

UKIBC Case Study

Navyroof.com

Conceptualised in 2007, Navyroof.com Ltd. (UK) is a real estate company based in London dedicated to promoting Indian property investment opportunities. It was one of the first companies to join the UK INDIA Business Council.

Navyroof.com assists companies and investors source, purchase or lease property in India. Sectors covered include residential, commercial, office space, land and joint venture opportunities in India.

Our service offering is based on a simple proposition - we act as a medium between active buyers/investors and reputed developers. We work with Indian developers both promoting and personally selling Indian residential, commercial and land projects to the market.

We offer the complete professional service and through our Indian partners can arrange legal and financial services to facilitate your purchase. Exclusive Indian mortgage rates can be arranged for all Navyroof.com clients through our partners at ICICI Bank Ltd.

1. Why did you first consider expanding your business in India?

To answer this better, India is our business and we started navyroof.com to sell Indian property because of the extraordinary sustainable economic growth, which is set to continue long into the future. Our business is based in the UK, however we sell property and lease office space to Indian companies and investors around the world through our website www.navyroof.com, so in answer to the question we would not be in business if India was not such a good long term prospect!

2. How certain were you that your company would succeed and why?

I don't think you can ever be certain of success but I am convinced that through hard work, determination and giving people what they want we can go in the right direction. India is and will continue to be an excellent location for investment so that part was easy to see how we could succeed. I was certain that Navyroof.com could do things better for investors. Being independent we are selective who we work with, reduce risk for buyers and provide an all round service which was demanded but not being provided according our clients.

3. How did you conduct research on the market potential?

The real estate industry is widely written about in India so not difficult to get information,

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but important to use as many sources as possible and so don't believe everything you read and question everything. Navyroof.com used economic data, government reports and our own consultants. However I personally believe the only way you can really research the Indian market is by getting out there and research it yourself, so that's what we did. We went to India!

4. What was your planned company structure and why?

Limited company, best way for our business.

5. Which forms of advice led you to that decision?

Legal and accounting.

6. If a joint venture, give your factors to success or failure in a JV?

N/A

7. What adaptations did you make to meet the intended Indian market?

N/A

8. How did you localise your global brand?

The beauty of our business is we are an online business and anyone can access our site www.navyroof.com in India the same as an investor in the UK. The Indian community widely speak English so we had very little to do to localise the Navyroof.com brand and attract investors.

9. Did you find your company affected by cultural differences?

Yes most definitely. We had a lot to learn as doing business in India is a little different and things don't always go according to plan. Go with an open mind and to leave behind any western norms, as you are in India and business progresses in a different way sometimes. I would suggest two Ps to keep in mind --- patience and persistence. Indians can work at their own pace, meetings do not always commence on time, emails can go unanswered but results can still be achieved!

10. What were the three best decisions you took?

1. Joining the UKIBC was of great assistance and put us in touch with the right people.
2. Treating Indian companies as partners rather than just suppliers, they have local knowledge which proves invaluable and saves us time and hassle.
3. Hiring talented Indian staff , who are passionate about their country.

11. What were the three worst?

1. Travelling to Delhi in the height of summer to do site visits, not advisable

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2. Having rigid itineraries – business does not always happen on time in India and can mess up your entire schedule. Give yourself plenty of time to compensate for delays
3. Starting a business before a global slowdown!

12. What were the main problems that you encountered?

Failure to adjust to the Indian way of doing business meant we wasted a lot of time going around in circles. Once we did things happened more easily. Often we were promised a lot before we met partners who then sent junior people who were not in a position to negotiate.

13. How did you resolve those problems?

Identify the key decision makers you need to meet and ensure they are in attendance no matter what otherwise you will create more meetings and unnecessary work for yourself. We adopted this approach and worked better.

14. How did you manage the political and social environment surrounding your company?

Wasn't really an issue

15. What sort of service did you consult in this respect?

N/A

16. How did you manage employment, both in India and related UK staff?

In order to hire potential Indian employees, we consulted recruitment agencies through UKIBC using Adrian Mutton and Kapil Dua's contacts in Delhi. However, establishing an office in India has now been put on hold due to economic circumstances.

To hire potential employees in the UK, we carried out recruitment rounds and personally interviewed people with a good knowledge of India

17. How did you align your international strategy?

Online business again allowed us to maintain UK strategy. Since we sell Indian property and investments to anyone who can buy our customers are people from as far as Australia, Europe etc Thus the website acts as an international channel transcending all geographical barriers. So although we primarily look at UK companies and people in the UK since we are based here, being online means we also have a full international presence.

18. How did the market live up to your expectations?

The UK is ultimately our end market with NRIs buying Indian property from us. This has

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been a very testing climate with the global slump and Mumbai attacks, however India is also seen to be one of the few world economies with positive growth and should improve business in the future.

19. What were the main concerns from your stakeholders?

The economic climate globally and more recently the security situation post Mumbai. Investors are more concerned following Mumbai attacks and this is a major concern longer term. Slump in sterling has also proved difficult for Indian developers to sell to UK investors as rupee has strongly appreciated from 85 INR last year to about 70-72 now!

20. What does the future hold for your company in India?

Our expansion into India was put on hold with the slowdown both here and in India and we are relying more on our partnerships at present. We look at this as a postponement for now but are sure when the circumstances are right we will grow in India. Being a massive primary market, we definitely see a future in India but with the uncertainty in all markets it makes sense to hang back for now and wait to move into India. Although our physical presence in India is on hold, the website already allows us to have a presence there.

21. What would you do differently if you were to do it all over again?

You live and learn from your experiences both good and bad. I don't really have any regrets and feel we can only gain from what we have previously done.

22. How has your presence in India impacted on your existing business?

As stated in Q1 India is our business.