

Start-up

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Marriages are made in heaven then planned, organised and solemnised on earth – So far, this used to be the story we all grew up hearing. But that is gradually changing. The pain of planning and organising the entire wedding by oneself or through a traditional wedding planner who charge exorbitantly is now getting mitigated – Courtesy, a string of online wedding planning start-ups aiming to grab a share of around \$40-billion Indian wedding market.

► SANDEEP SONI

Annual Indian weddings:
Around 1 cr.

Annual luxury (including destination) weddings:
Around 10 lakh

Wedding invitation card market:
Above ₹15,000 cr.

Bridal Mehendi market in India*:
Around ₹ 8,000 cr.

Wedding apparel market:
Above ₹10,000 cr.

Annual budget (including five star) weddings:
Around ₹90 lakh

Indian wedding industry:
Around ₹2.5 lakh cr.

BAND,
BAAJA,
BARAAT,
**NOW
ONLINE**

workforce migrating from small towns to metros, hectic professional life, broadband access, tech-savvy youth, a desire to make wedding unique and memorable, and most importantly, the hassle of meeting different vendors and finalising everything, which is a six-eight-month-long process, or paying enormous amount to traditional wedding planners, have encouraged these entrepreneurs to become online wedding organisers.

“There are lots of people coming from small towns to work in metros. Those who are young and single over the time often find love there and want to get married in these cities instead of going to their hometowns. But they don’t have family or relatives to support them in planning and organising their weddings, this is where these start-ups come in. This is similar to property search market,” says Ashish Abrol, Founder and CEO, bigindianwedding.com. The start-up raised less than \$5 million in Series A round in January 2012 from undisclosed investors and is again looking for \$3-5 million in an extended Series A round.

Working in the US for nine years, Abrol took a clue from the Nasdaq-listed online wedding planning company, The Knot, to start an online wedding planning portal given the large young Indian demographic. “India has a large population and a young demographic. So obviously, wedding will be something that is going to happen. We all know wedding planning is a recession-proof sector given that India has a large young population. In India, vendors are main beneficiaries given the expenditure involved in weddings. This means they will be willing to spend on advertising and promoting

Matrimony portals like bharatmatrimony.com, shaadi.com and jeevansathi.com rode the first digital wave in the wedding industry. Now start-ups like Big Indian Wedding, 7Vachan, WeddingPlz, Indear, SayShaadi, Weddings9, MyShaadi, Shaadi-e-Khas and ShaadiMagic are gearing for the second one. These start-ups are tapping the largely unorganised wedding planning market, helping to-be wed couples connect with thousands of vendors depending on their budget across categories like banquet halls, hotels, caterers, photographers, priests, wedding planners and makeup artists.

The Great Indian Online Weddings

A rapid increase in factors like mobile

Login ►

CAGR:
25-30%

Average cost of Indian weddings:
₹ 5 lakh-
₹ 5 cr.

Pandal & venue decoration market*:
Around
₹15,000 cr.

their services. This led to the launch of bigindianwedding.com in 2010,” says Abrol. The start-up has vendors (out of which 1,000 are paid vendors) in 48 categories including comedians and bollywood singers with around 32,000 listings across 15 different cities in India and three cities in UAE (Dubai, Sharjah and Abu Dhabi).

“While intercity and destination weddings are on a rise, there are a lot of people that would prefer hometown weddings. In both the cases vendors can travel,” says Minnat Lalpuria Rao, Founder and Managing Director, 7Vachan, adding, “What is driving this segment is the people’s demand of having exclusive things in order to be different. They have the money but probably don’t know what is possible in their budget. So, awareness is the huge driver for industry that comes from the fact that it is very fragmented.”

Rao started 7Vachan in September 2012 focusing on venues and has more than 500 five star hotels, such as Taj, Leela and ITC, on its platform. Rao aims at bringing the convenience of having a professional help for those who don’t opt for a wedding planner. Traditionally, wedding planners have mostly been catering to only high-profile weddings or destination weddings.

“Wedding industry is very lucrative but unfortunately the only business around it has been of wedding planning and that too for weddings that are over a certain budget. Out of 10 million weddings happening in India annually, around one million are of high budget that will go to wedding planners, while around four million can’t afford a five star hotel. Still we have five million weddings, which is an addressable market,” adds Rao.

7Vachan has more than 5,000 vendors in India across 17 categories and does around 10 weddings every month. In September 2013, 7Vachan raised its seed funding from a bunch of angel investors for product development and will soon look for \$1 million round of funding.

“The average spend on weddings is huge, and it is no secret why

start-ups are eyeing this market. The low cost and phenomenal reach to the market is what drives them online. It is about leveraging platforms where people are searching for your services,” says Murugavel Janakiraman, Founder and CEO, BharatMatrimony that also runs wedding classified portal matrimonydirectory.com with over 50,000 listings. However, that differs



bigIndianwedding.com

Vendors: 32k

Categories: 48

Paid vendors: 1000

High potential categories:

photographers, wedding planners, makeup and beauty, wedding venues, catering and entertainment

Revenue model: subscription-based premium listings

CAGR: 60%

from an online wedding planning and organising start-ups.

“Apart from bharatmatrimony.com, shaadi.com is also planning to enter wedding classifieds but that would only be wedding vendor search portals. They don’t have the wedding planning tools like tracking your wedding budget, guest list, managing tasks on timely basis, sending wedding invites online and creating your free wedding websites,” says Manas Wadhwa, Co-founder and CEO, weddingplz.com. Started last year in January, weddingplz.com boasts of having the largest vendor database of 15,000 across 40 categories in Delhi/NCR and introducing 360° real virtual tours for banquet hall, caterers, spas, salons, etc. for the first time in the online wedding classifieds and planning segment.

“BharatMatrimony is a directory and a very mass market focused. It looks and feels different while we are a 100 per cent image-based

curated platform,” says Sanna Vohra, Founder and CEO, Indear. The platform allows users to search, save and share wedding ideas directly with vendors and brands.

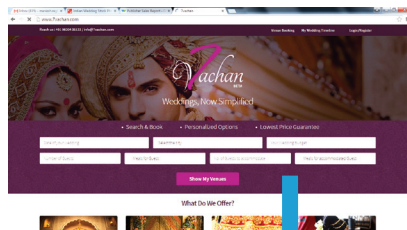
Extended Invitations?

Given the size and bandwidth of matrimony websites, it is easy for them to launch wedding planning platforms. But will they really eat up the share of these start-ups? “Matrimonydirectory.com is already the largest wedding classifieds portal seeing huge traffic and good conversions for our vendors. We see no reason to start an exclusive online wedding planning platform,” says Janakiraman.

“These start-ups provide highly personalised services. Matrimony websites could be great as a channel but will need to build a very different service-oriented business model and invest in getting the product-market fit right which is low in personalisation and cost,” says Akshay Randeva, an angel investor and Director, Strategic Development, Qatar Financial Centre Authority. Randeva along with other angel investors invested in his personal capacity in 7Vachan.

Moreover, traditional wedding planners existing offline are wary of putting the entire database and offerings online due to a possible lack of personalisation. On the other hand, these start-ups act as an aggregator and marketplace for customers and listed vendors that also include wedding planners.

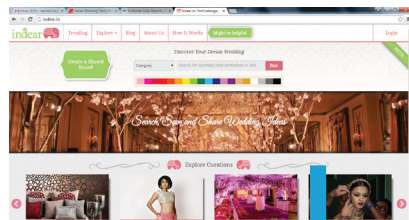
“We believe in bespoke weddings where you sit with clients, understand their requirements and discuss how you make weddings unique. We won’t be a wedding planner if we put everything online and customers directly contacting vendors. There will be no personal touch in that,” says Delhi-based Gunjal Bansal, Founder, L’amore Weddings. Specialised in destination weddings globally, L’amore Weddings only do 10 weddings in a year. “Wedding planning is purely an event management business. Running a wedding portal is completely



7Vachan.com
Vendors: 5000
Categories: 17
Paid clients: 262
Approx no. of weddings facilitated till date: 16 since week 4 Feb 2014 when it started services online
High potential categories: Venue, photography, shopping
Revenue model: Rs 11,000 as a membership fee from clients



weddingplz.com
Vendors: 15,000 (Delhi/ NCR), 12,000 (Mumbai)
Categories: 40
Paid vendors: 57
High potential categories: Banquets, saloons, caterers
Revenue model: Banner advertisements



indear.com
Vendors: 200+
Categories: 11
High potential categories: clothing, jewelry, gifts, trousseau, venues, decor

Source: Company, online reports



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Minnat Lalpuria Rao,
 Founder & MD, 7Vachan



“Banner advertisements are currently the only source of revenue for us. We will soon start working on lead generation model and going forward will do contract signing.”
Manas Wadhwa, Co-founder & CEO, weddingplz.com



“Wedding planning is purely an event management business. Running a wedding portal is completely different from us as we are a technology company.”
Sanna Vohra, Founder & CEO, Indear



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The Money Maker

There are a chunk of revenue streams for these online wedding planning and organising start-ups. Earning monthly subscription on banner spaces from vendors is the primary revenue model apart from lead generation models and charging from clients.

“We have a premium subscription-based model. We promote the vendor in a particular category starting from Rs 18,000 to Rs 1 lakh per year in terms of their visibility on the portal,” says Abrol. 7Vachan, on the other hand, charges Rs 11,000 as a membership fee from clients.

“Banner advertisements are currently the only source of revenue for us. We will soon start working on lead generation model and going forward will do contract signing, where when a client confirms a

vendor from us, we will pass that confirmed order to the vendor and charge a commission from 7-10 per cent,” says Wadhwa.

The deal margin may seem narrow but volumes tend to be quite high for these start-ups. For instance in banner ads, a start-up running 15 banners across 40 categories on its portal in five-six different zones per city make up for 3,600 banner slots in different cities to be sold every month. If the average price of a slot is Rs 5,000, then Rs 3 lakh monthly revenue from each city is a huge number.

Continued Celebrations

Most of these start-ups are eyeing rapid scale across the country tapping the semi-urban towns, bringing on-board vendors and increasing categories.

While WeddingPlz will be expanding to around six cities including Tier 1 and 2 cities in

coming 12 months, 7Vachan is aiming to cross 10,000-wedding mark in two years with strong brand recall amidst customers. Bigindianwedding.com too will be expanding to 20 cities with 60,000 vendors and adding 10 more categories by the end of 2015. Indear is also planning to add another 200 vendors from the current over 200 in the next three-four months.

Last month, Berlin-based incubator and investor in Internet start-ups Rocket Internet invested Series A funding in Bridestory, Indonesia's online wedding marketplace. Rocket Internet already has companies like Fab Furnish, Food Panda and Jabong in its India portfolio. This makes sense for Rocket Internet taking the Bridestory into countries like India where online wedding segment is growing. A possible foray of Bridestory into India will vindicate these start-ups' growth plans. ©SME