

## EYE ON \$1B MYNTRA BUILDING TEAM TO SCALE Up BIZ 3-FOLD

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### Will also offer value-added fashion services such as sending tailors home

Myntra, India's largest online fashion retailer, is looking to grow more than threefold in the next 15 months to hit the \$1-billion mark (about 6,300 crore) in gross merchandise value (GMV) and thereby join the growing list of e-tailers including Jabong and Snapdeal that are clocking mega sales.

"It's a matter of time that we will be a billion-dollar-plus company," said Ganesh Subramanian, chief operating officer of Myntra. "The area that we are working on is building the leadership, which will scale the organisation to the next level." The Bengaluru-based e-tailer, which is expected to close the financial year to March with 2,000 crore in revenue, will offer more value-added fashion services including sending a tailor to home, even as it looks to strengthen senior leadership team in the coming three months to help it scale up business.

It is putting together senior executives across logistics and marketplace model and a team of 80 new executives, who will report to vice-presidents, is expected to be completed by the end of the fiscal.

Myntra, which was acquired by Flipkart in May last year, is betting on more women in cities beyond the metros switching to shopping online. The company is gearing up to offer more value added services, in addition to dial-in stylist and groom-in services that it currently provides, to attract more users to its portal.

"For alteration, Myntra is already doing pilots. We will do it in a way, which is scalable. (In the next two quarters we expect to take it to the market," said Subramanian.

Funds are no longer an issue for the company, he said. "Money does not bother us anymore.

There was a time when we all were looking for funding. Now we are looking at how we can build a very solid foundation," Subramanian told ET in an interview, saying the bulk of spending will be deployed in strengthening logistics, technology platforms and on recruitment.

Myntra's aggressive push into fashion comes at a time when sale of clothes from online platforms has almost doubled in the past year over the numbers in 2012. According to a report released last year by Accel India, one of the early backers of Flipkart and Myntra, 200 million new consumers will shop through e-commerce sites in the next three years.

At present, online fashion and footwear sales account for about 3,150 crore, just 1% of the total purchases made in the country. This growth outlook has made Jabong claim that it will touch \$1 billion in gross merchandise value before the end of this calendar year while Delhi-based Snapdeal crossed this mark in late 2014, about two-and-a-half years after the company was set up in 2010.

Myntra is also building more in-house brands, which now account for 25% of the company's revenues, compared to about 10% at the start of 2014. Currently, sale of clothes accounts for about half of the company's revenues, with footwear and sports merchandise contributing about one-third of business. Accessories, including watches and belts, make up the remaining revenues.

Some experts, however, remain cautious on the focus of the management, led by Mukesh Bansal, founder of Myntra, on beefing up leadership though they believe the firm's thrust on private brands is a positive step and should help it edge out competition. "Can they get the best of talent

to steer the company? Too early to judge,” said Vineesh Chadha, former chief operating officer of ColorPlus Fashions, and managing partner at Aumentis Consulting. Chadha added that Myntra is, however, trying to work closely with a set of more than 20 brands across categories that have seen good traction on the portal.