

## **Investigating Sustainable Business Models in Indian Consumer Internet Start-Ups**

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### **PREFACE**

The Indian consumer internet industry has shown remarkable growth in recent years, mostly driven by the expansion of the digital ecosystem, evolving consumer preferences, and advancements in technology. This phenomenon has not only altered the way firms operate, but it has also emphasized the importance of sustainability in achieving long-term profitability and creating a beneficial influence on society. "Investigating Sustainable Business Models in Indian Consumer Internet Start-ups" examines the progress of sustainable entrepreneurship in the rapidly evolving business of Indian consumer internet start-ups.

This study examines the adoption of sustainable business strategies by Indian consumer internet start-ups and analyzes the hurdles and opportunities they encounter. The objective is to analyze the factors that drive the integration of sustainability into corporate activities and the strategies employed to navigate the complexities of the online marketplace while addressing social and environmental concerns. This study aims to contribute to academic discussions and provide practical knowledge for investors, entrepreneurs, lawmakers, and other individuals involved in the topic through a comprehensive evaluation.

This study employs a comprehensive strategy that incorporates perspectives from several fields such as environmental science, social entrepreneurship, corporate management, and technology innovation. It applies a rigorous methodology that involves both qualitative and quantitative analysis. This analysis examines trends, patterns, and exemplary strategies that reveal the intersection of sustainability and entrepreneurship in the context of India. Moreover, it acknowledges the variety of the consumer internet ecosystem, encompassing several businesses such as social media, financial technology, healthcare, e-commerce, and education.

It is imperative that we acknowledge the challenges and intricacies associated with conducting research in a rapidly evolving topic as we embark on this examination. The primary objective of this study's findings is to stimulate discourse, promote proactive measures, and inspire contemplation towards the establishment of a more comprehensive and enduring digital economy in India, rather than providing definitive solutions.

Ultimately, our collective endeavors to promote sustainable business models provide the potential to stimulate innovation, foster positive transformation, and yield enduring advantages for both the environment and society.

We would like to extend our appreciation to all individuals who have contributed to this initiative, including participants, advisors, partners, and sponsors. We anticipate that this study will serve as a catalyst for further exploration and collaboration in the pursuit of sustainable entrepreneurship in the Indian consumer internet industry.

## INTRODUCTION

### Sustainability Means:

**Sustainability refers to the ability to meet the demands of the current generation without jeopardizing the needs of future generations.**

### Sustainable Business Model

Prior business plans were primarily centered on generating profits for the company's proprietor. Subsequently, stockholders and other internal stakeholders were included in the list. However, these business models are still inadequate. This is due to their failure to address both the external impact of a firm and the subsequent influence of these impacts on the company itself. Sustainable business practices are characterized by their utilization of a comprehensive and interconnected strategy. Each firm is a constituent of a larger ecosystem; it does not exist in isolation. At a minimum, it relies on a distribution and supply chain. The sustainable value model demonstrates how a corporation derives value from the ecosystem. In order to continue deriving value from its surroundings, an organization must evaluate its impacts. Therefore, business models that are comprehensive or all-encompassing are regarded as sustainable firm models. SBMs now integrate other stakeholders, including as the environment and society. This will alter the calculation of any value generation model. When determining a company's net worth, it is essential to take into account the whole influence of its business operations on external stakeholders.



## **Sustainable business practices**

A company's strategy is manifested by its utilization of sustainable business models (SBMs). A Sustainable Business Model (SBM) is a comprehensive representation of a company's business activities and the expected results of implementing sustainable practices. A corporation that embraces sustainable practices implements particular measures to enhance its long-term sustainability. Typical instances involve the reduction, reuse, and recycling of materials or goods. For example, a corporation could transition to using environmentally sustainable recycled paper. Moreover, transitioning to digital communications would enable the full elimination of paper consumption. Buying food items in bulk instead of individual servings can effectively decrease the quantity of plastic trash.



## **The utilization of a sustainable business model is significant due to several reasons.**

Business executives are being urged by society to explore alternatives to solely prioritizing the maximization of shareholder profit. Consumers want firms to have a positive impact on both society and the environment. Long-term financial advantages can only be attained by engaging in sustainable development. Both emerging and well-established businesses must include sustainable business models (SBMs) into their operations. There are no alternative methods to guarantee long-term existence and sustainability.



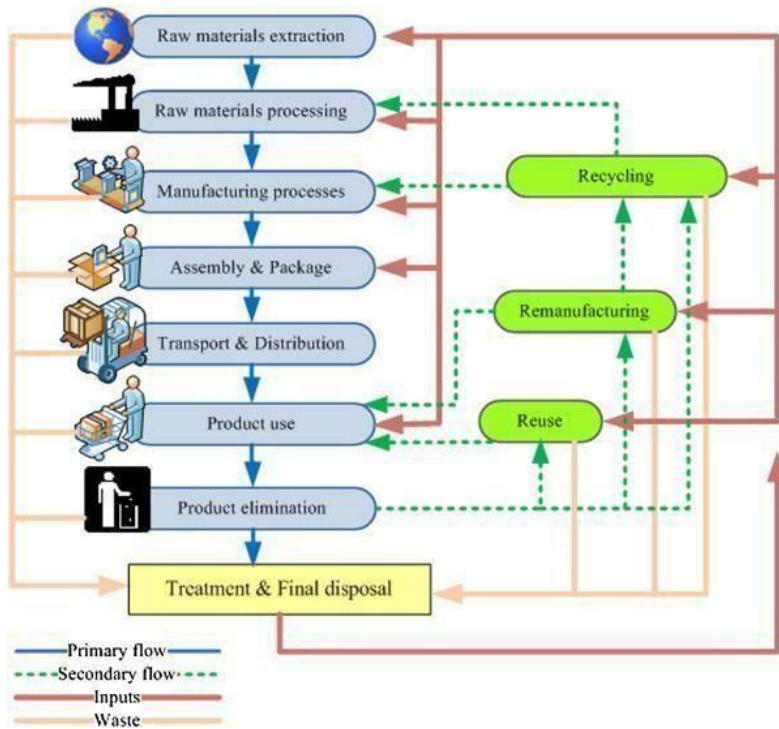
### **Advantages of a sustainable business model**

Companies that adhere to long-term business principles have a greater likelihood of achieving sustained success. Ensuring the continuity and viability of a business is the most efficient strategy for guaranteeing enduring success. Environmental conservation and societal benefit must be closely aligned with economic expansion. A sustainable business plan assesses the potential hazards within the current supply and value chain. Subsequently, it employs innovative methods to mitigate those risks and ensure a favorable outcome. Adopting an SBM also has the advantage of establishing a favorable brand image. The public's apprehension regarding the environmental impact of corporations is increasing. Socially aware business models, sometimes known as SBMs, offer benefits to both society and shareholders. Customers and potential employees who prioritize environmental concerns will find them more attractive as a consequence.

### **The functioning of a sustainable business model:**

A conventional business model delineates the process by which an organization generates and derives value. It highlights the strategies employed by a business in its day-to-day operations. Examples of this include the dissemination of products, the establishment of supply networks, and the procurement of materials.

A sustainable business model ensures the long-term viability and self-sufficiency of the business. Ensuring that reducing or repurposing waste in the supply chain is a method by which it accomplishes this goal. For example, a manufacturing plant may transfer its trash to be repurposed by another sector of the economy.



## LITERATURE RIVIEW

The emergence of consumer internet start-ups in India has fundamentally transformed the landscape of entrepreneurship by offering innovative solutions to the evolving needs of a digitally savvy population. This literature study examines the dynamics of sustainable business models in the context of Indian consumer internet start-ups. It utilizes academic studies, industry reports, and case studies to gain insights into the key factors that influence the long-term viability and success of these start-ups.

Academics like Amit and Zott (2015) have highlighted the significance of establishing a business framework for start-ups in India's entrepreneurial ecosystem, with a specific focus on the fundamental aspects of creating a business model. In addition, Sengupta (2019) provides a meticulous examination of the lean start-up methodology within the context of India, shedding light on postcolonial perspectives and the challenges faced by entrepreneurs.

### Innovation of the business model:

In his thesis, Teece (2010) highlights the correlation between business strategy and innovation, specifically emphasizing the significance of business model innovation for the success of start-ups. Zott, Amit, and Massa (2011) provide a valuable study of current trends and future research possibilities in business model innovation. Their insights will be beneficial for Indian consumer internet start-ups aiming to differentiate themselves in a competitive market.

**Sustainability in Business Models:**

Stubbs and Cocklin (2008) emphasize the integration of economic, social, and environmental concerns in their formulation of the phrase "sustainability business model." Bocken et al. (2014) further establish sustainable business model archetypes to offer a structure for comprehending how Indian consumer internet start-ups might generate profit while promoting sustainability.

**Overview of the Indian Consumer Internet Industry:**

Chakraborty and Ray (2019) emphasize the ever-changing nature of the market as they analyze the challenges and limitations that Indian e-commerce start-ups need to overcome. Jain, Sharma, and Bhattacharya (2018) present a comprehensive examination of the Indian start-up ecosystem, focusing on significant trends and causes that are driving the growth of the consumer internet industry.

Ghosh (2018) analyzes the sustainable business models of social firms in India, emphasizing the importance of techniques that are tailored to the specific situation. Lahiri and Karna's 2017 study examines the business tactics employed by Indian social entrepreneurs in order to attain sustainability. Their findings are relevant to consumer internet start-ups that strive to achieve a balance between profitability and social and environmental impact.

**Case studies of Indian consumer internet start-ups:**

Aggarwal and Kapoor (2016) conduct a comparative analysis of Indian e-commerce enterprises, tracing their journey towards becoming profitable and mature. Srivastava (2018) offers valuable insights for entrepreneurs seeking to navigate the competitive landscape of the Indian e-commerce industry, specifically in relation to the rivalry between Flipkart and Amazon.

**Policy and regulatory environment:**

In his work, Mitra (2018) discusses the evolution of the Indian startup ecosystem and the role of government rules in stimulating growth and fostering innovation. Mehta and Mitra (2018) conduct a thorough assessment of government initiatives aimed at supporting Indian startups. They provide a critical analysis, highlighting both the challenges and opportunities that these programs present for the sustainable growth of companies in the long run.

In conclusion, our literature research highlights the diverse nature of sustainable business models for Indian consumer internet start-ups. This resource provides valuable knowledge for business owners, decision-makers, and scholars seeking to understand and promote sustainable entrepreneurship in the dynamic Indian market. It achieves this by drawing on theoretical frameworks, empirical research, and real-world



experiences.

### **Internet-based residential services**

Below are the most renowned sustainable business models employed by consumer internet start-ups.

#### **1. YULU**

Yulu is a technology-based transportation platform that enables the seamless integration of public and private forms of transportation in urban areas. Yulu enables seamless and eco-friendly transportation for short distances by utilizing Micro Mobility Vehicles (MMV) and a user-friendly smartphone application. The Yulu platform utilizes a unified data structure, accommodates multiple types of vehicles, and is characterized by its simplicity, strength, and ability to handle increased demands. Yulu was started in 2017 by Amit Gupta, Hemant Gupta, RK Misra, and Naveen Dachuri. The company commenced operations in Bangalore and Pune in January 2018. By the conclusion of 2018, it had extended its presence to Mumbai and Bhubaneswar. Within a span of three years, their presence grew to encompass six prominent urban centers, including New Delhi in September 2019 and Ahmedabad in March 2020.



### **Yulu's implementation of the three pillars of sustainability**

Yulu has effectively integrated the three fundamental aspects of sustainability - environmental, social, and economic - in the city's IT sector. Both local governments and commuters have acknowledged it as a sustainable means of transportation. The subsequent sections delve into Yulu's implementation and utilization of each sustainability pillar.

### **Financial resilience**

To ensure economic sustainability, it is crucial to meet the needs of urban populations while minimizing any detrimental effects on the environment. Yulu has endeavored to establish economic viability by providing reduced ride expenses. The initial distance of two kilometers incurs a fee of Rs 25, while each subsequent distance is subject to a charge of Rs 13. Additionally, there is a waiting charge of Rs 0.33 per minute. In addition, drivers of cars seek additional compensation during non-business hours. You can enjoy a Yulu bicycle ride for Rs 10 for the first thirty minutes and Rs 5 for each additional thirty minutes. Riders can benefit from the cost-effectiveness of using Yulu bikes as they are not required to have a license or wear a helmet. Additionally, they have the convenience of being able to park the bikes for free at the nearest Yulu station. Furthermore, this reduces the duration of the prolonged waits for taxis (which require a minimum of 20 minutes during peak hours) and vehicles (which usually refuse to proceed unless they get additional payment). The company benefits from a cost-effective strategy since each Yulu bicycle reaches its breakeven point after 16-17 months after introduction, while Evs achieve this milestone in just 6 months. The Directorate of Urban Land Transport (DULT), situated in Bangalore, has provided the corporation with 300 complimentary parking spaces as a gesture of recognition for its endeavors in the field of sustainability. Each vehicle carries an approximate price tag of Rs 5,000, in addition to the cost of the IOT (Internet of Things) gadget, which is Rs 5,000 and is put within the bike. The bicycle has a total price of Rs 12,000, which includes the cost of assembly and numerous additional fees.





### **Societal sustainability**

Social sustainability is achieved when a firm empowers a diverse group of stakeholders, ensures its product is accessible, promotes community involvement, encourages sharing, and maintains institutional stability. Yulu's technical staff consists of approximately 60-70 individuals, while the company employs around 70-80 personnel in the field to prioritize local employment. As the firm expands, there will be a growing demand for personnel in the field. Individuals have the opportunity to utilize their belongings in the vicinity of all metro stations, office buildings, shopping complexes, schools, parks, and residential areas, thereby facilitating convenient access for end-users.

Yulu provides customers with the option to choose between an electric vehicle (EV) and a bicycle, based on their requirements, so offering a distinctive solution. Yulu vehicles are authorized to operate in innovation parks and smart cities. In addition, they provide complimentary parking assistance for vehicles outside metro stations and in technology parks, facilitated by regulatory organizations such as DULT in Bangalore.

### **Ecological research ability**

The business must distribute its resources in a manner that fosters environmental sustainability. The corporation is expected to safeguard natural capital by minimizing damage to resources. As a result of growing concerns about climate change and escalating pollution, millennials are recognizing the paramount importance of prioritizing environmental safety. They are advocating for the swift implementation of sustainable business models to address this pressing issue. Consequently, an increasing number of individuals are embracing environmentally conscious behaviors in their everyday routines. This has prompted company owners to consider environmental protection and has fostered a mindset of green consumerism among customers.

Yulu made every effort to ensure that the environmental impact of their business strategy was minimized to the greatest extent possible. Yulu bicycles and electric bikes are the most effective corporate initiatives for satisfying people's needs while reducing the negative impact on the environment. Additionally, they help decrease the reliance on fossil fuels. The Yulu Parking stations are environmentally friendly as they do not necessitate any more infrastructure, hence minimizing their impact on the environment. In addition, the bike's compact form allows for increased road space for other vehicles. The vehicle has a maximum range of 70 kilometers on a single charge. The maintenance and functioning of these items are offered at a reasonable cost. Every intelligent city has a high requirement for these multi modal vehicles (MMVs). Yulu can be regarded as a sustainable business model because it fulfills the criteria for all three sustainability components.



## 2. SWIGGY:

Swiggy, established in July 2014, is the largest online platform in India for ordering and delivering food. Swiggy, headquartered in Bangalore, plans to expand its presence in India and open 500 stores by September 2021. Swiggy offers not just food delivery but also immediate gift delivery through Swiggy genie and on- demand shopping delivery through Instacart.

Swiggy is operated under Bundle Technologies Private Limited.

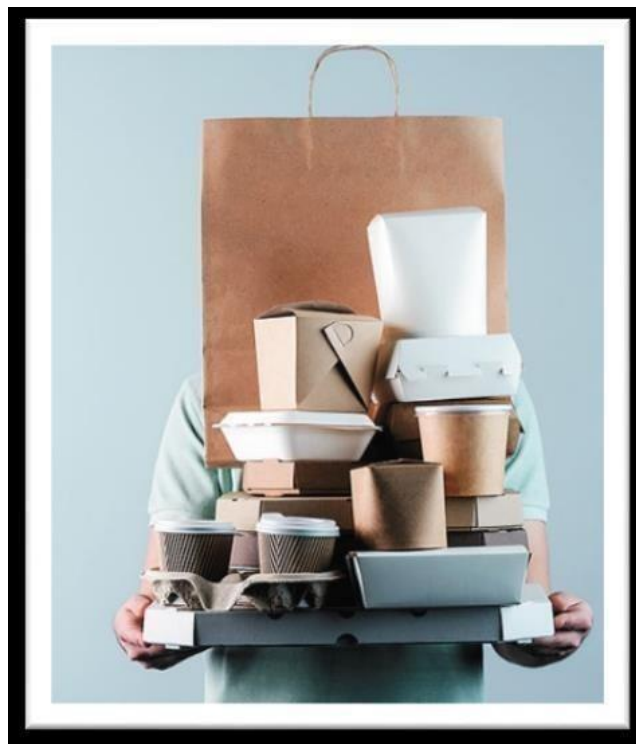


**Swiggy has launched a platform for sustainable food packaging.**

Swiggy has launched "Swiggy Packaging Assist," a platform that connects partner businesses with food packaging solutions. This e-commerce platform provides a variety of personalized shipping containers, as well as tote bags, paper and cardboard boxes for pizza, sauces, dehydrated snacks, and cutlery. The primary objective is to supply partner restaurants with products that have been authorized for use in food preparation, while also being environmentally sustainable and eco-friendly. Thirty heat-resistant goods

Insulating, durable, watertight, and stackable products are currently accessible in the market. Many of these items are constructed from aluminum or recyclable paper.

Wooden cutlery is also available. Swiggy stated that packaging material used for food delivery is plagued with problems. "Our goal is to provide high-quality, Eco-conscious content in a user-friendly manner to the approximately 40,000 restaurants using our platform." Swiggy has conducted a trial program in Bengaluru for the last two months. Thus far, the technology has been utilized by 300 partner institutions to carry out transactions.



Swiggy has adopted a green color scheme. Over one million deliveries per month, in addition to electric vehicle trials conducted in ten locations across India.

Swiggy, the online food aggregator, reported that it successfully delivered more than one million meals in a single month. The firm states that the startup, located in Bengaluru, is also doing trials with electric vehicles as part of its objective to achieve ecologically friendly and sustainable expansion. Swiggy has recently declared its intention to employ electric vehicles for deliveries in ten locations across India. Nevertheless, the company has not disclosed the identities of its members. Swiggy states that electric vehicles have ecological benefits due to their

Minimal carbon footprint, no emissions, and minimal maintenance requirements. Swiggy further asserts that the expenses associated with running an electric vehicle are 40% lower. This will lead to higher rewards for Swiggy's delivery partners who own identical electric vehicles, resulting in increased effectiveness.

Financial Express Online has reached out to the company to inquire about the possibility of future downsizing for Swiggy delivery drivers.



### **3. FLIPKART:**

Flipkart is an Indian e-commerce business that is headquartered in Bangalore, Karnataka, India. It is officially registered as a private limited company in Singapore. The company first focused on online book sales before expanding its operations to include other product categories such as consumer electronics, fashion, home goods, consumables, and lifestyle items. The main competitors for the service are Snapdeal, adomestic rival, and Amazon's Indian subsidiary.

As of March 2017, Flipkart's market share in India's e-commerce business was 39.5 percent. Flipkart's acquisition of Myntra has propelled it to a prominent position in the clothes industry, while also placing it on equal footing with Amazon in the competitive market for electronics and cellphones. PhonePe is a mobile payment service that operates on the Unified Payments Interface (UPI) and is owned by Flipkart.



### **Companies in the Flipkart group work together with canopy to preserve forests**

The collaboration between the Flipkart supplier chain and Canopy has bolstered the conservation of forests on a global scale. Flipkart is utilizing sustainable practices and materials generated from forests to protect and preserve the planet's historic and endangered forests. Considering the severe consequences of climate change that individuals are encountering worldwide, it is crucial to safeguard and maintain the global forest ecosystem.

Flipkart is actively pushing positive change by partnering with Canopy, a famous environmental non-profit, to source Sustainable Forest-Derived Materials (FDM) in response to a strong desire for change. Fused Deposition Modeling (FDM) with enhanced durability Two measures that contribute positively to sourcing include identifying alternatives to wood pulp products and ensuring that raw materials are only sourced from certified, sustainably managed forests. By incorporating Canopy's main projects, Pack4Good and Canopy Style, we are advancing the Flipkart Group's responsible value chain. Although we are dedicated to eliminating single-use plastic from our supply chain, we acknowledge that there is still a significant amount of work still to decrease our

The company aims to minimize the environmental impact across its whole supply chain and has made a pledge to transition to fully electric automobiles by 2030. Our collaboration aims to achieve a primary goal: the preservation and protection of ancient and endangered forests in India and globally.

### **Aligning objectives with adequate fdm procurement**

The primary goal of our 5R Circularity approach, which encompasses Reduce, Reuse, Recycle, Refurbish, and Regenerate, is to enhance our sourcing methods by being more responsible. We aim to continue implementing this plan. Presented below is a comprehensive three-year plan that delineates the fundamental components of our collaboration with Canopy.



- Develop a strategy to ensure that the origins of all paper, packaging, and manufactured cellulosic fibers do not pose a risk to ancient and endangered forests.
- Collaborate to discover inventive methods to safeguard Canopy's worldwide Landscapes of Hope and India's surviving historic and fragile forests.
- Promote the adoption of procurement and processing techniques that have positive impacts on the environment and society.
- Use circular packaging solutions to reduce the amount of paper and packaging that is consumed and its impact on the environment.
- Urge suppliers to acknowledge and uphold the legal claims that rural and indigenous people have to their lands, resources, and territories. The required steps shall be taken to get their consent prior to the assignment of new logging rights or the establishment of plantations.

#### **Modifications to the packaging objectives**

Flipkart will prioritize the use of recycled materials in packaging over the next three years, while also continuing its efforts to eliminate single-use plastics (SUPs). We will explore strategies to minimize the utilization of corrugated paper and paperboard, promote the re utilization and reduction of packaging materials, and adopt circular approaches. Flipkart has set a goal to achieve an average of 80% total recycled content in papers and packaging within three years. To accomplish this, Flipkart will collaborate with Canopy to develop innovative solutions from Indian vendors and give priority to packaging materials that have a high percentage of recycled content. Paper and packaging will be manufactured using alternative resources such as wheat straw or other forms of agricultural waste. In addition, we will provide assistance for the large-scale manufacturing of paper, pulp, and packaging made from alternative fibers.

#### **Focus on acquiring fabric**

Flipkart's objective for its own brands is to utilize fabric sources that have minimal negative effects on the environment and society. This is achieved by prioritizing the usage of recovered fibers and agricultural waste. Starting in 2022, we will enforce a requirement that manufactured cellulosic items must contain a minimum of 50% of these groundbreaking fiber sources. Furthermore, a procurement goal for 2025 has been established for these closed-loop systems, with a focus on advancing viscose fiber innovation.





### **Flipkart has achieved several significant milestones in its commitment to environmental sustainability.**

As a purposeful measure, more than 70 Flipkart sites have already adopted plastic-free packaging, opting for cost-effective, scalable, and environmentally friendly alternatives. Examples of environmentally advantageous alternatives include shredded paper, recycled paper bags as substitutes for poly pouches, shredded carton waste material, and two-ply rolls as replacements for bubble wrap. When it is utterly unfeasible to prevent SUPs, we ensure that an equivalent quantity of them is recycled entirely through our dependable reprocessing network. Thanks to these extensive efforts, Flipkart is fully compliant with Extended Producer Responsibility (EPR) standards, which promote innovation in the realm of conservation. By utilizing "E commerce ready packaging," we successfully shipped around 15% of the items without the need for an extra layer of wrapping.

It is strongly encouraged for all vendors to utilize recycled and alternative materials in their products.

### **An examination of consumer internet start-ups utilizing Porter's Five Forces framework.**

A business model is a collection of ideas that generate a value proposition by achieving a broader goal. A business model illustrates a company's position in the value chain and its methods for generating profit. Businesses are currently confronted with the task of creating business models that enhance both revenue and customer value, while simultaneously doing a thorough analysis of the model. In order to assess its competitive standing, the research employs Porter's Five Forces model. Michael Porter, a professor at Harvard University, developed this theory by applying principles from the field of industrial organization economics to analyze five interconnected aspects that are crucial for a company's ability to establish and sustain competitiveness.



### **Threat of competition with a new entrant:**

The admission criteria for numerous enterprises have been relaxed. The proliferation of internet usage has broadened the capacity of emerging rivals to promote and sell their products and services. For instance, engaging in meal sales on Swiggy or participating in retail sales on Flipkart does not necessitate the establishment of a formal company entity. Running an online business is cost-effective.

**Sustainable Strategy:** Established companies in this industry may opt to pursue additional market penetration in order to increase their market share, taking advantage of the low likelihood of new competitors entering the market.

### **Risk of substitution product:**

The level of risk has also escalated. An alternative distribution technique can efficiently and expeditiously supply a replacement product. This threat is intensified in businesses where switching costs are low and buyers are more inclined to replace. For example, internet shopping has replaced traditional retail.

Adopting a sustainable strategy involves developing a distinctive product or service that effectively prevents customers from migrating to rival offerings. Swiggy has created a real-time delivery tracking system using routing algorithms to set

itself apart from competitors. In order to ensure that consumers receive their things securely and promptly, the logistics crew exclusively deals with one order at a time. Regular clients should be acquainted with loyalty reward programs. Overall, this concept has the potential to enhance customer loyalty.

### **Client's Increasing Influence:**

The customer's negotiation power has been significantly enhanced by technological advancements. Customers can acquire additional information about competing products by utilizing search engines. Customers can easily swap suppliers and find replacement products due to the convenience and accessibility of these options. Consumers can conveniently compare product costs prior to making a purchase due to the real-time updates.

A sustainable strategy necessitates reduced influence on upper management and the bottom line, which can be achieved by empowering customers with greater negotiation power. Businesses should constantly seek to broaden their prospective client base. The bargaining power of consumers diminishes as the number of customers increases; so, to address this issue, the product offering should be characterized by exceptional service quality and attractive incentives.

### **The significance of negotiation for suppliers:**

Currently, suppliers possess greater leverage in negotiations due to the Internet. Manufacturers, business proprietors, and corporations have the ability to provide their products to customers and consumers on a global scale. For example, the advent of e-payments and online buying has facilitated the expansion of service providers' client base.

**Sustainable Strategy:** Companies should implement a diversified supplier network to mitigate supplier negotiating power and enhance long-term viability. Prevent dependence and a sense of powerlessness by selecting a minimum of two sources. Creating a product line that integrates several vendors.

### **The ribbing competition**

The internet has greatly intensified competitive competition among rivals. Companies are currently enhancing the amount of information they disclose about their organization and offerings on their websites. This implies that it will be easier for competitors to replicate. Moreover, the presence of minimal obstacles to entry and exit enables new participants to enter the market without the need for substantial resource investment. The competition among consumer internet firms has intensified due to their continuous innovation and assertive marketing of new items. Long-term, environmentally conscious plan: Rising competition is leading to a decrease in economic performance.

The competition for market leadership consumes a substantial amount of an organization's resources. Addressing and rectifying discrepancies in consumer perception through the enhancement of brand awareness.

### **Issue description**

The current available knowledge covers a range of start-up business models and strategies, although it lacks .

Do not provide extensive information on the crucial factors for success or the specific processes required to develop a sustainable business model, encompassing both the formulation and implementation stages at the corporate level.

This research aims to understand the sustainable business plan implemented by consumer internet start-ups in Bangalore.

### **The Importance of the Study**

To understand the development, implementation, and communication of sustainable business models. For consumer internet-based startups to utilize the models.

The study examines how business models, when combined with model frameworks, influence the factors that determine performance in both company and industry contexts, hence enhancing sustainability.

## **METHODOLOGY**

### **The objective of the research**

To examine the efficacy of sustainable business models created, implemented, and evaluated by start-up firms.

To understand how sustainable company strategies facilitate the acquisition of competitive skills.

### **Methodologies employed in the study**

The study is purely descriptive. The information was collected using only secondary data. The data collected here is based on the sustainable business models of internet start-ups located in Bangalore. There are several online startups that are large in scale, but only a small number of them have well-developed business strategy for the long term. The paper encompasses the sustainable business models of Flipkart, Swiggy, and Yulu. The information about these companies was collected from many sources, such as papers, journals, and online sites.

### **Secondary Data**

Secondary data refers to information that has been collected by someone else for a different purpose and is being used by another person or organization for their own research or analysis.

The main sources of supplementary material for this study include the Internet, diverse books on the topic, academic journals, newspapers, magazines, and other published works. Furthermore, supplementary sources were also referenced.

### **Study constraints**

There was a specified duration.

Secondary data was commonly perceived as unbiased and based on true information.

### **An Overview of the SWOT Analysis**

During the process of reviewing and revising the curriculum, a SWOC analysis can be used as a strategic planning approach to make well-informed decisions based on the feedback of several stakeholders. When it comes to enhancing the curriculum, doing a SWOC analysis can serve as a valuable framework for examining and delineating the strengths, weaknesses, possibilities, and problems linked to an existing degree program or major. The objective of a SWOC research is to identify the primary areas for enhancing the curriculum. Conducting a SWOC analysis in a cooperative group environment at the beginning of the curriculum assessment process is really beneficial.

STRENGTH	WEAKNESS
<ul style="list-style-type: none"><li>• Worldwide Market</li><li>• Time Efficiency</li><li>• Economical</li><li>• Product vs Price Comparison Quick</li></ul>	<ul style="list-style-type: none"><li>• Safety • Fraud</li><li>• Less negotiation and discounts</li><li>• Extended delivery period; restricted exposure</li></ul>
OPPORTUNITIES	THREATS

<ul style="list-style-type: none"> <li>• Adapting to shifting trends;</li> <li>• Growing user base;</li> <li>• Excellent Availability</li> <li>• Broad Business Development Advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Rivals;</li> <li>• Environmental shifts;</li> <li>• Innovation in legal regulations Privacy Issue</li> </ul>
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## **Strength**

### **Worldwide market**

An internet start-up offers a significant advantage by eliminating the need for a physical presence or building, which removes barriers to entry. Every company gains advantages from its support in expanding on an international scale. The establishment of local retail markets could potentially enable the expansion of global retailers.

#### **• Efficient use of time**

Undoubtedly, online transactions occur rapidly. It reduces time consumption by eliminating physical motion.

#### **• Unlimited time availability**

Online purchases are available 24/7, demonstrating their accessibility. You have complete freedom to depart at any moment and travel to any location, as there are no limitations on when or where you can go.

#### **• Comparative analysis of price and product**

Each client possesses the entitlement to acquire knowledge in order to make informed decisions. Similarly, online entrepreneurs provide customers with a simple means to efficiently assess products and pricing. It will possess significantly enhanced abilities to negotiate with expertise and speed. When it comes to negotiating with suppliers, it will have a far greater impact than traditional local or national merchants.

#### **• Economical**

Small businesses can now effectively compete with large corporations due to the elimination of a complex network of intermediaries, the decreased need for physical facilities, and the outsourcing of logistical operations.

#### **• Rapid dissemination of information**

Businesses and customers have the ability to rapidly and precisely exchange information over the Internet, allowing for immediate and timely responses.

#### **• Accelerated purchasing process**

A single click is all that is required to complete a purchase from the vendor. The purchasing process is expedited due to the elimination of the requirement for the buyer to physically travel and search for the



appropriate products at the optimal price.

### **Weakness**

- Security is the primary obstacle hindering the growth of online start-ups. Consumers have harbored persistent concerns, particularly over the dependability of the payment procedure.
- Fraud Hackers exploit the financial and personal data offered for trading to advance their own agenda.

- **Reduced availability of discounts and negotiation**

Online businesses infrequently provide discounts, and the practice of haggling is unavailable.

- **Extended delivery duration**

Delivery tasks are frequently assigned to businesses who are indifferent to the seller's schedule. They provide their services at their convenience. Nobody desires to endure extended waiting periods for a delivery, an occasional occurrence.

- **Minimal exposure**

In underdeveloped locations lacking internet access, start-ups will see minimal to nonexistent exposure.

- **Ensuring customer satisfaction**

There is no direct, in-person, or physical interaction between the merchant and the buyer. Hence, it is unattainable to persuade the buyer.

### **Opportunities**

- **Evolving patterns**

People exhibit a significant level of brand sensitivity. They have a propensity for purchasing branded goods rather than locally manufactured goods. If online entrepreneurs provide their products abroad, customers will not hesitate to place orders.

- **Growing user base**

The number of individuals accessing the internet on a daily basis is on the rise. Consumers prefer online

buying due to its greater convenience.

- **Optimal reliability and accessibility**

Each instance of a mouse click executes a commercial transaction. Customers have the flexibility to shop at their convenience, including late at night, especially if they have a busy schedule during the day and struggle to find time for themselves.

- **Expansive business development**

Online startups strive to attain enduring objectives and possess a broad range of influence. There were always activities available in the voids. Corporate expansion, like the process of addressing gaps, is a perpetual endeavor.

- **Promotion**

Advertising, when compared to offline traditional means, is more cost-effective.

## **Threats**

- **Rivals**

Aside from competition at the local level, there is also competition on a global scale. The level of competitiveness is steadily rising on a daily basis. In the past, there have been notable corporate ventures in this particular industry. They are cultivating habits in individuals to the detriment of their organizations.

- **Alterations in the environment, legal framework, and regulations**

Online start-ups may be adversely affected by shifts in legislation and regulations, as well as fluctuations in food, fashion, and trends.

- **Advancement**

In contemporary times, people are constantly seeking innovative items and techniques.

Innovation, regardless of whether it manifests as a novel product, a different location, an innovative promotion, or even a revised pricing strategy, will invariably result in increased costs for the consumer.

- **Concerns around the protection of personal information and data privacy.**

Identity theft and spam email are consequences of concerns around the misuse of information.

## **ANALYSIS OF THE STUDY**

Eco-innovations, Eco-efficiency, and corporate social responsibility (CSR) efforts play a significant role in shaping the contemporary agenda for industrial sustainability. Although they hold significance, they alone are insufficient to enact the comprehensive transformations required for enduring environmental and social sustainability.

Sustainable business models (SBMs) adopt a triple bottom line approach, taking into account the concerns and welfare of several stakeholders, including the environment and society. They have a crucial function in the development and execution of corporate sustainability innovation, aiding in the incorporation of sustainability into business goals and practices, and serving as a significant source of competitive advantage.

While not all of them have been encompassed under the scope of business model innovation, there exist various ingenious methods to attain sustainability through business models. By conducting a comprehensive examination of literature and business practices, a diverse array of methods and strategies that can facilitate the generation of business models for sustainability have been identified. The cases were gathered and analyzed to identify distinctive features and recurring patterns that could assist in their classification.

### **The following needs to be changed:**

Transition to a sustainable alternative and modify the natural process to meet the requirements of the service. Due to the attribute of "inseparability," the service sector is distinguished from manufacturing since in manufacturing, the process and the customers are separate entities. However, in the service industry, service delivery combines the process and the consumers. Consequently, the phrase "substitute with digital processes" highlights the significance of the connection between the process and the consumer in delivering value. Digital activities would replace traditional services that heavily rely on paper.

### **Design and implement strategies for expanding and increasing the efficiency of solutions.**

Delivering sustainable commodities to the entire sector is a key approach to achieve scaling up. The archetype was renamed as "Sustainable financial goods" to accurately represent its characteristics. An example of this is sustainable investment funds, which allow consumers to participate and diversify the source of funding.

Crowd funding is a promising and effective approach for financing that has the potential to be successful. However, despite the banks' previous significance as intermediaries, our research indicates that they are currently inadequately equipped to fulfill that role.

### **E-commerce Sustainable Marketing Strategy**

Several e-business researchers have focused on the evolution of customer-firm connections. An issue that has raised concern is the commercialization of e-business.

Pauwels and Weiss (2008) examine the "free and fee" business models used for online distribution of digital content. Their

research examines the impact of transitioning from a "free" to a "fee" model on firm performance and explores how marketing strategies can facilitate this transition. Academics have also analyzed the effectiveness of online advertising. Clemons (2009) offers a comprehensive examination of the fundamental principles of business for marketing Internet applications. Although traditional media and retailing have been the main targets for monetizing internet apps targeting individuals, there are alternative internet business models that do not depend on advertising. These models could be a more advantageous option, especially considering the declining effectiveness of advertising.

### **E-business sustainable business models**

Researchers studying e-business as a source for business model research are primarily focused on understanding the overall structure and functioning of organizations that utilize the Internet to conduct business in innovative ways. They are also interested in examining the novel roles that these businesses play within the ecosystems in which they operate. To achieve this goal, researchers have developed classifications and categorizations, as well as defined and shown general e-business frameworks. However, the focus on explaining cause and effect and conducting empirical testing appears to be of lesser importance. Their contributions primarily focus on describing the concept of value, including value streams, customer values, and value propositions. They also analyze the financial aspects, such as revenue streams and cost structures. Additionally, they address various problems related to the network architecture between the business and its trading partners, such as delivery channels, network relationships, logistical streams, and infrastructure. Each of these components might serve as a distinguishing element among several business model variations or as a constituent of a broader business model.

### **Results of the study**

Consumer Internet Start-ups are supplied with a variety of Sustainable company Model Archetypes to help them identify groups of procedures and solutions that can assist in developing a long-term company plan. The aim of these archetypes is to provide a common vocabulary that can be utilized in both practical and research settings to accelerate the creation of sustainable business models.

Efficient utilization of materials and energy is essential.

- Waste can be converted into a valuable resource.
- Utilize sustainable and renewable alternatives instead of relying on fossil fuels. Instead of owning anything, it is more important to have access to its functionality.
- Take up stewardship duties.
- Promote autonomy

### **Maximizing material and energy efficiency is crucial.**

The optimization of material productivity, resource efficiency, and waste reduction is a prominent concern in the manufacturing sector and serves as the foundation for most ongoing research on industrial sustainability. Unlike basic process innovation, this strategy focuses on optimizing material and energy usage across the entire organization, resulting in an improved value proposition.

'Waste' has the potential to be transformed into something of value.

This paradigm aims to mitigate the environmental effect of industry by lowering the constant demand for resources, closing material loops, and utilizing waste streams as valuable inputs for other goods and processes. This technique also seeks to minimize emissions and mitigate the necessity for primary extraction and resource depletion. This classification system thus enhances resource efficiency. Nevertheless, it is imperative to reduce the rate of introducing new products in order to exert a more significant influence at the system level.

#### **Substitute fossil fuels with natural processes and renewable.**

This typology aims to decrease the environmental impact of industry by replacing fossil fuels with renewable resources and natural processes. Additionally, it strives to generate industrial activities that are significantly more environmentally benign. It reduces waste and pollution and promotes the overall goal of safeguarding the Earth's finite resources.

Provision of functionality, rather than ownership, is offered.

The objective of this typology is to transition from the sale of product ownership to a service model that exclusively offers functionality based on a pay-per-use arrangement. The material throughput needs of the industrial system may be significantly altered as a result. The literature indicates that this technique offers several potential benefits, including a stronger alignment between societal expectations and customer and manufacturing preferences.

#### **Embrace the duty of stewardship.**

This type aims to maximize the firm's good impact on society and the environment by prioritizing the long-term health and well-being of stakeholders. Businesses proactively aim to utilize their commercial strategies to bolster the expansion and long-term viability of their value networks. Therefore, this archetype plays a role in achieving the systemic goal of establishing a planet and civilization that are thriving and well-organized. Combining the archetype with other archetypes, such as extracting value from discarded items, could be advantageous.

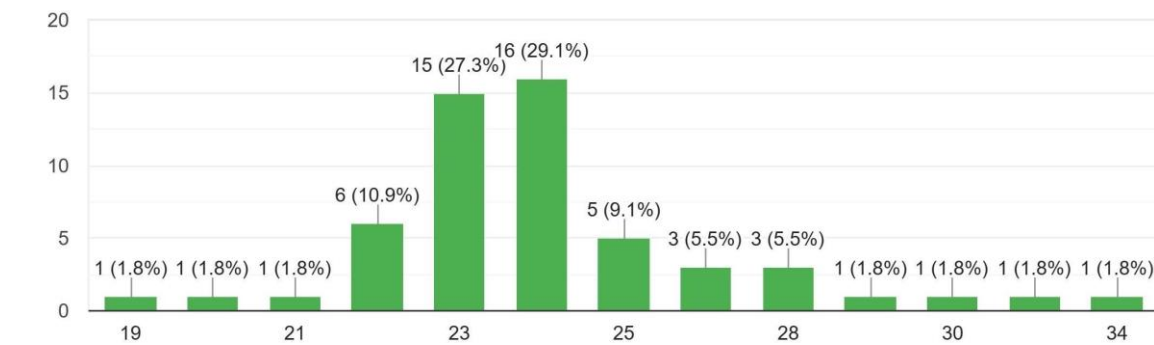
## Promoting independence

To tackle this problem, the sufficiency archetype examines sustainability from the perspective of sustainable consumption. To develop a sufficiency-based business model, one must redefine the value proposition.

in order to enhance the attractiveness to a broader spectrum of stakeholders associated with a firm. Moreover, the appropriate approach should guide the implementation of sales, expansion, and promotional objectives. This has the potential to decrease excessive consumption and, as a result, reduce the overall flow of materials and energy through the system.

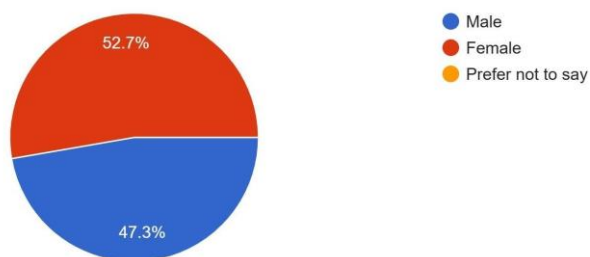
### Age

55 responses



### Gender

55 responses

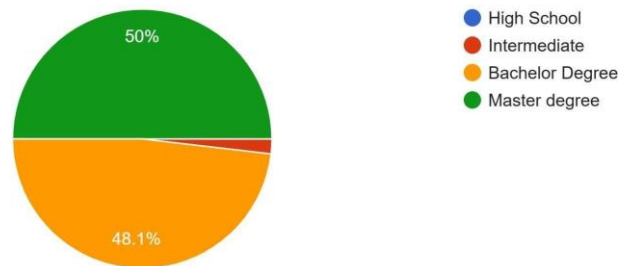


When examining sustainable business strategies in Indian consumer internet start-ups, the survey results show a somewhat larger participation of females, with 29 replies, compared to 26 responses from males. Gaining insight into these demographics can assist in formulating comprehensive and focused approaches for business growth and customer interaction within this industry.



**Educaion Level**

54 responses

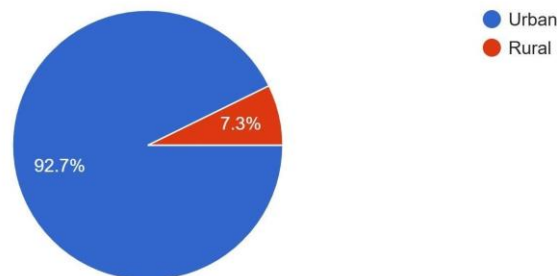


When examining sustainable business strategies in Indian consumer internet start-ups, the educational background of the respondents shows a rather even distribution. Out of the participants, 27 possess master's degrees, and 26 possess bachelor's degrees. There is one participant with a moderate degree of education.

The variety of educational qualifications can provide essential perspectives and abilities that contribute to the creation and execution of viable business models in this industry.

**Location**

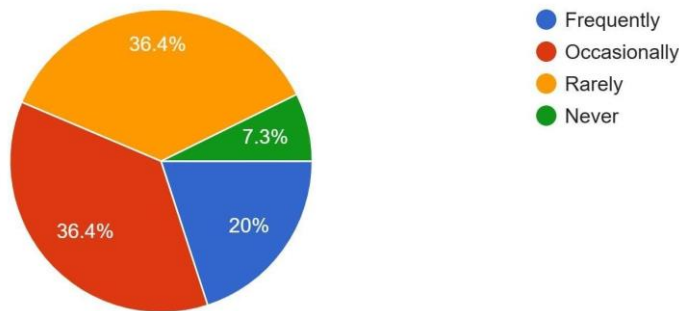
55 responses



The study on sustainable business strategies in Indian consumer internet start-ups reveals that a majority of the respondents (51) are located in metropolitan regions, indicating a strong urban presence. In contrast, rural places only provide 4 responses. Comprehending this distribution provides insight into the possible differences in market dynamics, infrastructure accessibility, and consumer behaviors between urban and rural areas. These differences are important to consider when creating and executing sustainable business models that are specifically designed for the Indian context.

How often do you purchase products/services from consumer internet start-ups?

55 responses

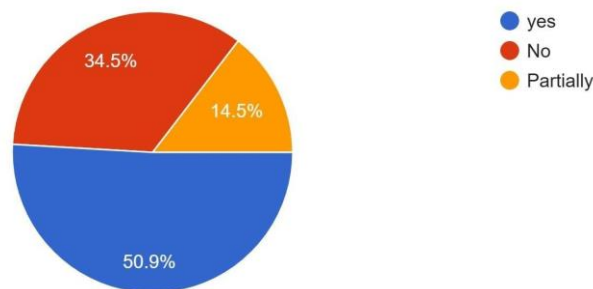


The examination of sustainable business strategies inside Indian consumer internet start-ups reveals that the frequency of purchasing products/services among respondents varies. Out of the responses, 20 persons stated that they purchase items occasionally, while another 20 individuals stated that they purchase items seldom.

Conversely, 11 participants indicated that they frequently buy from consumer internet start-ups, whilst 4 participants claimed to never make such purchases. These various purchase habits offer vital insights into how consumers engage and what they want. This information is crucial for developing and improving sustainable company models that can cater to the varying needs of the Indian market.

Are you aware of sustainability practices adopted by consumer internet start-ups in India?

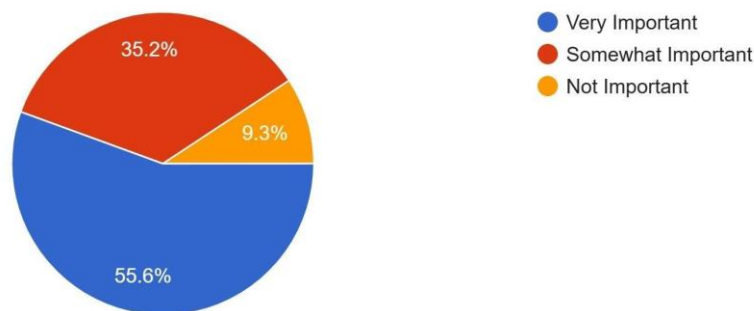
55 responses



The examination of sustainable business models within Indian consumer internet start-ups reveals that the level of awareness regarding sustainability practices among respondents varies. Out of the responses, 28 respondents stated that they are aware of these behaviors, whereas 19 individuals reported being unaware. In addition, 8 respondents indicated that they have a limited level of awareness. The range of consciousness highlighted here emphasizes the significance of spreading knowledge about sustainable practices in the industry. This knowledge affects how consumers perceive businesses and shapes their strategies. Ultimately, it determines the long-term sustainability of sustainable business models in the Indian consumer internet industry.

How important is sustainability to you when making purchasing decisions from consumer internet start-ups?

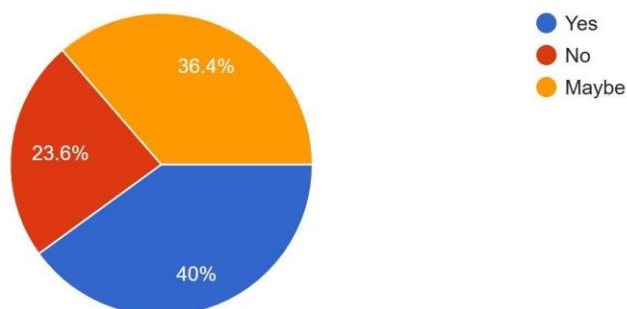
54 responses



When examining sustainable business strategies in Indian consumer internet start-ups, it becomes clear that respondents place great weight on sustainability when making purchasing decisions. Out of the collected responses, 30 individuals expressed a high level of importance for sustainability when choosing to make purchases from consumer internet start-ups. In addition, 19 participants expressed that sustainability holds a moderate level of importance, whilst 5 participants indicated that it is not important. The recognition of the importance of sustainability by most customers emphasizes the need for start-ups to incorporate and prioritize sustainable practices in their business models to match consumer values and preferences in the Indian market.

Would you be willing to pay a premium for products/services offered by consumer internet start-ups that are environmentally sustainable?

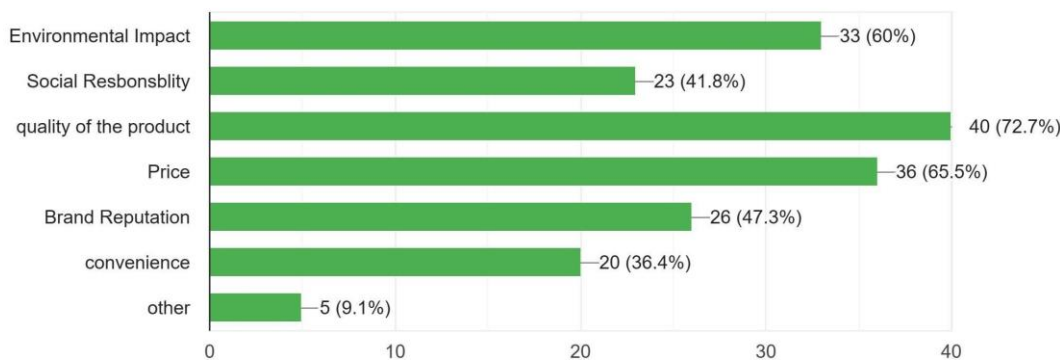
55 responses



When studying sustainable business strategies in Indian consumer internet start-ups, the extent to which respondents are willing to pay extra for ecologically sustainable products/services differs. Out of the collected replies, 22 persons clearly indicated their readiness to pay a higher price for these offerings. In addition, 20 respondents expressed a potential inclination ("maybe") to pay an extra amount, whilst 13 respondents explicitly stated their unwillingness to do so. Gaining a comprehensive understanding of these various viewpoints is essential for start-ups seeking to integrate environmentally friendly practices into their products or services. This understanding will guide the development of pricing strategies and market positioning that are in line with the preferences of Indian consumers.

What factors influence your decision to choose sustainable products/services from consumer internet start-ups? (Select all that apply)

55 responses



## **LEARNING EXPERIENCE AND CONCLUSION**

### **Educational encounter**

The aforementioned study provided me with the opportunity to gain a deeper understanding of consumer internet firms in Bangalore, as well as various sustainable business strategies. I had the privilege of acquiring insights into the process of developing and implementing several sustainable business strategies in internet companies. I acquired knowledge about the distinctions between the Sustainable Business Model and the Business Model through the study. The study's components that facilitated my acquisition of knowledge are as follows:

- Opportunity to acquire novel concepts.
- Augmented my comprehension. • An opportunity to gain novel viewpoints.
- Required to acquire novel concepts.
- I acquired information about renowned online startups.

### **Conclusion**

According to the study, business model innovation for sustainability can be enhanced by utilizing various inventive strategies. Additionally, innovation for sustainability is a diverse yet fragmented field with multiple concepts and ideas.

Currently, online start-ups are primarily focused on building Sustainable Business Models (SBMs), which are also highly regarded by policy officials and business professionals. These Internet start-ups aim to tackle societal concerns such as climate change and mitigate the adverse ecological and social impacts of production and consumption systems by promoting sustainable business models.

## **RECOMMENDATIONS**

Below are some suggestions for the study that aims to explore sustainable business strategies in Indian consumer internet start-ups:

- Initiate a comprehensive market analysis to meticulously examine trends, consumer habits, and competitive landscapes in the Indian consumer internet sector. This will establish a strong basis for comprehending the present condition of the sector and identifying prospective domains for the generation of sustainable business models.
- Examinations of specific instances and examples of optimal methods: Discover thriving Indian consumer internet start-ups that have exhibited enduring and viable business models. Perform comprehensive case studies to gain a thorough understanding of the strategies and techniques utilized, such as revenue generation models, client acquisition and retention strategies, and methods for achieving scalability.
- Direct attention towards the customer value proposition: Highlight the significance of cultivating a robust customer value proposition. Sustainable business models in the consumer internet industry typically center around providing distinctive value to users, whether through groundbreaking products, customized experiences, or exceptional customer service.
- Promote the diversification of revenue streams among start-ups to decrease reliance on a solitary source of income. Possible strategies to consider are investigating subscription models, implementing advertising, utilizing affiliate marketing, selling premium services, or forming collaborations with other enterprises.
- Assess the ability of various company models to scale and expand in terms of scalability and growth potential. Start-ups should give priority to business strategies that have the ability to efficiently scale as they attract a larger user base and extend their operations. This may entail utilizing technology, implementing automation, and forming strategic alliances.
- Sustainability and Social Impact: Evaluate the ecological and societal consequences of business concepts. Promote the integration of sustainability measures, such as carbon footprint reduction, ethical sourcing promotion, and support for social causes, into the operations of start-up companies. Consumers are becoming more attracted to companies that exhibit a dedication to sustainability and social responsibility.
- Emphasize the significance of flexibility and adaptability in the rapidly evolving consumer internet economy. Start-ups must be ready to modify their business models in response to market feedback, technical breakthroughs, and evolving consumer tastes.
- Regulatory Compliance: Ensure that start-ups have knowledge of and adhere to pertinent legislation and legal obligations. Adhering to data privacy laws, consumer protection rules, and taxation policies is crucial for ensuring the long-term viability and maintaining a positive reputation.
- Promote the importance of ongoing learning and enhancement. Promote the practice of keeping start-ups informed

about industry trends, upcoming technology, and best practices by engaging in networking, attending conferences, and obtaining guidance from experienced professionals.

- Assess the long-term sustainability and robustness of the suggested business models. Start-ups should strive to establish resilient enterprises that can endure economic recessions, market upheavals, and competitive challenges in the long run.

By implementing these suggestions into the study examining sustainable business models in Indian consumer internet start-ups, you may offer vital perspectives and direction for entrepreneurs seeking to establish prosperous and long-lasting companies in this dynamic and swiftly changing sector.

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## Books

- Appanaiah Reddy, (2010), *Business Research Methods*, Himalaya publication house.
- Deepak Chawla and Neena Sondhi (2011) *Research Methodology Concepts and Cases*, Vikas publishing house Pvt Ltd., New Delhi

## E-Resources

- <https://www.slideshare.net>
- <https://www.researchgate.net>
- <https://www.mckensey.com> • [www.shodhganga.com](http://www.shodhganga.com)



## **ANNEXURE**

### **1. Gender**

Female	29 responses
Male	26 responses

### **2. Education Level**

Master degree	27 responses
Bachelor Degree	26 responses
Intermediate	1 response

### **3. Location**

Urban	51 responses
Rural	4 responses

**4. How often do you purchase products/services from consumer internet start-ups?**

Occasionally	20 responses
Rarely	20 responses
Frequently	11 responses
Never	4 responses

**5. Are you aware of sustainability practices adopted by consumer internet start-ups in India?**

Yes	28 responses
No	19 responses
Partially	8 responses

**6. How important is sustainability to you when making purchasing decisions from consumer internet start-ups?**

Very Important	30 responses
Somewhat Important	19 responses
Not Important	5 responses

**7. Would you be willing to pay a premium for products/services offered by consumer internet start-ups that are environmentally sustainable?**

Yes 22 responses

Maybe 20 responses

No 13 responses

**8. What factors influence your decision to choose sustainable products/services from consumer internet start-ups? (Select all that apply)**

Environmental Impact Social Responsibility quality of the product Price Brand Reputation convenience other

**Feedback and Suggestions: Please share any additional comments, feedback, or suggestions you have regarding sustainable business models in Indian consumer internet start-ups. Your input is valuable in shaping future initiatives and research in this area.**

Start-ups need to focus on building a large user base to drive growth, but also need to generate revenue to sustain their operations the model has to be cost effective and sustainable financially, pretty hard cause it's

the model has to be cost effective and sustainable financially, pretty hard cause it's still a niche, lots of improvement still needed but someone has to try, hit and experiment.

No comments

For sustainable growth we should start with the smallest products which are a part of our day to

day( forexample combs, boxes etc.)life and make them sustainable.As change occurs from the smallest of the things present in the universe.

NA

Nothing

Sustainable business models in Indian consumer internet startups could significantly benefit from incorporating eco-friendly practices and scalable solutions. Prioritizing energy efficiency, minimal use of non-renewable resources, and promoting circular economy principles can drive sustainability.

Additionally, leveraging local supply chains and encouraging consumer awareness about environmental impacts are crucial. Engaging with communities and stakeholders for feedback and collaborative efforts towards sustainability goals can also enhance impact. Fostering innovation in green technology and sustainable practices can offer competitive advantages and meet the growing consumer demand for responsible businesses.

Build relationship for social media

Product quality with good price value makes a customer engagedGood

no

Good,keep innovatingSocial responsibility

.