



INTERNSHIP REPORT

BUS401

Submitted To

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Rezaur Razzak

Associate Professor of Entrepreneurship & Strategy

BRAC University

Sub: Submission of the Internship Report

Dear Sir,

I have the pleasure to submit my Internship report on Kaymu Bangladesh a requirement for my graduation. You are aware that I have recently completed my internship program in Kaymu Bangladesh from 4th May 2015 to 31st August 2015. I joined there under the Non-key Account Management Department. I am fortunate enough that I have got an experienced, efficient and Professional team in one of the reputed online market place of Bangladesh. I truly believe that this report will satisfy your requirements and expectations. I have tried my best to make this report informative, practical, reliable and relevant as possible.

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I appreciate your valuable advice, cooperation, patience and suggestions regarding this report, which will definitely help me to go ahead as a brilliant guideline.

I honestly hope that this report will reflect the idea about the functions of marketing and account management along with the critical problems that I have faced in their service activity. I hope you will find this worth all the labor and effort that I have given to complete the report.

Sincerely,

Ifrat Jahan

ID- 11104139

BRAC Business School

BRAC University

Acknowledgement:

I am thankful and grateful to my honorable Faculty, Rezaur Razzak Sir for giving me the opportunity to do my Internship under his supervision and complete the report on Kaymu Bangladesh. On the design of this report, I again want to thank my honorable Academic supervisor for providing the format and make me understand about the format. I would like to give warm thanks to my Honorable Supervisor Mrs. Farwah Tasnim. (Head of Seller Management); Juanyed Mostofa (Head of Acquisition) and Miss Zarin Sultana (Sr. Executive - Customer Service) for helping me when I needed and all the officials and staffs of Kaymu for their friendly behavior, heartiest cooperation and other services during my internship period.

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Executive Summary

This paper examines the prospect of Kaymu Bangladesh in the Bangladeshi e-commerce industry. This paper looks into the e-commerce industry in the Bangladesh, introduces Kaymu and its business model, compares it with current market players and looks to see the feasibility and sustainability of Kaymu financially. Although due to confidentiality reasons, financial data was not possible to give

Kaymu is the brainchild of the world's largest internet incubator Rocket Internet. It started its operations in Bangladesh at the end of 2013 and within a very short span of time, has become quite popular. Kaymu replicates the eBay model of buying and selling where sellers sell on Kaymu in exchange of a commission percentage on sales. Kaymu is an online marketplace where sellers and buyers meet and exchange goods. Buyer can order anything from Kaymu and pay via cash on delivery (especially in Dhaka) and can receive products via home delivery all over Bangladesh (some sellers take prepayment via bank account or mobile banking). Kaymu markets the brand names of the sellers via social media, e-marketing (newsletters) and Google Search Engine Optimization (SEO). The sellers find Kaymu easy to sell through to as Kaymu does not keep their stocks neither do they handle the payment. The sellers use Kaymu as a platform to get buyers and they do the contacting buyer and product delivery on their own or by using third party delivery system. Problems arise when delivery systems become unable to take the pressure and buyers suffer. Kaymu is still on the lookout for a dependable delivery partner.

Financially Kaymu hopes to break even within the third year. Currently it runs from parent company funding and focuses on investing heavily on marketing to gain market share. Kaymu's revenue has hundred folded since its inception and it is on the rise. Kaymu looks to bring on board more sellers to give the buyers more variety of products and at competitive rates. This attracts more buyers and Kaymu's customer base is increasing day by day.

Given the fact that Kaymu is a new company in the market, this study gives a clear look at the operations of Kaymu in Bangladesh, its challenges and talks about the buyer seller experiences and comparisons with other e-commerce sites.

PART A: INTRODUCTION

Introduction

E-commerce refers to the buying and selling of products or services over electronics system through internet or others computer networks. E-commerce improves the efficiency and effectiveness of business, government and not profit organization agencies. Online transactions can effectively save a lot of time and money which often is the main reason for consumers to shop online rather than purchasing from a physical marketplace.

Bangladesh should have been a large market worldwide due to its high level of population but it is not so as the people in Bangladesh are not much aware or educated to use the online marketplace. is one of the largest market in the world as population but the peoples are not well enough for online market yet. Previously, people would use computers for completing educational assignments or used for governmental or private projects. Just recently, the online market boomed and now more and more people are shopping online.

Kaymu is the leading online marketplace for emerging markets. Kaymu replicates the eBay model (online marketplace where buyer meet sellers) in emerging countries where they do not have eBay. Kaymu is a venture of Rocket Internet which is one of the world's largest e-commerce focused venture capital firms and startup incubators. The company's business model is to identify successful internet ventures from other countries (often the United States) and replicate them in predominantly emerging markets. Kaymu operates an online marketplace enabling end customers to buy and sell basically anything online. Kaymu's successful peer model is eBay which is the leading C2C online marketplace in the world.

Kaymu Bangladesh was launched in October 2013 and as of May 2014 it is ranked as the 229th website in Bangladesh right after only 5 e-commerce sites- OLX, Ekhanei, Click BD, Rokomari and bdstall.com. It has surpassed akhoni.com which is ranked 261 and biponee.com which is ranked 326 (source: www.alexa.com).

Kaymu's main focus are the buyers and sellers. The sellers are the clients of Kaymu who sells products in the website and Kaymu focuses on them because the only way Kaymu makes money is if the sellers make money. By focusing on obtaining quality sellers, Kaymu ensures buyers get good products and good services from good sellers and get competitive deals from sellers and are satisfied.

This report looks into the operations of Kaymu in Bangladesh especially focusing on the issues faced by a new business and it's prospect in the Bangladeshi e-commerce market. The following chapters contain more in-depth information and analysis on this matter.



PART B: COMPANY OVERVIEW

BACKGROUND

Kaymu's parent company Rocket Internet is the world's largest Internet incubator. It was founded in Berlin, Germany in 2007 by the Samwer Brothers (it is headquartered in Berlin). The Rocket team has been building online companies since 1999 and has created over 100 market leading companies in 50+ countries. The founders gained visibility through successful investments in Groupon, eBay, Facebook, LinkedIn, Zynga, etc (either through early direct investment or through taken over target companies). The company's business model is to identify successful internet ventures from other countries (often the United States) and replicate them in predominantly emerging markets. In 2013, Rocket Internet raised close to \$2 billion from investors including Russian billionaire Leonard Blavatnik, Swedish investment firm Kinnevik, and J.P. Morgan. This is in addition to nearly \$2 billion that Rocket raised in 2012. The firm, tightly controlled by its founders, is known for its aggressive approach in managing its invested ventures. It prides itself for the speed of execution and ability to hire exceptional talent.

Rocket Internet operates in more than 50 countries and has more than 75 ventures in their portfolio such as the e-commerce retail companies Zalando in Germany, Jabong.com in India, Lamoda.ru in Russia, ZALORA in South East Asia, The Iconic and Zano in Australia, the global food delivery platform foodpanda/hellofood, the global property listings site Lamudi, Carmudi, etc. Rocket Internet's various companies created more than 20,000 jobs worldwide. Previous ventures include, for example, Citydeal, which was purchased by Groupon for US\$126M, which profited by US\$90M.

Rocket Internet launched 4 companies in Bangladesh last year- Carmudi, Lamudi, Foodpanda and Kaymu. Kaymu as mentioned before, replicates the eBay model in emerging markets and since Bangladesh is an emerging market where eBay has not been introduced yet, Kaymu decided to come in!

FEW KEY FACTS ABOUT ROCKET INTERNET

- Started in 2004¹ by serial entrepreneurs **Alexander, Marc & Oliver Samwer**
- Incubated **more than 100 fast growing online companies** all over the world since inception
- Currently **25+ international branch offices** on **all 5 continents** from Africa to South East Asia
- Operated by a **highly talented team** of Business Development, Operations, IT and Online experts
- Currently **15,000+ employee** in more than **60+ start-ups** around the world



Figure 1: Successful Business Models of Rocket Internet around the World

KAYMU.COM: THE LEADING ONLINE MARKETPLACE FOR EMERGING MARKETS

Kaymu Bangladesh Ltd started its journey in Bangladesh around October 2013 launching on November 2013. Kaymu is the leading online marketplace for emerging markets. It sells everything from books, to mobiles & tablets, fashion wear and accessories, electronics, jewelry, home and living products, kids products and many more. It is the one stop solution for customers to find their products online. It is the fastest growing online shopping platform in the emerging markets, with over million customers. Kaymu operates an online marketplace enabling end customers to buy and sell basically anything online.

ORGANIZATIONAL STRUCTURE

1. Organizational Chart of Kaymu Bangladesh Ltd

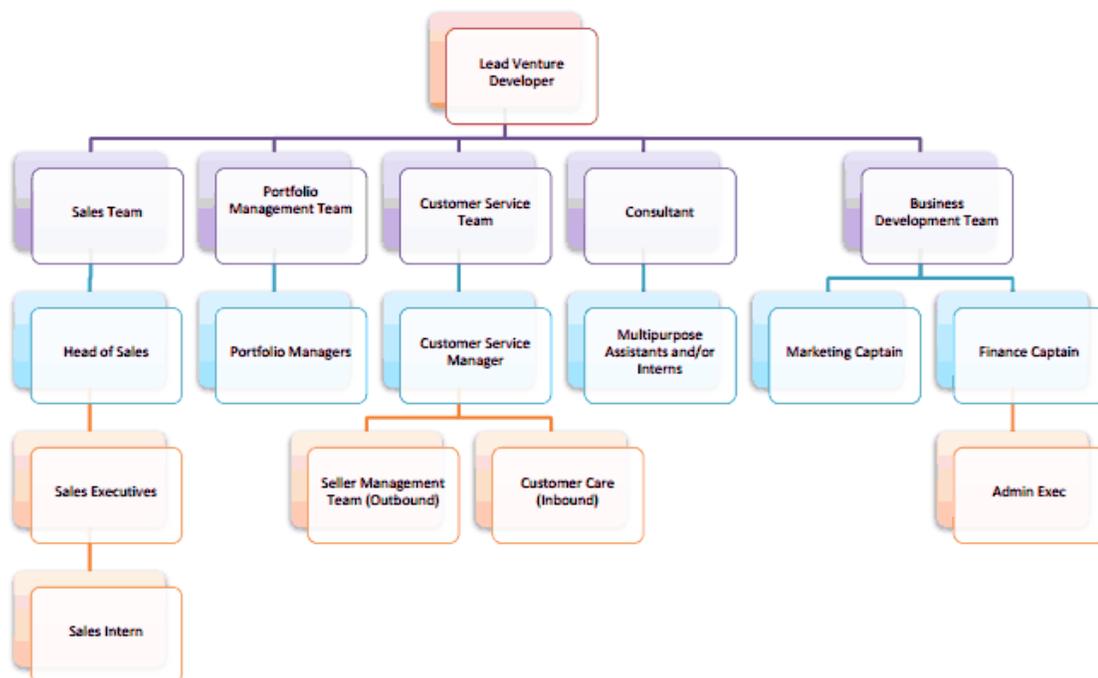
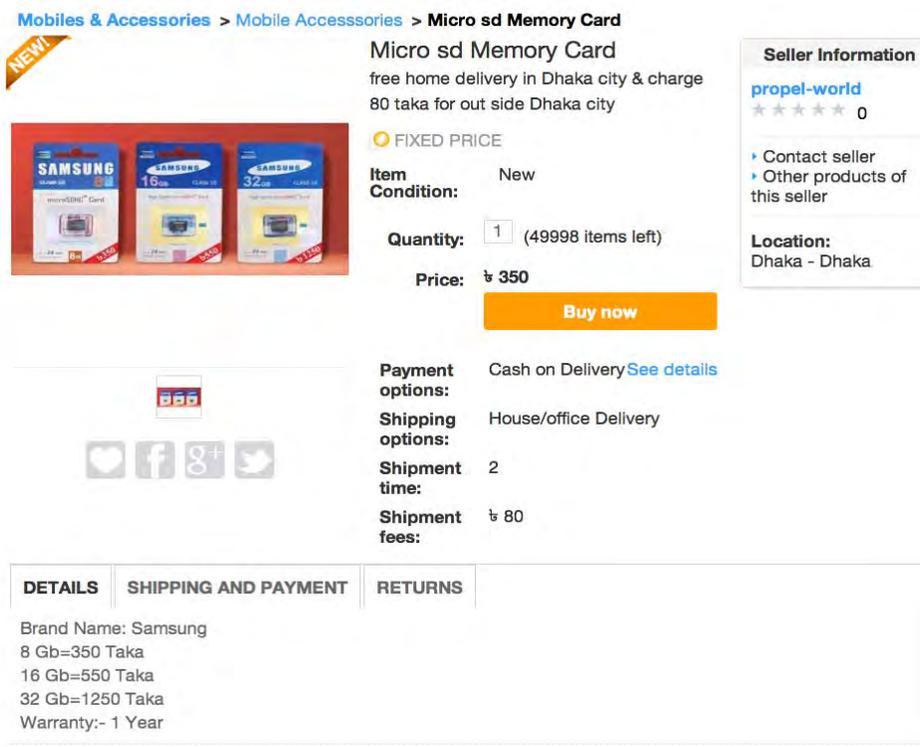


Figure 2: Organogram of Kaymu

How Kaymu Functions

2. Kaymu Basics:

Kaymu is, first and foremost, an online marketplace. One can browse through categories like Clothing, Footwear, Jewelry, Watches, Moniles & Accessories, & Accessories, Jewelry, Books & Media, Electronics, Footwear, Watches, Mobiles, Computers, Electronics, Home & Living, Health & Beauty, Toys, Kids & Babies, Books & Media, Sports & Outdoors and various other categories. When a customer sees something they like, they click on the product and view the details that include pictures, descriptions, payment options and shipping information. If the customers have a pretty good idea of what they are looking for, they can search for it using simple keywords, such as "Apple iPod," or using more advanced search criteria that helps narrow the results, such as item location, brand and price range.



Mobiles & Accessories > Mobile Accesssories > Micro sd Memory Card

NEW!

Micro sd Memory Card
 free home delivery in Dhaka city & charge 80 taka for out side Dhaka city

FIXED PRICE

Item Condition: New

Quantity: 1 (49998 items left)

Price: ₳ 350

Buy now

Payment options: Cash on Delivery [See details](#)

Shipping options: House/office Delivery

Shipment time: 2

Shipment fees: ₳ 80

Seller Information
propel-world
 ★★★★★ 0

• Contact seller
 • Other products of this seller

Location:
 Dhaka - Dhaka

DETAILS	SHIPPING AND PAYMENT	RETURNS
Brand Name: Samsung 8 Gb=350 Taka 16 Gb=550 Taka 32 Gb=1250 Taka Warranty:- 1 Year		

Figure 3: What Customers See After Clicking On A Product

Products are usually sold at fixed prices. The option of selling at auctioned prices is also available, but so far no seller has chosen to sell their products by auctioning. So when a customer sees what s/he likes, they place an online order, they buy it, pay for it and wait for it to arrive at their doors! If they reside in Dhaka, they usually get home deliveries and many sellers provide cash on delivery even outside Dhaka (meaning customers can pay after receiving the product).

Customers can pay for an item on Kaymu using a variety of methods, including cash on delivery (this is available only in few cities at the seller's discretion), bank deposit, bKash or other mobile banking methods, etc. Unfortunately, online payment gateway has not yet been installed and customers can not yet make online payments to buy products from Kaymu thereby making it difficult for people outside Bangladesh to purchase products.

Just as one can buy almost anything on eBay, one can sell almost anything, too. Using a simple listing process, one can put all of the junk in their basement up for sale. People can sell old laptops, clothing, furniture, etc. But if one wants to sell as a business, they need to enlist in Kaymu as a Kaymu seller via which they get a Kaymu e-store. When one sells an item on Kaymu, they pay a certain percentage of the final sale price to Kaymu. There is no listing fee except this commission on sales and for people selling personal products, there is no commission either.

Once anybody registers (for free) with Kaymu, he/she can access all of their Kaymu buying and selling activities in a single location called "**My Accounts**"

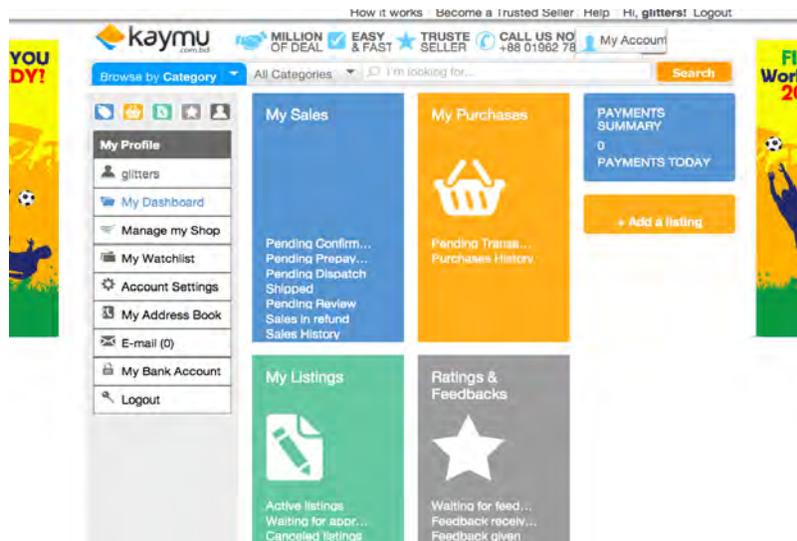


Figure 4: 'My Account' in Kaymu

The Buying Process:

To purchase something, one must have an account in Kaymu. He/She simply needs to register by providing some basic information (name, address, birth date, phone number etc.). With that account they can place orders on Kaymu. Once a buyer likes something, he/she places an order online by clicking on 'buy now'. After this, a text message/email is sent with a code to validate the purchase. If the buyer validates it, the seller can see it when they log in to their account and then the seller is responsible for calling up the buyer, confirming the order, answering to any necessary queries, and deliver the product. If the buyer is unable to validate the order, a customer service agent from Kaymu calls the buyer up and validates the order. And then the seller process starts as mentioned above. This process generally takes about 3-5 working days and the buyer usually gets it by then unless there are other issues. Often, pre payment is necessary and then the delivery time becomes higher as the seller would not dispatch the product without the buyer

paying first. Most sellers provide cash on delivery to buyers residing in Dhaka, meaning the buyers can pay after the product reaches their home. Some sellers provide cash on delivery facility outside Dhaka as well, but not most sellers. Therefore, most customers outside Dhaka needs to prepay via bank account or mobile banking.

The Selling Process:

To sell through Kaymu, one needs to have an account as well. Once an order is placed it is showed in the account where details of the buyer is given with the product details (the one that the buyer chose). The job of the seller is to contact the buyer, confirm the order, answer queries of the buyer (if any) and deliver the product. The seller pays Kaymu a percentage commission on the final sale amount. The commission payment is made twice a month. The advantages sellers get are the fact that the products stay with them so they are not stuck with stock that hasn't sold. Also, they get free marketing via Kaymu.

To get started with Kaymu as a seller, one needs to sign a simple contract paper that enlists them as a Kaymu seller. Afterwards, they need to send their product listings along with product details and images so that it can be uploaded in their e-store. Sellers can upload from the front end as well by logging into their accounts.

PART B: THE INTERNSHIP PROJECT

Department:

As an intern, I was assigned in the Seller Management and Sales Dept. of 'Kaymu'. According to my administrator, my assigned task was to, Incubate new sellers, take update, order processing and make necessary collaborations with the customer service department.

Incubation: As per the work structure, Acquisition team, also known as sales team acquires sellers from online or from offline visits. They help them open an account on Kaymu and give them basic idea about Kaymu and the business structure. After account creation they are sent to Non-Key Account Management team. They are assigned as 1st listing where 1st listing is referred as. The basic task for this is to call the seller and remind them that they have an account created and give them precise knowledge about how to use the account, what are the criteria to sell on Kaymu. This phase also include introducing sellers with the commission payment which is the main source of income for the company. So my first task was to educate new sellers over phone and making sure they are well aware of the terms and conditions of the organization. An email is sent out to all the reachable sellers in order to provide them a better understanding which included video tutorials on how to use the account.

The second task was to call sellers who have not received any order after 15 days of the account creation. The basic task in this phase included checking the picture quality, product pricing and basic description of the product. After that educating the sellers that why they have not been receiving orders. The main focus was to make them understand that this may happen due to price or picture quality. So I used to ask them for discount pricing. This phase also included educating sellers about the photography studio we have and the logistic support we send out to help them in case they are facing any problem. All these services are free of cost. Also making sure that they have received the welcome email from us which is a great help to learn about Kaymu.

Commission: I was also a part of collecting commissions. I called sellers reminded them of the commission bills that was sent through an email and educating them on how to pay it through

Bkash. This was a challenging work for me as the sellers were not very happy about paying commissions. Many sellers misbehaved and many of them refused to pay. Being polite to them and making them understand why they need to pay the commission was one of the toughest work. Nevertheless, Kaymu Bangladesh is in the leading position in terms of commission collection among all Kaymus functioning around world.

Customer Service: I was assigned to work with the customer service department for a day. This was another experience for me as I got a chance to work with the customers after I worked with sellers. So I had the idea of how customers react on seller behaviors in terms of their transaction, The basic task involved in customer service was to communicate with the customers who order through kaymu. The basic questions asked are, did the seller contacted or not, whether they have received the product or not, whether they are happy with the quality or not and finally after taking a rating from the buyer, customer service can close an order.

My Learning:

During the internship period, I have learnt a lot about work life in practical, which was not possible to picture while taking classes only. However, this internship opportunity gave me a chance to learn different skills along with discovering skills, which I did not experienced before. I could compare and contrast between my academic and work-life learning. I have observed and find out some issues regarding the sales process using customized marketing speech and the customer oriented job.

Communication, interpersonal communication skill, conflict management are considered as people skill. Here I got a great scope of learning and practicing this skill through written communication with the local as well as corporate clients and interdepartmental colleagues. Punctuality was highly expected here. All of my colleagues in my department practiced punctuality and encouraged each other in doing so as well. I learned a great deal of being punctual and managing time. While maintaining inter-departmental communication, I learned to maintain professionalism in terms of communicating. In addition, I learned how to act professional through work, attitude, dress up etc.

The lessons I learned here during my internship was almost exactly, what was share by few faculties in class. This is because theories often do not match with practicalities. Additionally, we taught books written in the context of US market but the scenario in Bangladesh is different. However, according to my findings what we were taught in the class and the practices that I found at work was neither was exactly the same nor contradictory. Similarities and dissimilarities both were observe.

Recommendation:

Kaymu Bangladesh has significant success in a small period of time but there are still a few areas which need to be improved. During my internship I have seen many changes within departments and within the whole organization. Following are few recommendations from my experience after working in the organization.

There are thousands of registered sellers but they are not well organized in terms of category. Also the number of seller manager is very little in comparison with number of sellers. So they must assign categorized seller managers in order to get maximum output from the sellers.

On the other hand the categorized commission rate is very not well justified. Starting from 2% or commission it goes up to 12%. If they charge a certain percentage for all sellers it will give the sellers a feeling of being measured equally. In my opinion an average of 8-10% commission will be fair.

Lastly, what I think is the company should develop a better call center based technology as the whole work is based on phone calls. Making more than hundred calls manually get difficult at times. So the organization must focus on effective and efficient technology based surface.

Conclusion

Kaymu Bangladesh has seen potential prospect in the Bangladeshi e-commerce market. This is the correct time to tap into the market and establish itself as a key player in the community.

There are challenges like the delivery system and hopefully these will be sorted out soon. One important thing is, at this time it is not only Kaymu who is tapping into the market. A lot of other businesses are as well. So in the future, we hope to see better growth of the e-commerce sector with better infrastructure and other businesses catering to this sector.

