



## **The Rise & Fall of Snapdeal: A Captivating E-commerce Case Study**

# Summary report:

**This case study examines the journey of Snapdeal, an Indian e-commerce company, from its initial success as a daily deal platform to becoming the second largest e-commerce player in the market and subsequently facing significant losses, a failed merger, and operational and financial challenges. The study provides insights into the Indian e-commerce industry, highlighting the pitfalls and strategic problems faced by start-ups in this sector.**

**Snapdeal was founded in 2010 by Kunal Bahl and Rohit Bansal as a daily deals company. However, inspired by the success of Alibaba, they decided to pivot the business model in 2011 and transform Snapdeal into an online marketplace. The company experienced rapid growth, becoming the second largest e-commerce player in India by 2015, with millions of products, sellers, and users.**

**Snapdeal received significant funding from various investors, including eBay, Softbank, and Alibaba. It also made several acquisitions to expand its market presence. However, the company started to decline after 2015. It failed to keep up with market trends and competition, especially in categories like consumer electronics and fashion. Snapdeal's lack of differentiation, poor execution of strategies, and conservative approach to investments contributed to its downfall.**





**The case study also highlights the controversy surrounding the proposed merger between Snapdeal and Flipkart, which ultimately fell through due to disagreements among stakeholders. Additionally, labor issues and a brand ambassador controversy further impacted Snapdeal's reputation.**

**The report identifies key factors that led to Snapdeal's decline, including a lack of innovation, a reactive approach to competitors, poor execution of strategies, and costly decisions such as unsuccessful acquisitions. The company also faced challenges in maintaining a cohesive management structure.**

**Overall, this case study provides valuable insights into the Indian e-commerce industry, the challenges faced by start-ups, and the importance of strategic decision-making. It serves as a lesson for future strategists to learn from the mistakes made by Snapdeal and build stronger business models.**



A hand holding a smartphone over a laptop keyboard, with the text 'Thank You' overlaid.

**Thank You**