



IIMC CASE RESEARCH CENTRE (IIMCCRC)

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SAVEONMEDICALS.COM: STARTING AN ONLINE PHARMACY IN INDIA

PART A

The founders were just about to enter into a meeting with an investor. Their 10-month old online pharmacy start-up Saveonmedicals.com* appeared well poised. They were hopeful. They had taken the plunge into entrepreneurship 18 months ago. The time appeared just about right. Flipkart, a homegrown e-commerce start-up had raised unprecedented funding of USD 1 billion in 2014¹ and e-commerce growth story was just beginning in India, startups and first-generation entrepreneurship seemed like the *zeitgeist*.

The husband and wife founding team, having spent close to 20 successful years in a career in sales and marketing decided to become entrepreneurs. They had got married to each other right after their MBA from one of the good institutes in India. Between both of them, they had experience of working across financial services, telecom, FMCG both in India and abroad (see **Exhibit 1** for brief CVs). They had largely been satisfied with their professional careers, and entrepreneurship had not been on the horizon for much of their careers, coming from typical middle class, service families. But the struggles they faced in ensuring an appropriate and affordable treatment in 2013, when their mother was diagnosed with cancer in Delhi prompted them to pause and reflect. They struggled to identify who the experts were and get appointments with them for her treatment. They also realized that the price of those expensive medicines, even while running into lacs of rupees, differed by over

¹ <https://www.financialexpress.com/industry/technology/the-flipkart-story-a-timeline-of-funding-from-2007-to-2017/595740/>

*Saveonmedicals.com is a site owned by ANN Pharma and Food solutions Private Limited.

This case was written by Professor Nimruji Jammulamadaka of the Indian Institute of Management Calcutta. The case was prepared solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation.

40% depending upon whom it was purchased from. This got them thinking about the plight of consumers who were not aware of sales and distribution systems or even medical industry, or of someone who was from out of town.

Their research told them that the price difference and access to medicines was indeed a genuine problem in many parts of the country and there was enough spread in the channel to enable them to make a decent profit. The growing interest in e-commerce across the country prompted them to consider entering the online pharmacy space. With their vision of helping consumers reduce their medical costs, the husband wife duo began working in earnest in 2015.