

Dilemma of a Campus Company : Baker's Best "Spreading Happiness"

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Abstract

In the present scenario when start-ups are getting many facilities from the Indian government, it is better to promote the entrepreneurial environment in college itself. There are many campus companies running in good B-Schools and top engineering colleges where students are getting hands on experience of running a campus company. In this case, we made an attempt to understand the dilemmas of a campus company, where campus companies face the challenges of change in ownership and the challenge of scaling up a business.

Keywords: Business, campus company, entrepreneurship, management education, scaling up

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This case is based on the two entrepreneurs cum students, Shaneel Patodi and Apeksha Malviya who started their campus company "Baker's Best" to sell bakery products in the campus. The case was developed by two faculty members Dr. Priti Bakhshi, who is faculty in the area of Finance and Entrepreneurship and Dr. Jagdish Bhagwat, who is faculty in the area of Operations and Marketing.

This case study is about a journey from B-school students to college entrepreneurs by the name "Baker's Best". Shaneel Patodi and Apeksha Malviya are the founders of Bakers'sBest, a campus company and the first company of their career which is a step towards entrepreneurship in future.

Need for a Campus Company for Bakery Products

Shaneel and Apeksha found a missing link in their campus. The need of accessibility to happiness, happiness through cakes, and pastries on a special occasion in someone's life like a birthday, which was special for everyone but incomplete without a cake. As the campus is 20 km away from the city, it is very difficult for students to go to the city for purchasing a cake. Therefore, they sometimes celebrated birthdays without a cake. As no proper logistic is available, they can't even order it and they found this as an opportunity to build their business. They contacted a few bakery shops of the city and gave a proposal to the college. They sought approval for bringing bakery products from the city to the college and for selling them at a very reasonable profit. After receiving approval from the college, they started their business. Now, they are engaged in trading with bakery owners for delivering cakes in a very short span of time after an order is placed.

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Negotiating and Working on the Bottom Line

They negotiated terms on price with the bakeries to offer the product below the market price, so profit can be made after selling it.

Managing the Logistics

They tried to collaborate all possible means of shipping by involving college transportation, public transportation, and their personal transportation by allocating it efficiently. Now the learning from classroom plays a major role here to understand how to use resources at an optimum level.

Working on Customer Satisfaction and Retention

As it is well said, "Nothing comes easy", Shaneel and Apeksha grappled with problems in the initial days but without losing hope. Their next focus was customer satisfaction so that they could build trust and satisfy customer needs and demands which were the core values of their business. As every business must have strong pillars to stand on for a long run, the founders set three pillars of their business. These were quality, hygiene, and delivering the products on time as promised. Initially, they nurtured these with their hard work and established the core value. That is the time they won the hearts of their customers.

As marketers say, "Nothing goes up without promotion!" What could be the best way other than digital media to promote? The founders came up with their own Facebook page with the name "Bakes Best". They started capturing special movements of customers, sharing these on the Facebook page to mark special greetings to them. Here, we conveyed a message to our customer that *'they are special to us'*, which helped in creating a strong bond between us and my customers. Gradually, their Facebook page gained popularity. At this time, they followed one of the renowned strategies, "one arrow two bows," where they were promoting their products as well as gaining customer delight.

Every kid starts with a single step and a day comes when he covers miles. This is exactly what happened with Shaneel and Apeksha. The institute also started placing orders to Bakers Best for all the events like 'Jaiutsav' - the college annual fest, freshers party, and many more. There was celebration in the faculty wing, where mentees showed love and respect towards their mentors with a cake on their birthdays, teachers day, and the most awaited moment, a good news of someone's mentee getting placed.

The new generation has its own nightlife in Jaipuria. As it is a completely residential campus, students have their own nightlife. They usually have assignments, projects, presentations, self-studies, and gossips, but how it would be if you have something more to accompany you and your stomach. Something tasty and also delightful. This was the stage of expansion. Shaneel and Apeksha introduced new products like cookies, mathri, chakli, flavoured khakhra, naankhatai, and many more. This step helped them serve many students in the campus.

As the tenure of PGDM program was very close to coming to an end, the founders decided to hand over the ownership to the junior batch with a hope in their heart that they would take this campus company to the next level and reach new heights of success.

Initially this journey seemed to be very difficult, but it came with lots of learning such as managing relations, resources, time, as well as demands. All this could not have been possible without the timely feedback given by customers, friends, faculty members, suppliers and the founders' own findings. After implementing corrections required and working on feedback, what came up was the best of Bakers Best.

Looking back at this journey, Shaneel and Apeksha can say that the time and energy invested paid back in terms of learning for their coming lives with a determination to be successful entrepreneurs in future.

"Success can be guaranteed by hard work and firm determination"

Questions:

1. In case of campus company, there is generally no growth option, so what should be done in order to sustain and keep the campus company profitable?
2. Is it necessary to have an entrepreneurship background to start a campus company? Discuss.
3. In the case of campus company, the ownership as well as customer base also changes over years. In this situation, suggest a strategy to harvest efficiently.

Teaching Notes

Before starting the case, a trainer/professor should discuss the following:

Campus company is an enterprise operated by students within an academic institution with the objective of establishing a real life business. Students of a campus company are mentored by faculty members and entrepreneurs.

Benefits of Campus Company

Students gain expertise, knowledge, skills, and practical experience in starting and running a company.

- ❖ Students can practice setting up a venture with limited risks in a protected environment.
- ❖ Confidence levels of students increases, and this often leads to many of them starting independent ventures themselves soon after graduation.
- ❖ Educational institutes are able to create a highly effective and experiential pedagogy on their campuses that supports entrepreneurship.
- ❖ Faculty members keep abreast of what is happening in the world of entrepreneurship since industry interaction is integrated into classroom learning platforms.

Learning for Students

Maximizing learning through reviewing, refining, and reporting progress periodically is the goal. The prime benefit of starting and managing a campus company is the learning that students undergo through the entire experience. Student teams involved in creating and running a campus company will be able to understand various aspects related to venture creation, including:

- ❖ Shaping a business model – what to deliver, for whom and how (Wadhvani Foundation, n.d.)
- ❖ Developing and implementing a business plan
- ❖ Raising and managing money
- ❖ Building a team
- ❖ Garnering, leveraging and managing resources
- ❖ Understanding market dynamics and responding to the market - acquiring and retaining customers
- ❖ Identifying new product lines, increasing customer base, managing sales and distribution
- ❖ Handling operations on a day-to-day basis
- ❖ Iterating the business model to sustain venture growth challenges

A trainer should first discuss about campus company, how it benefits students in getting intrapreneurial and entrepreneurial experience to lead in future and then facilitate the class to discuss the following:

(1) Pros and cons of a campus company

Campus company can help students gain professional experience before joining or facing the practical world. At the same time, it may sometime distract students from their studies.

(2) Strategies for growth in campus company

Growth is potential to generate larger profits, expand workforce, and increase production. However, in the case of campus company, the number of customers are limited. Therefore, growth is not necessary through volumes. It is also possible through increase in product range.

(3) Background for campus company

Passion to be an entrepreneur is more important than the background.

(4) Pros and cons of profit sharing

In case of a campus company, generally the company is handed over by seniors to juniors on different terms and conditions depending upon the current status of the company. Negotiation plays an important role for juniors to keep it sustainable in future.

References

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About the Authors

Dr. Priti Bakhshi is Ph.D., MBA (Financial Administration), M.Com. (Management & Taxation), MA (Economics), and is NET qualified. She is Associate Professor (Banking and Finance) and Dean, Student Affairs. She also has multiple certifications in the area of Finance and Entrepreneurship. She has many certifications to her credit.

She is a certified faculty in "Entrepreneurship" and "Incubation Set Up" with NEN, and is also a Master's trainer at NEN.

She has over 20 years of experience in Academics, Research, Consultancy, and Corporate. Recently, she was appointed as Star Faculty by Pradhan Mantri Yuva Yojna (PMYY). She is editor/reviewer of Taylor & Francis, IOSR, ICTACT, etc. She is also consulting Principal Investigator for DRDO Projects.

Dr. Jagdish Bhagwat is a Metallurgical Engineer from Malaviya National Institute of Technology, Jaipur, MBA from IMS, DAVV– Indore, and Ph. D. from Symbiosis International University, Pune. He has 13 years of industrial experience in India and abroad, and 16 years of experience in Management Education sector.

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Professor Bhagwat has 16 years of rich academic experience in different business schools like ICFAI University, Dehradun and IBS, Indore and Ahmadabad. Dr. Jagdish Bhagwat was also a guest faculty with the Institute of Chartered Accountants of India, Indore chapter. He has conducted many Management Development Programmes with Airtel, Tata International, Dewas, Ranbaxy Laboratories Limited, Dewas, and Navin Fluorine, Dewas to name a few. He is working with Jaipuria Institute of Management, Indore as a faculty member in Decision Science area. His areas of interest are Operations Management, Supply Chain Management, Quantitative Techniques and Marketing Management.

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