From the Editor’s Desk

Over the years we have been making a concerted effort towards providing our readers credible information, at the public policy level as well as at the firm level for SMEs to make informed decisions. Our focus through the years has been towards identifying markets, products, sectors where there is an opportunity for SMEs to grow. In this issue of the SME Observer, we explore the market opportunity that is Africa. Analysis of the region, followed by ways in which Pakistan’s SMEs can target the African market form a part of the article. Pakistan enjoys good diplomatic terms with countries like Algeria, Kenya, Sudan, Zimbabwe, South Africa, Tanzania, Namibia, Morocco, Libya, Egypt and Nigeria. Pakistan has resident missions in 15 African nations and under the “Look Africa Policy” of the government, Pakistan is quite passionate about growing its diplomatic strength by entering another six African countries by setting up diplomatic missions. On the other hand SMEs intending to cement their place in African market as exporters must be ready to plan for the long term. Transitioning into the market may take some time, but patience and having a plan will smoothen market entry.

Our Sector in Focus section looks at the opportunity that lies within the e-commerce segment. As of January 2021, about 27.5% of Pakistan’s population uses the internet, which corresponds to 61.34 million users. These numbers show a 21% growth as compared to the previous year. The growth in Internet users creates opportunities for businesses to target and reach a greater chunk of the Pakistani population for generating sales through the internet. With access to the internet quickly growing among the relatively young population of Pakistan, volume of e-commerce across most product categories such as fashion & beauty, electronics & physical media, food and personal care, furniture & appliances, toys & hobbies, digital music and video games is also growing exponentially.

In our special section on Entrepreneurship, top 5 micro level start-ups for 2021 are discussed at length. With persistent economic expansion, the idea of starting a business appears more enticing than ever. Apart from the apparent advantage of high earning potential, the perquisites of owning a business are manifold. The entire entrepreneurial process of overseeing every element of an enterprise from the minutest detail to the holistic organizational strategy provides ceaseless opportunities for personal development. Even for relatively experienced individuals, many activities involved in establishing an enterprise will employ experiential learning or “learning while doing”. Additionally, working for yourself is accompanied by freedom of choice while deciding the strategic direction of the enterprise along with infinite possibilities for organizational growth.

Lastly, Lahore on Rails section highlights the benefits of “Email Marketing – Mailchimp” as a tool for SMEs to benefit from.

We hope that our readers will find the articles of this publication useful. We welcome suggestions on making the SME Observer a leading publication and information source on the SME sector in Pakistan.

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In this Issue

Market in Focus: Future is African ........................................... 2
Sector in Focus: Embracing e-commerce ........................................ 8
Entrepreneurship: Top Five Micro Level Start-ups for 2021 ............ 14
Lahore on Rails: Email Marketing – Mailchimp ........................... 17

Turn Potential into Profit!
Small & Medium Enterprises Development Authority
Ministry of Industries & Production
Government of Pakistan
Market in Focus

Future is African

Ali Ishtiaq

Why Africa?

For most of the SMEs, who are interested in exports, Africa would be the last region to come to mind when thinking about which markets to be targeted in future. This is because we normally tend to have a vision of Africa of some sort of conglomeration of nations still living at the peripheries of civilization, offering marginal profits at best to any business. However, reality is far from this impression, as Africa is collectively as well as aggressively opening up to global markets. This can be gauged through the following facts:

- Africa is home to majority of the top ten fastest growing countries in the world, thus rightly called as the “Continent of the Future”.¹
- The IMF favorably views the economic growth of sub-Saharan Africa in the near future.²
- Africa is also called Youngest Continent as 60% of its population is under the age of 25, hence, can be a good market for goods that can be targeted to this age cohort.³
- The World Bank believes that most African countries will reach “middle income” (at least US$1,000 per person a year) by 2025 if current growth rates continue.⁴

¹ https://www.weforum.org/agenda/2019/08/afcfta-proof-that-africa-heading-for-substantial-growth/
³ https://www.citiesalliance.org/newsroom/news/cities-alliance-news/%C2%A0burgeoning-africa-youth-population-potential-or-challenge%C2%A0
⁴ https://blogs.worldbank.org/africacan/africas-mics

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• Consumer spending across the continent amounted to $1.4 trillion in 2015 and it is projected to reach $2.1 trillion in 2025\(^5\). This is due to the placement of strong structural fundamentals that drive the consumer opportunity such as: a young growing population, rapid urbanization, rising incomes, and wide spread technology adoption.

• China and India are the two important economies that are increasing their trade with Africa and that is considerable proof for Pakistani SMEs to measure the importance of this region in the near future.

Besides above, Pakistan enjoys good diplomatic terms with countries like Algeria, Kenya, Sudan, Zimbabwe, South Africa, Tanzania, Namibia, Morocco, Libya, Egypt and Nigeria. Pakistan has resident missions in 15 African nations and under the “Look Africa Policy” of the Government, Pakistan is quite passionate about growing its diplomatic strength by entering another six African countries by setting up diplomatic missions. These countries include: Djibouti, Angola, Rwanda, Uganda, Ghana, and Ivory Coast. This indicates the commitment of the government to support and facilitate local businesses to reach out to the African Market. Pakistan’s government is keen to make exports easier for SMEs in these regions which is something that should be capitalized upon by the entrepreneurs.

**Key Sectors to Target**

Trade volume between Pakistan and Africa has increased to $4.6 billion in years 2018 – 2019\(^6\) which means that there is an enormous potential for the SMEs to benefit from bilateral relations. As Africa is a big continent with ample need for products and services from other countries, the key issue for SMEs is to identify which sectors to look for with regards to the comparative advantage of Pakistan. The table\(^7\) below shows industry classification of the potential for Pakistan’s exports to Africa in the past with regards to top 10 exporting products:

<table>
<thead>
<tr>
<th>Product code</th>
<th>Product label</th>
<th>Pakistan’s exports to Africa (US$ ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Value in 2018</td>
</tr>
<tr>
<td>TOTAL</td>
<td>All products</td>
<td>1,503,051</td>
</tr>
<tr>
<td>1</td>
<td>Cereals</td>
<td>653,706</td>
</tr>
<tr>
<td>2</td>
<td>Other made-up textile articles; sets; worn clothing and worn textile articles; rags</td>
<td>77,941</td>
</tr>
<tr>
<td>3</td>
<td>Cotton</td>
<td>199,454</td>
</tr>
<tr>
<td>4</td>
<td>Salt; sulphur; earths and stone; plastering materials, lime and cement</td>
<td>55,033</td>
</tr>
<tr>
<td>5</td>
<td>Man-made staple fibres</td>
<td>47,322</td>
</tr>
<tr>
<td>6</td>
<td>Pharmaceutical products</td>
<td>29,623</td>
</tr>
<tr>
<td>7</td>
<td>Beverages, spirits and vinegar</td>
<td>39,688</td>
</tr>
<tr>
<td>8</td>
<td>Vehicles other than railway or tramway rolling stock, and parts and accessories thereof</td>
<td>13,523</td>
</tr>
<tr>
<td>9</td>
<td>Articles of apparel and clothing accessories, not knitted or crocheted</td>
<td>15,801</td>
</tr>
<tr>
<td>10</td>
<td>Articles of apparel and clothing accessories, knitted or crocheted</td>
<td>17,005</td>
</tr>
</tbody>
</table>


\(^7\) [ITC Trade Map](https://www.itctrade.com)
The above table shows that the total export volume in the last 3 years marginally declined, however, this may be attributable to COVID-19 impact, especially with regards to international transportation of products. Hopefully this scenario will change as the disease gradually fades away and things move back to the way they were, pre-COVID-19.

There are wide range of products that can be exported to Africa but for the sake of brevity we have picked the top ten products that Pakistan has been exporting to the region for the last few years. This provides fair enough data to assess the comparative advantage of Pakistan. However, it is important to determine what sort of competition the exporter will face internationally, especially, in comparison to neighboring giants like India and China with relation to the above product categories. An analysis of 3 products namely: Cereal, Made-up Textile Articles, and Pharma; from the top ten products is presented with regional competitors.

Cereals

<table>
<thead>
<tr>
<th>World Ranking</th>
<th>Exporters</th>
<th>Imported value in 2019 (US$ '000)</th>
<th>Imported value in 2020 (US$ '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>India</td>
<td>1,669,432</td>
<td>2,577,529</td>
</tr>
<tr>
<td>11</td>
<td>Pakistan</td>
<td>773,033</td>
<td>680,340</td>
</tr>
<tr>
<td>17</td>
<td>China</td>
<td>647,487</td>
<td>401,158</td>
</tr>
</tbody>
</table>

With regards to Cereals, the above table depicts that India is in number 2 position, Pakistan is in number 11 position and China is in number 17 position. It is worth noting that both Pakistan and China have lost some of their market share between 2019 – 2020 whereas India has considerably raised its share of the market from $1.66 billion to $2.57 billion that signifies more and more importers are shifting towards Indian cereals.

Other made-up textiles articles; worn clothing and worn textiles articles; rags

<table>
<thead>
<tr>
<th>World Ranking</th>
<th>Exporters</th>
<th>Imported value in 2019 (US$ '000)</th>
<th>Imported value in 2020 (US$ '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>China</td>
<td>1,136,127</td>
<td>2,110,478</td>
</tr>
<tr>
<td>2</td>
<td>India</td>
<td>283,399</td>
<td>272,314</td>
</tr>
<tr>
<td>3</td>
<td>Pakistan</td>
<td>161,467</td>
<td>204,127</td>
</tr>
</tbody>
</table>

Although Pakistan is in third position, however it is close to India and its exports are rising in this category. As the market share of India has decreased in recent years, Pakistani exporters can grab this opportunity if they can compete with Chinese exporters to some extent. In order to do so, Chinese export models, besides lowering prices through economies of scale may be studied to gain greater insight.

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8 ITC Trade Map
9 ITC Trade Map
Pharmaceuticals

<table>
<thead>
<tr>
<th>World Ranking</th>
<th>Exporters</th>
<th>Imported value in 2019 (US$ '000)</th>
<th>Imported value in 2020 (US$ '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India</td>
<td>3,212,048</td>
<td>3,715,396</td>
</tr>
<tr>
<td>8</td>
<td>China</td>
<td>734,351</td>
<td>892,584</td>
</tr>
<tr>
<td>30</td>
<td>Pakistan</td>
<td>32,264</td>
<td>42,802</td>
</tr>
</tbody>
</table>

India is clearly way ahead in this category, ranked number 1 in its pharmaceutical exports to Africa. The good thing for Pakistan is that its overall export in the pharma has increased from $32 million to almost $43 million meaning that we are on a right track. The building of large number of national laboratories along with bringing an end to long-drawn-out process to codify the rules applicable to clinical trials, are some of the steps that Indian government has taken to boost its pharma industry that could be imitated by the Pakistani government to encourage its own pharma manufacturers. On the other hand, SME exporters have to learn strategies implemented by their Indian counterparts that have made them so successful in African region.

The Challenges

As Africa is an amalgamation of many countries, it is best for the exporter to target a single region at a time, in order not to overwhelm oneself as well as to remain focused. Pakistan’s top exports destinations in Africa include: Kenya, South Africa, Madagascar, Tanzania, Egypt and Nigeria. Kenya has been identified as a potential export destination within the African continent for the purpose of analysis.

Kenya’s economy contracted 1.1 percent in the third quarter of 2020 following a downwardly revised 5.5 percent plunge in the previous period due to prolonged Covid-19 situation, meaning thereby that consumer spending would be going down hence it would be difficult for the international trader to find enthusiastic buyers.

![Graph showing economic data](source: tradingeconomics.com | Kenya National Bureau of Statistics)

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10 ITC Trade Map
Due to the recent implementation of ‘Buy Kenya, Build Kenya’ policy of the government there is generally an environment of aversion from imported products that could make it difficult for the exporters to lure public towards their products. There are non-tariff barriers that include multiple customs documentation requirements, lengthy registration and certification of goods processes prior to importation, existence of multiple agencies at the port, cumbersome formalities and procedures, etc. on top of that data on non-tariff barriers is also not available for most of the products. A rapidly changing government as well as inconsistent government policies serves as a major factor for creating an unpredictable economic environment that could hamper the cause of the exporters bitterly. More than 22 importation documents required for the clearance of the imported products.

Recommendations

There is an enormous potential for Pakistan and Africa to enhance their trade-friendly environment. However, in order to fully achieve the fruits of this opportunity following measures at both entrepreneurial as well as governmental level will fast track trade enhancement:

**Measures to be taken by SMEs:**

i. SMEs intending to cement their place in African market as exporters must be ready to plan for the long term. Transitioning into the market may take some time, but patience and having a plan will smoothen market entry. Following measures can strengthen their foothold:
   - The exporter should be well aware of the major regulations governing imports to African countries. Once again, for brevity sake, if we choose Kenya as our first destination then following are the major regulations governing exports to Kenya or East African countries:
     * The National Trade Policy of Kenya-2017
     * The Customs and Excise Act Revised 2010
     * East African Community Customs Management Act (EACCMA)-2004
     * East African Community-Common External Tariff (EAC-CET)-Revised-2017
     * Value Added Tax Act-2013
     * Excise Duty Act-2014
     * Miscellaneous Fee and Levies Act-2016
     * Tax Appeals Tribunal Act-2013

ii. It is also imperative for the exporter to know customs procedural requirement of the destination country. Hence, for a country like Kenya, information regarding duties and taxes can be acquired from the Custom and Border Control Department (CBCD) of the Kenya Revenue Authority (KRA) that is the main department responsible for collecting and executing of import duties and taxes.

iii. In order to succeed the exporter has to be careful and selective about the market. Instead of targeting several countries at the same time, it is better to target rapidly growing cities or cluster of cities, like, urban localities where per capita income and consumption outstrips the national average. Besides choosing the high-potential city, getting the timing right is another important element to consider. Successful entrepreneurs develop realistic models with regards to readiness of the markets for particular product categories.

iv. SME exporters should attempt to realize local needs and predilections to adopt products to cater to the market needs. Buying behaviors and preferences should be duly noted and calculated for effective marketing. Moreover, implementing a brand-pack-price architecture that encompasses all the various levels in a market ranging from low end to premium may be adopted.

v. It is important to develop strong relationships with carefully selected trade partners. It is important to select trade partners that have ample scale as recent or smaller traders find it difficult to retain cash flow, hence, may not survive in the long term.
Measures to be taken by the Government:

i. The Government of Pakistan’s focus has shifted heavily towards Africa; the launch of “Look Africa Initiative” is a testament to that. Practical steps need to be taken to dedicate considerable resources towards the development of bilateral and regional trade agreements in order to level the field for Pakistani entrepreneurs against their competitors.

ii. Africa is largely deficient in terms of agricultural production, which highlights the trade opportunity in agriculture sector for countries like Pakistan.

iii. CPEC can also play crucial role by creating a transit to African countries thereby enhancing trade.

iv. Government can also look for commonalities of trade thus, wherever possible, try to work out a barter system that will mutually benefit both trading partners. For example, the inclusion of Morocco in CPEC may open a new window of opportunities.

v. For any international business to prosper there should be a healthy cultural exchange between trading countries and this can be done by enhancing the common sports between two regions like cricket. Private cricket leagues can be formed that result not only in cultural exchange but creates a great demand for sports goods between both countries.

vi. An international payment gateway is urgently needed to turn all the above possibilities into actualities for without a hazard free international payment system it would be difficult for the government to motivate SMEs on mass scale to look towards Africa.

vii. Government may also organize various trade expos within the country where buyers from Africa may be invited to examine the products they are interested in physically and have face to face interaction with the sellers. Likewise, they may identify similar trade fairs in African country where Pakistani sellers can go and interact with their African counterparts. In order for this to happen government must pursue a rigorous policy for creating bilateral trading agreement, specially, Preferential Trade Agreement (PTAs) and Free Trade Agreement (FTAs) with as many African countries as possible.
The internet has become an integral part of modern life the world over. As more and more people became connected to the World Wide Web, opportunities for trade and commerce multiplied providing huge prospects for businesses and entrepreneurs. Electronic commerce (e-commerce) or Internet commerce refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions.

Although e-commerce has its own advantages and disadvantages when engaged exclusively, adding ecommerce alternatives to an already existing business can increase the reach and customer base with minimal additional overheads.

With appearance of Covid-19 and the subsequent restrictions and lockdowns that were imposed worldwide to prevent spread of the pandemic, many businesses were forced to evaluate their operations and working mechanisms. Traditional brick and mortar businesses were impacted the hardest by Covid-19 related restrictions. Many were forced to move some or all of their operations online in order to survive. On the other end of the spectrum, most e-commerce businesses have been consistently profitable and growing despite pandemic related restrictions.

The world had been moving towards greater connectivity and better internet access even before the pandemic, but advent of Covid-19 accelerated this move towards internet being a primary medium for doing business. Successful businesses have renewed their focus towards ecommerce and many have reaped the resulting benefits.

It is not enough to simply move towards or adopt e-commerce; businesses need to pay attention to the type of consumer experience they wish to offer. Retailers, for example, should aim to build a shopping experience focused towards building deep, ongoing and enriching relationships with their customers. Marketers are addressing the shift to e-commerce in a number of different ways as illustrated in the following figure:

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1 Source: https://www.shopify.com/encyclopedia/what-is-ecommerce

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Pakistan’s E-Commerce Outlook

More than ninety-nine percent of all businesses in Pakistan are categorized as small and medium enterprises, most of which are small and micro scale businesses. Smaller businesses typically have constraints involving reach, location, resources and market share etc. which can be significantly mitigated by leveraging e-commerce.

As of January 2021, about 27.5% of Pakistan’s population uses the internet, which corresponds to 61.34 million users. These numbers show a 21% growth as compared to the previous year\(^3\). The growth in Internet users creates opportunities for businesses to target and reach a greater chunk of the Pakistani population for generating sales through the internet.

With access to the internet quickly growing among the relatively young population of Pakistan, volume of e-commerce across most product categories such as fashion & beauty, electronics & physical media, food and personal care, furniture & appliances, toys & hobbies, digital music and video games is also growing exponentially as indicated in the following illustration:

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\(^3\) [https://datareportal.com/reports/digital-2021-pakistan]
However, due to Covid-19 related disruptions and restrictions there has been significant decline in sales of service providing businesses especially related to travel, mobility and transportation as shown above. Online purchases of consumer goods in Pakistan have grown significantly over the last few years and the trend seems to be accelerating with an 83.5% growth observed last year. Pandemic related caution and restrictions have likely contributed to such high growth rates in this segment, with people avoiding supermarkets and other crowded areas and preferring to order online. Total value of the consumer goods e-commerce market in Pakistan was US$3.9 billion last year as indicated in the following illustration;
Considering that only 27.5% of Pakistanis currently use the internet, the above figures seem quite promising for sellers of consumer goods looking to sell through the internet.

It has not been smooth sailing for all e-commerce businesses though. As mentioned before, service providers especially from the travel, mobility and transportation industries have suffered severely due to Covid-19. The declining business volume and sales from these businesses are reflected in their e-commerce performance, as can be observed by looking at the performance of online taxi and ride hailing services market in Pakistan in the last year:

Before Covid-19 online taxi and ride hailing services market in Pakistan was booming, with companies like Uber, Careem, Swvl and Airlift expanding their market penetration and reach rapidly. However, as shown in the illustration above this sector is still suffering from significant contraction with 45.7% decline in the value of the market as compared to the previous year.

The size of e-commerce market in Pakistan has steadily grown over the years and with more and more people opting for online purchases. The following illustration from Datareportal.com indicates money spent in Pakistan through e-commerce in some key categories, as illustrated in the following figure;
It can be observed from the above figure that the most e-commerce business volume in Pakistan comes from the fashion & beauty segment with annual value of $2.75 billion.

Fashion is the largest e-commerce segment in Pakistan and accounts for majority of the e-commerce revenue generated in Pakistan. The top players in the Pakistani e-commerce market are gulahmedshop.com, with a revenue of US$62 million in 2020, followed by khaadi.com with US$51 million revenue and limelight.pk with US$36 million revenue.

**The Way Forward**

The general growth and profitability observed in most e-commerce and internet based businesses despite pandemic related disruptions and restrictions, can be taken as an indication of the direction the world economy appears to be headed. To fully capitalize on opportunities available through e-commerce in a post Covid-19 world, Pakistan’s government and policy makers should devise a simple and rational e-commerce policy which entrepreneurs can easily understand and also the enforcers can easily enforce.

It is crucial that any taxation or regulations applied are focused towards fostering rapid growth in the industry, and also on ensuring fair competition and localization / indigenization. The government should be focused towards long-term benefits when devising regulations and taxation for the e-commerce sector. Once volume of trade grows and the industry is more mature even minimal taxes will return comparatively greater overall yields. If Pakistani e-commerce businesses are backed by a holistic and supportive regulatory ecosystem, it can be expected that, as they become successful and grow / scale up they are likely to invest in and develop key supportive sectors like logistics and warehousing etc. which would result in indirect economic development and employment generation.

Furthermore, while the arrival of global giants like Amazon, is a very welcome sign for our economy, local businesses should be assisted to compete and endure within the same marketplace so that healthy competition

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4 https://ecommercedb.com/en/markets/pk/all
and opportunities for new entrants are not restricted.

A certain level of trust is needed when trading online, however unfortunately in Pakistan there is very little trust on the sides of both consumers and sellers due to lack of market maturity and incomplete / inefficient regulatory framework dealing with e-commerce. This has turned into a major drawback that customers and even businesses face with e-commerce in Pakistan. The government in collaboration with e-commerce businesses and with feedback from end-users/consumers should update/ introduce regulations for discouraging fraudulent practices and minimizing risks involved with e-commerce transactions for both the sellers and purchasers.
Pakistan’s economy is in its nascent stages of development. By 2026, it is projected to be one of the fastest growing economies in Asia. With a population of approximately 200 million and an expanding middle class, consumer spending is expected to surge. The existence of unfulfilled demand makes the Pakistani market a promising landscape for new business start-ups in various sectors. Prevailing economic trends may act as a stimulant for entrepreneurial activity in the country.

With persistent economic expansion, the idea of starting a business appears more enticing than ever. Apart from the apparent advantage of high earning potential, the perquisites of owning a business are manifold. The entire


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entrepreneurial process of overseeing every element of an enterprise from the minutest detail to the holistic organizational strategy provides ceaseless opportunities for personal development. Even for relatively experienced individuals, many activities involved in establishing an enterprise will employ experiential learning or “learning while doing”. Additionally, working for yourself is accompanied by freedom of choice while deciding the strategic direction of the enterprise along with infinite possibilities for organizational growth.

However, there are many impediments in the path to start a business. Financial requirements are often one of the prime factors that hinder start-ups. It can be inferred that many high-potential business opportunities are not realized by the masses due to huge capital requirements and lack of accessibility to finance. As an alternative, there are still many high-demand business opportunities which require low capital investments. Some of the businesses that are trending worldwide and require an investment of less than one million are discussed in this article.

1. Import and Export Brokerage

Global Trade is a specialized activity requiring multifarious steps and procedures that are heavily regulated. Many businesses, especially small and medium enterprises do not have the resources or expertise to carry out all of these processes. Thus, there exists a demand for companies that can carry out some of these processes for them.

Import and export brokerage companies undertake trade and related activities for other businesses. These companies may engage in a gamut of activities including compliance, document handling, classification of goods, coordination, taxes and tariff evaluations, handling clearances processes, cargo coordination and insurance. The enterprise can also potentially venture into complementary activities including, finding global customers for local companies, global marketing of products and services and ensuring quality specifications etc.

Profit margins for an import and export brokerage can be significantly high, whereas, the capital investment requirement is relatively small. However, launching such an agency requires relevant skills and a good working knowledge of all pertinent trade processes.

In Pakistan, there is substantial potential for trade development, especially, for SMEs who lack relevant information and resources to engage in such activities on their own. In addition, there is considerable demand for international products that are not readily available in the domestic market. Thus, there exists sizeable potential for an import and export business in the market.

2. Digital Marketing Agency

Marketing is an indispensable part of present-day companies. The ubiquity of digital media has led most companies to engage in a myriad of digital marketing activities. However, many firms do not prefer to carry out these activities internally due to several factors such as lack of resources and specialization. There exists a need for agencies that allow outsourcing the compendium of activities in realms of digital marketing and advertising.

Digital marketing companies are paid to manage key marketing activities for other businesses. These may include social media management, social media advertising, brand consultation, content marketing, e-mail advertisement, Search Engine Optimization (SEO) and online advertising. Other related services or niche segments may also be explored as there are a multitude of activities under the umbrella of digital marketing.

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2 https://www.aacb.com/customs-brokerage-process-tips/
3 Import-Export Brokerage Service [http://www.transmannaintl.com]
Starting a digital marketing agency requires some expertise in the field of marketing. These skills can be readily acquired by an entrepreneur lacking an appropriate background, ergo making it possible for anyone to start this business. As characteristic of the service industry, the investment required for this start-up is significantly small due to low capital expenditure. Another benefit of such an enterprise is flexibility of the organizational structure, which can range from a solo entrepreneur to a team of employees catering to multiple customers. In addition, with an ever-increasing diffusion of technology, a rise in demand for these services is foreseeable.

3. Content Creation Company

Content creation is a prevalent need of businesses as majority of the companies today use content marketing.\(^5\) The burgeoning gig economy and proliferation of digital media has emphasized the need for maintaining a constant online presence. While giving attention to primary business processes, many companies cannot devote resources to generate a regular stream of content to retain customer engagement and thus may hire external agencies for the purpose.

Professional content writing services primarily involve generating written or visual content for a defined audience.\(^6\) These services are needed for numerous purposes in all kinds of industries. Thus, a content creation start-up can choose their segment from a pool of viable options. Niche industries whose market has not yet been captured can also be targeted. Moreover, many such companies also extend their services into similar areas such as ghost writing and content strategy consultation. SEO is often used with content writing to enhance the reach of information and augment the services of a content creation company.

The expertise required for starting a content creation agency is typically limited to good writing skills and possibly, some knowledge of SEO. This business does not require a high capital investment. In contrast, it can easily be launched at home by hiring freelance employees to save costs. Supplementary expenditures to expand the business can be borne as the business evolves. Major expenses may be concentrated on marketing and networking activities to attract customers.

4. Event Planning Services

Event planning has become a booming industry, with a global 10% annual growth rate. It is projected to become a US $8.5 billion industry worldwide by 2023.\(^7\) The effects of this global trend have been observed in the Pakistani market where the number of event planning businesses have increased considerably over the years due to high demand.

The ability to launch an event planning business is not confined to individuals with a special educational background. Instead, anyone can become an event planner by correctly identifying and serving an appropriate market segment. The only inputs are a small investment, an aesthetic sense, detail-orientation and a knack for planning parties. In addition, once the business is in operation, establishing connections with vendors and supply-chain partners becomes a pivotal activity as the choice of suppliers can significantly impact profits.

Event planning encapsulates everything from planning corporate events to birthday parties, weddings, anniversaries etc. There are multifarious event planning companies that operate under different scales of business activity. An entrepreneur can start small by catering to small events from a home-based setup or choose to organize large events for corporations according to preference and resource availability. Consequently, this start-up provides flexibility in designing the enterprise structure, in addition to a high earning potential.

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6. The Ultimate Guide to Content Creation[https://blog.hubspot.com/]
5. Custom Printing Services

Starting a printing business is intrinsically, a good idea because it tends to always be “in-demand”. A printing business can be set up from a range of alternatives. Corporate printing, screen printing, paper-based printing, custom printing on mugs, phone cases, t-shirts printing, cards and laptop covers are some of the options that come within the fabric of the printing industry.

Additionally, new trends in the industry such as 3D printing may also be explored. 3D printing has recently gained popularity around the globe and revenues from this business model are especially high. By investing in a 3D printer, custom models can be created and sold to customers on demand.

Custom printing businesses do not necessarily require high investments. The prime capital investments entail the purchase of printing equipment. Other expenses based on the intended scale of operation may include renting a location. However, a purely online selling model can be adopted where locational expenses can be limited by using personal property, orders from customers can be received online and delivery can be facilitated by hiring third party logistic services. Other setup options may include identifying and serving a specific target audience by locating the business in proximity to clients. Similarly, a model for serving large corporate customers can be opted which can involve bulk printing on promotional items such as pens, t-shirts and notebooks. Consequently, there are a plethora of opportunities that can utilized while starting a custom printing business.

Conclusion

Prior to commencing any start-up activity, it is imperative to do some preliminary work. The first step is to develop key skills the enterprise necessitates. Many skills today can be expediently acquired online. Even with a relevant background and some passable knowledge, it might be pragmatic for the entrepreneur to attend a few seminars or short courses to remain informed on latest practices in the field.

The second step is to formulate a business plan. A business plan involves extensive market research, feasibility of the business for the intended location and an outline for all future functional activities. With detailed knowledge about the industry, a start-up can correctly identify the audience it wants to target and what products or services to offer. A systematic approach instead of a haphazard one may improve probabilities of success as decision-making will be grounded in facts rather than personal judgments.

It is pertinent to understand that starting small is perfectly acceptable. Success may not necessarily be commensurate with the size of investment. Many successful companies today, initially started from a home-based setup and have grown eminently since. Once an enterprise progresses, more focus can be shifted towards expansion and sustainable business development.

Social media has provided ample opportunities for small businesses and home-based start-ups. It can ease effective identification and targeting of the audience, and help build connections with both customers and prospective business partners. Many small businesses operate solely through social media channels where orders are received through online platforms such as Instagram, Facebook and WhatsApp, and subsequently delivered by third party logistic companies. It is also a great medium for displaying the company’s portfolio, products and reviews, in order to appeal to new customers. The emergence of these platforms has also engendered effective and low cost ways of advertising that can be valuable to small businesses.

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9 https://makeinbusiness.com/10-small-printing-business-ideas-that-you-can-start-today/
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12 https://www.thebalancesmb.com/best-small-businesses-opportunities-4111809
Lahore on Rails

This segment ‘Lahore on Rails’ is basically inspired from ‘Madrid on Rails’ adapted from a famous open source web application framework, ‘Ruby on Rails’; a project initiated by the City Council of Madrid to motivate SMEs to use open source technologies.

Email Marketing – Mailchimp

Irfan Raza Naqvi*

An oft-quoted quip — presumably from a famous copywriter — is “I could lose my business tomorrow but as long as I had my email list, I’d be fine”. An engaged email list is one of the most valuable assets a marketing team can have, but you will need a reliable tool to store the list, send messages, and track engagement.

Mailchimp

MailChimp is a fully-featured email marketing tool for everyone from solopreneurs and freelancers to SMBs and enterprises. It features free marketing automation, templates, reporting, and sign-up forms for 2,000 users and 12,000 monthly emails, for free.

Why Mailchimp?

MailChimp offers automated email workflows for free, which is a rare feature amongst email providers. It is one of the most fully featured free platforms that provides professional email tools to build and grow your business.

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Disclaimer

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