

A case study on indiamart marketing essay



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They provide around 1100 online catalogues, business directories, trade leads and 50, 000 tenders. They have buyers and sellers for both products and services. Up to June 2001, there were 60, 000 India related business listed under more than 450 product and service categories. In total they were having overall 70000 listed businesses. And currently, they have grown to 700, 000 members with over 5 million global buyers.

The vision of the company is to become an integral part of every organization's business promotion plans. To provide complete business enhancement and promotion service to their clients. This is done through superior technology, in depth search, superior quality of business promotion services and solutions that improve revenues and are cost effective also at the same time.

Navigation though the site is very easy for the customer, as they have provided vary simple searching option for the products and services. Also their communication process is instant and satisfactory for the customer. Their registered members are also much satisfied with their promotion technology; this can be predicted by looking at maximum number of success stories given in the site by their customers.

As they also offer free listing, no revenue is generated from this step. But IndiaMART encourages them to have their own web site. IndiaMART offers its expertise on site building, hosting, offering higher listing on IndiaMART. com, search engine optimization for which it charges them such as Rs. 25, 000 for a microsite. The other source of income is from the registration which is done by the firms who are listed on the IndiaMART site. They charge about

5000 to 15, 000 for the registered listing of the web site. Although most of the companies/firms are listed free of cost, but the firms who are registered themselves on IndiaMART are provided with various special services which a free listed firm will not be provided. Thus they earn by a cataloguing plus basic listing fee that comes under registration revenue, pure listing fees which are on the top of basic listing fees that could be premium listing and paid listing.

Also the one other important revenue is business to business (B2B) auctions, which was launched in December 1999. This is the biggest auction platform in Asia, provides to their 500, 000 global business to business buyers who visit to Indiamart every month. Here suppliers are provided facility to register online and list their inventory for auction on an annual basis. The seller decides on Reserve Price, minimum bid price and bid increment amount. The buyers who are interested can bid on the items which are listed free of cost after going through the product information online. After the auction times out, the seller is introduced to the winner of the bid process to complete the transaction. The success of the business to business auction portal can be estimated from the fact that, from its beginning in December 2001 it has already earned Rs. 0. 48 lakhs through commissions in the financial year 2000. Last year IndiaMART. com generated a total revenue of Rs. 38 crore.

The market place for the company is very vast. IndiaMART. com provides a global marketplace. The company provides a platform to the Indian Exporters who are looking for a worldwide market and the global buyers who are searching for more and more options to buy their needs. Also it gives the <https://assignbuster.com/a-case-study-on-indiamart-marketing-essay/>

international market to the Indian buyer. Most of its members are SME's i. e. small and medium enterprises.

Main competitors are similar e-hubs who are providing the trading facility. Several web sites which are very actively holding some share of the market in India are tradeindia. com, Alibaba. com, matexnet. com, AuctionIndia. com, MetalJunction. com, TeaAuction. com, etc. But the main competitors are tradeindia. com, matexnet. com and alibaba. com.

As according to the Outlook Business Magazine (May, 2008) the total business to business transactions in India in 2008 were expected to be US\$100 billion and business to business marketplaces could account for \$15 to \$20 billion out of that. India's major business to business portal Tradeindia, maintained by Infocom Network Ltd, also stated that e-commerce transactions in India show a growth rate of 30 % to 40 % and will shortly reach the \$100 billion mark.

As from starting, the key persons of this company were oriented to earn money. So they made sure that only a fraction of income would be used up on making the portal. Their interest was in promoting the Indian business across the world so they targeted to Indian manufacturers, distributors and exporters on net; who were willing to sell their goods globally. Their initial project was to collecting the queries and forwarding them to merchants free of cost.