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OLX: A STEP TOWARDS NEW BATTLEGROUND

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ABSTRACT

The case aims to understand the online classified marketplace in Pakistan. Online classifieds have become the new phenomena for businesses to adopt in the emerging economies. The case revolves around OLX (an online classified website for buyers and sellers), which entered the Pakistani Classified Industry in 2011. It brought forward the innovative concept of allowing trade among buyers and sellers in a stress free and convenient manner by providing an online platform for them to make transactions without too much hassle.

OLX was the pioneer in changing the trends of consumers who were more responsive in adopting new methods of doing business with more accessibility to different products and services to avail. The case also analyzes the conventional logic of the industry against the Value Innovation Logic of OLX through the ERRC (eliminate, reduce, raise, create) model adoption. The case further highlights the barriers faced by OLX in terms of local competitors who were previously only present in the print medium but later established themselves in the online classified market as a reaction. The business model of OLX is also discussed along with the challenges OLX faced due to the increased online competition and how OLX overcame those challenges.

Keywords: Value Innovation, online classified Industry, OLX value Curve, market dynamics, porter's five force model, ERRC