One of the most flourishing start-up industries in Indonesia today is e-commerce. The number of smart phone users and app downloads have shown exponential growth over the last five years. Technology is definitely the most burgeoning market in the twenty-first century, and Indonesia has only just begun to catch up. About 36% of start-ups in this South Asian country have been in the e-commerce and mobile apps sector in 2015, with maximum progress in hi-tech cities of Jakarta, Bandung, and Bali. This gives rise to a very important question - what sets one business strategy apart from others in the market? Will the idea create disruptive waves, or just be another me-too product in an already saturated market? In other words, where is the unfair advantage?

Innovation is the key to establishing a disruptive business. Leaps of imagination, coupled with the power of technology to make that idea a reality, is undoubtedly the most tried-and-tested domain for establishing a start-up. Over the last two decades, technology has shown tremendous potential, so why not use it to create something that helps the world?

In an op-ed regarding innovation in Indonesia, author Anise Maulani pointed out various problems in the system that could be turned into opportunities**:

"Jakarta falls into a coma with its bi-annual flood every rainy season. Pekanbaru is paralysed every time a forest fire happens, and it happens every year. Doctors are so hard to find in rural areas. Farmers are having difficulty competing with imported rice. Indonesian students tend to score lowest in the subject of Indonesian language in national examinations, despite speaking and dreaming in this language every day.

There needs to be an app for any, and all, of these problems."

Setting up a business around a social cause not only provides a higher purpose to the organisation's objectives, but captures a previously untapped market through an innovative business model.

Another key factor that needs to be taken into account is the revenue. While there are several ways to create a financially self-sustaining social enterprise, it is the acceptance and popularity of the product that will ultimately define the profitability of a start-up. Majority of Silicon Valley investments are based on opportunity and future potential of the product, rather than indulging millions into every project that happens to be in the most promising field (such as e-commerce in Indonesia). Make the best possible product and the revenue will follow. It does not work the other way around.

In the bootstrapping phase, the best bet for a start-up is to establish a foothold in the local market, before expanding overseas. However, with the Indonesian affinity for foreign products, this can be a difficult goal to achieve for local organisations. In India, the '*Make In India*' campaign propagated by Prime Minister Narendra Modi is creating waves of acceptance for local products within the country. One of the most interesting Indian concepts that makes this happen is the principle of “Jugaad”.

The essence of entrepreneurship in India is “Jugaad” – the use of innovative, economical and unconventional means to create a product/service that performs a certain function efficiently, and is also cheaply available. This deal appeals to the common Indian – a product that performs at par with a branded, foreign-manufactured one, and all of it at a price that seems a good bargain. City-level Indian start-ups reach out to one of the largest markets in the world that is India itself, and profits from it. Indonesia should engage in some “Jugaad” too.

As far as incubators are concerned, focusing on an innovative product and developing pitching skills for VCs among start-up founders is only half the job. Persuading youth with talent and creativity to invest in full-time entrepreneurship instead of a cushy, secure job is a task in itself. Entrepreneurship is a challenging pursuit, but the Indonesian youth need to be aware of it as a career option, and why it is worth all the sweat. Establishing and connecting with college students through entrepreneurship cells on campus grounds could help in expanding outreach and creating awareness among students.

Once these young adults are ready to plunge into the start-up world, the next most crucial step is raising money for the venture, irrespective of whether it is targeting the technology sector or agriculture. A manufacturing business should be as enthusiastically funded as an e-commerce website or a mobile app. It is imperative to find investors that are ready to invest in a start-up within any industry as long as it shows promise, not just in a particular domain such as technology or payment gateways, which provide the highest assurance of profits. This open-mindedness could go a long way in setting up a thriving start up scenario in Indonesia, starting with Surabaya. Also, the right mentors could decide the success or failure of an organisation. Investments are not enough, a persistent guiding hand is crucial in the nascent stages of any business.

This is the only factor which exhibits a fundamental difference in the start-up scenarios of Indonesia and India – investment and mentorship. Apart from having innumerable private and state-funded incubators for tech start-ups across India, there are specialised incubators in India, such as *Amity Innovation Incubator, Villgro, and Rural Technology Business Incubator (RTBI), IIT Madras*, which focuses and mentors founders in rural innovation and social entrepreneurship. The incubator *Seedfund* provides access to sector experts in various fields from healthcare to financial services.

** Quoted from **“Op-Ed: Hey, investors: Indonesia can do with more innovation**”, (Anisa Maulani, Nov 2015)