



IIMC CASE RESEARCH CENTER (IIMCCRC)

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NEXCONNECT VENTURES PVT. LTD.:

MAINSTREAMING THE MARGINALIZED THROUGH

THE GIG ECONOMY

INTRODUCTION

In January 2018, the founders of NexConnect Ventures received one of the most challenging assignments that the incubation center at one of the Oldest Institutes of Management in India (OIMI) had ever given to them. The assignment was to draft a review proposal suggesting whether their firm would continue to adopt a cross-subsidy model that addressed the educational needs of both the urban and rural students, or would focus exclusively on catering to the needs of rural students as a means to bridge the rural-urban information and knowledge divide. The founders were given a couple of weeks to submit their proposal and be ready to present the same at the incubation center by the end of January.

NexConnect Ventures Pvt. Ltd. (hereafter NexConnect) was a social business that was incubated at the OIMI Innovation Park in February 2017 in Kolkata, India, with a mission to harness the knowledge capital of the crowd, and make it available to rural communities with the help of digital technologies. Founded by two social scientists, Ms. Priyadarshini Dey & Ms. Arina Bardhan, and an information technology expert, Mr. Jayanta Basak, NexConnect created an online teaching-

Rishikesan Parthiban and Prof. Somprakash Bandyopadhyay of the Indian Institute of Management Calcutta, developed this case study as the basis for class discussion rather than to illustrate the effective or ineffective running of an organization.

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learning platform that engaged retired teachers from Kolkata as Gig workers to address the learning needs of the rural and urban students. Since, the underprivileged students from rural areas could not pay much, NexConnect had used a cross-subsidy model, wherein it charged relatively more from its urban students.

Tasked with the assignment of reviewing their progress until then and coming up with a recommendation, the three founders had to decide the best way forward for their firm. They realized that while exclusively concentrating on rural students would provide a greater impetus to their mission, it would be a great challenge for them to back that approach with a business model that would help sustain their firm. On the other hand, if they chose to continue the path of the cross-subsidy model, they knew that they would have to provide enough evidence that the revenues from the same helped justify the considerable time and resources they had spent in that direction.

As they sat down to gather the data that would help them provide the recommendations for the path to be taken, they knew that they had their task cut out for the review meeting. Either way they knew that there would be questions raised in the meeting about the revenues they had generated from rural segment thus far, and their plans to strengthen the same. They knew that dropping the cross-subsidy model would mean that they would have to come up with some changes in their business model (refer **Exhibit 1** for more details), and support it with the necessary changes in operational and organizational arrangements. With a confused mind, they started to organize their data in a bid to show it to their mentors at the Social Informatics Research Group (SIRG¹) in OIMI, and hoped that the discussions with him would throw some light on the same.

¹SIRG is a multi-disciplinary research group at OIMI that involves academicians, researchers, and specialists in the disciplines of Management, Social Policy, Sociology, Education, Social Work, and Computer Science & Information Science.