Customization seems to be the in thing these days, with experts discussing the extent to which modern market players can customize their offerings. There has been a lot of discussion going on in this front with a lot of management gurus coming up with various theories as to how the market should or would evolve as the Indian economy expands.

Before all this hullaballoo about customization began, the small time village entrepreneur/katta-wala was already doing it to earn a living, restaurants/hotels/food-joints (whatever you might want to call them) in small towns in rural India had already customized popular South Indian dishes like dosa, idli etc.

The same dish idli/dosa is customized to regional taste preferences; variety of dosas-paper dosa, Methi dosa, Palak dosa etc., you wouldn’t find a Palak or Methi dosa if you went down South (in a shack round the corner where the soft and crisp dosa made a humble start in its journey to stardom) except in a posh restaurant that too at exorbitant prices.
Similarly, *dhokla* from Gujarat, *rajma/chole* has been customized as per regional preferences (actually countless dishes from various states have been customized in other regions as per consumer preferences).

Recollecting the time when you had maroon coloured Chinese *tapris* (serving spicy “Chinese food”) mushrooming in each and every corner of Tier 1 and later Tier 2 cities. The *tapri-walas* had successfully customized Chinese food to Indian consumer preference.

These are examples of customization (*jugaad* in essence) with a bottom-up approach. *Jugaad* was a term coined for vehicle variants created using agricultural irrigation pumps in Punjab. Today *jugaad* symbolises the bubbling Indian creativity or a cost-effective way of finding solutions to everyday issues or wants. It can be said that *jugaad* encompasses aspects of both customization and innovation.

The recent success of *kolaveri di* presents interesting insights about the psyche of the Indian consumer. The song is clumsy, simple, sung in *Tinglish* and has been successful in *tingling* the music sense of the Indian youth. Dhanush, the singer said that the song was an outcome of some random words that came into his mind that sounded well when mixed with the right kind of music.

The Indian consumer likes his/her product simple, easy to use and customizable which in Western terms might be labelled clumsy (though I suspect, this is more so because of the Indian penchant for “Value for money”.

There are other examples as well:
**Wadapav**: we already had an Indian burger!

(P.S.: The Jumbo chain and Joshi *wadewale* have already capitalized on the *desi* burger)

Donut modifies itself to cream bun just for Rs. 8! (Many local producers with countless variants are already available in the market).

A visit to Dharavi and you will see a thriving industry that works solely on *jugaad*. Dharavi exports goods worth $500 mn every year (rough estimates). So when there is talk of including the "bottom-rung" (C K Prahalad *gyan*) when designing an offering, there is also a need to acknowledge the subtle and invisible existence of *jugaad* in their daily lives.

Though there is a negative perception about *jugaad* (given the fact that, it is mostly used for navigating bureaucratic hassles and seen as a tool which encourages corruption), it is a way of getting things done or doing things with limited resources (the correlation with Goldratt's *Theory of Constraints* cannot be ignored). TOC talks about getting the best possible results from limited resources in a constrained environment, whereas *jugaad* talks of developing a work-around in a meagre resource set-up. TOC talks of a methodical approach but *jugaad* is more of a response to external conditions, but the similarities between both could exceed the differences.

Going back in time, when smart phones were not around and Nokia was still the market leader when it came to cell-phones, and owning a Nokia 2300 was a big deal, there were already “mobile repair” shops springing up in almost every nook and corner of the country which could solve any problem from a "toota hua speaker/microphone" to “paani mein bheega phone". While your Nokia dealer would recommend, you chuck the phone and buy a new model/piece, while the humble “mobile repair-man” with his “can-do” attitude would always give a shot at fixing the problem with a work-around (read
The emergence and sustenance of *jugaadu* repair-men stems from the need for “Value for money”. Another curious and interesting aspect is the fact that your mobile repairman wouldn’t know the detailed circuit networks that run the phone, but the functions of each IC and would suggest/do a work-around for to solve the problem, now drenched mobile phones could be repaired by putting it under a dryer! (Would work if you were lucky enough and there were no short-circuits, nevertheless a work-around with a 50% success rate).

But all the know-how regarding such smart work-arounds are not being documented or catalogued. Cataloguing would in essence mean, rolling the ball over from traditional workarounds to empirical deductions in the long run, opening doors for innovation.

Patents could be used, but care would have to be taken that such patents are not misused in future (as in the USA).

An excellent example of *jugaad* at work.

A recent conversation with Mr. Wolfgang Lehmacher, ex-CEO of GeoPost, gave me valuable insights on foreign investor mindset. Though he doesn’t seem to have any investment plans as of now, but the conversation re-enforced my belief in the importance of *jugaad* in the current Indian scenario.

The Western mind is trained and used to thinking in an orderly, oriented manner and the approach is a logical step-by-step one, however when one examines Indian demographics, it becomes clear why *jugaad* is such an inherent part of the Indian mindset and culture. In the face of such immense diversity and people who are deeply rooted to cultures, developing workarounds comes out as a natural way of life. It is about finding simple ways of getting a job at hand completed.

While the West uses expensive R & D and instruments to innovate, creative and imaginative
innovation in India happens at the grass root level. In a recent survey, 81 per cent of Indian businessmen named *jugaad* as the key reason for their success.

As time progresses and more people get educated, lifestyles evolve; so should *jugaad*. For *jugaad*, to be used as a positive force in fueling the Indian growth engine, it needs to change and transform itself to innovation.

For this to happen, a process-oriented approach needs to be taken.

There have been some examples of Indian entrepreneurs using *jugaad* in a successful manner.

Gyaanesh Pandey’s venture, Husk Power Systems Ltd (HPSL) is an example of *Innovative Jugaad*. Four years ago, he created a green business based on turning discarded rice husk into energy. His company has installed 60 mini power plants that run entirely on biomass fuel, powering 25,000 households. As well as cutting green house gas emissions, the company has employed over 300 people in rural India. Its expansion plans are ambitious: by 2014, HPS wants to serve 6,500 villages, save 750,000 tonnes of carbon dioxide, and create 7,000 local jobs.

HPSL won this year’s Ashden Awards for Sustainable Energy in London for promoting the use of cheap renewable solutions for rural electrification.

There have also been businessmen like Sulabh Mehra who have modified the conventional auto-rickshaw and incorporated features of radio-cab (a radio in a rickshaw) and provided services at cheaper rates than the conventional radio-cab. Though the service is costlier than the conventional rickshaw, people seem to have taken a liking to the new service due to the door-to-door service offering and lack of public transport services in Gurgaon. Tuk Tuk Radio as it is called plans to increase its fleet of autos to 50 in the near future.
There have been simple innovations like tippy-tap, which use a very basic and simple methodology and are every effective at the same time. Tippy–tap is a simple contraption which uses 4 sticks (or wooden planks), a thread, a soap and a can full of water, it could go a long way in solving the hygiene problem in rural regions. Such innovations/jugaad add immense value for a very low cost.

Jugaad could be the building bridge between the traditional and the modern methods of innovation. An evolutionary bridge for businesses in India which needs to be explored and strengthened. The feasibility of jugaad needs to be pondered upon. But at the same time, one needs to keep in mind that it is only a part of the transition process (aka temporary work-around) and not the solution.

This article has been authored by Arjun Pandalai from SIIB, Pune.