

ECON ESSENTIALS

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FEATURING

Real-World Economics and Expert Insights

INTERVIEW: ASHISH GUPTA, CHIEF PROCUREMENT & SUPPLY CHAIN OFFICER, COMPASS GROUP INDIA

STUDENT-LED ORGANISATION

Emeritus Education

Discover how a group of students formed an organisation that hosts workshops and bootcamps on in-demand 21st century skills for underprivileged children in NGOs across Delhi NCR.

AYUSHMAN PURI

Expanding Gig Economy: Contribution towards Sustainable Economic Growth

UDAIVEER SINGH LAMBA

The Impact of Automation: High Unemployment or New Job Opportunities?



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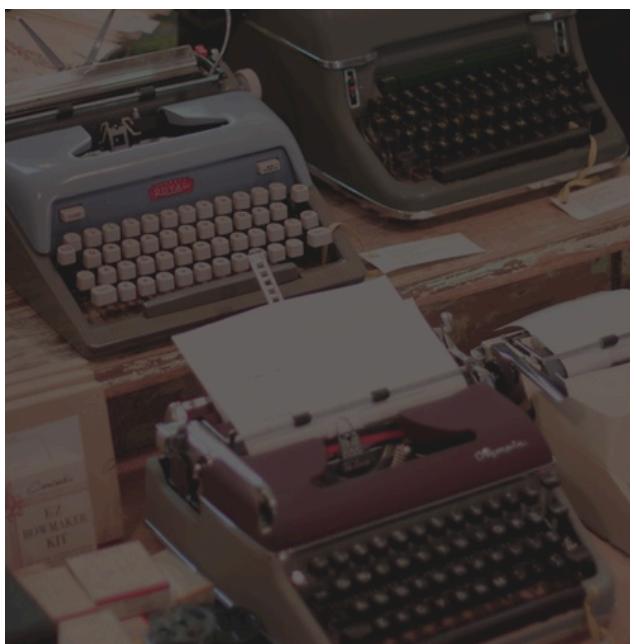


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Interview with Mr. Ashish Gupta

**Chief Procurement & Supply Chain Officer,
Compass Group India**

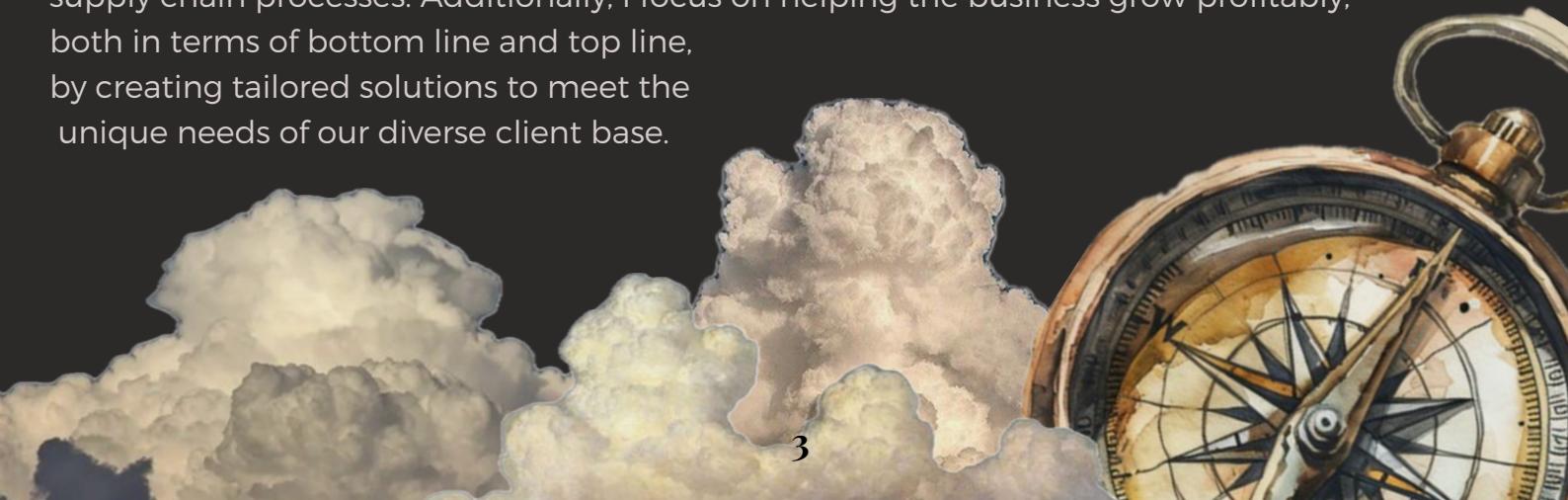
Could you tell us a bit about yourself and Compass Group India?

Hi! My name is Ashish Gupta, and I am currently the Chief Procurement and Supply Chain Officer at Compass Group India. Over the last two decades, I have worked in the field of procurement across large FMCG companies like Coca-Cola, Danone, and Mother Dairy before joining Compass India.

Compass Group is the world's largest foodservice company, operating in over 33 countries and employing more than 550,000 people globally. Each year, Compass serves a staggering 5.5 billion meals, showcasing its extensive reach and impact. In India, Compass is the leading foodservice company, delivering more than 750,000 meals daily across 45 cities and managing over 2 million square feet of space nationwide.

And what is your role as CPSCO of Compass India?

As the Chief Procurement and Supply Chain Officer for Compass Group India, I oversee the entire procurement and supply chain operations. This includes managing supplier relationships, negotiating contracts, optimizing the supply chain for cost-effectiveness and efficiency, and ensuring that our extensive network of foodservice operations across the country runs smoothly and sustainably. My role is crucial in maintaining the high standards of service that Compass is known for, driving innovation, and strategically growing our supply chain processes. Additionally, I focus on helping the business grow profitably, both in terms of bottom line and top line, by creating tailored solutions to meet the unique needs of our diverse client base.



How do economic principles apply in supply chain management decisions at your company?

Efficiency and Cost Management:

In line with cost minimization principles, Compass emphasizes operational efficiency to maximize profit margins in a low-margin business. Effective cost management is crucial for maintaining profitability under competitive pressures. Furthermore, Forecasting becomes extremely important to align our production with demand, limiting food waste and improving efficiency.

Inflation, Price Elasticity, and Substitution Effects:

To address inflationary pressures, we apply principles of price elasticity. We adapt our menus to include substitutes that are less affected by inflation. This approach leverages the concept of substitution effect, where consumers switch to less expensive alternatives to maintain utility.

Seasonal Ingredient Supply and Menu Changes

We align production with seasonal supply, applying the principle of seasonal adjustment. By maximising the implementation of seasonal produce in our menus in order to serve fresh and high-quality meals to our clients.

Complementary Products to drive Volume Growth:

We also create our menus to generate complementary demand. By having dishes and drinks which go hand-in-hand, we drive volume growth. For example, offering Coke along with our Biryani often is a success.

Long-Term Contracts and Price Stability:

Employing long-term contracts helps us lock in prices and reduce exposure to market fluctuations. This strategy is akin to a hedging approach, stabilizing costs and mitigating the risk of sudden price increases.



How does Compass Group maintain competitive pricing while maximizing value for clients?

Compass Group employs a comprehensive approach to ensure competitive pricing and maximize value.

We conduct **regular market benchmarking** to compare our pricing with competitors, ensuring we offer competitive rates while maintaining quality. Our extensive scale of operations provides us with **substantial negotiating power**, which we leverage to secure favorable terms from suppliers and work directly with manufacturers and producers. This scale allows us to **benefit from economies of scale, reducing costs** and enabling us to pass these savings on to our clients.

Additionally, we are exploring opportunities to extend our procurement services further to other sectors, such as hotels, restaurants, and cafes (HORECA). By offering these services, we aim to help these businesses make more cost-effective purchasing decisions, which in turn **expands our spend base and enhances our market power**.

Also, we continuously seek to **optimize our supplier base** to improve our pricing competitiveness. This includes **evaluating supplier performance, exploring new sourcing opportunities, and streamlining procurement processes** to ensure we achieve the best possible value for our clients.

How does Compass Group leverage technology to enhance operational efficiency?

Technology is integral and always developing to enhancing operational efficiency at Compass Group India.

We utilize **SAP** for **enterprise planning**, optimizing supply chain management and resource allocation across our vast operations.

Our suite of digital tools streamlines key processes, including **RFP (Request for Proposal) management**, quality assurance, and customer feedback, fostering transparency and continuous improvement.

We've also implemented **RPA (Robotic Process Automation)** for tasks such as 3-way invoice matching, which reduces manual intervention and minimizes errors.

In our kitchens, **automation** not only increases productivity but also ensures consistent quality in meal preparation.

Additionally, **PowerBI dashboards** provide in-depth insights, enabling us to make informed, data-driven decisions that improve our overall operations and service delivery.

What economic trends do you foresee shaping the future of supply chain management, and how is Compass preparing to adapt to these emerging trends?

Sustainability and Consumer Preferences:

Growing consumer demand for sustainability is influencing supply chain practices. Customers increasingly prioritize healthier ingredients and sustainable production methods, including eco-friendly packaging and ethically sourced materials. Compass is adapting by integrating these sustainable practices into our supply chain, ensuring that our operations align with evolving consumer values.

Quality and Willingness to Pay:

There is a rising consumer willingness to pay a premium for high-quality and sustainable ingredients. This trend reflects the increased value placed on health and quality. In response, Compass focuses on sourcing premium ingredients and enhancing the overall quality of our offerings to meet these consumer expectations.

Market Volatility and Agility:

The increase in market volatility requires businesses to react swiftly to changing conditions. Compass is enhancing its supply chain agility by implementing flexible and responsive strategies to adapt to market fluctuations and maintain operational stability.

Technological Advancements and AI:

Technology and artificial intelligence are revolutionizing supply chain management. The development of advanced analytical tools and AI capabilities allows Compass to better analyze data and gain insights, which improves decision-making and operational efficiency. This technological integration helps us stay ahead of industry trends and optimize our supply chain processes.

What key lessons have you learned in the field, having experience of over 20 years?

With over two decades in procurement and supply chain management, I've learned several valuable lessons that have significantly influenced my approach.

First, **data is indispensable**; you can only enhance what you can measure, so robust data collection and analysis are crucial for driving continuous improvement.

Equally important is the **willingness to embrace new ideas and experiment with innovative approaches**. The industry is dynamic, and staying **adaptable** through experimentation fosters growth and keeps operations competitive.

Cultivating a **growth mindset** is essential; it encourages lifelong learning and resilience in the face of industry changes.

Effective prioritization is also a key lesson—strategic focus and making informed sacrifices are necessary to concentrate on high-impact initiatives. Additionally, **simplicity is often the cornerstone of efficiency**; by streamlining processes and avoiding unnecessary complexity, you can improve operational clarity and effectiveness.

These principles have guided my career and are fundamental to navigating the complexities of supply chain management successfully.



THE IB STUDENT CORNER



THE DAILY PLANET

LEADER
BUILDING

The Bulletin

Are you a student in **IB Economics**? Find **exceptional case studies** you can use in your academics. Additionally, staying updated on important monthly news is definitely a good way to develop your economic mindset,

BANK OF ENGLAND CUT INTEREST RATES FROM A 16-YEAR HIGH

Monetary Policy

BOOST FOR MSMES: CREATING JOBS AND SPURRING GROWTH

Supply-Side Policies

SOUTHERN SPAIN CRACKS DOWN ON AIRBNB-STYLE HOLIDAY RENTALS

Regulation, Externalities, and Govt. Intervention

MCDONALD'S SALES FALL FOR FIRST TIME IN FOUR YEARS

Demand & Supply, Elasticity, and Inflation

REPORT OF IMPACT OF AI ON WORKERS

AI and Unemployment

INDIA NEEDS 7-10% GROWTH TO ACHIEVE DEVELOPED STATUS BY 2047

Economic Growth

BANGLADESH ECONOMY BATTERED AMID QUOTA PROTESTS

Macroeconomics

EDELWEISS BUSINESS CYCLE FUND NFO COLLECTS OVER RS 1,800 CRORE

Business Cycle



Bank of England cut interest rates from a 16-year high

Monetary Policy

The Bank of England (BoE) cut its interest rates to 5% from a 16-year high primarily due to easing inflationary pressures and to support economic growth. Recent data showed that inflation had fallen back to the BoE's 2% target in May and June, significantly down from a peak of 11.1% in October 2022. This decline in inflation provided the BoE with the opportunity to reduce rates without the risk of triggering higher inflation. The BoE expects a slight increase in inflation to 2.75% later in the year but anticipates it will stabilize at 2% by early 2026. Additionally, wage growth is slowing, which aligns with the BoE's forecasts and helps reduce inflationary pressure. This decision aims to strike a balance between supporting the economy and ensuring that inflation remains controlled.

[Find out more](#)

Southern Spain Cracks Down on Airbnb-Style Holiday Rentals

Regulation Externalities

The regional government of Valencia in southern Spain is cracking down on Airbnb-style holiday rentals to curb black-market activities and unregulated tourism. Landlords who violate the new regulations could face fines of up to €600,000. These measures aim to control the surge in unregistered rentals, ensure safety, and address the lack of tax compliance. The regulations include mandatory registration codes, periodic license renewals, and empowering local councils to set limits on tourist accommodations. Unlike Barcelona's complete ban, Valencia's approach balances tourism growth with local community welfare and economic stability

[Find out more](#)



Report of Impact of AI on workers

AI and Unemployment

The Indian government's Economic Survey 2024 highlights concerns about the potential negative impacts of artificial intelligence (AI) on the job market. The report warns that AI could lead to significant job displacement. While AI and automation have the potential to enhance productivity and economic growth, they also pose risks to employment, especially in sectors reliant on routine and repetitive tasks. The survey emphasizes the need for policies to manage this transition, such as reskilling and upskilling the workforce, to mitigate the adverse effects on employment. This topic relates to the concept of technological unemployment, where advances in technology reduce the demand for human labor.

[Find out more](#)



Bangladesh economy battered amid quota protests

Macroeconomics

A nationwide curfew and internet blackout in Bangladesh have severely impacted the country's economy, causing daily losses of \$1.2 billion. Business leaders urged Prime Minister Sheikh Hasina to lift the curfew and restore internet service. The garment sector, responsible for over 80% of export earnings, faces \$150 million in daily losses. Other industries, including steel, pharmaceuticals, and ceramics, are also significantly affected. The internet blackout has disrupted e-commerce, call centers, and banking, leading to further economic strain. The government acknowledges the financial damage and is working to restore connectivity amid ongoing protests and violence.

[Find out more](#)



Boost for MSMEs: Creating Jobs and Spurring Growth

Supply-Side
Policies

The Union Budget's support for India's micro, small and medium enterprises (MSMEs) including a Rs 2.2 lakh crore boost to the housing sector under PM Awas Yojana Urban 2.0, aiding low-skilled employment and benefiting small-scale industries. A credit guarantee scheme for MSMEs in manufacturing will enable term loans for machinery without collateral. A new mechanism for bank credit continuation during stress periods is also planned. With 63.4 million MSMEs accounting for 45% of manufacturing and 40% of exports, employing 120 million people, these measures aim to revive the sector post-pandemic, promote job creation, and enhance funding for small entrepreneurs and startups.

[Find out more](#)

McDonald's sales fall for first time in four years

Price Elasticity
Demand & Supply
Inflation

McDonald's has reported a fall in global sales for the first time in nearly four years. The decline is attributed to several factors, including rising prices and ongoing boycotts related to the war in Gaza. Supply chain bottlenecks have also increased operating costs by 14%, impacting profits. Additionally, COVID-19 restrictions in key markets like China and labor shortages in the US further contributed to the sales drop. Despite these challenges, McDonald's saw some growth in markets like the US, UK, and parts of Europe

[Find out more](#)

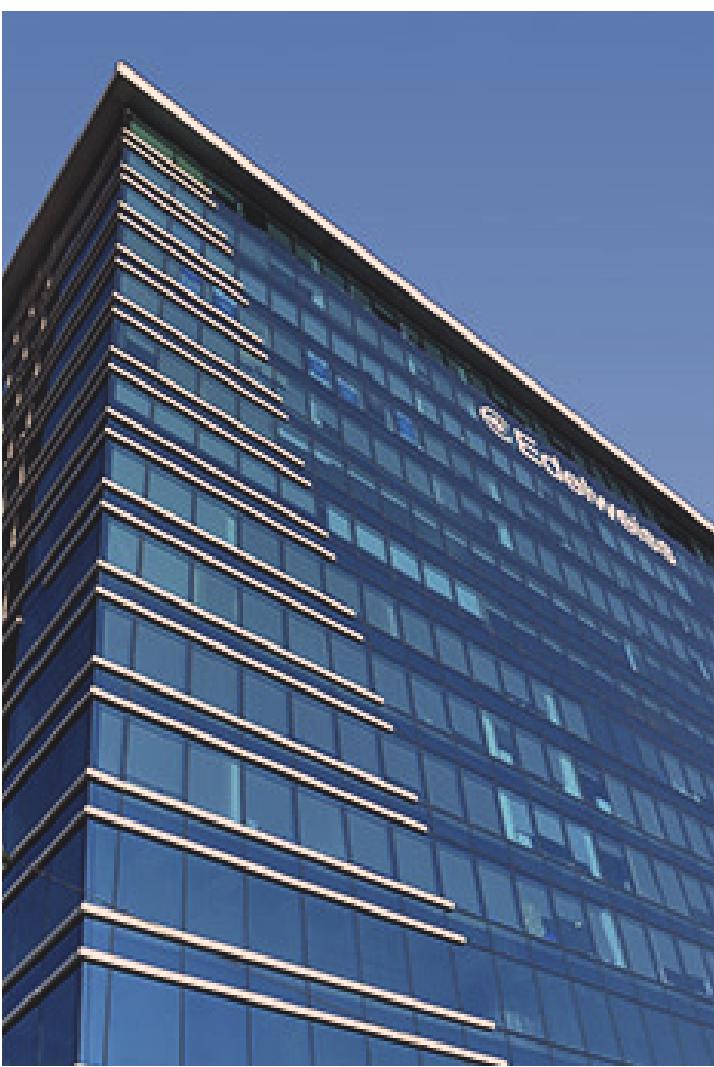


India Needs 7-10% Growth to Achieve Developed Status by 2047

Economic Growth

NITI Aayog's "Viksit Bharat @2047" vision emphasizes the need for India to maintain a 7-10% growth rate for the next 20-30 years to avoid the middle-income trap and achieve developed nation status. This plan aims to expand GDP from \$3.36 trillion to \$30 trillion and increase per capita income from \$2,392 to \$18,000. Key strategies include leveraging India's young workforce, boosting female labor participation to over 70%, and improving infrastructure in manufacturing and logistics. The vision also stresses skill development, research, and innovation, alongside cooperative efforts between central and state governments to address structural challenges and drive economic growth

[Find out more](#)



Edelweiss Business Cycle Fund NFO collects over Rs 1,800 crore

Business Cycle

The Edelweiss Business Cycle Fund's New Fund Offer (NFO) collected over Rs 1,800 crore, reflecting strong investor interest. This fund aims to capitalize on different business cycle phases by strategically adjusting its portfolio according to economic trends. The substantial collection indicates growing investor confidence in such strategies, which seek to maximize returns by investing in sectors and stocks poised to perform well in the current business cycle phase. The fund's strategy involves analyzing economic indicators to optimize portfolio allocation, offering potential higher returns while managing risks effectively.

[Find out more](#)

Econ IA Explorations

Find a delightful selection of IB Economics theories, concepts, and principles that will expand your horizons and support your academics.

MICROECONOMICS IA

Discover articles you can take for your Microeconomics IA, and how to approach the commentary for it.

14

MACROECONOMICS IA

Find articles you can take for your Macroeconomics IA, and how to structure the commentary and evaluate.

15

MICROECONOMICS

Falkland islands dispute causing fishing free for all in nearby blue hole

Potential topics:

- International agreements
- common pool resources
- policies to correct negative externalities
- negative production externalities

This is a strong microeconomics article which includes a variety of graphs and theoretical uses as mentioned such as externalities and the tragedy of the commons. It showcases a fishing zone outside the Exclusive economic zone where fishing is unregulated due to disputes between two nations, making it a good article for thorough evaluation.

[Find out more](#)



Karnataka to hike beer prices by 10% to boost IML sales

Potential topics:

- Government Intervention
- Demerit goods
- Negative consumption externalities
- Policies to correct negative externalities

This is a strong microeconomics article which includes a variety of graphs and theoretical topics as mentioned such as externalities and policies to correct them. It showcases a fishing zone outside the Exclusive economic zone where fishing is unregulated due to disputes between 2 nations. Definitely a good article for evaluation and suggestion for the Microeconomics IA.

[Find out more](#)



MACROECONOMICS

Africa's largest economy is battling a currency crisis and a crumbling economy

Potential topics:

- Inflationary spiral
- Stagflation
- Monetary/Fiscal Policies

This macroeconomics article talks about a lot of economic concepts such as inflation, policies, CPI and unemployment. It displays the high inflation rates in Nigeria and how it was caused and the impacts of it on the economy. This article also has a massive scope for evaluation considering the vast concepts used and the use of monetary and fiscal policies to fix the soaring inflation rates

[Find out more](#)



Bank of England should keep interest rates on hold, says policymaker

Topics:

- Inflation
- Monetary Policies
- Employment and inflation trade-off

Jonathan Haskel argues for maintaining high interest rates to combat inflation, emphasizing the risks posed by a tight labor market. Despite signs of inflation decreasing, he cautions that it could rise above the 2% target again. This highlights the trade-offs in monetary policy between low unemployment and controlling inflation, with significant impacts on financial markets and the broader economy.

[Find out more](#)



BM IA Inspirations

Find a delightful selection of IB Economics theories, concepts, and principles that will expand your horizons and support your academics.

ASYMMETRIC INFORMATION

14

Discover how fiscal policy is used by the government to aid the economy, whether for growth or control.

MONOPOLY

15

Understand the function of the monetary policy and how central banks play a pivotal role in stabilising the economy.

T-Mobile and KKR Form \$4.9 Billion Joint Venture to Acquire Metronet



Potential research questions:

- How does T-Mobile's acquisition of Metronet align with its long-term growth strategy?
- How does T-Mobile's acquisition of Metronet align with its strategic objectives?
- How does T-Mobile's Metronet acquisition boost its market position and sales?

In August 2024, T-Mobile and investment firm KKR formed a joint venture (JV) to acquire Metronet, a broadband internet company. T-Mobile invested \$4.9 billion for a 50% equity stake in the JV. Metronet, serving 2 million homes across 17 states, provided T-Mobile with an entry into the fixed broadband market. The strategic move aimed to diversify T-Mobile's portfolio beyond wireless services and capitalize on Metronet's existing infrastructure.

[Find out more](#)

Nestlé, the world's largest consumer goods company, grapples with several ethical controversies.

Potential research questions:

- What impact does robust CSR have on Nestle's brand image?
- What are the primary ethical challenges faced by Nestle on its brand image, and how do they address them?

Nestlé faced international backlash in 1974 for promoting breast milk substitutes, leading to boycotts and the WHO Code's creation. The company is also criticized for extracting water from drought-hit areas in Canada and the US, sparking legal battles and boycotts. Additionally, Nestlé's ties to animal testing and factory farming remain contentious, despite ongoing efforts to reduce animal testing.

[Find out more](#)



Starbucks Faces Lawsuit Over Alleged Misleading '100% Ethical Sourcing Claims'

Potential research questions:

- Does Starbucks' '100% ethical sourcing' align with reported abuses?
- How do ethical sourcing claims impact consumer behavior?
- How can Starbucks improve supply chain transparency and accountability?

Starbucks is being sued by a consumer advocacy group for allegedly misleading customers about its "100% ethical" sourcing claims. The lawsuit, filed in Washington, D.C., claims Starbucks sourced coffee and tea from farms in Guatemala, Kenya, and Brazil with documented human rights abuses, despite promoting ethical practices. Starbucks denies the allegations, asserting its commitment to ensuring supplier compliance. The case raises broader concerns about the effectiveness of ethical certification programs.

[Find out more](#)



H&M Faces Greenwashing Allegations Over 'Conscious' Collection



Potential research questions:

- What regulations could prevent greenwashing and ensure genuine sustainability?
- Do H&M's sustainability efforts match the environmental impact of its products?
- How effective are fast fashion sustainability claims in influencing consumer choices?

H&M faces legal challenges for allegedly misleading consumers about the sustainability of its "Conscious" collection. A New York lawsuit accuses the company of "greenwashing," claiming the products are no more eco-friendly than regular items. H&M denies the allegations, raising broader concerns about greenwashing in the fashion industry.

[Find out more](#)



ACADEMIC ESSENTIALS

Econ Eclairs

Find a delightful selection of IB Economics theories, concepts, and principles that will expand your horizons and support your academics.

ASYMMETRIC INFORMATION

22

Discover the concept of asymmetric information, a form of market failure where one party has more material information than another

MONOPOLY

23

Understand the characteristics of a monopoly, their various forms, and the implications of their presence in markets.

ASYMMETRIC INFORMATION

Asymmetric information occurs when one party in an economic transaction has more material information than another. It is also known as 'information failure', or 'adverse selection' and can be thought of as another form of market failure. Because of asymmetric information, the buyer or the seller is able to take advantage of the other party. For example, when an individual is selling a used car, the seller will have more information than the buyer and will therefore be able to take advantage of them by hiding some facts about the car. This is a disadvantage to the buyer because they might feel like they paid too much or that they wouldn't have bought the car if they knew the truth about it.

Asymmetric information is not necessarily a bad thing, in fact, the goal of workers is to specialize in their individual fields to increase efficiency and productivity, which eventually leads to asymmetric information. However, it can also cause cases of fraud such as when people lie to get their insurance. Insurance is an example of a moral hazard, as the individual takes the risk, but the insurance providers are the ones that have to pay.

Asymmetric information can also be seen in the form of a specialization of knowledge. For example, lawyers and doctors are individuals that are specialized in their field and therefore possess more knowledge than the consumer. This proves to be a benefit as they have the ability to help out consumers that don't have the same knowledge as them and they can improve efficiency.

There are various responses to asymmetric information such as screening the sellers, licensing the sellers such as doctors, regulation, and the provision of information by the government.



ARE MONOPOLIES THE WAY TO GO?

It's a Saturday evening, you are with several friends playing one of the most iconic board games mankind has ever seen, Monopoly. As you acquire properties and build hotels, you begin to control most of the board. Other players land on your properties and pay you increasingly high rents, making it a hefty task for them to compete and stay in the game. Eventually, you might own so much that you practically dictate the terms of the game, deciding who succeeds and who fails. This situation mirrors the real-world concept of Monopolies, where a single company dominates the entire market, controlling prices and stifling competition.



Monopolies have three main characteristics:

- The firm produces and sells a unique good or service with no close substitutes.
 - There is a single firm in the industry
 - There are high barriers to entry into the industry

An example of a monopoly is Microsoft. In the 1990s, Microsoft was tagged as a monopoly in the personal computer operating system market in the USA. This is mainly due to their dominant market share and power in this particular market. There were several benefits that they posed to the consumers of the brand, however, it came with some unfortunate drawbacks that many were not expecting.

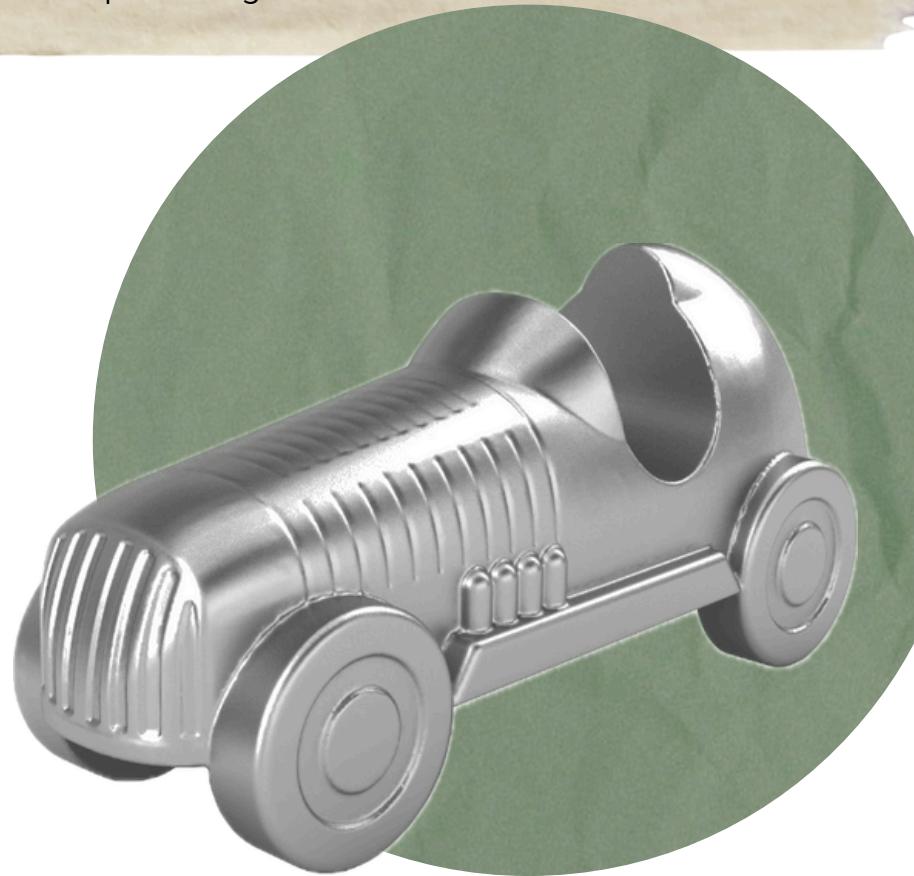
Microsoft, or any monopoly for that matter has the power to use economies of scale to minimize their costs and provide goods and services at low prices to the consumers. Economies of scale are decreases in average costs of production over the long run as firms increase all their factors of production. Theoretically, the firm is better off due to the increased profits it gains by minimizing costs. Similarly, the consumers are better off as well due to the low prices they receive, increasing their purchasing power and ability to satisfy their economic needs.

Natural monopolies are a type of monopoly that can create economies of scale so large that they can produce for an entire market and still not exhaust their economies of scale. This allows the company to achieve efficient production, minimizing waste and depletion of common pool resources. Henceforth, the company can maximize its profits and achieve economic growth while minimizing the negative impacts of unsustainable production practices on the environment.



Nevertheless, due to the abnormal profits MNCs own, they can invest these incomes into research and development. New technologies and inventions may boost the economic growth of the nation, increasing the income and living standards of many citizens. Interestingly, monopolies invest in new technology to maintain their abnormal profits and create high barriers to entry, thereby not allowing smaller firms to enter the market and increase competition, for their own personal gain.

Although monopolies assist in economic growth and betterment of the nation, they might abuse their excessive power, resulting in negative consequences on the economy. Usually, a monopoly under-allocates resources with respect to what is socially most desirable. This results in allocative inefficiency and market failure, increasing the welfare loss posed on consumers and producers in the economy. Nevertheless, due to low competition, there is a lack of incentive for such companies to decrease their prices, resulting in high-priced goods and services, decreasing the purchasing power of consumers to meet their economic needs.



Although monopolies assist in economic growth and betterment of the nation, they might abuse their excessive power, resulting in negative consequences on the economy. Usually, a monopoly under-allocates resources with respect to what is socially most desirable. This results in allocative inefficiency and market failure, increasing the welfare loss posed on consumers and producers in the economy. Nevertheless, due to low competition, there is a lack of incentive for such companies to decrease their prices, resulting in high-priced goods and services, decreasing the purchasing power of consumers to meet their economic needs.

It is fair to say that monopolies can significantly alter the dynamics of the economy and drive development. However, the potential negative consequences may overshadow these benefits, raising the question of whether their advantages are truly worth the trade-offs.

Business Fundamentals

Dive into essential IB Business Management theories and concepts, designed to enhance your understanding and prepare you for academic success.

BUSINESS ORIENTATION

A detailed explanation of business, market, and product orientation

26

MARKET METRICS

Explore various market metrics in markets, such as Market Share, Market Size, and Market Growth

27

BUSINESS ORIENTATION

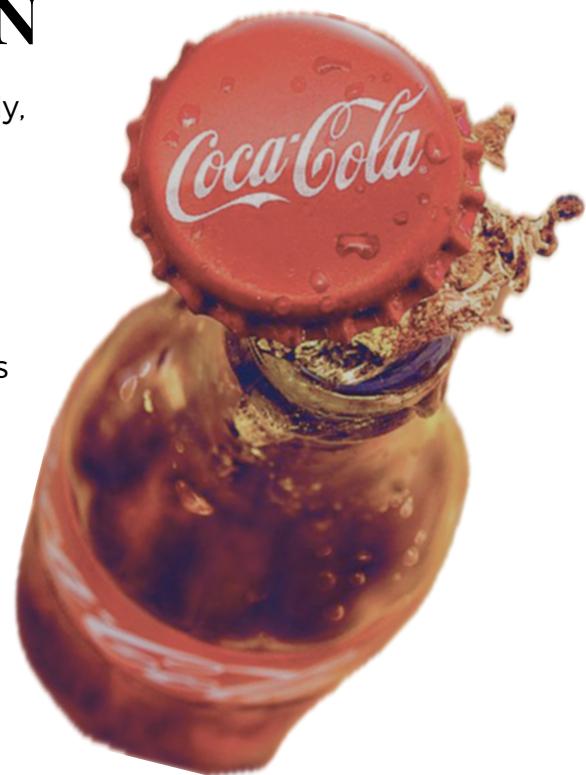
Business Orientation refers to the general and overall line of action that firms adopt in their decision making processes and operations. It essentially defines the priorities a firm has in terms of its focus and how it wants to interact with customers and compete with other firms in the existing market. The orientation a business adopts can significantly impact its strategies, performance, and relationship with stakeholders. The same approach sets a foundation for further marketing strategies and business plans to be established.



MARKET ORIENTATION

Market Orientation is a business approach that relies mainly, if not entirely, on market research. In this case, the firm's primary focus is on what to sell in order to maximise sales revenue while also effectively competing with rivals in the market. Companies that adopt this orientation prioritise market research, customer feedback, and consumer trends to guide their decisions. While this approach can be quite expensive and time consuming, it warrants a fast response to changing consumer preferences.

A key example of a firm following a market oriented approach is CocaCola, who released Coke Zero and Diet Coke in response to the consumer feedback they obtained through their research.



PRODUCT ORIENTATION

Product Orientation is a business approach that focuses on the quality and innovation of the product itself rather than on customer needs. In this case, firms focus on what to produce in order to minimise competition and enjoy a potential first mover advantage. Companies with this orientation believe that a superior product will naturally attract customers due to distinguishing factors such as USP's and brand recognition. A common example of a product oriented firm is Apple, who launched their buttonless iPhone as an improvement to other brands such as Nokia and Blackberry.



MARKET METRICS

Market metrics are quantifiable measures used to evaluate and track the performance, and dynamics of a business within a market. These metrics provide valuable insights into how well a company is performing relative to its competitors, the size and potential of the market, and the overall market trends. By analysing market metrics, businesses can make informed decisions about strategy, marketing, product development, and resource allocation.

MARKET SHARE

Market Share refers to a firm's share of total sales within an industry. It is often expressed as a percentage and can be measured by value or volume. It measures a company's competitiveness and market dominance relative to its competitors. CocaCola has the highest market share in the soft drinks industry holding 17-20% of the market's sales.



MARKET SIZE

Market size refers to the total volume or value of sales in a particular market over a specific period. It helps businesses understand the potential revenue they could generate if they capture the entire market.

The global market size for electric vehicles could be valued at \$800 billion in 2024, indicating the total potential sales in this market.



MARKET GROWTH

Market growth is the rate at which the size of a market is expanding over time. It indicates the potential for future sales and helps businesses decide whether to enter or expand in a market.

If the market for renewable energy is growing at 10% per year, it shows that there is increasing demand and opportunity in this sector for the firm to expand its operations.





STUDENT SHOWCASE

Student Chronicles

Explore insightful perspectives and thought-provoking articles from student writers in the field of economic, business, and finance.

AYUSHMAN PURI

Expanding Gig Economy: Contribution
towards Sustainable Economic Growth

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UDAIVEER SINGH LAMBA

The Impact of Automation:
High Unemployment or New Job Opportunities?

32

Expanding Gig Economy: Contribution towards Sustainable Economic Growth

Ayushman Puri

A world where you don't have to step out of your comfort zone for a job, where you could move from one job to another in the matter of days, one where you choose what you want to do, pursue entrepreneurial endeavors, with no barriers? It does sound like utopia right? Well you might be living in one then. For several years the norm for a job has been either a full-time, or a part-time job, but in recent years, there has been an increase in the number of 'gigs' that people take part in. "A job that is temporary, does not offer many hours, or may end at any time, usually involving working for yourself rather than for an employer" as said by Cambridge Dictionary. One might look at it and ponder upon the unstable, unsustainable and unsure state of this economy, but is it really that bad?

With technological advancements, the gig economy's growth is indefinite, already accounting for 12% of the global labor market according to The World Bank, and is expected to make up half of the global workforce by 2025. There are reasons behind this large-scale growth: the geographical and occupational mobility of labor. Companies in America can hire workers in India, who can work comfortably from their homes, thereby reducing production costs. In the digital era, mobile apps and social media have enabled businesses to reach more consumers than ever before and made it easier to hire contract workers. Companies like Uber have excelled in this economy thanks to freelancers delivering food, driving taxis, and providing customer service. The gig economy offers job opportunities to almost everyone worldwide, including low-skilled workers who usually struggle to find employment, thereby promoting economic growth.

Apart from the vast opportunities it provides to workers, the gig economy itself is versatile and can adapt well to changes, whether environmental or technological. The elastic supply of production factors means hiring skill-specific labor at low costs and easy access to land and capital, leading to limitless entrepreneurial endeavors and adaptation to the ever-changing global market. This adaptability makes the gig economy sustainable.

The gig economy also has potential for environmental sustainability. By facilitating remote work and reducing the need for commuting, it can help lower the carbon footprint, contributing to a more sustainable future.

Many freelancers and independent contractors prioritize flexibility and innovation over profit maximization, supporting the circular economy by reducing waste and recycling products to create new innovations. For example, freelancers' efforts to reduce fast fashion and use environmentally friendly resources for clothing can support sustainable activities and businesses. As the world faces environmental challenges, it's crucial for the gig economy to adhere to sustainable practices while growing.

However, several concerns must be addressed for the gig economy to function sustainably and contribute to economic growth. Firstly, the lack of benefits for gig workers, such as insurance, healthcare, education, and housing, which are essential for career growth. The additional expenses from the lack of benefits cut into their incomes and savings. Secondly, job insecurity due to the short-term nature of gig work can lead to uncertainty about future income and financial stability, causing gig workers to save more and spend less, lowering aggregate demand and GDP. For instance, the recent pandemic led to job losses for many in the transportation, hospitality, tourism, and related industries within the gig economy. Lastly, the flexibility of gig work can interfere with sleep patterns, daily activities, and work-life balance, causing stress and disrupting social life. Gig workers often have to be available at all times, looking for their next gig, which can interfere with maintaining a healthy work-life balance.

Governments and firms can support the gig economy by providing more employee protections, enforcing minimum wage laws, offering legal counsel opportunities, and reporting workplace malpractices. Policy support can also include providing benefits like insurance and healthcare, ensuring gig workers gain financial stability. Additionally, regulations should be developed to classify employees so gig workers receive equal treatment, benefits, and corporate support. Policymakers should also provide incentives to encourage entrepreneurship.

The potential of the gig economy to drive sustainable global economic growth is significant. The gig economy offers promising avenues for global sustainable economic growth in the future. However, challenges such as the lack of benefits, job insecurity, and potential disruptions to work-life balance for workers demand thoughtful regulatory interventions. Once they are addressed, the expanding gig economy will definitely contribute positively to sustainable economic growth.



Ayushman Puri is a 17-year-old IB student based in Singapore with a strong passion for economics and STEM subjects. He has participated in essay writing competitions and has authored research papers submitted to high school journals.

The Impact of Automation: High Unemployment or New Job Opportunities?

Udaiveer Singh Lamba

As we move deeper into the century the progress and incorporation of automation technologies are changing economies worldwide. Whether its arms, in manufacturing plants or advanced algorithms in decision making processes across industries automation is clearly reshaping the job landscape. This transformation raises a question; will automation result in unemployment or will it open doors to new employment opportunities? As a student studying economics it's vital to examine this issue from perspectives taking into account patterns, current trends and future forecasts.

To gauge the effects of automation, looking back at instances of technological advancements can be enlightening. The Industrial Revolution of the 19th centuries brought manufacturing into play initially displacing many jobs in labor intensive sectors. However it also gave rise to industries and job roles ranging from machine operators to factory supervisors. Similarly with the emergence of computers and the internet toward the end of the century workplaces underwent a revolution by automating tasks while creating fresh opportunities, in IT, software development and digital marketing.

These historical examples emphasise a concept; although technology may replace certain job roles it often opens up new avenues that can result in overall job expansion. The key factor lies in how adaptable the workforce's capacity to transition into employment opportunities.

In todays world automation is progressing rapidly driven by artificial intelligence machine learning and robotics. Industries, like manufacturing, transportation and customer service are witnessing levels of automation sparking concerns about job displacements. For instance the introduction of self-driving vehicles poses a threat to the livelihoods of truck drivers while AI powered customer service bots have the potential to supplant call centre agents.

Nevertheless these apprehensions could be alleviated by the emergence of job categories. The acceleration of automation demands individuals to develop, program, maintain and repair these systems. Furthermore novel industries and services that are presently beyond our imagination might come into existence – like how the internet generated employment opportunities that were unimaginable a few decades ago.

Viewed from a standpoint, automation can be interpreted through the concept of destruction coined by economist Joseph Schumpeter. Creative destruction refers to the process wherein new technologies and innovations make existing jobs and industries outdated while fostering growth and avenues, for employment.

Automation boosts efficiency for businesses leading to cost savings that can be reinvested in expanding the business, research and development and higher employee wages. This reinvestment can create demand for products and services fostering job growth.

Furthermore automation can pave the way for the emergence of industries. For example the rise of energy technologies has opened up opportunities in solar and wind energy production, battery technology and smart grid management. As automation advances it is expected to drive advancements in emerging sectors.

The shift towards an automated economy highlights the importance of focusing on education and skill enhancement. Workers need to possess the skills to succeed in a tech driven job market. This includes know-how in programming and operating machines as well as soft skills like critical thinking, problem solving and adaptability.

Governments and educational institutions have a role to play in this transformation. Policies that promote retraining programs and skill development initiatives, coupled with an emphasis on STEM education (Science, Technology, Engineering, Mathematics) are crucial, for preparing the workforce for employment opportunities. Additionally safety nets and labor market policies should be established to support workers through times of transition.

The influence of automation on job availability is a complex matter. Although some industries may face workforce changes, historical trends and economic principles indicate that innovation tends to bring about employment opportunities. Successfully managing this shift requires flexibility, ongoing learning and proactive policy initiatives.



Udai is an IB Economics HL student who is deeply passionate about all things business-related, including finance, entrepreneurship, and marketing. As an investing enthusiast, he has successfully turned his hobby into a source of passive income. He also enjoys giving back to the community and has gained valuable experience interning with top companies such as AMP Motors, Locnapps, and Broomhead.

Entrepreneurial Endeavors

Explore inspiring business, CAS projects, initiatives, and businesses started students. See new ideas and find inspiration for your own CAS projects!

EMERITUS EDUCATION

Student-led organisation hosting Skills Workshops in NGOs

35

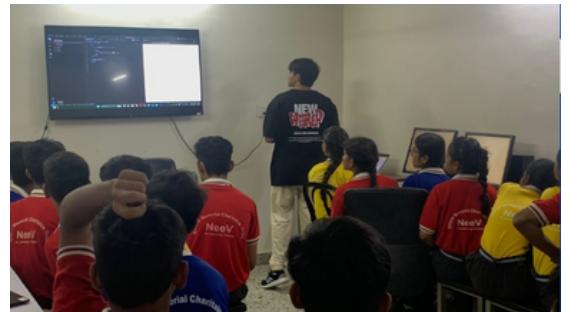


Emeritus Education is a student-led organisation dedicated to teaching underprivileged children 21st Century Skills that are in-demand in today's job market. They conduct workshops across NGO schools in Delhi NCR.

The organisation was founded by Sarthak Tallamraju. Their team involves a group of various other students: Amishi Srivastava, Ranabeer Chhabra, Niral Bhurat, and Prakrit Singh.

ACHIEVEMENTS

- We recently hit a milestone: a cumulative count of more than 130+ Students taught
- Issued more than 100 Certificates for our offline workshops at NeeV Learning Centre
- Held a series of sessions at Yatan with more than 40+ Students in attendance
- Organised a lab-visit for students at NeeV to give them a better understanding of the experiments within their chemistry curriculum, which they couldn't get before due to a lack in resources.



THE STORY BEHIND IT

The founder, Sarthak Tallamraju, has been volunteering at NGOs since 7th grade. A major issue he noticed within these NGOs was the lack in teaching modern day skills, skills that would allow these children to get a more secure future. Hence, he and his friends decided to form Emeritus.



Instagram:
@EmeritusEducation



Upcoming Opportunities

Stay ahead with the latest events, competitions, and opportunities in the world of economics, business, and finance.

Don't miss out on your chance to shine!



Stock Market Game (Deca Challenges)

Registration Deadline: October 18

Registration Fees: \$35

Eligibility: 1-3 members per team

The DECA Stock Market Game is an online simulation where teams of 1-3 DECA members manage a virtual investment portfolio with \$100,000 in cash. Advisors must register teams, ensuring all participants are verified DECA members. The competition includes margin trading and requires maintaining diversified investments across stocks, bonds, and mutual funds. Participants gain valuable investment experience, enhance financial literacy, and have the chance to qualify for the prestigious International Career Development Conference (ICDC).

[View more](#)

HUEA Speaker Series

H  **E A**
**Harvard Undergraduate
Economics Association
Speaker Series**

Monday, October 25 @ 5:00PM ET



Orlando Bravo

**Founder and Managing Partner of
Thoma Bravo**

Date: October 25, 2024

The HUEA Speaker Series is an enlightening event that brings together industry leaders, entrepreneurs, and thought leaders to share their insights and experiences with aspiring business professionals. Open to all students, participants have the opportunity to attend virtual sessions where speakers discuss a wide range of topics, including economics, business strategies, and innovative practices. The series offers a platform for networking, gaining valuable industry knowledge, and developing professional skills. Attendees benefit from direct interaction with successful professionals, which can inspire their own career paths and entrepreneurial ventures. This unique learning experience helps students stay updated with current trends and best practices in the business world.

[View more](#)

Youth Ideathon 2024

Registrations: Open

Deadline: 15th August

Eligibility: 9th to 12th grade

Entry: Free

Youth Ideathon is a nationwide competition in India designed to foster innovation and entrepreneurship among school students.

The initiative encourages teams to propose solutions to contemporary challenges, focusing on themes such as Indian heritage, technological advancements, and sustainability.

Participating in Youth Ideathon provides students with essential skills like teamwork, critical thinking, and problem-solving, promoting an entrepreneurial mindset aligned with national educational and professional goals. The competition recognizes top teams with certificates and incubation grants, while schools demonstrating high participation receive special acknowledgment.



[View more](#)

High School Startup League (HSSL)

Submission Deadline: 31 Aug 24

Entry: Free

Eligibility: 1. Open to high school students
2. 4-8 members per team

The High School Startup League (HSSL) is an entrepreneurial competition launched by the Masters' Union School of Business in Gurgaon. High school students across India are invited to form teams and develop business startups from scratch. Participants will receive mentorship and training during a startup weekend, and the competition includes rounds of online voting and a final showdown where the top teams pitch their ideas to a panel of judges. This competition offers a fantastic platform for aspiring young entrepreneurs to gain hands-on experience, develop their business ideas, and compete for significant funding to bring their startups to life.

[View more](#)

High School Startup League

India's Biggest High School Startup League

Tata Building India School Essay Competition

Attempt Dates: 12th August to 31st August

Entry: Free

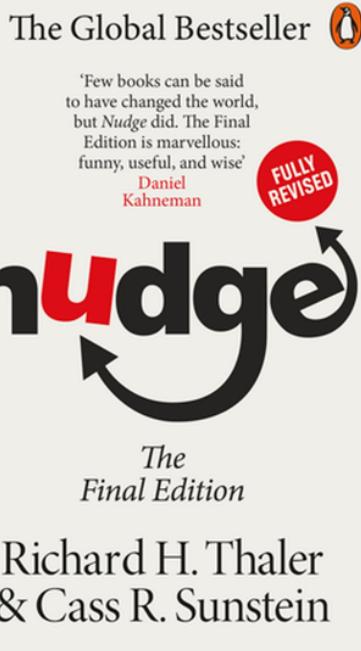
Eligibility: Students from classes 6-12 across India

The Tata Building India School Essay Competition is among India's largest, inviting students to delve into nation-building, economics, and social change. It offers a platform for students to articulate their thoughts on issues like economic development, sustainable business, and social entrepreneurship. Conducted in Hindi and English, and hosted online, it ensures wide accessibility across India. Winners are awarded trophies, certificates, and prizes, with top essays gaining national recognition on the Tata Building India website. This competition sharpens writing skills while enhancing participants' understanding of how businesses contribute to societal development, emphasizing the connection between economics and social responsibility.



[View more](#)

BOOKS



The Global Bestseller

'Few books can be said to have changed the world, but *Nudge* did. The Final Edition is marvellous: funny, useful, and wise'

Daniel Kahneman



Nudge

Richard H. Thaler
& Cass R. Sunstein

The authors explore how subtle changes in the way choices are presented can influence decision-making. They discuss how "choice architecture" can be used to nudge people towards better decisions in finance, health, and other areas of life.

So, what's a nudge? A nudge is some small feature of the environment that attracts our attention and alters our behavior.

— Richard Thaler —

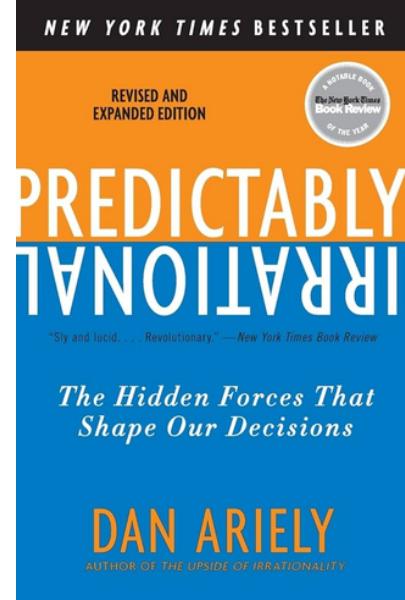
Predictably Irrational

Dan Ariely

Behavioral economist Dan Ariely challenges readers' assumptions about making decisions based on rational thought. He explains how expectations, emotions, social norms, and other invisible forces skew our reasoning abilities.

Even the most analytical thinkers are predictably irrational; the really smart ones acknowledge and address their irrationalities.

Dan Ariely



"Sly and lucid. . . . Revolutionary." — *New York Times Book Review*

The Hidden Forces That Shape Our Decisions

DAN ARIELY

AUTHOR OF *THE UPSIDE OF IRRATIONALITY*

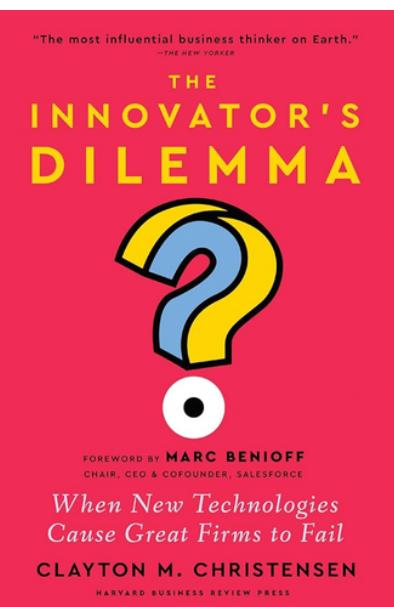
The Innovator's Dilemma

Clayton M. Christensen

Christensen introduces the concept of disruptive innovation, explaining why great companies can do everything right and still lose market leadership. He provides a set of rules for capitalizing on disruptive innovation and maintaining industry leadership.

"Disruptive technology should be framed as a marketing challenge, not a technological one."

- Clayton M. Christensen



When New Technologies
Cause Great Firms to Fail

CLAYTON M. CHRISTENSEN

ENTERTAINMENT

WALL STREET



"Wall Street" (1987) ~ Oliver Stone

This gripping drama centers on a young, ambitious stockbroker who gets entangled with a ruthless corporate raider. As he's drawn deeper into the high-stakes world of finance, the series unravels a cautionary tale about the dangers of unchecked greed and the moral dilemmas that come with it. Through intense character dynamics and a sharp look at the financial industry, the show explores the ethical compromises made in the relentless pursuit of wealth and power.

Available on **Hotstar, Amazon Prime, Apple TV and Google Play Movies**

WHERE EVERYONE WANTS TO BE AN ICON

FROM MIKE JUDGE, THE WRITER & DIRECTOR OF OFFICE SPACE
SILICON VALLEY

SERIES PREMIERE
APRIL 6 AT 10 PM **HBO**

"Silicon Valley" (2014-2019) ~ Mike Judge, John Altschuler, Dave Krinsky

This witty comedy series follows a group of young tech entrepreneurs as they hustle to succeed in the cutthroat world of Silicon Valley. It hilariously satirizes the quirky culture of the tech industry while exploring the relentless drive for innovation, fierce competition, and the rollercoaster of startup life. With its sharp humor and relatable characters, the show offers a clever look at the challenges and triumphs of turning big ideas into billion-dollar ventures.

Available on **Prime Video, HBO, Hulu and Jio Cinema**

ENTERTAINMENT

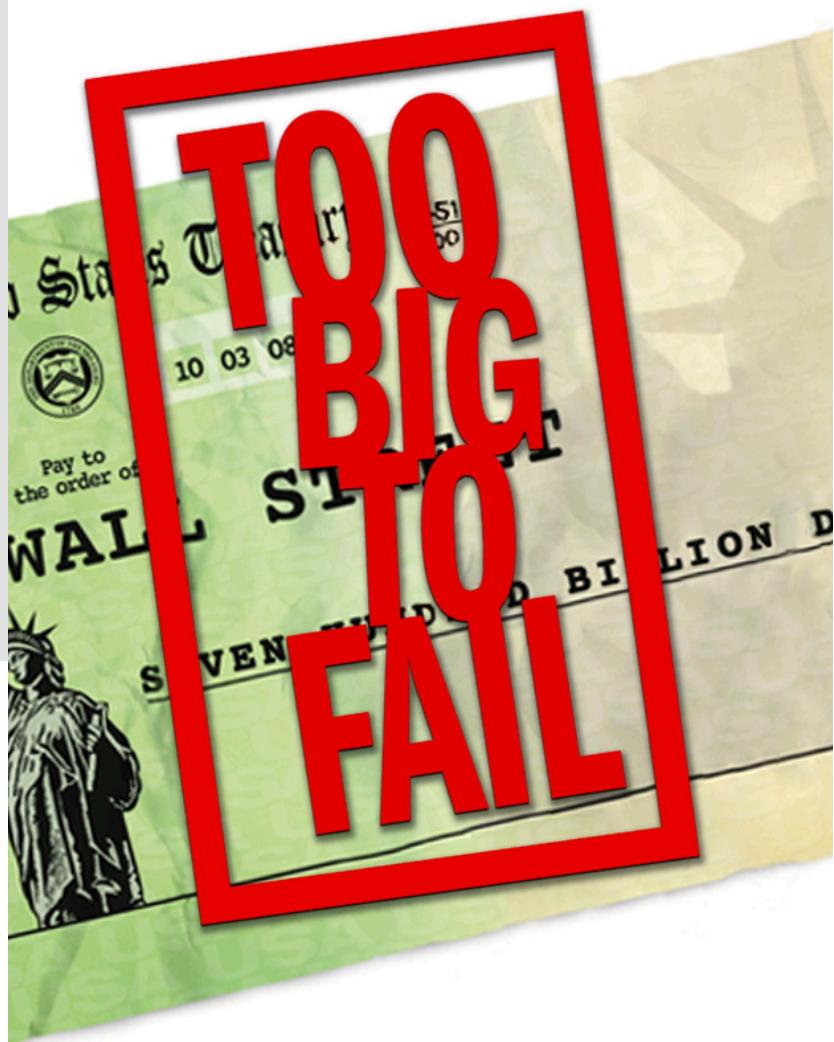
"Shark Tank" (2009-present) ~ Mark Burnett

This popular reality show showcases aspiring entrepreneurs as they pitch their business ideas to a panel of savvy "shark" investors. Contestants face intense scrutiny as they negotiate deals, with the show offering valuable insights into pitching, valuation, and the art of making a deal. It's a fascinating look at the high-stakes world of entrepreneurship, where a single pitch can make or break a dream.

Available on [ABC.com](#), [SonyLiv](#), [Jio Cinema](#) and [Hulu](#)



HBO ORIGINAL



"Too Big to Fail" (2011) ~ Curtis Hanson

Based on Andrew Ross Sorkin's book, this gripping film delves into the 2008 financial crisis, highlighting the frantic efforts of Treasury Secretary Henry Paulson to prevent a total economic collapse. Set between August and October 2008, the movie provides a behind-the-scenes look at the high-pressure decisions and power struggles that shaped one of the most turbulent periods in financial history.

Available on [Prime Video](#), [Jio Cinema](#) and [HBO](#)



BEHIND THE SCENES

Creative Contributors

Meet the team behind Econ Essentials



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Head of Social Media

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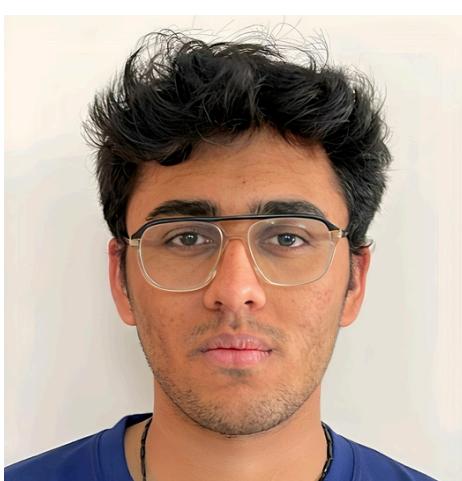
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The creators of Econ Essentials

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**Co-founder &
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Aaradhy Jain



**Co-founder &
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Shivam Wadhwa

How Econ Essentials came to life:

As students immersed in the fields of business and economics, we recognized the need for a resource that could make staying updated both simple and engaging. We wanted something that could help with our academics and be accessible and inspiring.

Additionally, we saw that many students like us were looking for opportunities and guidance, so we wanted to create something that could help. Econ Essentials was born from this vision.

This magazine is made for the students, by the students. Editions will release at the monthly. We hope it becomes a valuable companion in your academic journey, sparking curiosity and providing the knowledge and inspiration you need to succeed. Feel free to give any suggestions along the way.