we'd written in our 2014 startup predictions, this year will be a Vashout year.

Apps like Whatsapp & Line have have gathered millions of users in the country (Read: The Indian Mobile App Race: The Race Mobile Messengers Are Winning), dealing a blow to SMS services. Telecom companies, are also now pushing data based services as they invest in 3G and 4G infrastructure.

We are talking to Deepak for more on this. More updates to follow.

Love Freebies & Promo Contests? Freejinn Is The Site For You

Everybody likes freebies. I like them, and there are more people like me out there on the Internet, who are actively looking for freebies and such offers. On the other hand there are brands giving out freebies through offers and contests on the Internet to improve their brand presence. But discovery of these contests has always been an issue.

Currently, brands mainly use Facebook banners or promoted Tweets for running contest and spreading the word, but their discoverability is limited. What if you can have a pin board of freebie contests & offers?

Freejinn is trying to help bring together both these groups on one platform. No matter what the product is, fashion or food, the portal curates all offers and contests from the internet for users to search through.

For example, if you are looking for an iPad, just search for it on the site and you'll get a list of contests that are offering iPads as a prize.

Registered users, known as Jinnions, can browse through contests and offers based on interests or location. They can also order a free product sample, share contests, and browse for offers by attributes like category, ending soon, popular.

On the other hand brands can use this service as an alternative platform to advertise their products.

The service, only a few weeks old, currently has an active user base of over 4000 users and has curated more than 100 contests and offers.

The portal has a network of people who report and curate contests that are running online. While the process is done manually for now, the portal is looking to automate it soon.

Currently the service is focused on building traffic volumes and plans to generate revenues only once the customer base reaches a sizeable amount. Some of the planned monetization models for the future include display advertising, targeted sampling opportunities and running customized brand-centric contests on-site.

The service plans to launch an update with twitter contest integration soon. The freebie search engine also will launch a feature to figure out a user's choice and recommend freebies accordingly.

The Freejinn founding team consists of Sheetal Vanwari and Jetesh Menon, two former digital advertising professionals.