



IMPORT HUB

Connecting Indian Suppliers with U.S. E-Commerce

White paper for the Tech Venture India Course

by *Professor Mohanbir Sawhney*

Authors: *Volkan Emre, Kostas Poulakidas, Kumar Pankaj, Sheldon Wray*

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NORTHWESTERN UNIVERSITY KELLOGG SCHOOL OF MANAGEMENT, EVANSTON, IL, USA

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Abstract

This white paper examines Import Hub, an AI-driven software platform connecting Indian consumer durables suppliers with U.S. warehouses, enabling multiple access to major U.S. e-commerce platforms and marketplaces. It analyzes the potential \$140 billion addressable market for Indian consumer durables suppliers. Despite the opportunities, Indian suppliers face regulatory, logistical, and capital challenges. This paper proposes a tailored Product Information Management System (PIM) and a Warehouse Management System (WMS) as part of the Import Hub solution to overcome these obstacles and expand global reach.

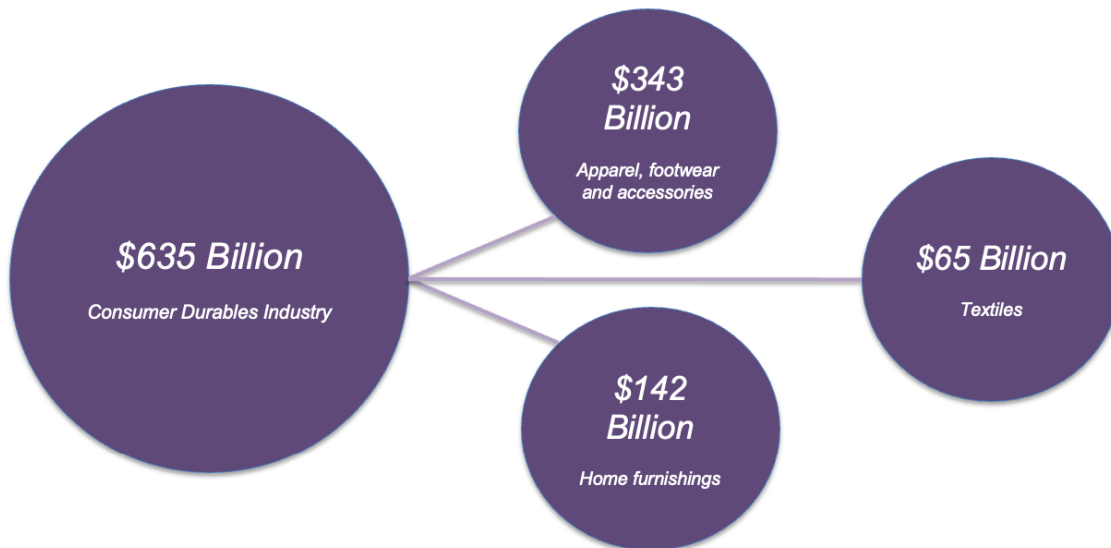
1. Import Hub: Connecting Indian Suppliers with U.S. E-Commerce Opportunities

The global e-commerce industry has grown significantly in the last decade and Indian suppliers of goods and products are looking to capitalize on this trend by expanding their reach to global markets. One such market is the United States, which is the world's largest e-commerce market. This white paper provides an overview and analysis of software technology platform business, Import Hub, which connects Indian consumer durables suppliers with U.S.-based privately owned warehouses to give the Indian suppliers U.S. e-commerce market access such as Wayfair, Overstock, Home Depot, Target, Kohl's, Fingerhut, Amazon, and Walmart. The white paper is based on desk and field research and includes findings from interviews conducted in Delhi, Bangalore, Khekra in Bakhpat and Bhadhoi in Uttar Pradesh in India in March 2023. The whitepaper specifically focuses on Indian consumer durables suppliers in home furnishings, textiles, apparel, footwear, and accessories sub-categories.

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Based on the U.S. International Trade Administration's industries database¹, the estimated size of the U.S. consumer durables industry is \$635 billion, and the sum of these sub-categories is \$550 billion. According to Statista² data, nearly 15% of the retail sales were through e-commerce in the U.S. in 2022 and this rate is projected to grow over 25% by 2025. With that, the total addressable market for the home furnishings, textiles, apparel, footwear, and accessories sub-categories has the potential to grow to \$140 billion by 2025 in the U.S. alone.

Exhibit 1. *Estimated Size of the Consumer Durables Industry in U.S. in 2023*



Source: www.trade.gov

¹ <https://trade.gov/industries>

² <https://www.statista.com/statistics/379112/e-commerce-share-of-retail-sales-in-us/>

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E-commerce is the fastest growing sales channel for goods in many countries across the globe. While the trend towards higher levels of online procurement has been occurring for some time, the challenges created by the 2020 COVID-19 pandemic resulted in an increased rate of acceleration toward online shopping. In countries such as the U.S., placing orders on sites such as Amazon quickly took the place of trips to brick-and-mortar establishments as communities searched for ways to limit exposure while acquiring the goods they needed. In the U.S. alone, e-commerce transactions increased from \$503.3 billion in 2019 to over \$856.8 billion in 2022 representing a staggering 70% increase³.

While this is notable, India experienced an increase from \$28.69 billion to \$60.73 billion over the same time period, representing 112% increase⁴. This outpaced increase in e-commerce transactions in India can in part be attributed to the development of technology infrastructure providing greater access to connected services to the 1.4 billion Indian population. India has experienced one of the highest growth internet penetration rates enabling those who were once exclusively reliant on traditional brick-and-mortar shopping to fulfill their needs to take advantage of the convenience provided through online ordering. With recent estimates of nearly 700 million people,⁵ many Indians now have some form of internet access, online shopping has become significantly more viable and driven the success of home-grown Indian shopping platforms such as Flip Kart, Myntra, Tata Cliq, and Jio Mart, with these organizations focusing on providing access to goods primarily from manufacturers based in India and delivering these goods to their Indian customer base. The rapidly expanding online sales channel has not only been a boon for these platforms,

³ [Statista - U.S. eCommerce Data](#)

⁴ [Statista - India eCommerce Data](#)

⁵ [Statista - India Internet Penetration Rate Data](#)

but also the Indian manufacturers who supply them. There is however a realization that many of the products produced in India are unique in design, quality, or cost compared to what is commonly available outside of their borders.

While the opportunity may be clear, the pathway through which to best navigate the complex challenges of landing goods in lucrative western online shopping markets such as the U.S. are not. Through our interviews with small and medium sized consumer durables suppliers during our visit to India, we discovered that the regulatory, logistical, capital, and various other hurdles have left expansion beyond India as a dream rather than a reality for many Indian suppliers. In this paper, we will explore these challenges along with the solutions we feel best enable Indian suppliers to broaden their reach across the globe, namely a Product Information Management System (PIM) and a Warehouse Management System (WMS) as part of the Import Hub software platform focused on catering to Indian suppliers.

2. Indian Consumer Durables Suppliers

We conducted field interviews within the home furnishings and textiles industries, allowing U.S. to categorize Indian suppliers accordingly. Subsequently, we identified their specific challenges in accessing the U.S. e-commerce market and examined how Import Hub could provide potential benefits. Additionally, we gained a detailed understanding of the potential weaknesses associated with importing from each supplier category's perspective. Further information on supplier classification, challenges faced by suppliers in the U.S. e-commerce market, and the potential benefits and weaknesses of Import Hub can be found in the dedicated sections below.

2.1 Types of consumer durables suppliers

Through our field interviews, we identified and categorized Indian consumer durables suppliers into four groups: (i) manufacturer exporters, (ii) merchandise exporters, (iii) individual craftsmen, and (iv) traders.

2.1.1. Manufacturer Exporter Consumer Durables Suppliers

Manufacturer exporters are vertically integrated industry players that handle the entire production chain, from raw materials to finished goods. These suppliers are often part of the sourcing supply chain networks for large US-based chain store businesses such as Walmart, Ross Stores, and Target. Direct-to-business sales (B2B) are the priority for manufacturer exporters to ensure they cover their fixed costs and maintain and grow their production capacity.

Manufacturer exporter consumer durables suppliers typically have experience with U.S. e-commerce, but direct-to-consumer sales (B2C) via e-commerce are not a priority for them. They often have established relationships in the U.S. for drop-shipping-oriented e-commerce businesses⁶, but they face significant inefficiencies and asymmetric information-related losses driven by high operational costs and limited access to all e-commerce platforms. They tend to have Amazon Seller Central⁷ accounts to serve

⁶ <https://www.michigan.gov/ag/consumer-protection/consumer-alerts/consumer-alerts/shopping/before-you-buy-or-sell-online>

⁷ <https://sell.amazon.com/start?ld=SEUSSOAGOOG-NAG129-TOPIS-D>

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U.S. e-commerce clients. Manufacturer exporters are usually large family enterprises that have been in business for several decades.

We conducted field visits with two manufacturer exporter companies during our field research. The first company was Weavetex Overseas⁸ based in Khekra, Baghpat. Weavetex is a textile group manufacturing and exporting textiles for the last 50 years. The company works with top U.S. retailers. Product categories include top-of-the-bed, decorative pillows, table linen, kitchen linen, shower curtains and window panels. The company works with the Walmart stores in the U.S. and employs over 5,000 workers in its production facilities. We interviewed Yathart Saxena, the head of marketing at Weavetex Overseas in the company headquarters. *See Appendix 3 for pictures from the field visit.*

The second manufacturer exporter consumer durables supplier we visited was Home Flooring and Décor PVT.LTD⁹ based in Bhadohi, Uttar Pradesh. Home Flooring and Décor was established in 1971. The company is a manufacturer of textiles, hand-made carpets, and machine-made area rugs. They employ over 10,000 employees including the independent weaver contractors in Bhadohi. They own an e-commerce focused subsidiary company in the U.S. namely, Rizzy Home,¹⁰ and bring their products directly to the U.S. e-commerce customers. *See Appendix 7 for pictures of the field visit.* Despite having the ability and resources to establish a drop ship-focused e-commerce business in the US, both Weavetex Overseas and Home Flooring and Décor have pain points and challenges that could be addressed by Import Hub. Details

⁸ <https://www.weavetexoverseas.com/>

⁹ <https://www.homeflooringanddecor.com/>

¹⁰ <https://rizzlyhome.com/>

of these are in the latter section of this paper. Our field research and interviews with manufacturer exporter consumer durables suppliers indicate that Import Hub has a valid proposal for this supplier class.

2.1.2. Merchandise Exporter Consumer Durables Suppliers

Merchandise exporters are the non-vertically integrated industry players who source and convert the processed materials to end goods. Like the manufacturer exporters, this group of suppliers prefer to work in B2B settings with large order quantities, but they have interest in B2C business due to higher margin opportunities. This group of Indian suppliers are usually in the discovery phase in Indian e-commerce and have interest for having access to the U.S. e-commerce market. Despite their interest in the U.S. consumer durables e-commerce market, they have very limited knowledge about it. Usually, they have tried or heard about Amazon's FBA service¹¹ and Ali Express¹² and faced with the low-margin and unsold inventory challenges and discouraged from being involved in bringing their products to the U.S. They are usually family enterprises established in the past 30 years. Merchandise exporters are very cash-flow oriented conservative businesses with limited risk-taking mindset.

We also had the opportunity to connect with several merchandise exporter consumer durables suppliers during our field visits in India. We participated in the India Carpet Expo¹³ on March 16, 2023, in Delhi. There we interviewed over 20 merchandise exporters, freight forwards and members of the Carpet

¹¹ <https://sell.amazon.com/fulfillment-by-amazon>

¹² <https://www.aliexpress.com/>

¹³ <http://cepc.co.in/events/india-carpet-expo-new-delhi>

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Export Promotion Council of India (CEPC)¹⁴. We had significant inputs from Salman Ahmad, the founder, and owner of Weavers Knot Inc.¹⁵ reflecting the view of merchandise exporters in terms of interest in bringing their products to the U.S. and potential of Import Hub in addressing their concerns. He also emphasized the weaknesses of Import Hub from his standpoint. Our interview with Gaurav Gupta, a member of the CEPC and CEO of The Rug Gallery¹⁶ has strengthened the relevance of the Import Hub for Indian merchandise exporters and the need for addressing the for establishing trust inventory ownership, a topic that is covered in detail in the latter sections of this work. In addition to suppliers, we could interview Meraj Ansari, marketing director at Alauddin Logistics PVT LTD¹⁷, at the Carpet Expo in Delhi to validate the key logistics aspects for Import Hub in India. One important finding from this conversation was the ability of Indian freight forwarder companies to consolidate different products from different suppliers in containers. This would strengthen the Import Hub's value proposal for all Indian suppliers in terms of minimum shipping quantities. During our field interview with Mr. Ansari, we realized that Mumbai is the main port location for almos all Indian consumer durables goods to the U.S. *See Appendix 4 for pictures of the Delhi Carpet Expo field visit.*

We visited Shamsi Carpets, a merchandise exporter of hand-made carpets in Bhadohi, Uttar Pradesh. We connected with Imran Ahmad, the CEO and his family member executives and learned about the contractor aspect of their business with individual craftsman. Their remarks on Import Hub's value

¹⁴ <http://cepc.co.in/>

¹⁵ <http://weaversknot.com>

¹⁶ <https://theruggallery.com/>

¹⁷ <https://alauddinlogistics.com/>

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proposal were favorable with concerns on the trust factor in inventory ownership and payment guarantee as emphasized above. *See Appendix 8 of pictures of this field visit.*

Our field research and interviews merchandise exporter consumer durables suppliers indicate that Import Hub has a valid proposal for this supplier class if their inventory ownership concerns are addressed properly.

2.1.3. Individual Craftsmen Consumer Durables Suppliers

This supplier sub-category is the largest consumer durables supplier in terms of the number of individual players. They usually work as contractors to merchandise exporters. They are single entrepreneurs who developed their skill set by learning by doing. They have no or very limited awareness about e-commerce and almost none of them have any hands on experience with selling their products online. They have a limited production capacity and are very concerned with the daily cash flow to cover their production and operating expenses. They would only consider being involved in India-based e-commerce as they are very concerned about sending their inventory with no pay in advance. The Import Hub tech solution will only make sense for them if they get some pre-payment and/or payment guarantee. Their production capacity is very limited that creates the requirement for inventory consolidation of multiple individual craftsmen before shipping to a warehouse in the U.S. We had the opportunity to connect with a handful individual craftsmen in the hand-made carpet industry in Bhadohi, Uttar Pradesh. *See Appendix 9 for photos from this field visit.*

Our field research and interviews with manufacturer exporter consumer durables suppliers indicate that Import Hub has a valid proposal for this supplier class if their inventory ownership concerns are addressed properly.

2.1.4. Trader Consumer Durables Suppliers

This supplier category consists of merchants who procure end goods from manufacturers and sell in various traditional sales channels. The target customer segment is usually B2B or B2B2C retailers. This supplier category has very limited interest in e-commerce. Trader suppliers would only be interested in U.S. e-commerce for getting rid of their unsold inventory, if the inventory quantities are significant, at least one container.

2.1.5 Target Consumer Durables Suppliers for Import Hub

Based on our desk and field research and the categorization of Indian consumer durables suppliers, we identified two tiers of potential suppliers. Tier classification is based on the potential stock keeping units (SKUs)¹⁸ that can be sold in U.S. e-commerce platforms and/or marketplaces and the number of containers that suppliers could potentially ship to the U.S. for inventory storage and replenishment. Details of the target Indian consumer durables supplier classification can be found in Exhibit 2.

Tier 1 suppliers consist of manufacturer exporters and merchandise exporters that were explained in detail in previous sections. These suppliers would potentially have up to 50,000 SKUs to be sold in various U.S. e-commerce platforms and/or marketplaces. Tier 1 consumer durables suppliers could also ship one or more containers to the U.S. for replenishing their inventory to be sold in e-commerce.

Tier 2 suppliers consist of individual craftsmen, a category explained in detail previously. Suppliers in this this would potentially only have up to 1,000 SKUs to be sold. They wouldn't be able to ship items

¹⁸ <https://www.britannica.com/technology/SKU>

that could fit into one single container. Shipments of the suppliers in this tier should be consolidated in India by a freight forwarder.

Exhibit 2. Target Indian Consumer Durables Suppliers

| Target Customer | Consumer durables suppliers | Shipment size per batch | Total SKUs |
|-----------------|--|-------------------------|-----------------|
| Tier 1 | <ul style="list-style-type: none"> • Manufacturer exporters • Merchandise exporters • Traders | One or more containers | 1,000 to 50,000 |
| Tier 2 | <ul style="list-style-type: none"> • Individual craftsmen | Less than one container | Less than 1,000 |

2.2 Challenges of Indian Consumer Durables Suppliers in U.S. E-commerce

Both Tier 1 and Tier 2 Indian consumer durables suppliers face several common challenges when attempting to access multiple U.S. e-commerce platforms. Many are currently dependent on end-to-end platforms such as Amazon FBA, which provide all-in-one logistics, marketing, and sales services. However, these platforms often come with high costs for logistics, storage, and fulfillment, as well as cumbersome product upload processes. Furthermore, the high allowance rates and intense competition on Amazon and other end-to-end platforms limit the profitability and outreach of these businesses. Alternative platforms and marketplaces, such as Wayfair, Overstock, Walmart Marketplace, Home Depot, Hayneedle, Etsy, and Houzz, offer better allowance rates with less competition but are not as easily accessible to these businesses.

Working with multiple e-commerce platforms and marketplaces necessitates inventory storage and the ability to process and fulfill orders and returns. Consequently, Indian suppliers in both tiers need to find US-based warehouse and/or distribution center partners. Owing to asymmetric information, Indian suppliers frequently pay higher rental costs and pick-and-pack fees for order fulfillment compared to market averages.

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Tier 1 suppliers currently involved in U.S. e-commerce have little or no access to SKU-wise performance tools. They are focused on what has been sold but lack access to customer-driven market data and intelligence. This can be summarized as insufficient market intelligence for product development.

Both Tier 1 and Tier 2 suppliers do not understand financial transactions in the U.S. They lack knowledge of financial tools and payments in U.S. e-commerce. Specifically, they are inexperienced in understanding EDI and API structures within e-commerce payment systems.

Access to qualified and experienced talent is a significant challenge for both Tier 1 and Tier 2 suppliers. U.S. e-commerce platforms and marketplaces have vastly different contractual allowance structures, inventory management systems, data infrastructures, digital insights, digital marketing tools, and payment systems. Successfully managing various aspects of business on multiple U.S. e-commerce platforms requires specific subject matter expertise for each platform. Hiring specialized talent to establish sustainable e-commerce operations across different platforms in the U.S. is often not an option for Indian suppliers due to high recruitment and labor costs. Another challenge both Tier 1 and Tier 2 suppliers are facing is being in different time zones. E-commerce platform management has various unforeseeable time-sensitive requirements such as responding to a customer service inquiry for returns or shipments. The time zone difference between India and the U.S. poses risks for Indian suppliers that could negatively impact their revenue potential.

One of the biggest challenges for all supplier categories is unsold inventory in e-commerce. Indian suppliers have little or no ability to clear their unsold inventory without significantly decreasing prices and consequently lowering profitability. This is due to two main factors. The first factor is a lack of sales platform diversification; suppliers are primarily dependent on end-to-end platforms such as Amazon FBA.

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The second factor is the absence of qualified teams capable of using digital marketing tools provided by e-commerce platforms and marketplaces to stand out in the competition.

Finally, all suppliers lack the technical capacity to process returns efficiently. The average return rate in U.S. e-commerce was roughly 16% in 2021, which was up from 10.6% the previous year¹⁹. The return rate could reach up to 40% in the home furnishings category. For all Indian suppliers conducting e-commerce operations across various channels, processing returns is extremely challenging, and this area significantly creates margin pressure for them. One core reason for this difficulty is that every platform has different return procedures and processes. Some e-commerce platforms, such as Kohl's and Home Depot, provide returned items in pallets on a monthly or quarterly basis. On the other hand, platforms like Amazon and Walmart send the returned items back to supplier partners' warehouses or distribution centers daily. Furthermore, some platforms like Wayfair implement a field destroy methodology and do not send any inventory back. Indian suppliers struggle with processing returns from multiple platforms, and as a result, they lose sellable inventory and incur penalty fees for poor return processing performance by their partner warehouse companies due to their lack of knowledge and technical abilities.

In conclusion, aside from the competitive aspect, e-commerce is a complex business that requires a thorough understanding of the technical requirements for each platform. Every platform has different requirements for digital asset creation, unique IT protocols for inventory reporting, distinct IT infrastructure and protocols for payment confirmations and transfers, varying allowance rates for different item types, diverse freight partners and procedures, and separate return processes, all of which significantly impact

¹⁹ <https://www.forbes.com/sites/forbesbusinessdevelopmentcouncil/2022/11/21/how-to-optimize-your-e-commerce-returns/>

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both sales volume and profitability. Participating in U.S. e-commerce, despite its relatively higher profit potential, can be quite challenging for Indian suppliers, especially for Tier 2 suppliers.

2.3 Benefits of the Import Hub for Indian Consumer Durables Suppliers

We identified potential benefits of the Import Hub solution platform for all target Indian suppliers to address or eliminate their challenges with U.S. e-commerce. Exhibit 3 provides a high-level overview of the desired benefits of Import Hub for Indian suppliers, compared to their challenges as discussed in the previous section. Further benefit details can be found in the business model section of this white paper, as well as in Appendix 1 and Appendix 2.

Exhibit 3. Challenges vs Benefits Comparison

| Challenges of Indian suppliers with U.S. E-commerce | Benefits of Import Hub to address the challenges |
|--|--|
| No or limited profitability with U.S. e-commerce due to high allowance rates and high outbound freight costs in the U.S. | <ul style="list-style-type: none"> • Increased profitability sustained with the flexibility in custom pricing in various platforms with difference allowance rates. • Increased profitability sustained with the elimination of outbound freight cost for small parcel shipments in alternative U.S. e-commerce platforms. We assume all items of Indian suppliers will be suitable for small parcel shipping. |
| No or limited access to multiple platforms | Access to all U.S. e-commerce platforms with no ambiguity. |
| Lack of know-how in financial transactions and issues with payment confirmations | <ul style="list-style-type: none"> • Automated payment integration with all platforms via EDI²⁰ and API²¹ connections. • Automated payment confirmations via EDI. |
| Unsold inventory | <ul style="list-style-type: none"> • Automated pricing discounts • Automated participation in promotional events |
| Lack of data insights and inventory planning capabilities | <ul style="list-style-type: none"> • Automated customer insights reporting based on data collected from e-com platforms. • Automated demand planning and inventory replenishment notifications, analyses, and suggestions. |
| Asymmetric information on warehouse / distribution center costs | <ul style="list-style-type: none"> • Transparent information on warehouse profiles and costs. • Multiple options for utilizing different warehouse locations in various locations in the U.S. |
| No or limited capacity to process customer returns | <ul style="list-style-type: none"> • Automated notifications on returns that would help the suppliers to reduce the cost of return by taking some customer service actions. • Training and support for the warehousing partners to process orders with full compliance to e-commerce platforms standards and procedures. |

²⁰ <https://www.ibm.com/topics/edi-electronic-data-interchange>

²¹ <https://www.ibm.com/topics/api>

2.4. Weaknesses of the Import Hub for Indian Consumer Durables Suppliers

Indian consumer durables suppliers, especially the ones in the Tier 2 classification, tend to be hesitant to send their products to the U.S. without a sales guarantee and upfront payment. Tier 2 suppliers have cash-flow-sensitive business models and sending their inventory without full or partial upfront payment and/or payment guarantee requires a mindset shift and trust in the business partner. Manufacturers in the Tier 1 supplier group often prefer to work in B2B settings to secure large quantity orders, covering their base manufacturing expenses. Thus, the main motivation for manufacturers in the Tier 1 supplier group is to secure and maintain large order quantities to cover their substantial fixed costs. Traders in Tier 1 are the least sensitive players of all, but they are willing to engage in one-time transactions to dispose of excess inventory in their possession. However, this one-time transaction nature is not conducive to the sustainability that e-commerce businesses need for gaining traction and generating reviews in the U.S. market.

3. Import Hub Business Model

Despite the potential for Indian consumer durables suppliers to access the lucrative U.S. and Canadian markets through e-commerce, many have faced significant barriers that limit their profitability and outreach. As mentioned in previous chapters, during our Tech Venture India visits in India, we discovered the potential for a software platform solution, namely Import Hub, that addresses these challenges by connecting Indian consumer durables producers and retailers with US-based warehouses and distribution centers, enabling them to efficiently access multiple e-commerce platforms and expand their market reach. This chapter has the business model details of the Import Hub solution.

3.1 Problem Definition for Indian Consumer Durables Suppliers and U.S.-based Privately Owned Warehouses

Indian suppliers face several challenges when attempting to access multiple U.S. e-commerce platforms. Many are currently dependent on end-to-end platforms such as Amazon FBA, which provide all-in-one logistics, marketing, and sales services. However, these platforms often come with high costs for logistics, storage, and fulfillment, as well as cumbersome product upload processes.

Furthermore, the high allowance rates and intense competition on Amazon and other end-to-end platforms limit the profitability and outreach of these businesses. Alternative platforms and marketplaces, such as Wayfair, Overstock, Walmart Marketplace, Home Depot, Hayneedle, Etsy, and Houzz, offer better allowance rates with less competition but are not as easily accessible to these businesses.

On the other side of the equation, US-based warehouse, and distribution center businesses, particularly those that are privately owned, constantly seek low-effort, high-return opportunities to utilize their storage and operational capacity. Thus, there is a clear need for a solution that can bridge the gap between these two sets of stakeholders and facilitate mutually beneficial business relationships.

3.2 Solution Overview: Import Hub

The proposed solution is a software platform comprising two core components: a Product Information Management (PIM) Software for Indian suppliers, and a Warehouse Management System (WMS) for US-based warehouses and distribution center businesses.

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The PIM software enables Indian businesses to easily upload and maintain all product data on U.S. e-commerce platforms, monitor digital assets, inventory, orders, and returns, and syndicate and publish product content to any customer touchpoint, including e-commerce platforms and their own B2C sales platforms. The software also integrates fulfillment data exchange necessary for e-commerce marketplace selling.

The WMS software offers port-to-porch logistics tracking to bring products to U.S. warehouses, easy order fulfillment, and straightforward return processing. This ensures a seamless end-to-end process that enables Indian businesses to access the U.S. and Canadian markets efficiently and cost-effectively. Details of the business model for the Import Hub solution are explained based on the Lean Canvas Methodology invented by Ash Maurya.²² Details of the Import Hub Lean Canvas and the business model are also provided in the Appendix section, specifically in Appendix 1 and Appendix 2.

3.3 Unique Value Proposition

Indian suppliers must use a B2B distribution model to sell their products in the U.S.; this is limiting, and time consuming and Indian supplier lose out on substantial revenue by being unable to access the vast U.S. e-commerce marketplace that is offered by the large retailer, such as Wayfarer, Walmart, Target. The Import Hub software platform offers a unique value proposition connecting Indian consumer durables producers and retailers with U.S.-based warehouses and distribution centers to provide Indian consumer

²² <https://www.businessmodelcompetition.com/ash-maurya--lean-canvas.html>

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durable products to customers in the U.S. and Canada via all e-commerce platforms and marketplaces simultaneously. Key features of this value proposition include:

- Hassle-free access and integration to all e-commerce platforms via the PIM software.
- Best-in-class logistics and order fulfillment tracking, including storage, pick and pack, shipping, real-time order tracking, and return processing.
- Competitive and transparent pricing and reporting, with no hidden fees.
- Real-time reporting on inventory, sales, items in transit, and shipment status.

3.4 Key Metrics

The success of the platform can be measured using several key performance indicators (KPIs), including:

- Profitability per item/month.
- Number of products uploaded to e-commerce platforms with SEO optimized data.
- Number of orders and returns processed.
- Number of items in inventory.
- Shipment status of orders.

These metrics will help evaluate the effectiveness of the platform in meeting the needs of both Indian suppliers and US-based warehouses, as well as in promoting overall business growth.

3.5 Competitive Advantage

The platform's competitive advantage is derived from several factors:

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- *Outreach:* The platform provides access to all e-commerce platforms, allowing businesses to expand their market reach and tap into a larger customer base. Currently, there isn't a solution in the market that could provide such outreach to Indian suppliers.
- *Technology:* The platform utilizes state-of-the-art AI-powered software, ensuring a seamless and efficient experience for users. There are currently some PIM solutions in the market such as Salsify²³ but they have limited platform coverage and don't have any integration with the order key business aspects of e-commerce such as fulfillment, payments, and returns.
- *Experience:* The team behind the platform has over 10 years of experience in the U.S. e-commerce market, as well as expertise in marketplace integration, logistics, digital transformation, machine learning, commercial and real estate law.
 - *Volkan Emre*²⁴ is an e-commerce executive with experience working with all platforms and marketplaces in home furnishings industry in the U.S. and Canada. He has experience in leading Tayse's²⁵ e-commerce operations out of the company's 400,000 square feet distribution center in Calhoun, GA. He also has experience in leading high impact software development teams in computer vision, machine learning and business intelligence teams

²³ <https://www.salsify.com/>

²⁴ <https://www.linkedin.com/in/volkanemre/>

²⁵ <https://tayse.com/about-us.php>

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in developing e-commerce and warehouse management software solutions with Optimize Technologies²⁶ and Pergatech²⁷, startup companies he initiated and spearheaded.

- *Kumar Pankaj*²⁸ is a technologist with over 20 years of Tata Consultancy Services (TCS)²⁹ experience in technology consulting and business development. Kumar initiated and led multiple digital transformation projects across different functions including AI, ESG, cloud adoption, blockchain and enterprise data services.
- *Sheldon Wray*³⁰ is an IT innovation and IoT strategy leader with over ten years of experience in developing advanced technology equipment and automation software solutions Lincoln Electric³¹.
- *Kostas Poulakidas*³² is an attorney and partner of Taft Stettinius & Hollister LLP (Taft Law)³³. He provides strategic advice to real estate development firms, private equity funds, private equity investors, and government entities, as well as entities ranging from start-ups to Fortune 500 companies.

²⁶ <https://optimizetechs.com/>

²⁷ <https://www.pergatech.com/>

²⁸ <https://www.linkedin.com/in/kumar-pankaj-technology-leader/>

²⁹ <https://www.tcs.com/>

³⁰ <https://www.linkedin.com/in/sheldon-wray-010b3350/>

³¹ <https://www.lincolnelectric.com/en>

³² <https://www.linkedin.com/in/kostas-poulakidas-06609323/>

³³ <https://www.taftlaw.com/>

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- *Distribution center experience and network:* The platform leverages an extensive network of distribution centers, ensuring efficient and cost-effective order fulfillment.

3.6 Channels

To ensure the successful implementation and ongoing operation of the platform, a variety of channels will be utilized, including:

- PIM Software for Indian suppliers.
- WMS Software for warehouses.
- Inventory Forecast Tool for Indian suppliers.
- Digital Customer Success Team for Indian suppliers.
- IT Support Team for both suppliers and warehouses.
- Logistics Support Team for both suppliers and warehouses.

These channels will provide comprehensive support for all stakeholders, ensuring a smooth and efficient experience for all parties involved.

3.7 Beneficiaries / Customers

The platform is designed to benefit two primary groups:

- Indian consumer durables suppliers looking to gain profitable access to US-based clients via multiple e-commerce channels simultaneously.

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- US-based warehouse and distribution center businesses seeking to increase their revenues and profits by partnering with Indian suppliers and leveraging the platform's logistics and order fulfillment capabilities. This white paper only focuses on Indian consumer durables suppliers.

3.8 Cost Structure

The platform's cost structure can be divided into two main categories:

- Traditional operational expenses (OPEX): This includes expenses such as payroll, marketing, commissions, allowances, rent, and depreciation.
- Technology: These costs encompass platform development and maintenance, cloud computing, and data security.

3.9 Revenue Streams

The platform will generate revenue through several streams, including:

- Subscription fees from Indian suppliers for PIM services.
- Subscription fees from US-based warehouses for WMS services.
- Customer success consulting fees from both suppliers and US-based warehouses.

By providing value-added services to both Indian suppliers and US-based warehouses, the platform aims to generate sustainable revenue streams that will support its ongoing growth and development.

In conclusion, the proposed software platform presents a compelling solution to address the challenges faced by Indian consumer durables suppliers in accessing the U.S. and Canadian markets. By connecting

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these businesses with US-based warehouses and distribution centers, the platform can facilitate a seamless end-to-end process that enables efficient access to multiple e-commerce platforms and marketplaces, ultimately driving profitability and market expansion for all stakeholders involved.

4. Competitive Landscape for Import Hub

There are no direct competitors to Import Hub in the market that offer a comprehensive value proposition for Indian suppliers, encompassing digital asset integration, payment integration, and order fulfillment across multiple U.S. e-commerce platforms simultaneously. The competition can be broadly categorized into three main groups: U.S. e-commerce marketplaces, customizable B2C e-commerce platforms, and B2B2C fulfillment platforms that facilitate integration with multiple e-commerce marketplaces for US-based suppliers.

Exhibit 4 below provides a summary comparison between Import Hub and the competitor categories, highlighting selected companies. The competitor categories are further detailed in the subsequent sections below. One of the key value propositions of Import Hub is its capability to connect and synchronize with all marketplaces and platforms across all categories, offering enhanced market outreach and peace of mind to Indian suppliers.

Exhibit 4. Import Hub’s Competitive Advantages

| Platform | Access to all U.S. e-com marketplaces / platforms | Order fulfillment & Return processing | Path for sustainable profit margins | Available to Indian suppliers | Marketing support | Customer service support |
|--|--|--|--|--------------------------------------|--------------------------|---------------------------------|
| Import Hub | Yes | Yes | Yes | Yes | Yes | Yes |
| US marketplaces <i>Amazon, Walmart, eBay, Etsy, Wayfair, Overstock, Houzz etc.</i> | No | Partially Yes | No | Partially Yes | No | No |
| Customizable B2C e-commerce platforms <i>Shopify, BigCommerce, WooCommerce, Magento, Squarespace, etc.</i> | No | Partially Yes | No | Yes | Partially Yes | Partially Yes |
| B2B2C fulfillment platforms <i>Deliverr, ShipBob, Spreetail, etc.</i> | Partially Yes | Partially Yes | No | No | Partially Yes | No |

4.1. U.S. E-commerce Marketplaces

Several U.S. marketplaces cater to international suppliers selling their products. Marketplaces commonly used by Indian consumer durables suppliers include Amazon, eBay, Walmart Marketplace, Etsy, Wayfair, Houzz, and Overstock. Tier 1 suppliers, with potentially greater resources, can sell their products on all these platforms if they can validate product fit, identify the right warehousing partner, and hire the appropriate talent for onboarding and platform management. Conversely, resource-limited Tier 2 suppliers

may primarily consider marketplaces with comprehensive sales, marketing, and fulfillment offerings, such as Amazon FBA and Wayfair Castlegate³⁴.

4.1.1 Amazon and its variations

As the oldest and most established player in the U.S. e-commerce sector, Amazon has consistently played a trailblazing role in bringing international suppliers to the U.S. market. Other marketplaces and e-commerce platforms have followed Amazon's lead, which is why it is important to highlight that Amazon offers two main avenues for Indian suppliers: Amazon Seller Central and Amazon Vendor Central.

Amazon Seller Central is a platform for third-party sellers, typically small to medium-sized businesses, to list and sell their products directly to Amazon customers. Sellers using this platform act as independent businesses, managing their own inventory, pricing, and shipping (either by self-fulfilling orders or using Amazon's FBA service). In this case, sellers are considered "marketplace" or "3P" (third-party) sellers. They have greater control over their product listings, pricing, and inventory management. Other large marketplaces, such as Walmart Marketplace, operate using this business model. For Indian suppliers utilizing this model, strong warehouse partnerships are necessary to store, fulfill orders, and process returns in a timely manner in order to maintain and grow their business. However, this can be costly, especially for Tier 2 suppliers.

³⁴ <https://sell.wayfair.com/operate-castlegate-overview>

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Fulfillment by Amazon (FBA) is an alternative way to fulfill international orders. This service is used in the country corresponding to the Amazon marketplace where the products are listed, such as the U.S. Indian sellers are required to send their products for storage to an Amazon fulfillment center in the U.S. to sell them to customers who place orders using FBA. By utilizing FBA, sellers can reduce shipment times to customers, making their offers more competitive, and provide return services and local language support. Shipping tasks are also handled by the Amazon fulfillment center. However, there is a substantial premium charged by Amazon, which may not be profitable for small businesses. Additionally, small businesses may not have enough capital to maintain inventory and fulfill orders.

One of the biggest challenges of Amazon Seller Central for Indian suppliers is the need for strong branding to be successful in the highly competitive marketplace. Often, Indian suppliers, especially Tier 2 players, lack the resources for branding efforts. Amazon Vendor Central is an invitation-only platform primarily for manufacturers and distributors to sell their products in bulk to Amazon. In this case, vendors are considered "first-party" or "1P" sellers, with Amazon taking responsibility for selling the products to customers. When using Vendor Central, the vendor sells the products directly to Amazon, which then handles inventory, pricing, and shipping. Vendors have less control over their product listings, pricing, and inventory management compared to Seller Central, but they can benefit from Amazon's marketing and promotional support. More recently launched platforms, such as Wayfair and Overstock and their variations, have followed the Amazon Vendor Central model, incorporating some exclusivity into their business models.

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There is a very unprofitable option for Indian suppliers to sell their products to the U.S. by signing up to Amazon Global Selling account³⁵. When customers in the USA purchase products on Amazon, to complete these orders Indian sellers must ship them internationally direct to the customers. For all orders received, the seller will be responsible for meeting the shipping expectations. International shipping charges depend upon package dimensions and weight, delivery time and source (where you are shipping from) and destination (where you are shipping to) and can be costly with minimal to no margins. Amazon is not responsible for any customs duties and taxes associated with FBA inventory. Any shipments arriving at an Amazon fulfillment center with customs duty charges due are returned to the sender.

Walmart has been following Amazon's footsteps. Their Amazon Global Seller-alike platform, Walmart Marketplace started onboarding Indian sellers for the US Market³⁶. Indian sellers can take advantage of the key shopping season with tools like Walmart Fulfillment Services (for fast and easy shipping)³⁷ and Walmart Connect (for targeted seasonal promotions)³⁸. However, Walmart requirements to sell are much stricter than Amazon, eBay's of the world. While Walmart does not charge a monthly fees like Amazon, it charges a fixed referral fee per sale (typically 15% of the product sale price) + fulfillment fees if you are using Walmart fulfillment services, storage fees and so forth.

³⁵ <https://sell.amazon.com/global-selling>

³⁶ <https://corporate.walmart.com/newsroom/2022/10/05/walmart-expands-marketplace-opportunity-for-indian-exporters-ahead-of-the-busy-holiday-season-in-the-u-s-and-canada>

³⁷ <https://marketplace.walmart.com/walmart-fulfillment-services/>

³⁸ <https://www.walmartconnect.com/content/wmg/home/contact.html>

4.1.2. Etsy, eBay, Wayfair, Overstock and Other Marketplaces / Platforms that Allow White Labelling.

Aside from the differences in allowance rates, product requirements, and distribution, one of the most important common characteristics of Etsy, eBay, Wayfair, Overstock, Kohl's, Fingerhut, and other similar marketplaces for Indian suppliers is white-labeled market access. White labeling allows Indian suppliers to focus on their product quality without worrying about branding in a competitive setting.

In addition to the white labeling flexibility, Wayfair, Overstock, Kohl's, and Fingerhut offer unique contractual allowances to their supplier partners. Their allowance structures often cover domestic shipping costs as part of order fulfillment and some marketing expenses for automated campaigns and promotional events. By avoiding shipping and certain marketing costs, these platforms gain a competitive edge against other marketplaces, especially Amazon Seller Central, Walmart Marketplace, Target Marketplace, and others.

4.2 Customizable B2C E-Commerce Platforms

In recent years, the e-commerce landscape has evolved to include customizable B2C e-commerce platforms that allow businesses to create and manage their own online stores, offering complete control over design, features, and customer experience. Leading examples include Shopify³⁹, BigCommerce⁴⁰,

³⁹ <http://www.shopify.com/>

⁴⁰ <https://www.bigcommerce.com/>

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WooCommerce⁴¹ and Magento (Adobe Commerce)⁴². Compared to traditional marketplaces such as Amazon and Wayfair, these B2C platforms provide better control, customization, and flexibility in terms of product listings and pricing. However, from the Indian supplier's standpoint, these platforms require strong warehousing partners, more subject matter expertise in marketing, and have narrower customer bases compared to traditional marketplaces.

4.3 B2B2C Fulfillment Platforms

There is an exciting new area in e-commerce that specializes in selling and distributing a wide range of consumer goods across multiple online marketplaces. In our classification this area is known as New Age B2B2C Fulfillment Platforms. The major players in this area are Deliverr⁴³ and Spreetail⁴⁴. They both provide similar marketplace integration and fulfillment services to Import Hub.

Deliverr focuses solely on the fulfillment aspect of e-commerce by offering services for US e-commerce. They also partner with US e-commerce platforms and marketplaces, including Amazon, Walmart, eBay, and Shopify, to provide fast and affordable fulfillment solutions. Indian suppliers could work with Deliverr as a third-party logistics provider if they have inventory stored in the U.S.

⁴¹ <https://woocommerce.com/>

⁴² <https://business.adobe.com/products/magento/magento-commerce.html>

⁴³ <https://deliverr.com/>

⁴⁴ <https://www.spreetail.com/>

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Spreetail provides both e-commerce market integration and fulfillment services to US-based businesses only. They also source and sell their products. They are selective in terms of choosing products and suppliers to work with. Their marketplace integrations include Amazon (Seller Central only), Walmart Marketplace, Target Marketplace, Lowe's, Kohl's, and Wayfair. They prefer to own their warehouses and currently have seven warehouses in the US.

We believe Spreetail is the most important potential direct competitor to Import Hub. Clearly, the most significant competitive advantage and opportunity for Import Hub against Spreetail would be the inclusion of international suppliers. Another key competitive advantage would be the ability to scale faster due to enabling the platform for more players without owning physical storage and inventory. In addition to scalability, Import Hub's ability to syndicate with more e-commerce marketplaces and platforms would provide a competitive edge. Finally, the customer service support for all integrated touchpoints could make Import Hub more attractive for suppliers.

5. Overcoming Commerce Challenges through Partnerships

There are several challenges that Indian suppliers of goods and products face when exporting to the U.S. As discussed below, many of these challenges come from Indian suppliers not having knowledge of how the U.S. e-commerce system works as well as not having trusting relationships with those in the U.S. who can accept, warehouse, and distribute their products on various U.S. e-commerce platforms.

A substantial part of solving these issues came from our discussions with Mr. K. Vaitheeswaran (father of Indian e-commerce)⁴⁵ and Mr. Nishant Verman⁴⁶, Co-founder/CEO of Bzaar, a product sourcer of Indian retail products. Below we outline many of the challenges for Indian suppliers, as well as potential solutions to these challenges:

5.1 Inventory Ownership.

The feedback we received from our field visits as well as our meeting Mr. K. Vaitheeswaran, as discussed below, was that there is a lack of trust by Indian retail suppliers to relinquish control of their merchandise without receiving immediate payment. This lack of confidence is understandably compounded when Indian supplier are relinquishing their products to the U.S. where they would have limited knowledge, resources or ability to enforce their right to their inventory, how and where it was sold, and receiving payments. By partnering with Indian based distributors, such as Bzaar⁴⁷, Indian suppliers can have a local

⁴⁵ <https://www.linkedin.com/in/kvaitheeswaran/>

⁴⁶ <https://www.linkedin.com/in/nishantverman/>

⁴⁷ <https://www.bzaar.com/>

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source of contact who can act as both their representative and as a partner to Import Hub that will allow Bazaar to get access to large U.S. e-commerce platforms which Import Hub provides. This will build trust with Indian suppliers, expands the reach of Bazaar and similar Indian distributors, and gives Indian suppliers confidence that Import Hub is a partner they can trust to expand their business. It will also provide a partner for Import Hub to identify Indian products that have the highest investor turn and margins to ensure Import Hub does not retain or minimizes the amount unsold inventory that it may hold.

5.2 Pre-Payment and/or Guaranteed Payments.

One solution to overcome the lack of confidence Indian suppliers have in giving up control of their inventory to a U.S. based e-commerce distributor is to have that U.S. based partner pay for the full value or a substantial portion of the merchandise. This shifts the risk to the U.S. based partner; however, it also effectively turns the U.S. partner into the retailer taking the risk of sale. Additionally, the potential customers lose out on the lower sale price value that they would have received if they purchased products directly from the Indian supply and, likely, would require the U.S. distributor to increase the sale price of the products to cover their carrying costs for purchasing and holding the product, thereby possibly increasing the cost to the consumer and reducing the value proposition of being able to sell quality Indian products at lower prices on U.S. consumer targeted e-commerce platforms. Bazaar provides "buyer protection" for its B2B retailers; this gives Import Hub the opportunities to provide multiple solutions to this payment concern of Indian suppliers, including having Bazaar provide its "buyer protection" to Import Hub to allow Import Hub to pre-purchase all or part of an Indian supplier's goods that Import Hub wants to sponsor on U.S. e-commerce platforms.

5.3 Competition

The U.S. market is highly competitive, with many domestic and international suppliers vying for customers. Indian suppliers may find it difficult to compete with established brands and companies. Import Hub's partnership with Indian product aggregators, such as Bazaar, allows Indian supplier to access this competitive market by offering lower priced items to U.S. consumers.

5.4 Shipping, Warehousing and Logistics

Exporting goods and products to the U.S. requires reliable shipping, warehousing, and logistics services. Indian suppliers may struggle to find cost-effective and efficient ways to transport their products to the U.S. Indian suppliers and Indian B2B retail suppliers, such as Bazaar, do not have the knowledge or capabilities to navigate U.S. B2C shipping and logistics – Import Hub has this expertise and warehousing capabilities.

5.3 Cultural and Language Differences:

Doing business in the U.S. requires an understanding of the culture and language of the country. Indian suppliers may need to adapt their marketing strategies and communication styles to effectively reach U.S. customers – Import Hub serves as their voice in the U.S. marketplace.

5.4 Trust in a Viable Partner:

Exporting products to the U.S. requires knowing that a product will be sold, and the sale proceeds sent back to the Indian supplier. While the business structure we propose reduces or eliminates the risk associate with #1-above, the primary barrier (#6) to developing this e-commerce business model comes less from the

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business model and more from Indian's history trying to export their goods to the U.S. market. Trust is essential to any successful strategic alliance partnership. U.S importers should be transparent, reliable, and committed to building a long-term relationship with their exporters. They should also be willing to share information and resources to help their exporters succeed.

To better understand this issue, we also met with K. Vaitheeswaran, who explained that historically Indian suppliers have not had a positive experience exporting their good to the U.S. because doing so requires them to (i) lose control of their goods, (ii) no guaranty of payment for those goods, and (iii) cost to recover goods to expensive. In short, for Indian suppliers, the risk of export is greater than any expected return.

Trust is essential to any successful business partnership. Indian suppliers should be transparent, reliable, and committed to building a long-term relationship with their partners. They should also be willing to share information and resources to help their partners succeed. Incentivizing suppliers by shifting risk away from them is a common practice used by companies to encourage suppliers to produce high-quality products and maintain long-term relationships. The discussion with K. Vaitheeswaran highlights a potential approach to incentivizing suppliers by offering a guaranteed structure for the first few orders, followed by a limited guarantee for subsequent orders.

Additionally, by establishing a strategic business relationship with an Indian co-distributor, such as Bazaar, who has personal and business relationships with Indian supplier we will be able to develop a trusting business partnership, particularly if we are able to guaranty payment of the first 2-3 shipments of goods. These shipments would be limited in size to (i) market test the products, (ii) limit our financial exposure until we determine which products sell and which do not, (iii) limit downside exposure to selling off

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products that do not sell, and most importantly, (iv) use these smaller batches of products to develop a relationship with both our India co-distributor and the India suppliers.

6. Conclusion

Import Hub has the potential to fill an important gap as a scalable AI-driven e-commerce platform that could connect Indian consumer durables suppliers with US-based privately owned warehouses, giving Indian suppliers access to the US e-commerce market through all available marketplaces and/or platforms. This will provide the target Indian consumer durables suppliers with access to U.S. consumer and will provide U.S. consumers access to more price-competitive products as the global market for these goods expands. While there is a risk that suppliers may stop delivering high-quality products once the guarantees are no longer in place, however, by building a long-term partnership, maintaining communication, and collaborating on innovation, companies can continue to incentivize Indian suppliers and encourage them to produce high-quality products and expand their sales to the U.S. consumer marketplace through the Import Hub e-commerce platform.

Appendix 1 – Lean Canvas

Lean Canvas – Import Hub

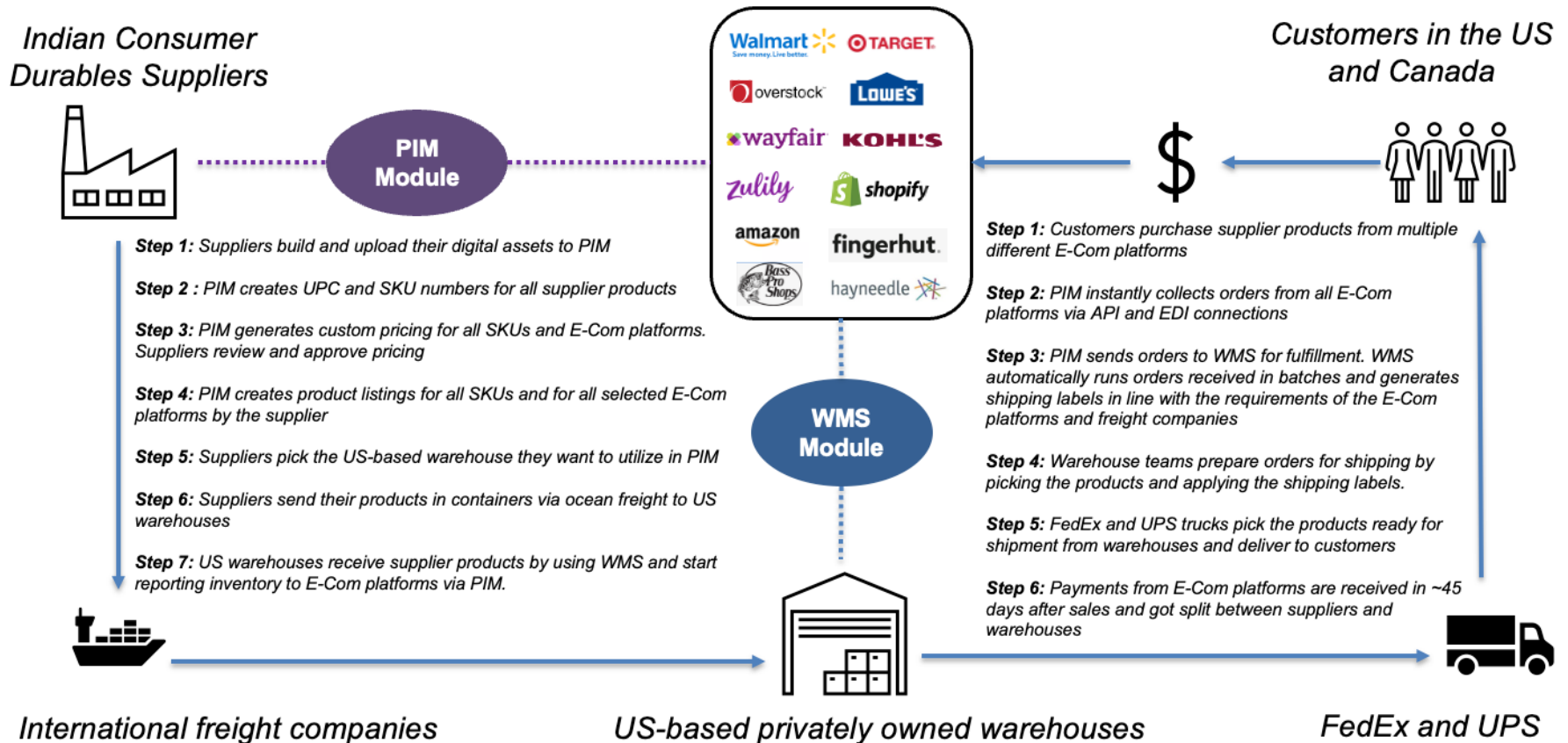
| | | | | |
|--|--|---|---|--|
| <p>Problem</p> <p><u>Indian small & mid-sized consumer durables producers / retailers</u></p> <ul style="list-style-type: none"> They face challenges when having access to multiple US e-commerce platforms. They are currently dependent on end-to-end platforms offering all-in-one logistics, marketing and sales platforms like Amazon FBA. Their challenges include high costs for logistics, storage, and fulfillment, as well as cumbersome product upload processes. Amazon and other end-to-end platforms limit profitability and outreach with high allowance rates and high competition. Platforms and marketplaces including but limited to Wayfair, Overstock, Walmart Marketplace, Home Depot, Hayneedle, Etsy, and Houzz offer better allowance rates with less competition. <p><u>US-based warehouse & distribution center businesses</u></p> <p>US-based and privately owned warehousing / distribution center companies always seek low-effort and high-return business to utilize their storage and operational capacity.</p> | <p>Solution</p> <p>Software platform consisting of a Product Information Management (PIM) Software and a Warehouse Management System (WMS).</p> <p><u>PIM for Indian small & mid-sized consumer durables companies</u></p> <ul style="list-style-type: none"> Easily upload and maintain all product data on US e-commerce platforms. Monitor all digital assets, inventory, orders and returns <p><u>WMS for US-based warehouses & distribution center businesses</u></p> <ul style="list-style-type: none"> Port to porch logistics tracking to bring products to US warehouses. Easy order fulfillment Easy return processing | <p>Unique Value Proposition</p> <p>Software platform that is the UBER equivalent of the US – India Ecommerce connecting the Indian consumer durables producers / retailers and US-based warehouses / distribution centers in providing Indian consumer durable products to customers in the US and Canada via all e-commerce platforms / marketplaces simultaneously.</p> <ul style="list-style-type: none"> Hassle-free access and integration to all e-com platforms via PIM Syndicate and publish product content to any customer touchpoint (e-com or own B2C sales platform) Integrate fulfillment data exchange necessary for e-com marketplace selling Best-in-class logistics and order fulfillment tracking Store products Pick and pack orders Ship orders Track orders in real-time Process returns Competitive and transparent pricing and reporting No hidden fees Real-time reporting on inventory, sales, items on ocean transit, shipment status | <p>Competitive Advantage</p> <p>Outreach</p> <ul style="list-style-type: none"> Access to all e-commerce platforms <p>Technology</p> <ul style="list-style-type: none"> State of the art AI-powered software <p>10+ years of e-com experience in the US</p> <ul style="list-style-type: none"> Uniquely experienced teams in marketplace integration and logistics Distribution center experience and network | <p>Beneficiaries / Customers</p> <ul style="list-style-type: none"> Indian small & mid-sized consumer durables producers / retailers aiming at having profitable access to US-based clients via multiple E-Commerce channels simultaneously. US-based warehouse & distribution center businesses aiming at increasing their revenues and profits. |
| <p>Cost Structure</p> <ul style="list-style-type: none"> Traditional OPEX: Payroll, marketing, commissions, allowances, rent, depreciation Technology: Platform development and maintenance costs, cloud computing costs, data security costs. | | <p>Revenue Streams</p> <ul style="list-style-type: none"> Subscription fees from Indian suppliers for PIM services Subscription fees from US-based warehouses for WMS services Customer success consulting fees from both suppliers and US-based warehouses | | |

PRODUCT

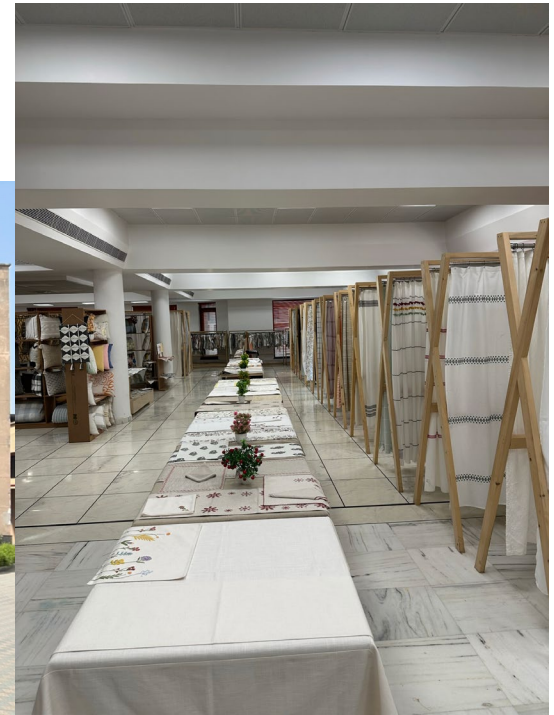
MARKET

Appendix 2 – Business Model

E-Com Platforms in the US and Canada



Appendix 3 – Field Visit to Weavetex Overseas | Khekra, Baghpat | March 14, 2023



Appendix 4 – India Carpet Expo | Delhi | March 16, 2023



Appendix 5 – Interview with K.Vaitheeswaran | March 21, 2023 | Bangalore



Appendix 6 – Interview with Nishant Verma | March 21, 2023 | Bangalore



Appendix 7 – Field visit to Home Flooring and Décor PVT.LTD | March 25, 2023 | Bhadohi, Uttar Pradesh



Appendix 8– Field visit to Shamshi Carpets | March 25, 2023 | Bhadohi, Uttar Pradesh



Appendix 9 – Field visit to various independent weaver contractors | March 25, 2023 | Bhadohi, Uttar Pradesh

