

FINLATICS INVESTMENT BANKING EXPERIENCE PROGRAM – PROJECT 1

1. The most suited profile-idea combination would be that of an Economics graduate with an MBA degree and experience in management consulting starting a street foods ordering and delivery application. The education and experience acquired by Arjun would help in this start up idea.

Knowledge of Economics and Business Management

The graduation in Economics and MBA would provide the required knowledge for a start up such as the knowledge of finance, management of funds, management of work force, and hiring of new employees in the early stages of the company. The knowledge of economics also provides the required skill set for understanding the market and creating a strong portfolio for attracting Private Equity investors. Arjun can also gain from his knowledge of international economics which would help him in expanding his app in the foreign markets.

Learning from an online platform

Arjun might have a potential setback of not having the technical knowledge about the IT industry. But this can be easily sorted out with the help of some kind of online course. Online education has seen a recent boom in the past few years. There are a whole lot of online courses which are easily available with little time commitment. So, they can be done while building up other things of the startup. This would certainly become a value addition for Arjun and his application as he can now customize his app according to his needs and also instruct the technical team in a better way.

Building a strong IT team

Having a strong IT team should be one of the major goals for Arjun. He would need people for different kinds of work such as app development, web development, database management and many more. IT team will also maintain the app in the future, so the initial people should be hired while keeping this in mind. It would depend on the IT team how efficient the app is for the customers.

Thinking about the Logistics

As Arjun is building a home delivery app which would deliver food from the local street vendors, transport and logistics become an integral part of the system. Efficient delivery of the food in minimum time while incurring a low cost would be the key to the financial success of the company. This can be done in two ways; either build up your own logistical support, or look out for some other well established logistics company. In the initial part of the business, having outside support for logistics can be a better idea.

Let's coordinate

The coordination between different teams will be an integral thing for this to work out. The IT team will have to work in coordination with the marketing team in order to target the right market. The logistics team will have to work with the legal team in case of any discrepancies with the customers. The outreach team needs to work with the street vendors in order to deliver the food timely to the customers. Arjun's experience in Management Consulting will be really helpful at this front.

2. Given the idea-profile combination, Arjun might look for the financial benefits from his investors. The starting of an app for home delivery is a capital intensive initiative which requires a lot of money.

There is a big IT team dedicated towards the upliftment and running of the app. The logistics team has to look out for cheap sources for the delivery of the food items. The outreach team has to reach out to the street vendors in order to connect them to the app. The marketing team has to look out for the popularity of the idea before the launch of the app as it is a highly competitive market. Targeting the right audience through appropriate channels is absolutely necessary. Capital would also be required for the expansion of the business. The company might look to join hands with restaurants later in the future.

The second thing that Arjun must look for in his investor is the advisory benefits. It would be really good for Arjun and the app if the investor has previous experience with this kind of business. He can help in setting up the app in many ways. He can act as a guide and a mentor for Arjun. He can help him set up the IT team. He can also help in the recruitment of other employees of the company. The previous experience of the investor can also help in the logistical support. He/she can advise about which company to look out for in the early stages. The investor can also help Arjun in establishing the communication between different teams. He can also offer his soft skills to the company. Arjun and the investors can set up appropriate bonuses, and other perks for the employees. The knowledge and work experience of investor would certainly do value addition to the company.