

# Market Research & Findings Report — Capmateria

## Objective

To assess the market opportunity for Capmateria, a digital platform that simplifies procurement, logistics, and provides embedded finance for Indian MSMEs, by analyzing recent research on MSME challenges and financing gaps.

## Key Findings

1. The MSME sector is very large, diverse, and central to India's economy. Even small efficiency gains have a big impact.
2. Common supply chain problems include delayed deliveries, poor inventory visibility, high procurement costs, and unreliable suppliers.
3. Financing is a major bottleneck. Over half of MSMEs face difficulties accessing loans due to high interest, collateral demands, and heavy paperwork. Many rely on internal funds, NBFCs/FinTechs, or even informal sources.
4. About two-thirds of MSMEs show interest in a digital solution for procurement and logistics, and many others are open if it is affordable and simple to use.
5. Around half are willing to pay a small fee for faster supply and easier credit, showing potential for a commission-based revenue model.
6. NBFCs and FinTechs are already important alternative lenders and can be strong partners for embedded finance on the platform.
7. MSMEs are highly varied. Micro units and small firms differ in turnover, digital readiness, and financing needs, so segmentation is necessary for adoption.

## Conclusion

Capmateria's business idea is well supported by the evidence. The sector has clear pain points in procurement and financing, there is strong interest in digital solutions (~65% interested), and a fee-based revenue model is viable. To succeed, Capmateria should:

1. Start with a focused pilot in one industry cluster.
2. Partner with NBFCs/FinTechs for credit and with suppliers/logistics providers for reliability.
3. Keep onboarding and pricing simple, while measuring time-to-supply and loan disbursement speed as key success metrics.