

INTRODUCTION



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The **COVID-19 outbreak** has changed how all of us view the world. It has disrupted the world economy and posed a major threat to the survival of small businesses.

Local businesses have suffered majorly due to the coming of the big-box retailers and online platforms like **Flipkart and Amazon**, who serve their customers more efficiently and offer many items at the same time and place.

While there have been discussions about **paying** one's domestic workers, security guards, house help, what about small businesses and self-employed workers?

The small businesses, from local Kirana stores to vegetable vendors, to even pharmacies or book shops, form the **backbone of the hyperlocal economic ecosystem** and have been instrumental in serving the society, especially during the strict nationwide lockdown

INTRODUCTION

Factors adversely affecting MSME:

- 1 slow demand due to job losses and pay cuts
- 2 liquidity crunch & disrupted supply chain
- 3 many companies are facing serious challenges to business continuity
- 4 lack of funding & labour
- 5 general sense of uncertainty
- 6 burden of high taxation, loan repayments and interest payments
- 7 subsequent lockdowns
- 8 Many have already collapsed under the crippling weight of the economic slowdown.

It is also pertinent to mention that **none** of these small businesses, start-ups, and self-employed workers have received any **substantial financial assistance from the government**.

INITIATIVES



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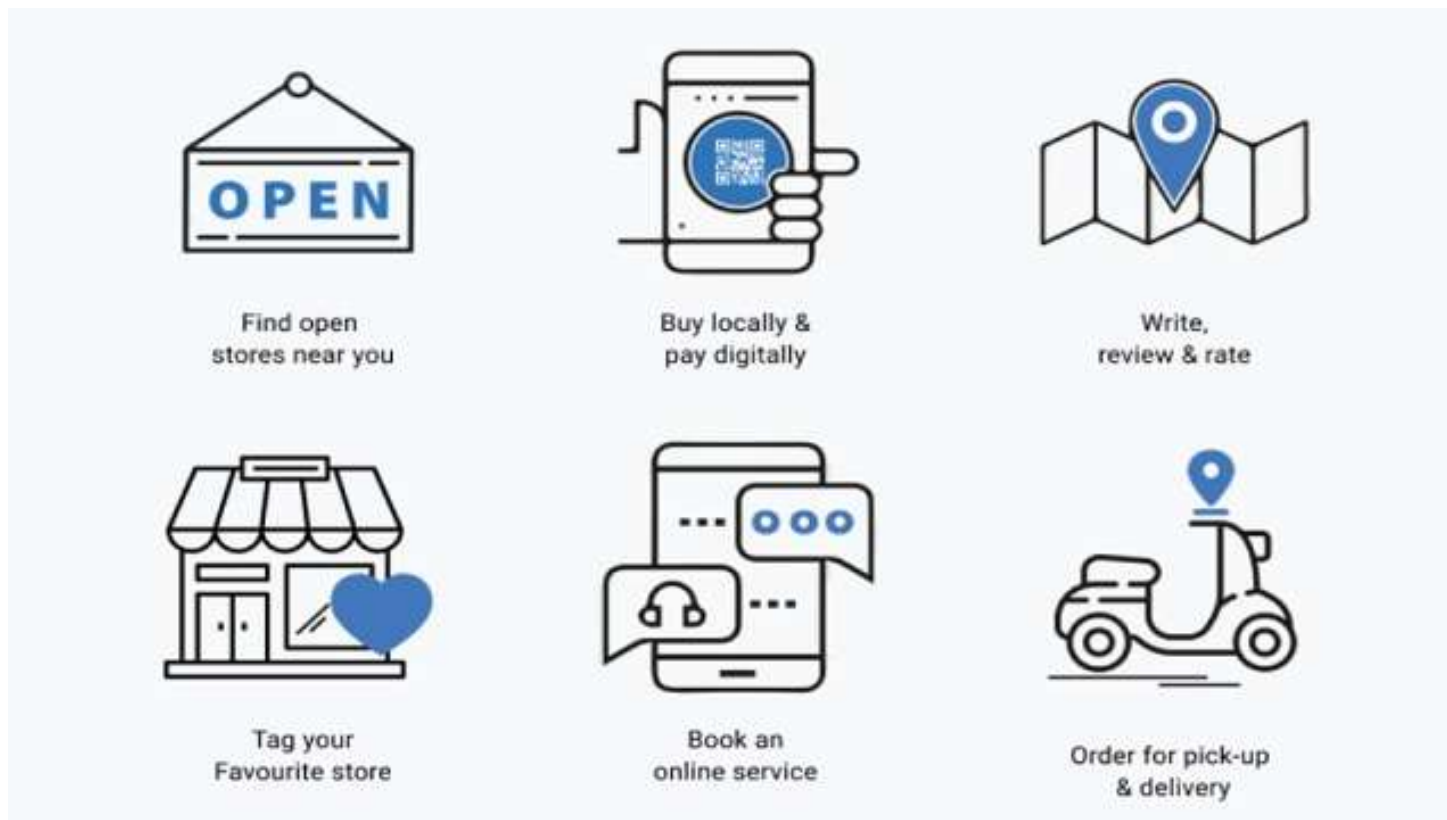
As the virus-related curbs are eased and consumers return to bigger these small businesses need customers' support more than ever to survive and thrive. Hence, various industry leaders and other key stakeholders have come forward and taken initiatives to help the MSMEs weather this crisis. Some of these initiatives are mentioned below :

Google India's 'Make Small Strong' initiative will consist of a series of inspiring interviews, webinars and stories, and will look to inculcate people with the incentive and knowledge they need to support and induce growth for small businesses.



Disclaimer: This map is used for creative representation only, and is not intended to be used for reference purposes

Building on its effort to help consumers discover small businesses on Google search and maps, the new initiative will focus on accelerating the efforts to help businesses build a **digital presence** in partnership with **Zoho** and **Instamojo**.



Keeping the needs of different businesses in mind, Google has also partnered with **Dunzo** and **Swiggy** to fast track the on-boarding process, with both partners committing to provide additional support to small businesses to start accepting orders online and enable **delivery logistics**.

AMAZON & FLIPKART



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Amazon and Flipkart help small businesses get ready for the post-Covid-19 world by bringing the small businesses online, **handholding them to pivot** and helping them find fresh opportunities in the market.



Amazon and Flipkart are also supporting them through various initiatives ranging from working capital to coronavirus related **health insurance**.

BUMBLE



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The **Bumble** Community Grant program, launched in the light of the global pandemic, aims to support local businesses and their workers around the globe, and keep them afloat while money is scarce.

BUMBLE
♥ SMALL BUSINESSSES ♥
LOVES

**WE'LL GET THROUGH
THIS TOGETHER**

Bumble is offering up to
£5k/€5k in monetary
support for small businesses
affected by **COVID-19**.

It has successfully provided support to **13 small Indian businesses** from various industries like tourism, fashion and lifestyle, home and furniture and health namely Culture Aangan, The Wishing Chair, Alankaara India, and few others.

MASTERCARD



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To address the working capital gap for small businesses, **Mastercard** is working with large companies along with banks to introduce **credit solutions and schemes** that enable easy and fast availability of credit, ensure supply chain continuity, and bolster entrepreneurs' financial resilience.

Mastercard announced a **commitment of Rs 250 crores (\$33 million)** to help reboot Indian SMEs and enable business recovery.



The company has made a global commitment to bring

50 million

micro and small businesses into the digital economy by 2025



With a direct focus on providing

25 million

women entrepreneurs with solutions that can help them grow their business

Through its **Digital Acceleration Platform for Small Businesses**, Mastercard is partnering with

over 15

companies and organizations to help small businesses in LAC go digital

STRATEGIES



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E-Commerce has seen **exponential growth** in the last decade and has become highly popular not just in the youth but also in the **younger and older consumer** base due to the ease of buying comfortably from their home, which has led to a sharp decline for small retailers. Local small businesses can only thrive when it provides something personal that is desired & is a value add over the online retailers.

A few strategies that small local businesses can adopt are:

1

identifying spots where **intimacy, personal touch, customization, and flexibility** are needed. Competing in niche markets can help them retain customers and increase their revenue and profitability.

2

they need to be **nimble, flexible, creative and adaptable** to survive in the market. It is extremely important as it helps to keep the business current and retain its customers.

3

start **marketing & selling** extensively through online platforms, in turn increasing sales as well as attracting the target customers base and create their presence in the market.

CONCLUSION

This pandemic has been an eye-opener in terms of telling us that future planning is a necessity. Many small businesses, due to the **limitations imposed by the coronavirus pandemic**, have started to invent new products which has opened doors to multiple ideas that had been dismissed earlier.

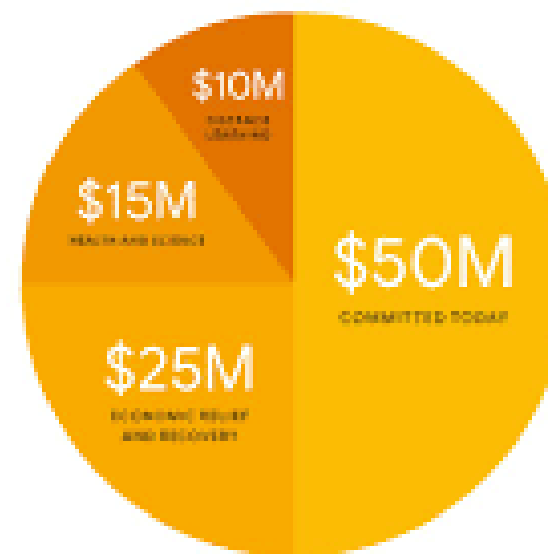
Launching schemes with attractive tag-lines like **Stand Up India, Start-Up India** seemed perfect for a happy economy. But with great uncertainties comes great responsibilities. There must be provisions for emergency and relief funds for small business and other self-employed workers. The COVID-19 crisis is not going to go away anytime soon, and thus, we must be prepared for more lockdowns and hence policy measures.

Comparative Analysis

Google conducted 'Google-Kantar small business tracker research' in July, which revealed that 92% small and medium businesses face customer-related challenges. The report highlights that **5 out of 10 businesses are using digital channels** to engage with their customers compared to just 4 in 10 in April. The 'Make Small Strong' initiative was launched in direct response to the above feedback.

Google.org COVID-19
\$100 million relief

\$50 million already given,
\$50 million committed today



Amazon had piloted 'Local shops on Amazon' program for 6 months with over **5,000 local shops**. Retailers from 100+ cities across India including Bangalore, Mumbai, Delhi, Hyderabad, Pune, Jaipur, Ahmedabad, and Varanasi.

Investment

Google has announced investments of **\$10 billion** in Google for India Digitization Fund that includes digitisation of small businesses as well.



Amazon has promised to invest **Rs.100 million** to digitally enable 10 million micro, small, and medium businesses in the country by 2025, including artisans, manufacturers, retailers, and local shops.



Waivers & Free-Subscriptions

Amazon won't be charging any additional charges to join the initiative and the standard fee of selling on the online marketplace will go to Amazon Local Shops Sellers. Amazon has set up an 'on-demand disbursement' feature that enables sellers to get their disbursements daily. It has provided a 50 per cent waiver on 'Sell on Amazon' fees for small sellers to help them manage their working capital better. It also waived off several other fees for startup programmes.

Google has partnered with Zoho and Instamojo to help businesses build a digital presence, and with Dunzo and Swiggy to fast track the on-boarding process and provide additional support to small businesses to start accepting orders online and enable delivery logistics.



Enhancing Discovery



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Google has introduced new features on Google My Business app and Google Pay for Business, enabling the **businesses to improve their online presence** by making it easier for them to get discovered on Google search and Google maps and simplify digital payments.



Small Business

Amazon will provide the participants with access to the 'Prime Badge' that will help enhance discovery on the site.

Training & Assistance

Google has worked closely with FICCI to drive an industry-wide skilling program which has already trained 1.2 million individuals. Google will launch a new show with Doordarshan called *Namaste Digital*, to enable SMBs to learn about the Internet and help them grow their business.



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tourismexhibition@ficcicom | travel.registration@ficcicom

8826275246 | 95606

Amazon India has over **50,000 Amazon Easy stores** across the country, which provides assisted shopping for 'new to e-commerce' customers.

Under this model, Amazon works with several network partners across India and trains store owners to help customers find and buy products from Amazon.in while enabling additional revenue streams for entrepreneurs and businesses.