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Not only has Kausshal transformed the global supply chain, he is changing the mind set of tea producers and drinkers worldwide.

By applying the principles of the digital marketplace to a traditional industry the Tea Box founder has shown himself to be a true Change Maker.

India

Turning digital disruption into everyone's cup of tea

Kausshal Dugarr jokes that he has tea in his blood. The Indian entrepreneur grew up in Siliguri, in a family that has been involved in tea for a century.

"As a kid, I grew up in these tea gardens," he says. "I used to visit the plantations with my dad almost every weekend, and I used to feel that everyone who works in the tea garden is a magician. They have the power to transform an ordinary-looking leaf in to a beverage which we all cherish."

Dugarr left the tea business and the country behind to pursue his education in Singapore, and fell into a career in corporate finance. A decade later, he was drawn back, not just by his heritage but by the potential for change that he saw in tea—a 200-year old business that had barely evolved and was ripe for technological disruption.

Teabox, Dugarr's company, was launched in 2012. Today it is the world's only vertically-integrated tea business, a fast-growing international company that has leveraged innovation throughout its supply chain from storage to sales, delivering 40 million cups of tea to customers in 112 countries. He is one of Asia's Change Makers, entrepreneurs who are harnessing technology to disrupt old, established industries across the region and around the world.

Dugarr's years away meant that he returned to India with a new perspective, which allowed him to see the inefficiencies that had built up in the tea industry over its years of doing things by habit. He set about modernising where he could. "The first thing I did was create a website," he says. "It sounds very simple, but in a place like Siliguri, there was not even a stable internet connection."

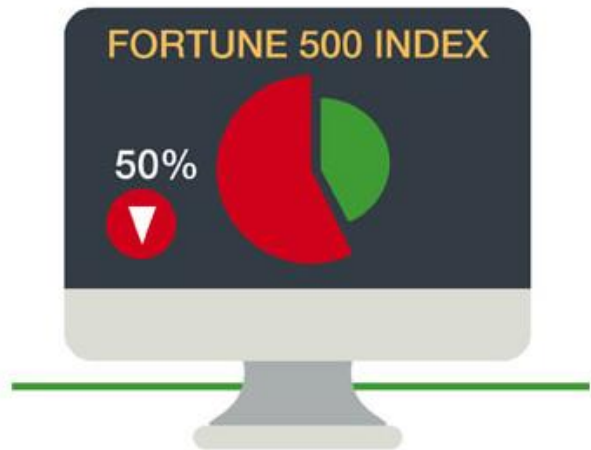
Even at this most basic stage, he met resistance. The local industry had 200 years of deeply-entrenched practices and beliefs, which lent it an incredible inertia. "Most of the producers are in their 50s, 60s or

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70s. To convince them when you are a 20, 25-year-old person, and get them to believe in your idea, was the most challenging step," Dugarr says. "When we said that we want to sell teas online, everyone almost ridiculed the idea."



Digital technologies are driving huge disruption across sectors, industries and geographies.

More than 50% of companies listed in 2000 no longer exist.

Even his own family, steeped in the industry's traditions, was sceptical that Dugarr could succeed in shaking up tea in Darjeeling. He had to dig deep, he recalls, convincing himself over and over that his vision would take off. "At that point of time, the only source of motivation was my inner conviction," he says.

Dugarr's vision did require a big conceptual leap for producers and consumers. He believes that tea should be served fresh, not dried-up as it is in the teabags sold in supermarkets around the world. As he says: "Tea is an agriculture product. You would not want your fruits and vegetables, six months, three months old, and if you are having it that old, it needs to be stored and preserved well

More than 80% of businesses afraid of 'Digital Darwinism' - being unable to adapt quickly enough, and getting left behind.<sup>2</sup>

That meant rethinking the entire supply chain, building a cold-chain so that the leaves can be stored in a controlled environment within 48 hours of being picked. He had to bring producers around to the idea and convince them to sell to him; eventually they did. Today, rather than taking up to three months and passing through half a dozen middlemen, he can deliver tea directly to market in a week. "No one in India, even the biggest of companies, has invested in that kind of infrastructure," he says.

It is by innovating and seeing the potential in technology that entrepreneurs like Dugarr can challenge huge, incumbent players. In Southeast Asia, ride-sharing companies Uber, Grab and Go-Jek are disrupting how people travel, changing the shape of public transport. In finance, companies from the Chinese giants Tencent and Alibaba to tiny start-ups are changing how people pay for goods and services, enabling a whole new generation of e-commerce players to enter emerging markets.

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Indonesia motorbike ride-hailing and delivery service Go-Jek has revved up from a startup with 20 riders in 2010 to a 400,000 strong network of riders.

Market valuation of Go-Jek: US\$5 billion.

"Without technological innovations, be it in terms of our cool chain processing, be it in terms of supply chain innovations, I don't think we would have been able to even aspire to do what we are doing today," Dugarr says. "Technology, in all businesses, creates incredible unique opportunities."

It has the potential to create huge value, as well as huge disruption; to stay ahead of that change, entrepreneurs need to keep on innovating, to never rest on their laurels.



More than 70% of senior executives say that innovation is a top-three driver of growth in their businesses.

Teabox has invested in research and development, and has created what Dugarr thinks is the world's first nitrogen-flushed teabag, which will take Teabox's fresh tea concept to a whole new range of customers. The company is working on iced teas, and an internet-of-things enabled device that consumers can use to make tea exactly to their taste every time.

"As an entrepreneur, you are finding opportunities by disrupting the status quo," he says. "I think the only way we can retain the entrepreneurial spirit is by constantly disrupting ourselves."