

# storai

VOL. 10 | ISSUE 1

November - December 2018

RNI REGN No.:MAHENG/2009/33219



## VISUAL MERCHANDISING

From Store Design to Experience Design

# AB SE AKKHA MUMBAI KAREGA SMARTGIRI

EVERY DAY  
PROMISES

Minimum  
**6%**

**BELOW  
MRP**

On All Grocery Items\*

**₹9\***

**For 1KG  
SUGAR**

\*on shopping of ₹1499 & above



Also available at:

**SMART**



- COLABA
- DADAR
- BANDRA
- NALASOPARA

**SMART Sahakari Bhandar  
COLABA Regal Cinema.**

**MUMBAI CENTRAL (E)  
Central City Mall.**

**SMART Sahakari Bhandar  
DADAR Agar Bazaar.**

**SMART Sahakari Bhandar  
BANDRA (W) Station Road.**

## SMARTGIRI Destinations

**KURLA (W)  
Phoenix Market City.**

**SANTACRUZ (W)  
ACME - Khiranagar.**

**MALAD (W)  
Ramchandra Lane, Kanchpada.**

**BORIVALI (W)  
D Victoria Mall.**

**SMART Sahakari Bhandar  
NALASOPARA  
Fun Fiesta Multiplex**

**VIRAR (W)  
Gulmohar Plaza.**

**CHUNABHATTI  
Swadeshi Mills Compound.**

**VASHI  
Maithili Signet, Vashi Rly. Stn.**

**BELAPUR  
Mangala Tower, Sector 15.**

Publisher : Kumar Rajagopalan  
ceo@rai.net.in

Executive Editor : Shiv Joshi - shiv@rai.net.in

Contributing Editor : Vidya Hariharan  
vidyahariharan1311@gmail.com

Contributors : Akshay Kale - akshay@rai.net.in  
Osaid Butt

Art Director : Deris Micheal - deris@rai.net.in

#### RAI Advisory Team

Director-Retail Learning : Lawrence Fernandes  
lawrence@rai.net.in

Editorial Director : Dr Hitesh Bhatt  
hitesh@rai.net.in

Director - Finance & Advocacy : Gautam Jain  
gautam@rai.net.in

STOrai Advertisement : Kiran Shetty - kiran@rai.net.in

#### RAI National Council

Avijit Mitra, Infiniti Retail Ltd. (Croma)  
B A Kodandarama Setty, Vivek Ltd.  
B S Nagesh, Shoppers Stop Ltd.  
Bhaskar Bhat, Titan Industries Ltd.  
Deepak Aswani, My Kingdom  
J Suresh, Arvind Lifestyle Brands Ltd.  
Jamshed Daboo, Trent Hypermarket Ltd.  
Kishore Biyani, Future Group  
Krish Iyer, Walmart India  
Lalit Agarwal, V-Mart Retail Ltd.  
Neville Noronha, Avenue Supermarts Ltd. (D-Mart)  
Noel Tata, Trent Ltd.  
Pranab Barua, Aditya Birla Retail Ltd.  
Rafique Malik, Metro Shoes Ltd.  
Rahul Mehta, CMAI  
Rakesh Biyani, Future Retail Ltd.  
Shashwat Goenka, Spencer's Retail Ltd.  
Suhail Sattar, Hasbro Clothing (P) Ltd.  
Vasanth Kumar, Lifestyle International Pvt. Ltd.  
Vinay Nadkarni, Globus Stores Pvt. Ltd.

## FACILITATING GROWTH



**A**s Retailers Association of India (RAI) we've been meeting people from various parts of the country, trying to bring them together onto one platform to help them understand the various aspects of retail that are instrumental in achieving various levels of modernisation.

The one thing that is predominately coming out of all our initiatives around the country is that there is no dearth of demand for business. However, there are definitely competitive challenges that need to be faced by retailers. Through our various platforms we facilitate a common dialogue to help them address issues and move forward.

Today, it is all about customer experience. Visual presentation is one aspect of the experience that enhances the attractiveness index. With experience taking centre stage, Visual Merchandising as a function in retail is evolving to become a strategic partner that drives customer loyalty and hence, business. Retailers have to get into experiential marketing to survive and thrive in the competitive market. Recognising this trend, we have themed the issue around Visual Merchandising.

The issue also gives you an update on the various advocacy initiatives of RAI. A significant development among them is that the National Retail Trade Policy is back in consideration and is gathering considerable momentum. We have been in dialogue with the government and other stakeholders towards making it happen. However, it may take some time to become a reality due to the General elections in 2019.

We also have an insightful article by KPMG on the trends that are likely to dominate Indian retail in 2019, which we hope will help you stay ahead of the curve.

Do stay connected with us for more updates on retail and write to us on [info@rai.net.in](mailto:info@rai.net.in) with your feedback and views.

**Kumar Rajagopalan,**  
Chief Executive Officer, RAI

Printed and published by Kumar Rajagopalan for Retailers Association of India 111/112, Ascot Centre, Near Hotel ITC Maratha, Sahar Road, Sahar, Andheri (E), Mumbai - 400099. Tel + 91 22 28269527-28, Fax +91 22 2826 9536, Email: [info@rai.net.in](mailto:info@rai.net.in)

Printed at Jyothi Process, 63, Shiv Shakti Industrial Estate, Andheri Kurla Road, Marol, Andheri (E) Mumbai - 400 059, India. Phone: +91 22 28514084

This publication is for the purpose of information only. The views expressed in this publication do not necessarily reflect the views of the Retailers Association of India and the opinions expressed in this publication do not necessarily reflect those of the editor, publishers or their agents and it should not be used in substitution for exercise of independent judgment. This report is based on the information obtained from various sources and sources believed to be reliable, however, no warranty, express or implied, are given for the accuracy or correctness of the same and it should not be construed as such. The report contained in the publication is also not intended as an offer or solicitation for the purchase and sale of any items. No matter contained in this publication may be reproduced or copied or forwarded without the prior written consent of the Retailers Association of India.

# CONTENTS >>

## 04 INDUSTRY UPDATE

Update from the Industry

## 09 ADVOCACY UPDATE

Policy, regulations & more

## 10 COVER STORY

- 10 It's about telling stories
- 14 Vishal Kapoor, Chief Design Officer, Future Group on the Evolution of Design
- 16 The Raymond Perspective
- 18 The one VM Trend that matters the most
- 22 Business and VM heads on the changing role of VM
- 26 Pop-up Innovation



## 30 TRENDS

Retail Trends in 2019

## 34 REPORTS

- 34 Chennai Retail Summit 2018
- 40 India Retail Excellence Awards 2018
- 44 Retail Regulatory Summit 2018
- 47 TradeConnect, Singapore
- 50 Bengaluru Networking Meet
- 51 Shillong Retail Forum 2018



## 52 CONSUMER INSIGHT

Findings of RAI - Litmus Festive Shopping Index

## 56 HIGHLIGHTS

International Home + Housewares Show 2019



## 58 SME INSPIRATIONS

Bipha: Building a Legacy



## 62 FRANCHISING

The secrets behind the success of Mini TRS



## 64 MEMBER PROFILE

The growth story of Enrich Salons



## COVER CREDITS

Venue: fbb

Picture Courtesy: Future Group

## 52 CONSUMER INSIGHT

Findings of RAI - Litmus Festive Shopping Index

## 56 HIGHLIGHTS

International Home + Housewares Show 2019



## 58 SME INSPIRATIONS

Bipha: Building a Legacy



## 62 FRANCHISING

The secrets behind the success of Mini TRS



## 64 MEMBER PROFILE

The growth story of Enrich Salons



## COVER CREDITS

Venue: fbb

Picture Courtesy: Future Group

## CROCS SCORES A 100 IN INDIA



**A**s a part of its ambitious and aggressive expansion strategy in the Indian sub-continent, Crocs India opened its 100th store at Chennai, recently. Spread across 625 sq. ft. at the VR Mall, the new store is Crocs' third in the city and fifth in the state of Tamil Nadu. It will be operated by Metro Shoes, the national franchise partner.

The partnership with Metro Shoes began in 2014 which has helped the iconic footwear brand in expanding its reach to over 50 cities through its EBO operations. 😊

## GST RATES SLASHED

**O**n 22 December 2018, the GST Council of India announced reduced tax rates on 23 goods and services, including movie tickets, TV/monitor screens, power banks, while frozen and preserved vegetables were exempted from taxes.

Finance minister Shri Arun Jaitley hinted the possibility of India going for a single slab GST rate in the future saying, "A future road map could well be to work towards a single standard rate instead of two standard rates of 12% and 18%. It could be a rate at some mid-point between the two." Only cement and auto parts are items of common use which are still in the 28% bracket.

Prime Minister Shri Narendra Modi recently said that the Centre was working towards a position where 99% things will fall under the sub-18% GST slab. 😊

## GOLD FOR VIVIANA MALL AT ICSC KUALA LUMPUR, YET AGAIN

**O**ne of Mumbai's reputed shopping centres, Viviana Mall, has bagged its 6th consecutive trophy at the ICSC Asia Pacific Shopping Centre Awards 2018. The Gold award considered as the Oscar of the retail world was presented at RECon Asia in Kuala Lumpur. Viviana Mall was recognised for its innovative and socially relevant campaign- #StopAcidSale against the sale of acid aimed at prevention of an ever prevalent social malaise of scarring caused by Acid Attacks. It saw widespread participation and recognition across the country and was well received by society and media alike. Extensions of the program saw acid attack victims share their stories at forums and walk the ramp at a leading Fashion Week.

Viviana Mall also brought on board Manoj K.



› Ms Rima Pradhan, Sr VP Marketing, Viviana Mall receiving the prestigious gold award at the ICSC Asia Pacific Shopping Centre Awards 2018

Agarwal, a seasoned professional from the Hospitality and Shopping Mall industry as its CEO. Agarwal, who has over 30 years of leadership experience, previously has had stints with L&T and Inorbit Malls. 😊

**EPSON**  
EXCEED YOUR VISION

**BILL  
ANYTHING**

**FROM  
ANYTHING**



The all-new way to print from any device

**TM-m30**

Tablet Point-of-Sale Printer



**SAVE ON SPACE**

Sleek, stylish and compact. Perfect for any environment, especially those with limited space.



**SAVE ON INVESTMENT**

Print directly from any smart device. Ethernet, Bluetooth, USB available.



**SAVE ON PAPER**

Print shorter receipts to reduce paper-costs and consumption by up to 30%\*.

**Get connected with  
Epson's new-age billing solution.**



Mobile POS



Cloud-based POS



PC-based POS



**CONTACT:** Andhra Pradesh & Telengana 73374 29848 Assam 81339 56070 Bihar 99030 53860 Chattisgarh 98333 52939 Delhi 85879 60139 Goa 98236 42272 Gujarat 96017 82874 Haryana 96509 71919 Jammu & Kashmir 97977 92025 Jharkand 93867 44350 Karnataka 79048 79101 Kerala 90612 59888 Madhya Pradesh 88892 60260 Maharashtra 98339 98686 Orissa 98368 76776 Punjab 95361 10831 Rajasthan 78699 11699 Tamil Nadu 98840 70566 Uttarakhand 98337 77562 Uttarpradesh 97070 16933 West Bengal 98305 78415

\*Cyber Media Research. \*Terms and conditions apply.



**Epson Helpline:** For product info or service - 1800 425 0011  
For service - 1800 123 001 600 (9AM - 6PM) (Mon - Sat) **Email:** pos@eid.epson.co.in

[www.epson.co.in](http://www.epson.co.in)



## INSTAGRAM TO ENABLE 'BUY' IN INDIA

**F**ollowing into the footsteps of parent company—Facebook, Instagram users in India could shop for products within the app itself from next year. Initially, tapping the “buy” button next to an image will take the user to the merchant’s web page to complete the purchase. Later, users will be able to make the purchase within Instagram itself.

Instagram already has a feature to shop through the platform via Instagram Stories, where a user with a considerable following or a verified page can use the swipe-up feature to direct the consumer to the brand’s website. According to estimates, India has the second-largest Instagram user base outside the US. Though revenues are trivial, India has become one of the biggest contributors to growth in the numbers of users for giants like Google and Facebook. 🧐

## FUTURE ENTERPRISES ACQUIRES LIVQUIK

**K**ishore Biyani’s Future Enterprises has acquired over 7.11 crore partially paid shares in Livquik Technology, a fin-tech startup, for a cash consideration of Rs 20 crore. Once the call on acquired shares is made and payment is completed, Livquik will become a subsidiary of Future Enterprises.

The deal is expected to be closed within an indicative timeline of 24 months. “The activities carried out by Livquik are expected to add value to the business of the company,” Future Enterprises said.

Livquik is engaged in business of issuance of digital prepaid payment instrument, provision of payment gateway services and development of specialised system software and application software. 🧐

## B2B PLATFORM BESPOCUT LAUNCHED IN INDIA

**T**he bespoke clothing business in India had remained largely untouched by technology. Things are set to change with Bespocut, a B2B techno-commercial business enablement platform that allows designers in India to provide world-class bespoke clothing services to their customers across the world.

Utilising Bespocut’s cloud platform, Customized Hub, India will be able to match quality and finesse of bespoke clothing, as customers normally find in

Savile Row or Hong Kong. In the first year of its operations, Bespocut will be introduced in 30 cities across India. It aims to acquire 500+ style partners in the first two years. The company is also planning to start lead generation activities so that its Style Partners can benefit from new clients.

“It is an innovative idea about creating a virtual studio without having an industry or stock but only expertise. We have designed our cloud-based application or warehouse, as we call it. People don’t have time to go out and per-



► Pradeep Kumar, CEO and Founder, Bespocut

sonalise their clothing, which is where Bespoke will help them,” said Pradeep Kumar, CEO and founder of Bespocut. 🧐



# Natural Indulgence

**BRIDGING GAP BETWEEN QUALITY AND ASPIRATION**

Natural indulgence: A Distribution platform for international cosmetic brands ( Personal care & Hair care )



**BYPHASSE**



**BEAUTY FORMULAS**



**HotIce**



📍 205 Tanishka Commercial Complex, Opposite Western Express Highway, Akurli Road, Kandivali East, Mumbai-400101.

customer service : [info@naturalindulgence.in](mailto:info@naturalindulgence.in) Tel : +9892513097 Website : [www.naturalindulgence.in](http://www.naturalindulgence.in)



<http://www.facebook.com/naturalindulgence.in>



<http://twitter.com/naturalindulg>



<http://www.instagram.com/naturalindulgence>

### SHAZÉ BAGS PRESTIGIOUS AWARD IN UAE



► Samrat Zaveri, Founder and MD, Shazé receiving the award

Luxury brand Shazé has been awarded the 'Best Premium Lifestyle brand in Décor and Destination Jewellery' for the year 2018 by Economic Times. The award ceremony held at Abu Dhabi was organised as a part of the on-going efforts by the governments of India and UAE to identify key areas to boost investment flux between the two nations. The award was received by Samrat Zaveri, Founder and MD, Shazé. 🌱

### V-MART APPOINTS GOVIND SHRIKHANDE AS AN INDEPENDENT DIRECTOR

Leading value retail department store chain V-Mart announced the appointment of Govind Shrikhande as an Independent Director, effective 2 November 2018. Known to the industry for his glowing track record at Shoppers Stop, which he joined in 2001 and left as MD, Shrikhande possesses rich cross-functional experience in textiles, apparel and retail. Prior to Shoppers Stop, he was associated with Mafatlal and Johnson & Johnson. He has the unique distinction of being part of the team that launched Arvind Denim & Arrow. He has also worked with Bombay Dyeing.

Primarily focusing on Tier II and III cities, V-Mart has more than 490 stores with an average store size of approximately 8,000 sq. ft.

### NEWS IN NUMBERS

#### 1.8 million

##### What is it?

The number of jobs that may be eliminated due to AI by 2020.

##### Why is it important?

This shows the steady shift of all the industries towards an AI-based business model to which retail will be no exception.

##### Tell me more

AI will create more jobs than it will eliminate with an estimated 2.3 million job openings—half a million more than the jobs lost.

#### 18.5%

##### What is it?

The retail industry's share of average staff turnover among Indian companies by industries in the fiscal year 2018.

##### Why is it important?

It is an indicator of the industry's alarming attrition rate. It shows how employee stickiness is falling by the day—a call for action for retailers.

##### Tell me more

Retail has the highest attrition rate amongst all industries in India. According to the same study, Automotive has the least with 6.6% and insurance is the closest to retail with 18.3%.

#### \$1.1 trillion

##### What is it?

Expected valuation of India's physical retail market by 2020.

##### Why is it important?

The figure highlights the fact that even in a virtually-driven ecosystem, shoppers will not forego brick and mortar stores.

##### Tell me more

Organised retail is expected to grow at 20% per annum. Online retailing is expected to see an exponential growth of 1200% by the year 2026 but physical retail figures will still dominate the playing field.

### 365 DAYS STORE OPENING PERMISSION IN WEST BENGAL

**O**n representation by RAI, the state government of West Bengal has allowed all retail shops in the state to remain open 365 days a year, provided they comply with conditions specified in the notification. This move will ensure consumer convenience, grant flexibility to businessmen and create more employment. 😊

### FSSAI APPRECIATES RAI'S EFFORTS

**R**AI has been nominated as a key stakeholder in the FSSAI's Swasth Bharat Yatra, a key initiative under the 'Eat Right India' movement—launched to commemorate Mahatma Gandhi's 150th birth anniversary. RAI received a letter of appreciation from the CEO of FSSAI acknowledging RAI's efforts in the initiative. 😊

### LEASE ACCOUNTING STANDARD, IND-AS 116 ISSUED

**T**he Accounting Standard Board (ASB) of the Institute of Chartered Accountant of India (ICAI) has issued a lease accounting standard, Ind-AS 116, effective 1st April 2019. This standard will fundamentally change the accounting for lease transactions for lessees. It is likely to have significant business implications. The RAI finance committee had started a discussion on the topic to figure out a uniform practice among retailers as retail is one of the most heavily impacted industries. For retailers with a significant portfolio of leases, recognition of right-of-use assets and associated liabilities will profoundly change the balance sheet. This, in turn, might affect loan covenants, credit ratings and other external measures of financial performance. 😊

### NATIONAL RETAIL TRADE POLICY UPDATE

**R**AI has given its inputs to the Commerce Ministry on the draft National Retail Trade Policy. A delegation from RAI, including RAI's northern Regional Chairman Lalit Agarwal, had a fruitful meeting with the DIPP secretary for the same. RAI is in touch with all other industry bodies like CII to work together on the policy. 😊

### UPDATE ON DELHI MINIMUM WAGE HIKE

**R**AI challenged the substantial hike in minimum wages by the Delhi Government in Delhi High Court because it was steep and unjustified. There were also procedural lapses in finalising the hiked rates. In August 2018, the High Court declared that the Delhi Govt. order was unsustainable because of lapse in procedure. The state Govt. took the matter to the Supreme Court, which allowed operation of the March 2017 notification for three months, the time given to the government for a fresh exercise. A bench headed by Chief Justice Ranjan Gogoi, however, made it clear that at this stage arrears were not required to be paid but current wages are to be paid as per the March 2017 notification till the time a decision is made.

RAI has submitted a fresh representation to the Delhi Govt. contending that its members have at no point in time been averse to and/or against a reasonable increase in minimum wages and the increase done by the state Govt. is unreasonable and will severely impact the retail business in the state. 😊

### GST ADVOCACY UPDATE

**Meeting with GST Council:** The GST council had called a meeting to discuss sales promotion strategies adopted by retail companies such as freebies (one plus one free), discounts, cash-backs through mobile/digital wallet, loyalty programme and vouchers/coupons redeemable at a future date. An RAI delegation met the CBIC chairman, GST commissioner and GST council members and submitted a representation on the sales promotion schemes and their taxability under GST, valuation and eligibility/availability of Input Tax Credit.

**Extension of the last date for filing GST annual returns:** CBIC vide press release dated 07.12.2018, extended the due date for filing FORM GSTR-9 (annual return for regular taxpayers), FORM GSTR-9A (annual return for the taxpayers registered under composition scheme) and FORM GSTR-9C (reconciliation statement and certification) till 31 March 2019. RAI has requested the GST Council to extend the last date for filing of GST annual returns Form 9 by three months to 31 March 2019. 😊

# IT'S ABOUT THE STORY

The only way to catch the attention of today's connected consumers and hold it is to touch their hearts through appealing design narratives that go beyond mere window displays

By Surender Gnanaolivu

**T**his world, as predicted by futurists, is soon to be run with algorithms driven by machine learning that will use 'ultra' logic to predict our preference and enable our daily lives. Human science studies have proven that the way to get a person's attention is to surpass the logical mind and appeal

to his or her emotions. There's no better way to do this than through telling a story. How often does a movie, book or TV show draw us into a world of imagination and into an emotional state where we are open to new possibilities. Try and recall the story and you will realise that it is the plot, the emotional layer, and not the logical facts in the story that

you would be able to narrate.

## WHY A STORY IN A STORE?

It's a war of competing prices, 'endless' aisles, marketing muscle and technology in the marketplace. Consumers are being bombarded with an overload of 'logical' information. That is why, storytelling is being increasingly used to touch



Photos: Surender Gnanaolivu

► Havaianas store design and visual merchandising tell the story of the brand in a fun and differentiated way

their emotions and inspire them to have personal and memorable interactions with the brand. Retailers and brands are using different narratives to create this emotional bond with the consumer.

**BRAZILIAN BEACH STORY:**

Havaianas, a 56 years old Brazilian brand of flip-flop sandals, embodies Brazil's fun, vibrant and spontaneous way of life. It sells a staggering 200 million pairs every year! The store design and visual merchandising tell the story of the

brand in a fun and differentiated brand proprietary concept. The colour and form have been inspired by trees, a sunny blue sky, a sandy beach and beach benches to evoke the fun and enjoyment Brazilian beaches are popular for.

**CRATED LIFESTYLE STORY:**

Anthropologie is a brand that curates assortment of clothing, jewellery, home furniture, décor and beauty by partnering with artists and designers from around the world. The store is a 'home of discovery'

for the brand's core customers and is presented in collections that represent different art stories like classic, boho and modern.

The store design and visual merchandising uses the narratives of its customers' sense of adventure and individuality—what she wears and how she lives—in arty vignettes that tell stories through 'art installations' of the curated collections.

**NATURAL BEAUTY STORY:** Lush, meaning 'fresh, green, and verdant', produces cosmetics for the face,



► The store Anthropologie tells stories through 'art installations' of its curated collections



► Cosmetic brand Lush uses stunning displays of product groupings at its stores to tell its story with panache

hair, and body using only vegetarian or vegan recipes made in factories (or 'kitchens' as they prefer to call them) around the world. The store experience uses sensorial design in a natural reclaimed palette pepped up with vibrant colour, delightful fragrances and stunning displays of product groupings to tell its story with great panache.

Story telling using design must evoke the customers' imagination and clearly deliver an experience that they believe would enhance their lives. Today, visual merchandisers, store designers, brand marketers and technology developers are collaborating to create great concepts that are differentiated and effective.

**THEY LEAD TO 5 LEARNINGS...**

◆ Stories need to be **IMAGINATIVE** to transform customers into an

emotional realm

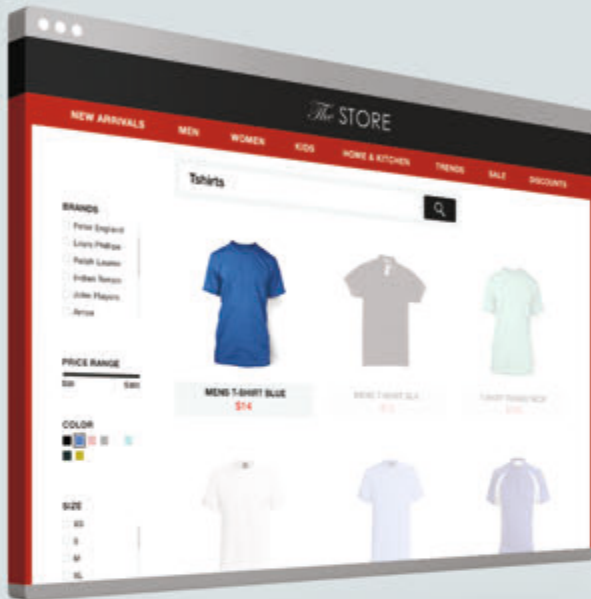
- ◆ Stories need to be **UNIQUE** to help create memorable experiences for customers
- ◆ Stories need to be **BELIEVABLE** for customers to trust the brand
- ◆ Stories need to be **INCLUSIVE** of customers in the narrative to create a strong emotional bond with them
- ◆ Stories need to be **CONSISTENT** in all the tenets of the design to make the experience immersive

With the future of shopping steadily heading towards becoming more and more technology enabled, the art of storytelling will become less of an option and more of a necessity to keep the connected consumer emotionally engaged and loyal. 😊



Surender Gnanaolivu has an experience of over two decades in the Indian retail industry in Retail Strategy, Store Design, Planning & Development, Retail Marketing, Visual Merchandising, Roll-out Management, Retail Audits, Training, Teaching and Writing. His career encompasses holding of senior positions such as Executive Vice President & Head Marketing, Brand Experience, Store Design, Planning & Development at leading retailers like Shoppers Stop, Reliance Retail and Mahindra Retail and as a senior retail consultant working with leading retailers and brands in India. He is currently a Sr Retail Experience Consultant.

# Show your customers what they want to see.



## Powerful On-site Product Discovery

SEARCH · BROWSE · RECOMMENDATIONS · PIM

[www.unbx.com](http://www.unbx.com)

# EVOLUTION OF DESIGN

**Vishal Kapoor**, Chief Design Officer, Future Group gives us an insider's view on the tenets, trends and tactics of Experience Design—the evolved, more holistic form of Visual Merchandising

*Interviewed by Shiv Joshi*

**R**etail is a sensory-driven industry and visuals have proven to work better for businesses than any other tool. With competition on the rise, brands use visuals to tell stories, differentiate themselves and get an edge. Visual Merchandising (VM) is no longer just a design element in an organisation's structure but also an integral part in strategy making and is swiftly moving into the number realm too.

Vishal Kapoor, Chief Design Officer, Future Group explains...

## HOW IS VM EVOLVING IN INDIA?

VM today is beyond the word 'visual' as it was traditionally perceived. A more well-rounded approach would be to address it as Experience Design, a term which has a much larger and strategic connotation. Since businesses are directly linking with their customers, this knowledge and technique is now becoming a partner in growth since 'experience' seems to be the key.

Experience Design is all about thinking design at tactical and strategic levels and integrating them vertically. It also involves a horizontal convergence of various



► **fbf stores are a fine example of Experience Design...All elements just flow like a well-crafted story, drawing consumers in**

aspects of experience like service design, in-store environment design, communication design, technical services design and technology each having its own breadth and width of subsets to contribute.

## ARE SUCH PROFESSIONALS ABLE TO KEEP UP WITH THE CHANGE?

Yes and no. Yes, because despite less academic focus in this field all outcome is a mix of self-learning and hands-on experience which shows the grit of the professionals. Experience Design as a profession is basically about thinking with

hands and a balanced outcome of form and function. While VM is bent towards form, Experience Design is more holistic.

No, because we cannot look at the working system in India and try to replicate here what works in developed markets. This is because of the difference in academic experience, industry maturity, vendor contributions and skills and labour cost. Here, even the most basic in-store visual activity is carried out by a third party unlike the professional counterparts in

Europe or US who are more hands-on with aligned skills and aptitude.

The second challenge we face is the upgrade in mindset as one moves up the career ladder. The challenge is both of contextualisation of skills both technical and technological and graduating from tactical to strategic design thinking. This means constant learning...Not just the skills but also management of the system and business. Only when the designers know the dynamics of business will they be able to provide and articulate their creative value.

Organisations of today need both qualitative and quantitative value adds and there cannot be a better time when the USP of every retailer has its basis in 'experience'.

### AN EXAMPLE OF THE IMPACT OF EXPERIENCE DESIGN ON BUSINESS?

Experience Design is about integrating experiences leading to better customer happiness. This includes products, environment and processes all integrated for the final outcome. For example, one simple insight in our retail stores turned into a very big idea in creating a positive customer experience. The case is about dissonance we saw at long waiting queues on our checkouts. Increasing counters didn't seem to be an ideal solution.

This last mile experience being critical for any retailer, we came up with the simple idea of creating a seating area—a sit down billing—where customers can relax with



► **Vishal Kapoor, Chief Design Officer, Future Group**

refreshments served from our live kitchen after a long in-store journey while we service their checkout. This was integrated with service oriented staff, QMS system for questions management and a soothing design. And it all came together to turn the point of dissonance into a point of appreciation and happy memories. This was only feasible looking through a lens of Experience Design.

### WILL VM EVOLVE INTO EXPERIENCE DESIGN IN 2019?

As mentioned earlier, VM will evolve as a more holistic value add at both tactical and strategic levels. The blurring lines between physical and digital will force VM professionals to rethink about their evolution and updating their skills. Multiple skill sets would merge.

As one moves up the hierarchy, specialisation will give way to generalisation of aptitude and one would need to be constantly updated and aware about new innovations and their adoption in the consumer experience segment. 😊



► **Simply adding seating near checkout counters has helped achieve three goals: Busting of queues, better customer experience and more business**

# THE RAYMOND PERSPECTIVE

**Shradha Kurup**, Head - Visual Merchandising, Raymond Ltd. on her plans to craft memorable tales through the 900 retail doors she manages

**T**he world of visual merchandising (VM) has transformed into a dynamic landscape of infinite possibilities. However, for VM professionals, being able to engage an impatient and informed customer is a major task at hand.

The biggest question we are faced with today is, while consumers are bombarded with innumerable brand messaging and products, why should they shop with us? The answer to this question is what we VM/design professionals plan to unfold as our Visual Merchandising strategy for the year ahead.

The idea is to ensure that we make our stores Interesting, Engaging and Up to Date with the product and the communication that is relevant to our times and the needs of our customers, thereby building memorable interactions.

## FOCUS FORWARD

At Raymond, we embarked on a journey at the start of 2018 to add 300 additional doors to an existing network of 750 stores till March 2019. Our plan for the year ahead is to be able to provide an experience that is seamless and consistent across all channels and stores, making each interaction a memorable one.



► **The VM for Khadi by Raymond weaved an interesting story**



► **Shradha Kurup, Head - VM, Raymond Ltd.**

Visual Merchandising has evolved from setting up store windows to creating a store's show stoppers and fashion style guides. Research shows that humans can attach a meaning to a visual in less than 0.15 seconds. It's about creating a visual that consumers take back with

them, be it in the form of a selfie or a memory. That is the level of storytelling that we aim to achieve in the year ahead.

Dynamic, interactive, tech-embedded and suave are some of the directions we will be focussing on, ensuring that we try something new every time. Creating a charter for 1,000 stores ensuring that themes and products are brought to life and come together as a seamless story online and offline. Setting up store windows and products that talk and sell, thereby transforming VM from the silent sales facilitator to an interactive sales catalyst. To be able to intrigue customers to experience and live our brand promise through our products, thereby carving a niche in their minds forever. 😊

Export Promotion Council for Handicrafts

Invites **Retail chains, e-commerce, portals  
architects, interior designers & hoteliers**

47  
edition

**HOME  
LIFESTYLE  
FASHION  
TEXTILES**



save your dates  
**REGISTER NOW**  
[www.epch.in/focusindia](http://www.epch.in/focusindia)

made for  
international  
market  
now available  
in India



**IHGF  
DELHI FAIR  
SPRING 2019  
18- 22 FEBRUARY**

India Expo Centre & Mart  
Greater Noida Expressway, Delhi-NCR

**3,000+** Exhibitors  
**197,000+**  
Sq. Meter Area



For more information, please contact:  
**EXPORT PROMOTION COUNCIL FOR HANDICRAFTS**  
Tel: +91 -11 -26125893, Fax: +91 -11 -26135518/19, E-mail: [epchdomestic@epch.com](mailto:epchdomestic@epch.com), Web: [www.epch.in](http://www.epch.in)

Interact with us at: [epchindia](http://www.epchindia.com)

ENTRY BY INVITATION ONLY

Advertising space sponsored by the Office of Development Commissioner (Handicrafts) Ministry of Textiles, Govt. of India

# WHAT WILL RULE IN 2019

The dominant trend for visual merchandising in the year to come will be to not follow any trend but innovate and engage to highlight the brand proposition

*By Jose Maria Bustos*

**P**ersonally, I have never been one to follow Visual Merchandising (VM) trends. The latest trends like magic mirrors or mannequins that don't require bases are ones that, if followed, you can rest assured your closest competitors are following too.

In today's world of experiential retailing, the twin worlds of leisure and retailing collide to blend and form a powerful new element—retailers are using their bricks-and-mortar and flagship stores to focus more on creating a fully immersed brand experience. No longer does the majority of the population want to hoard goods, they want good service, they want more, richer experiences.

Today's most successful retailers don't follow trends in VM, they follow innovations and ideas based on social trends and it is those 'ideas' that make successful shops Instagram-able and distinctive. Here are some examples...

## IT'S ABOUT IDEAS

'Ideas' like Amazon's newest brick-and-mortar experiment called Amazon Go, cashier-less retail with a 'Walk Out Shopping' experience.



### ► The Script store by Godrej in Mumbai features many new ideas

Simply use the Amazon Go app to enter the store, take the products you want, and go! No lines, no checkout. You get product information on your phone by scanning the price tag, bill will be directly uploaded on to your phone without having to interact with a cashier.

Lululemon's idea is a sports-wear concept intent on offering focal points for the local community.

Lululemon provides gathering spaces, areas of wellness that are deliberately planned as 'quiet spaces' with seating, tables with power plugs and USB ports where women can come together to engage with one another or just hang. They also offer healing through yoga classes 'in-store'. These are ground breaking ideas that capture one's imagination.



Photo: Surender Gnanaolivu

Photo Courtesy: Script



► Starbucks Roastery in Shanghai is targeted at Generation C

Starbucks Shanghai Roastery is another 'idea' spot targeted specifically at Generation C's desire to connect digitally with retailers. This large flagship store allows customers to interact by pointing smartphones or tablets at the café's key features around the Roastery to bring to life the Starbucks bean-to-cup story on their gadgets. Descriptions and graphic imagery showing every aspect of the Starbucks' bean-to-cup story is viewable.

Toms flagship store in Venice, California provides an experience beyond just shopping for hip shoes. It offers coffee and lattes, baked goods, plenty of seating and free Wi-Fi to perpetuate its image as not just a place to shop but a place to hang out and to see and be seen.

**IN THE INDIAN CONTEXT**

Here in India, 'Script' by Godrej (at its flagship furniture store in Mumbai) features a number of new ideas to help create an immersive environment. Its ground floor functions as an exhibition/training/education/performance space, where interesting events are planned throughout the year to engage customers and the local community.

Its three upper floors showcase living, dining and bedroom settings. Each room is beautifully planned and decorated with wall hangings, rugs and lifestyle elements to help set the correct mood.



Photo: Surender Gnanaolivu

► Today, it's about ideas like the Amazon Go store

Photo Courtesy: Script



Every aspect of Script has been planned down to the last detail to fully engage the Script customer. Special large format magnetic lifestyle graphic panels are designed to trigger aspirational thoughts. Educational and humorous product information signs have been planned to interact and engage with customers and to communicate about the brand. Even the product presentation props and sign holders have been custom designed to tie back to the Script brand.

Large digital screens function as focal points on every floor providing consumers with information about Scripts designers, products and services. Such services include the ability to customise everything for the home, from choosing your own fabrics for sofas sets to designing your own kitchen cabinetry (colours, finishes, function) that can be instantly viewed using Scripts

unique in-house software. To round out its offerings, Script also provides home related products such as bedding, rugs, lamps, china, kitchenware, cutlery and more.

Script's four floors of stairwell are handsomely decorated with artistic felt wall hangings and brass chain curtains. Tables are set with beautifully detailed decorative settings to capture one's eye and imagination. On its rooftop, a café is being planned introducing a leisure component to the brand mix. All in all, its mission of allowing customers to write their own 'Script' has been fully realised.

So, if I were to conclude with a VM trend to follow in 2019, it would be this: Begin any project by engaging with a dreamer who is able to provide ideas and vision that highlight your brand proposition and then, innovate! 🧐



Jose Maria Bustos is Creative Director at VMA Pte. Ltd., winner of the 1st Place Award for 'Specialty Department Store Design' by the Institute of Store Planners/VMSSD. He also has an MFA (San Francisco Art Institute) and BFA (SFAI) as well as being a Rockefeller Fellow (museum studies and education). Jose Maria has over 35 years' experience in Visual Merchandising working with brands like Saks Fifth Avenue, Adidas, Harley Davidson and Google S.E.A. He has written articles for several leading publications.



सर्दियों में  
— only —  
**TORRIDO**



**TORRIDO**

PREMIUM THERMAL

STRETCHABLE | BODY-HUGGING | ATTRACTIVE COLOURS | SOFT AND NON-ITCHY

[www.rupa.co.in](http://www.rupa.co.in) | SMS 'RUPA' to 53456 | Toll Free No: 1800 1235 001 | Shop Online: [www.rupaonlinestore.com](http://www.rupaonlinestore.com)

# WINDOW TO VM

Visual Merchandising (VM) heads, Design experts and industry leaders give us a peek into the evolution of VM

**“ I BELIEVE IN THE POWER OF THE SAYING ‘JO DIKHTA HAI WOH BIKTA HAI’. AND WITH THE WAY RETAIL IS EVOLVING, VM PLAYS THE VITAL ROLE OF NOT JUST ENGAGING CONSUMERS ON THEIR FIRST VISIT BUT ALSO THAT OF KEEPING THEM DRAWN TO COME BACK OVER AND OVER AGAIN. IT’S ALL ABOUT TECHNOLOGY AND IMMERSIVE EXPERIENCES.”**

- Samir Modi, MD and Founder, Colorbar



**“ TODAY, VM CARRIES A LOT MORE RESPONSIBILITY ON IT AS A FUNCTION TO CONTRIBUTE POSITIVELY TOWARDS BUSINESS. WITH STIFF COMPETITION IN EVERY SEGMENT, ESPECIALLY THE VALUE SEGMENT WHICH WE OPERATE IN, IT IS THE JOB OF VM TO ENSURE FOOTFALL. WHEN THERE ARE SEVERAL COMPETING STORES IN A PLACE, CONSUMERS ALWAYS WALK IN TO A STORE THAT HAS MORE PRODUCTIVE DISPLAYS. THE CHANGE IN THE ROLE OF VM IS EVIDENT FROM THE FACT THAT FROM BEING A PART OF OPERATIONS, THE VM FUNCTION IS NOW COMBINED WITH MARKETING. THERE IS A COHESION ACROSS ALL MARKETING COLLATERALS AND IN-STORE DESIGN ELEMENTS.”**

- Eshwar Chandra Mithun, DGM, National Head – VM, Unlimited, Arvind Brands

**“ VM WILL ADVANCE TOWARDS A STAGE IN RETAIL WHERE IT WILL IMPACT THE STORE’S LOOK AND FEEL, DESIGN AND BUSINESS PERFORMANCE. IT WILL BE AN IMPORTANT PILLAR FOR ANY RETAILER WHO IS SERIOUS ABOUT HIS IMAGE AND BUSINESS ALIKE.”**

- Pawan Nagarwal, Customer Care Associate and Head – Visual Merchandising, Shoppers Stop Ltd.





“THE ROLE OF A VISUAL MERCHANDISER HAS EVOLVED OVER A PERIOD OF TIME. IT’S NO MORE ABOUT ONLY GREAT DISPLAYS AND MAKING THE STORE LOOK GOOD. VM IN RETAIL IS MUCH MORE EXPERIENTIAL. **UNDERSTANDING WHAT THE CONSUMER WANTS, DETERMINING WHAT PRODUCTS WILL ATTRACT CONSUMERS AND DISPLAYING A CURATED RANGE, GIVING SHOPPERS SOMETHING TO DESIRE, WILL SOON BE THE EXPECTATION FROM VM. THIS APPROACH NOT ONLY WILL HELP INCREASE SALES BUT ALSO STRENGTHEN THE BRAND AND INSPIRE CONSUMER LOYALTY.**”

- Shwetal Basu, Head – Marketing, Metro Brands Ltd.

“VM SPEAKS THE BRAND’S ETHOS. IT IS AS IMPORTANT AS SOCIAL MEDIA TODAY. INDIAN CONSUMERS ARE SO WELL TUNED WITH THE **GLOBAL SCENARIOS THAT THEY UNDERSTAND AND APPRECIATE THE IDEA OF WINDOW DRESSING, WHICH IS CHALLENGING INDIAN VM TO RAISE THE BAR.**”

- Karan Berry, Creative Head, Being Human



“IF YOU DON’T MAKE A BIG DEAL OUT OF YOUR MERCHANDISE, WHY WOULD YOUR CUSTOMERS? A SUCCESSFUL VISUAL MERCHANDISER TAPS INTO HUMAN EMOTIONS. BEYOND MAKING NECESSARY PURCHASES, CUSTOMERS MAY UNCONSCIOUSLY BUY DEPENDING ON THEIR CURRENT STATE OF MIND. **INSIDE THE STORE, CUSTOMERS NEED TO EXPERIENCE PLEASANT MUSIC AND FRAGRANCE TOO. IN OTHER WORDS, TODAY PEOPLE MIGHT VISIT YOUR STORE TO ENJOY A MOOD CHANGING EXPERIENCE, SOMETHING THAT WILL MAKE THEM FEEL GOOD. AND IT’S UP TO THE VM TO MAKE IT HAPPEN.**”

- Tejaswini S Nigam, Head – Visual Merchandising, Pepe Jeans India Ltd.

“ VM WILL HAVE TO BE NIMBLE WITH A FAST IMPLEMENTATION STRATEGY. NO LONGER CAN YOU PLAN AHEAD WITH NO FLEXIBILITY TO CAPTURE CHANGES IN THE MARKET. GO FOR SMALL INTERVENTIONS FOR TOP-OF-MIND RECALL. MAKE CELEBRATIONS OUT OF EACH OCCASION TO INCREASE VISIBILITY. CUSTOMERS TODAY ARE MOBILE-FIRST. A SIGNATURE ACROSS SOCIAL, DIGITAL, ONLINE AND IN STORE IS THE NEED OF THE HOUR. HIGHLIGHTS HAVE TO BE SYNCHRONOUS ACROSS PLATFORMS AS IT LEADS TO HIGHER CONVERSION.”



- Akash Kumar, VM Head, Lifestyle



“ VM IS MORE CRITICAL TODAY THAN EVER BEFORE TO DRIVE TRAFFIC WITHIN THE STORE; TO COMMUNICATE BRAND POSITIONING AND OFFERS; TO HELP UP-SELL & CROSS-SELL MERCHANDISE.”

- Purna Mohan, VM & Design Head, Mohanlal Sons

“ IN TODAY'S PHYGITAL WORLD, STIMULATING CUSTOMER CURIOSITY TO CREATE BRAND VALUE REMAINS PARAMOUNT. VISUAL MERCHANDISING NOT ONLY ENGAGES THE CUSTOMER BUT GOES BEYOND INFORMATION DISBURSAL TO PROVIDE A THREE-DIMENSIONAL MULTI-SENSORY IN-STORE EXPERIENCE.”



- Kranti Fernandes, Head VM, aLL, The Plus Size Store, Future Lifestyle Fashions Ltd.



“ WITH ADDED TECHNOLOGY AND INTERACTIVE OPTIONS, WINDOW AND IN-STORE VM DISPLAYS HAVE GROWN TO THE LEVEL THAT HELPS SHOPPERS RELATE AND ENGAGE WITH THE BRAND STORIES. IN-STORE DISPLAYS SHOULD INSPIRE AND YET BE COMMERCIAL TO DRIVE EASY SHOPPING ATMOSPHERE AND ENGAGE THE CUSTOMER.”

- Marthy Bermejo, Deputy General Manager, Home Centre

**“ IT’S ALL ABOUT SELLING AN ENTIRE EXPERIENCE TO THE CUSTOMER, WHICH MAKES VM ONE OF THE CORE ELEMENTS IN THE RETAIL BUSINESS TODAY AND TOMORROW. MEANINGFUL VM CAN HELP PLACE YOU ONE STEP AHEAD OF YOUR COMPETITORS.**

**DOMESTIC TRENDS IN VM ARE MOVING AS PER THE INTERNATIONAL STANDARDS WITH PROPER FIXTURES, ASSORTMENT DISPLAYS AND SIGNAGES. TOMORROW’S VM WOULD BE MORE TECHNOLOGY-DRIVEN WITH ARTIFICIAL INTELLIGENCE, DIGITIZATION, 3D REALTY PLAYING A BIG ROLE IN IT.”**

- Hemant Agarwal, CMD, V-Bazaar Retail Pvt. Ltd.



**“ VM TODAY PLAYS A PIVOTAL PART IN RETAIL BUSINESS. RIGHT FROM ATTRACTING EYEBALLS TO ENGAGING THEM & THEREBY, ENCOURAGING CONSUMERS TO BUY MORE. CREATIVE FACADE & SHOW WINDOW HELPS IN DRAWING THEM TO THE STORE, WHILE INTERACTIVE DISPLAYS & SIGNAGES HELPS IN CONVERTING THEM. THE OVERALL AMBIENCE PLAYS A KEY ROLE IN GIVING GREAT CUSTOMER EXPERIENCE WHICH INCLUDES THE LAYOUT AND INTERNAL VISIBILITY. IT HELPS IN MAXIMISING THE AESTHETICS OF PRODUCTS WITH THE INTENT OF MAXIMISING THE THROUGHPUT.”**

- Snehal Shah, Sr. VP – Operations, V-Mart

**“ TODAY, THE TRUE MEANING OF VM IS EVOLVING FROM BEING MERE DISPLAY PROPS IN THE WINDOW TO NOW OFFERING DEEP KNOWLEDGE ON MERCHANDISE AND ENGAGING CUSTOMERS IN MAKING THE RIGHT BUYING DECISIONS.”**

- Amit Shanklya, Chief Visual Merchandiser, Globus Store Pvt. Ltd.



# POP-UP INNOVATION

Shop/Lab – A permanent pop-up space that’s not your average brick-and-mortar experience...

By Joe Baer & Jalpa Patel

The pop-up shop concept has become a key marketing strategy for retailers interested in growing their brand and promoting new products. Why? Because pop-up shops feel exclusive and customers don’t want to miss out on a new, exciting and temporarily existing opportunity.

Shop/Lab is an innovative space that combines visual merchandising, technology and data analytics to allow retailers to experiment and test their brand with a suite of services. Think of this little store like a pop-up shop and a laboratory combined in one. This unique store concept sits at Easton Town Center, an indoor and outdoor shopping complex in north-east Columbus, Ohio, United States.

This 520 sq. ft. shopping laboratory provides a pop-up space for brands to create, test and experiment with fresh concepts and new shopping experiences on a short-term lease. It is a learning laboratory equipped with modern technology, retail analytics and flexible fixturing systems. It provides tenants all the tools they need to observe and learn more about their customers and the type of shopping



► Shop/Lab is a pop-up shop and laboratory combined as one

experience they ultimately want to provide.

## INTERACTIVE DIGITAL DISPLAYS

A digital suite of technology embraces the store, starting with a digital storefront sign, which is seamlessly integrated into the store façade giving it great flexibility with each new tenant that arrives in the space, also when there is a changeover period – the digital signage is used to promote the Shop/Lab brand. An exterior

touchscreen allows customers to shop even when the store is closed and drives awareness to the brand and generates sales 24/7. The store interior consists of two interior touchscreens where customers can browse through a larger selection of products, learn more about a brand and push purchases to their phone. A large format screen anchors the back wall allowing tenants to feature promotional content, social media interaction or live footage. Digital

and software companies partnered together to provide a seamless network allowing graphics, video and online content to merge within the space giving customers the options to shop, engage and educate themselves. This creates an omni-channel experience in one space.

### **INTELLIGENT AND FLEXIBLE VISUAL MERCHANDISING**

The space is equipped with multiple sensors and cameras, which provide the tenant with custom data and analytics to help them learn more about their target customer and how the customer shops. Custom reports can be generated while tenants track the experience in real time. During the design process, the main intent was to create a space with ultimate flexibility allowing a range of short-

term tenants to quickly set up shop and transition from one exciting brand and shopping experience to another, throughout the year. The fixture collection selected offered the flexibility and ease to transition quickly from one store concept and type of product to another. The collection allows merchandising variations from featuring a fuller inventory and maximum capacities, to a sleek showroom environment for featuring or launching a new product.

Tenants can also experiment with lighting options through their smartphones and can control it from wherever they are. This allows tenants to determine the best type of lighting for their products and explore options with lighting throughout the day and evening.

To create a “wow” moment, grid frames suspended above the main table provide a space for unique installations and eye-captivating displays that attract attention and lure guests towards the space. Shop/Lab has an open-door concept with two open garage doors that serve as entrance and exit points allowing more foot traffic. These two glass garage doors rise to open the shopping laboratory and form modern awnings over the entrances to the store.

### **INTERACTIVE EXPERIENCE**

Guests are welcome to enter the store from either direction, pulling them into the space to interact with the products while taking maximum advantage of the corner location. They are encouraged to engage with the products, screens and any interactive elements, provided by the tenant. Even the back wall surrounding the screen uses Visual Magnetics allowing the opportunity to create layers of graphics or movable elements to feature a brand or engage a guest in a tactile activity. Similar considerations were incorporated into a small fitting room, which allows guests to choose a variety of lighting options while trying on clothing. This private room has built-in controls where guests can adjust the lighting and charge their phone. This creates a more personable, memorable and enjoyable experience.

If a tenant does not require a fitting room, there is additional



► **The interiors allow flexibility to set up a store in short time**

storage built into a sidewall of the cabinetry. Contemporary white gloss cabinets provide an area for customer transactions, product and personal employee storage. Consumer transactions can be anchored in this niche with a traditional counter, however, the Shop/Lab package also includes a wireless tablet allowing transactions to happen anywhere in the space. Tenants are encouraged to remove the traditional counter experience allowing more one-on-one interactions and a more convenient check out process.

The first tenant to test their brand in the Shop/Lab space is Rock 'Em Socks, a specialty graphics sock

company, founded in 2011 and headquartered in Orlando, Florida. Rock 'Em Socks offers customers hundreds of designs to choose from, while primarily focusing on sports and lifestyle themes. With Columbus, Ohio being home to The Ohio State University (OSU), Shop/Lab was a great location for Rock 'Em Socks to promote their large variety of OSU gear while still allowing their customers to browse and shop their entire collection via the interactive touchscreens.

**NEW AGE RETAIL**

Shop/Lab offers brands an opportunity to experiment and explore new ways of connecting with today's shoppers. It's a fun

space designed for brands to learn more about their customers and the ever-evolving shopping process. This laboratory for brands and their consumers is a reflection on today's retail world and a reminder that experimenting and continually testing new experiences is a part of the process for today's most successful brands. 😊



Joe Baer is the Co-Founder, CEO and Creative Director of ZenGenius, Inc., His career encompasses over 30 years of experience working with many of the top retailers. His passion, drive and enthusiasm for visual merchandising and amazing retail experiences leads him to motivate and energize audiences around the world.



Jalpa Patel is the Interior Architect and Senior Visual Merchandiser for ZenGenius, Inc., and she was the lead designer of Shop/Lab. She has over 9 years of retail design experience and is extremely passionate about visual merchandising, store design, window displays and environmental graphics.



Photos: Richard Cadan Photography

➤ **Rock 'EM Socks is the first tenant of Shop/Lab**

CR PROJECTS

# BUSINESS DYNAMICS & SERVICES



CR PROJECTS



Trading and Mining of Metals & Minerals



Cultivation and Trading of Agro Commodities



Architectural Design Business



Information Technology and ITES (IT Enabled Services), Software Development and ERP



Shipping



Event Management



Aerial Operational Services using Drone



Corporate Responsibility



Food Service Industry



Transport Services



Cyber Intelligence



Research & Development

---

Email: [reachus@crprojects.asia](mailto:reachus@crprojects.asia)

Phone no: 0364-2505270/ +91- 8259031745

Address: Upper Lachumiere, Shillong 793001, Meghalaya

[WWW.CRPROJECTS.ASIA](http://WWW.CRPROJECTS.ASIA)

# 10 TRENDS FOR 2019

By Harsha Razdan, Subhajit Mazumder and Devang Shah

**G**lobally, and in India, the retail industry is going through transformations impacted by multiple and diverse forces that are changing the way consumers would like to engage and transact with brands and how brands would need to evolve their business models, formats and digital strategies.

Globally, while we see retailers investing in digital technologies to enable a seamless O2O (online to offline) experience for the consumer, we have also seen several retail brands, consolidating and closing their stores under the pressures of store profitability. This often does not indicate a slump in demand but simply that consumers have shifted their preference of brands / channels and that their wallet share has gone elsewhere. It is therefore prudent to not put any more good money behind bad money.

In India, the optimism of consumerism remains high. On the back of a robust economy, a billion plus population of aspiring consumers with global exposure, the retail industry would see exciting times in 2019. The political continuity / changeover expected in the upcoming elections in 2019, may be a temporary



blip in the celebrations, depending on how the policies of the new government pan out. Overall, consumers will take the power in their hands and will drive consumption irrespective of the outcome.

The top 10 trends likely to be significant in Indian retail in 2019:

## **1. RISE OF DIRECT TO CONSUMER BRANDS AND OMNI CHANNEL RETAILERS**

Indian retail was largely skewed towards physical retail until the emergence of Digital. Retailers' investment on physical infrastructure and store design have been far higher

than their investment in 'knowing the customer'. As a result, it impacted their ability to truly deliver an omni-channel experience, in spite of straddling multiple channels.

On the other hand, direct-to-consumer brands, many of which started as e-tailers, have built a strong data foundation, the heart of all Digital / Omni-channel experiences. They, therefore, have more comprehensive and accurate consumer insights to leverage. Many such brands are now going strong on the physical channel. This will see further prominence in 2019, as they

scale up their retail presence and business results.

## 2. RETAIL FORMAT INNOVATION

For Indian consumers, physical presence and the ability to 'touch, feel, and experience' enhances a brand's credibility. This tendency will grow. However, we may not see a widespread expansion of stores as large retailers, having more than 300 stores have found an inflection point in the range of 300 – 500. For them, the marginal increase in revenue from an incremental store beyond this point does not justify the increase in capex and operating costs.

This will lead to never-imagined innovations in the form and format of retail with smart placement of brands. This will see a surge in 2019 as urban real estate peaks in terms of price and space congestion.

## 3. ENHANCED CONNECTIVITY AND INTERNET SPEEDS

With access to high speed optical fibre in the hinterlands of the country

and 5G expected to be a reality in 2019 / 20, the power of Digital in the hands of the consumer is set to rise. This will lead to higher volumes of Digital content consumption by the average Indian.

One of the possibilities is smart tagging merchandise, as the content is played in real time, leading to 'Entertainment (E) Commerce'.

## 4. DATA DRIVEN MERCHANDISE

Diversity in India is supreme, and a localised assortment strategy would always make the brand more relevant across different preference segments of consumers.

With the advent of advanced data science, AI / ML capabilities, Indian retailers are expected to further invest in 'knowing the customer' better through initiatives such as Customer 360 degree programmes, CRM and loyalty programs. This in turn would keep feeding insights to the upstream of the value chain at the merchandise and assortment planning (MAP) stage. MAP would

not only consider historical trends, but also factor in individual customer segment / personal preferences to decide the range.

## 5. VERNACULAR VOICE COMMERCE

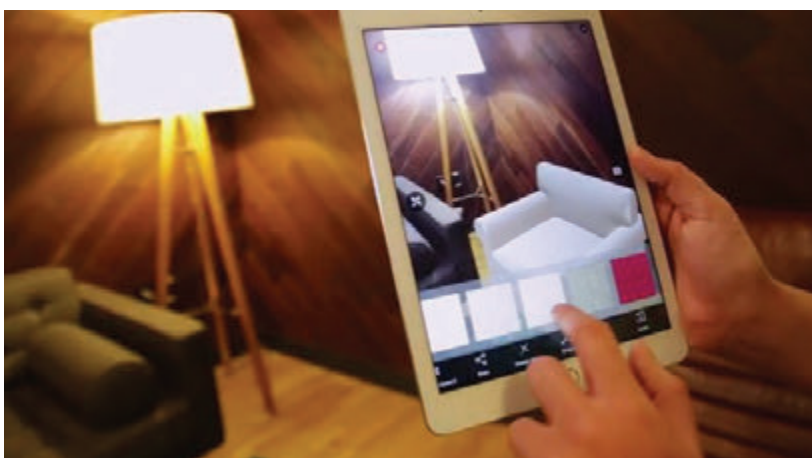
In a country like India, where consumers are more comfortable with stating their requirement, than typing it, the digital technology would truly break the divide between the educated and sophisticated urban shopper vs. the literate / marginally educated rural shopper, especially if it is possible in over 25 languages.

## 6. HYBRID OPERATING MODELS

The last few years witnessed many new operating models in the retail and e-commerce space such as marketplace, managed marketplace, franchisee and company-owned stores and hyper-local. Newer models, focused on serving consumers better, will continue to evolve. Models such as assisted commerce and omni-channel variants will mature further to offer retailers greater room to monetise.

## 7. COMPETITION-DRIVEN FOCUS ON MICRO-SEGMENTS

A combination of growing competitive pressures as well as rising disposable incomes will lead retailers overwhelmed by the tsunami of brands and variants to target specific niches in the market—catering to specialised needs of the segments that were previously considered too small and unattractive.



► The power of digital in the hands of consumers is set to rise



► 2019 will see a lot of automation in the supply chain



Harsha Razdan is Partner and Lead, Consumer Markets for KPMG in India. He has over 20 years experience in business consulting and consumer markets across Asia-Pacific and Europe.

### 8. EVOLVING CRM

As urban markets, particularly points of sale in Tier 1 and Tier 2 cities mature, retailers are likely to work towards the evolution of their CRM programs to focus on retention rather than acquisition. This will lead to innovation around loyalty programs, subscription-based benefits and cross incentivisation between non-competing brands catering to similar segments. AI and data analytics will play a huge part in this.

### 9. HIGH QUALITY PRIVATE LABELLING

Retailers have been hiring top talent to manage their private labels. Across categories, private labels will evolve beyond being cheaper alternatives to market leading brands. Retailers will focus on driving value to the customer with their product portfolios, focusing on high quality goods being made available at competitive prices to consumers.

### 10. SUPPLY CHAIN AUTOMATION

With the advent of robotic process automation (RPA), warehousing automation, superior image recognition, drone technology and AI-driven efficiency, back office processes will evolve beyond being cost centres to being true competitive advantage drivers for retailers in the year ahead. Omni-channel commerce requires retailers to have the ability to ship anything from anywhere to anywhere within limited time frames. A solid technology backbone and automating processes will allow retailers to compete with their online counterparts.

Overall, the sentiments for 2019 remains positive. Industry players are looking forward to betting on some of these trends. The potential of the Indian market remains significantly high and much of this is still untapped by organised retail. This gives enough opportunities for everyone to win in their own ways. 😊



Subhajt Mazumder is a Director, Strategy & Operations (Customer & Channels) practice, KPMG India, focused on retail & consumer products. He has 14 years of experience in consulting, encompassing client relationships, delivery and leadership.



Devang Shah is a director with the management consulting practice at KPMG India, specialising in Consumer Markets. He leads consulting projects, helping retailers build business strategy, grow revenue and improve efficiencies.

BE YOUR OWN BOSS.

SUCCESS  
menswear



W  
AUTUMN  
WINTER  
COLLECTION  
18-19

Asansol Galaxy Mall Bokaro Bokaro Mall Bhubaneswar Forum / Janpath / Pal Heights  
Cuttack Cantonment Road Dhanbad City Centre / Centre Point (Bank More) Durgapur  
Junction Mall Guwahati G. S. Road Giridih Court Road (Near Kalibari Chowk) Jamshedpur  
Bistupur Main Road (Opp. Kamani Centre) / P & M Mall Katihar Milan Katra, Mangal Bazar  
(Opp. Shyama Talkies) Howrah & Kolkata Avani Riverside / City Centre (Salt Lake) /  
Gariahat (Traingular Park) / Mani Square / Quest / Shyambazar / Sodepur (Station Road) /  
South City / The Metropolis Raipur Chhattisgarh City Centre (Pandri) Siliguri Cosmos Mall

Also @

CENTRAL pantaloons

& Other Leading Stores

# SUCCESS SUTRAS

Right from the keynote to the brand presentations, this year's edition of the Chennai Retail Summit was all about achieving success in retail despite all odds and the learnings along the way

**O**ne of the fundamentals of business is to be present where the consumer is. Not only does this influence the choice of location of stores, but it also drives the choice of channels to be present on. The consumers of today shop as easily online as they do offline and often shift between the two seamlessly. Sometimes, they discover and review online and buy offline or they experience a product offline and purchase online, after taking feedback about the product on social channels. Location and channels therefore have emerged as two significant drivers of growth.

Going forward, retailers that are present at the right locations and on the right channels with an identical and seamless experience on both will have a competitive advantage. Themed 'Growth in Retail: Locations and Channels', the Chennai Retail Summit 2018 brought together stakeholders of the industry on a common platform to discuss achieving growth through the right combination of location and channels.



► **K.R. Nagarajan, Founder & Chairman, Ramraj Group of Companies**

## DAY OF INSIGHTS

The tone of the day was set by a powerful keynote delivered by K. R. Nagarajan, Founder & Chairman, Ramraj Group of Companies in which he shared the story of how he brought prestige to not just his company but the garment of dhoti. "I was once refused entry into a hotel because I was wearing a dhoti. I set to change the perception through a 'Salute Ramraj' ad campaign for which we roped in the actor Jayaram and shot in the same hotel where I wasn't allowed. It broke all stereotypes. Today, Dhoti has

its due recognition. I did not wear dhoti to promote Ramraj brand, but to promote dhoti itself. Today, we have 125 showrooms with exclusive outlets for dhotis abroad. We have the talent, strength and potential to explore opportunities in other countries and grow like a Walmart. Ethics, quality and technology can help change our game and increase export," he said in his keynote.

Big Worth, an off-shoot of one of South India's most prestigious businesses- Butterfly Group, was the presenting partner for the Summit. The summit started with a warm



› Kumar Rajagopalan, CEO, Retailers Association of India



#### One-on-One Discussion

› L-R: T T Jagannathan, Chairman, TTK Group and Kumar Rajagopalan, CEO, Retailers Association of India



#### Brand Story

› Dilip Kapur, President, HiDesign



#### One-on-One Discussion

› L-R: Balachandar R, Founder & CEO, Wassup Laundry and Bhavesh Shah, CEO, SPI Cinemas

and inclusive Welcome Address by Suhail Sattar, MD, Hasbro Clothing Pvt. Ltd. & Chairman, Southern Regional Committee-RAI.

The day progressed with panel discussions on relevant topics such as 'Growth in Retail: Locations and Channels' and 'Future of Retail: Technology, Destinations and Consumers.' Panellists focused on the critical components of success in addition to locations and channels.

#### MORE SUCCESS STORIES

Based on participant feedback from the earlier Summit, there was a sharp departure from the regular format of the conference. This involved reduced number of panel

discussions and inclusion of more brand stories, where head executives and founding members of successful retail brands like Naturals, Max & Lifestyle, CaratLane, SPI Cinemas and HiDesign shared the behind-the-scene narratives of their challenges and achievements. This helped the new players in the market to learn and get inspired.

This year's crowd-stealer though was the one-on-one conversation between T. T. Jagannathan, Chairman, TTK Group and Kumar Rajagopalan, CEO, Retailers Association of India, where the legend enthralled everyone with memories of building the brand, lessons learnt along the



#### Brand Story

› Raghu Rajagopalan, President & COO, Max Retail Division (Lifestyle International Pvt. Ltd. )

way and future of retail.

With focus on journeys of successful retail brands, the CRS 2018 served as a great learning ground for retailers who want to take their business to the next level. 😊

**PANEL DISCUSSION-GROWTH IN RETAIL: LOCATIONS AND CHANNELS**



› L-R: Dr. Hitesh Bhatt, Director - Marketing & Communication, RAI; Avnish Kumar, Director, Neerus; BA Ramesh, Joint Managing Director, Thangamayil Jewellery Ltd.; B.A. Srinivasa, Jt. Managing Director & CEO, Vivek Pvt. Ltd.; Sumit Dhingra, Sr. VP and CEO - Arrow, Izod & Aéropostale (India), Arvind Fashions Limited; Sunil Sanklecha, Founder, Nuts & Spices and Suhail Sattar, MD, Hasbro Clothing Pvt. Ltd.

**PANEL DISCUSSION-FUTURE OF RETAIL: TECHNOLOGY, DESTINATIONS AND CONSUMERS**



› L-R: Balachandar R, Founder & CEO, Wassup Laundry; Ajay Kumar Jain, ED, Prisma Garments; Binod Homagai, Co - Founder & COO, Wow Momo; Gautam Sarogi, CEO, Go Colors (Go Fashion India Pvt. Ltd.); Pratik Shah, CEO, Specs-makers Opticians Pvt. Ltd.; Senthil Natarajan, Managing Partner, Kovai Pazhamudir Nilayam and Suresh Jain, MD, Kesar Gift Mart (P) Ltd.



**Brand Story**

› CK Kumaravel, Co-Founder, Naturals



**Brand Story**

› Mithun Sacheti, Co-Founder & MD, CaratLane



**Presentation**

› Girish Mathrubootham, Founder and CEO, Freshworks



**Presentation**

› Anil Patel, Founder and CEO, HotWax Commerce



**Presentation**

› Surendra Nayak, Head - Sales & Marketing, Logic ERP Solutions Pvt. Ltd.



**Presentation**

› Shyam Sunder K, Founder & Managing Director, 4dimensions



**Presentation**

› Anu Vittal, Global Business Development, Wooqer



**Presentation**

› Anupama Kadambi, Chief Experience Officer, GoFrugal



**Presentation**

› Sathiyarayanan Vijayaraghavan, Ajiratech

**FELICITATION CEREMONY OF RAI'S SOUTHERN REGIONAL COMMITTEE**



**PARTNERS AT CHENNAI RETAIL SUMMIT (CRS) 2018**

Presenting Partner



Automobile Partner



Mall Partner



Associate Partner



ERP Partner



Digital Commerce Partner



Communication Partner



Real Estate Partner



Retail Design Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Event Partner



Banking Partner



Technology Marketing Partner



Mementos Partner



Giftng Partner



Digital Display Partner



Styling Partner



Print Partner



Digital Marketing Partner



Supporting Partner



Supporting Partner



Supporting Partner



Charity Partner



Magazine Partner



Digital Marketing Partner



Business Networking Partner



Digital Marketing Partner



Association Partner



Association Partner



Association Partner



Association Partner



# It takes 24 hours to put it together.



## And 59 years to create a science of it.

At GKB we've constantly kept up with advancements in eye care technology to persistently provide you with the best in prescriptive eyewear. In fact, for the past 59 years, stylish frames, world-class lenses and impeccable service have been a part of our DNA.

### GKB Optical

Co-creators of a sharper world

Toll free: **1800-419-1990** (9 am to 6 pm) | Join us on [f](#) [t](#) [@](#) | SMS: EYECARE <space><city> to 54646 | Shop online: [www.gkboptical.com](http://www.gkboptical.com)

AHMEDABAD | AMRITSAR | BENGALURU | BHUBANESHWAR | CHANDIGARH | CHENNAI | DELHI | DURGAPUR | GURGAON | GUWAHATI | HOWRAH | HYDERABAD | JAIPUR | JAMSHEDPUR | KOLKATA  
LUDHIANA | MUMBAI | MYSORE | NOIDA | PUDUCHERRY | PUNE | RAIPUR | RANCHI | SILIGURI | SURAT | VADODARA | VIZAG

L&K | SAATCHI & SAATCHI

# LAUDING THE BEST

Supported by Retailers Association of India (RAI) and organised by RITZ Magazine, the India Retail Excellence Awards - Chennai 2018 recognised excellence in retail

India Retail Excellence Awards (IREA) felicitated the best of the best in the retail industry at a gala ceremony in Chennai commemorating the Chennai Retail Summit 2018. Retail is at an interesting juncture in India with new brands and formats entering the market and the old ones reinventing themselves. Consumption is on the rise, driven by aspirations and increase in per capita income. Technology is adding interesting twists by facilitating innovative business models, aiding efficiency and redefining customer expectations as well as experiences. It's only fair to recognise the genius of all the pathbreakers in this new-age retail movement which is what IREA set to accomplish.

"Today's big retail churn is not just revolutionising Indian retail but also separating the winners and the laggards. Brands that have their fundamentals right and are focused on all the right things are emerging as trend-setters. RAI is pleased to support the India Retail Excellence Awards that have been instituted to shine the spotlight on these stars of retail who have shone bright despite all odds. We see it as a recognition of their efforts, focus and hard work, and a salute to their indomitable spirit to constantly stay relevant to the times, the customers and the industry," said Kumar Rajagopalan, RAI, CEO.

With as many as 22 categories, the inaugural edition of India Retail Excellence Awards was inclusive

and gave due consideration to the many formats of retail such as Ethnic Wear/Apparels, Family Store, Food and Beverage, Services. There were some special categories of awards that sought to appreciate those who influence retail and have been innovators, propagators and trend-setters.

## THE PROCESS

A jury panel comprising eminent personalities from the industry, thoroughly evaluated the entries short-listed by a reputed audit agency to select the winners.

The awards were given away at a gala ceremony in the presence of the who's who of the Indian retail industry in Chennai. 🛒



**AND THE WINNERS ARE...**



*Best Retailer 2018 –Women’s Apparel: Naidu Hall the Family Store (Promoters of the well-known store in Chennai with over seven decades of experience and a loyal customer base)*



*Best Retailer 2018 –Electronics: Girias (South India’s No.1 Consumer Durables Retailer with 65 Mega Stores in South India)*



*Best Retailer 2018 –Ethnic Men’s Wear: Ramraj Cotton (Tirpur based production and trading house of Dhotis, engaged in the business of Indian Market)*



*Best Retailer 2018 –Ethnic Women’s Wear: Nalli Silk Sarees (The leading name in the silk and Kanchipuram Saree industry since its inception in 1928)*



*Best Retailer 2018 –Food and Beverage: Adyar Ananda Bhavan (Oldest Adyar, Chennai based chain of confectioners)*



*Best Retailer 2018 –Family Store: Pothys (A house-hold name in the textile industry in Tamil Nadu with an impeccable reputation)*

**AND THE WINNERS ARE...**



*Best Retailer 2018 –Grocery: Kovai Pazhamudir Nilayam (Coimbatore’s most famous fruits and vegetables reseller)*



*Best Retailer 2018 –Healthcare: Thulasi Pharmacy (Started in 2001 by 2 leading distributors to provide world class pharmacy at the lowest possible price)*



*Best Retailer 2018 –Jewellery: GRT Jewellers (Jeweller renowned for the purity of the ornaments, wide choice of designs and consistent customer delight)*



*Best Retailer 2018 –Mall: Express Avenue (A shopping mall in Chennai promoted by Express Infrastructure, a division of Express Newspapers Pvt. Ltd.)*



*Best Retailer 2018 –Services: Naturals Salon (A trendsetter in the Salon industry of India with an aim to bring international beauty trends to India)*



*Best Retailer 2018 –Speciality Retail: Fipola Retail (The first modern retail company for fresh proteins)*

**AND THE WINNERS ARE...**



*Best Retailer 2018 –Store Design: LKS Gold Haven (Reputed goldsmith and jewellers in the region)*



*Best Luxury Real Estate Destination 2018: Express Exclusive (Luxurious showpiece home-space provider in Chennai)*



*Best Family Entertainment Multiplex 2018: Mayajaal (A 27 acres sprawling Family Entertainment Centre along the East Coast Road in Chennai)*



*South India's Most Influential Celebrity: Shruti Hassan (Indian Film actress and singer who predominantly works in Tamil, Telugu and Hindi language films)*



*Comedy King: Yogi Babu (Famed comedy actor from the Tamil Film Industry who rose to fame due to his laudable performances in Maan Karate and Aandavan Kattalai)*



*Evergreen Queen: Simran Rishi Bagga (Versatile actress with experience in Tamil and Telugu films)*

# GEARING UP FOR TOMORROW

RAI's Retail Regulatory Summit 2018 focussed on the Evolving Role of the In-House Legal Counsel

**T**oday's business environment is characterised by changing dynamics, volatility and a highly complex regulatory regime. To remain ahead of the competition, business houses have to frequently realign their business plans and re-strategize in the board room. As a result, the role of the in-house counsel — the company's legal team — has undergone a sea change. Gone are the days when the job of the in-house counsel was limited to co-ordinating and briefing the external counsel on the various litigations the company was involved in.

Today, legal heads are expected to be innovative, creative and strategic in their thinking. Themed 'Evolving Role of the In-house Legal Counsel', the Retail Regulatory Summit (RRS) 2018 brought together the retail heads and legal counsel on a common platform to deliberate on the changing needs from the legal team and how to meet them.

"In the last decade, there has been a radical shift in the role of the in-house counsel. Today's legal heads are expected to provide valuable inputs at the business strategy and decision-making stage and be an integral part of board meetings.



## ► Felicitation Ceremony of RAI's Advocacy Committee

In-house counsel are being looked at as people who weigh the pros and the cons of a decision, scan the risks and its probable implications and suitably advise management on every important decision that has significant business impact," said Kumar Rajagopalan, CEO, RAI in his welcome address.

The address was followed by a stimulating panel discussion on the theme of the summit, 'Evolving Role of the In-House Legal Counsel'. Panellists included legal counsels of top Indian companies such as APK Chettiar, Infiniti Retail (Croma); Viswanathan Vasudevan, HUL; Gopal Naik, Aditya Birla Retail; Pankaj Patel, Future Retail; Raghu Pilaka, Reliance Market; and Ramaprasad S, Landmark Group engaging in meaning-

ful dialogue on the topic. The panel was moderated by Anshul Jain of PwC. The consensus was that the legal counsel have now moved from the courtroom to the boardroom and that the role is no longer reactive but proactive.

The other highlight of the summit was the session on Prevention of Sexual Harassment of Women at Workplace, Challenges and the Way Forward. The topic had a high relevance in today's context where several instances of sexual harassment in reputed organisations are coming to light.

## OTHER SESSIONS OF THE DAY INCLUDED:

- ◆ Interactive Session on Plastic



**Presentation**

› Goldie Dhama, PwC



**Interactive Session**

› Dr. D D Kale (Member of Expert Committee - Maharashtra Govt.)



**Interactive Session**

› GR Srikanth, Spencer's Retail



› Retail Legal Counsel of the Year (Large Format): Gopal Naik - Aditya Birla Retail Ltd.

Waste Management Rules and implementation by Dr. D D Kale, Member of Expert Committee - Maharashtra Government.

- ◆ Panel discussion on Key Regulations and Compliances in Retail
- ◆ Presentation on Insolvency by GR Srikanth, Spencer Retail

This year, the Summit recognised exceptional contribution to retail by legal teams as well as individuals through Retail Regulatory Awards.

For those interested in legal, compliance and regulatory aspects of retail, RRS 2018 proved to be the ideal platform to network, engage and learn. 😊



› Retail Legal Team of the Year (Large Format): Landmark Group



› Retail Legal Team of the Year (Small Format): Inorbit Malls (India) Private Limited

**PANEL DISCUSSION: EVOLVING ROLE OF THE IN-HOUSE LEGAL COUNSEL**



› L-R: APK Chettiar, Infiniti Retail (Croma); Viswanathan Vasudevan, Hindustan Unilever; Gopal Naik, Aditya Birla Retail; Anshul Jain, PWC; Pankaj Patel, Future Retail; GR Srikanth, Spencer Retail; Raghu Pilaka, Reliance Market and Ramaprasad S, Landmark Group

**PANEL DISCUSSION: PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK-PLACE, CHALLENGES AND THE WAY FORWARD**



› L-R: Dinesh Shetty, Titan; Prasad Tokekar, Reliance Retail; Amee Naik, Naik Naik & Co.; Rajeev Chhabra, Shoppers Stop; Jyothi VK, Aditya Birla Fashion and Retail; Arpita Mukherjee, FabIndia and Pulin Kumar, Adidas India

**PANEL DISCUSSION: RETAIL KNOWLEDGE FORUM (KEY REGULATIONS AND COMPLIANCES)**



› L-R: Jaffer Panjwani, Metro Brands; Manu Grover, Biba India; GR Srikanth, Spencer Retail; Prashant Mehta, Legal Consultant; Sahil Gupta, PWC; Meenakshi Nayar, Marks and Spencers and Monali Mahajan, Inorbit

# SME GROWTH IN A CONNECTED WORLD

TradeConnect – the first cross-border trade & learning meetup for SMEs launched in Singapore



Over a two-day event in Singapore on 13 & 14 November 2018, SME members of RAI GlobalLinker met with SMEs from Philippines, Singapore and others from India at TradeConnect—the first ever global SME meetup for cross-border trade and knowledge.

Hosted at the Singapore Expo Centre, TradeConnect saw business owners discuss cross-border trade opportunities and attend expert sessions on digitisation. Keeping in line with GlobalLinker's vision to build the world's largest network of SMEs and create a platform where every SME can achieve its big business dream, TradeConnect brought to life the concept of SME-led cross-border trade corridors. It will be a regular SME event held for local, national and global trade and knowledge.

As a part of RAI's commitment towards growth of SMEs, selected RAI GlobalLinker members from the retail



► Hon'ble Prime Minister of India, Narendra Modi referencing India ASEAN SME trade corridor in his address at Singapore FinTech Festival

industry flew from India to Singapore for TradeConnect, which was hosted on the sidelines of the Singapore FinTech Festival, the world's largest FinTech festival.

### TRADECONNECT HIGHLIGHTS



▶ L-R: John Januszczyk (UnionBank of the Philippines); Dr. Ajay Sahai (DG & CEO, FIEO); Serene Ho (Director, Networked Trade Platform, Singapore); Belson Coutinho (Sr. Vice President, Marketing, eCommerce & Innovations, Jet Airways)



▶ Akshay Kale, AGM - Advocacy, RAI with TradeConnect delegates



▶ Opening remarks by GlobalLinker Co-Founders, Summi Gambhir & Sameer Vakil

**“ MAKE BUSINESS GROWTH OF SMEs GLOBALLY, SIMPLER, MORE PROFITABLE & ENJOYABLE!”**

Co-Founders, GlobalLinker



▶ Ravi Menon, MD, Monetary Authority of Singapore announced Business Sans Borders in his opening remarks, of which GlobalLinker is one of the founding members



▶ Sameer Vakil, CEO & Co-Founder GlobalLinker describing SME benefits of Business Sans Borders alongside founding members of the initiative. (L-R) Representatives of MAS, IMDA, SAP, Mastercard, GlobalLinker, Yellow Pages and DBS Bank

## SME NETWORKING



▶ SMEs from India, Philippines and Singapore introducing themselves during the power networking session



▶ Delegates exchanging product samples



▶ GlobalLinker CXO & Co-Founder, Summi Gambhir with women entrepreneurs



▶ RAI- GlobalLinker attendees with speaker Belson Coutinho, Jet Airways and GlobalLinker Co-Founders Summi Gambhir & Sameer Vakil

## RAI GLOBALLINKER DELEGATES FROM INDIA AT TRADECONNECT



**Mittesh Gaiwala**  
GreenLands



**Vijaya Kumar Ramasabhu**  
Vegie Graments Pvt. Ltd.

At TradeConnect, delegates from India, Philippines & Singapore experienced first hand the power of a united global SME community. In a matter of hours, a number of business deals were initiated, leaving SMEs feeling empowered & supported. While breaking the ice, they also got to have fun at the photobooth & captured memories with fellow SMEs!



“EVENTS LIKE THESE, WHERE BUSINESS OWNERS FROM DIFFERENT COUNTRIES & INDUSTRIES COME TOGETHER TO COLLABORATE, IDEATE, NETWORK, LEARN AND TO INSPIRE AND TO BE INSPIRED, JUST DON'T EXIST! TRADECONNECT HAS LEFT ME WITH A BIGGER VISION FOR MY BUSINESS AND SHOWN ME THE TRANSFORMATIVE POWER OF DIGITISATION, WHILE ALSO HELPING ME MAKE NEW GLOBAL FRIENDS.”

Mittesh Gaiwala, RAI - GlobalLinker Member

## BUSINESS NETWORKING FOR BUSINESS GROWTH

SIGN UP NOW ON RAI GLOBALLINKER TO



Create your eBiz Card



Take your business Online



Grow your business network

**rai**  
RETAILERS ASSOCIATION OF INDIA  
**GLOBALINKER**



rai.globallinker.com

# CONNECTING FOR GROWTH

Retail hub Bengaluru gets a platform to exchange ideas and collaborate with businesses at the Bengaluru Networking Meet

**R**etailers Association of India (RAI) organised a networking meet for its members at Royal Orchid, Bengaluru, on 6 December. RAI set out to empower retailers from Bengaluru and strengthen the ties of the retail community in the region.

Kumar Rajagopalan, CEO, RAI welcomed the member retailers from the start-up capital of India with a memorable address, where he focused on the need for harmony between retailers and how RAI has set out to enable the same. This was followed by the magnum opus of the event, a One-on-One Discussion between Hari Menon, Co-Founder & CEO, Big Basket and the RAI CEO. The Bigbasketeer spoke his heart out and shared the story of Big Basket's inception and growth with the audience. He spoke about his struggles on his journey to becoming the first successful online grocery retailer in India.

The event also saw Partner Speaks from Stylumia and FreshWorks along with a group discussion with all the members. Lawrence Fernandes, Director - Retail Learning and Membership, RAI concluded the event with a Vote of Thanks. The Bengaluru Networking Meet saw the participation of 175+ retail CEOs and proved to be a productive initiative. 😊



► One-on-One Discussion Between Hari Menon, Co-Founder & CEO, Big Basket and Kumar Rajagopalan, CEO, Retailers Association of India (RAI)



Presentation

► Surya Murali, Freshworks



Presentation

► Ganesh Subramanian, Founder & CEO, Stylumia

# SHILLONG RETAIL FORUM 2018 SETS A NEW PRECEDENT

Retailers Association of India and CR Projects, Shillong brought together retailers in the region on a common platform for the first time

**T**he inaugural Edition of Shillong Retail Forum 2018 hosted by Retailers Association of India and CR Projects, Shillong was themed 'Collaboration and Customer Centricity: The Way Forward'. It set out to create an opportunity for all retail stakeholders in the region for a common dialogue and find the right business partners. The idea was to facilitate mutual learning and exploring collaboration opportunities to take individual business as well as retail in the region to the next level.

Christopher Rani, Founder & CEO, CR Projects rendered the welcome speech which was followed by an engaging talk by Kumar Rajagopalan, CEO, Retailers Association of India (RAI). The Chief Guest Shri A. L. Hek Hon'ble Minister, Health & F.W, I.P.R, Arts & Culture, Government of Meghalaya delivered a keynote speech which was highly appreciated.

The key highlights of the evening include:

- ◆ Panel Discussion— Collaboration and Customer Centricity: The Way Forward
- ◆ Presentation— POS India



► L-R: Mariahom Kharkrang, IPS, SP, Special Branch, Shillong, Govt. of Meghalaya; Christopher Rani, CEO, CR Projects; Shri A.L. Hek Hon'ble Minister, Health & F.W, I.P.R., Arts & Culture, Govt. of Meghalaya; Kumar Rajagopalan, CEO, RAI



► L-R: Kumar Rajagopalan, CEO, RAI; Suhail Sattar, Director, Hasbro Clothing Pvt. Ltd. and Lalit Agarwal, CMD, V-Mart

#### ◆ Presentation—CR Projects

A highlight of the evening was a free-wheeling conversation between the RAI CEO, Suhail Sattar, Director, Hasbro Clothing Pvt. Ltd. and Lalit Agarwal, CMD, V-Mart.

The evening concluded with a

vote of thanks by Lawrence Fernandes, Director—Learning and Membership, RAI. The event was followed by a networking cocktail and dinner. The first edition of Shillong Retail forum has set a benchmark for all of its forthcoming editions. 😊

# SHOPPERS STOCK

RAI's Festive Shopping Index 2018 reveals consumer preferences on several aspects of shopping

**R**etailers Association of India (RAI) in partnership with LitmusWorld has been engaging with consumers since last year to understand the key shopping criteria for consumers during the festive season.

This year too, RAI and Litmus reached out to over 50,000 consumers to gauge their sentiments towards shopping during the peak fes-

tive season (October – December). “The Festive Shopping Index is an effective way of understanding what consumers want to do during the festive season. It provides important insight into what consumers want, which retailers can use to formulate their strategies for the season to become more consumer centric,” said Kumar Rajagopalan, CEO, RAI.

“Results from this year’s conversation with consumers indicate that

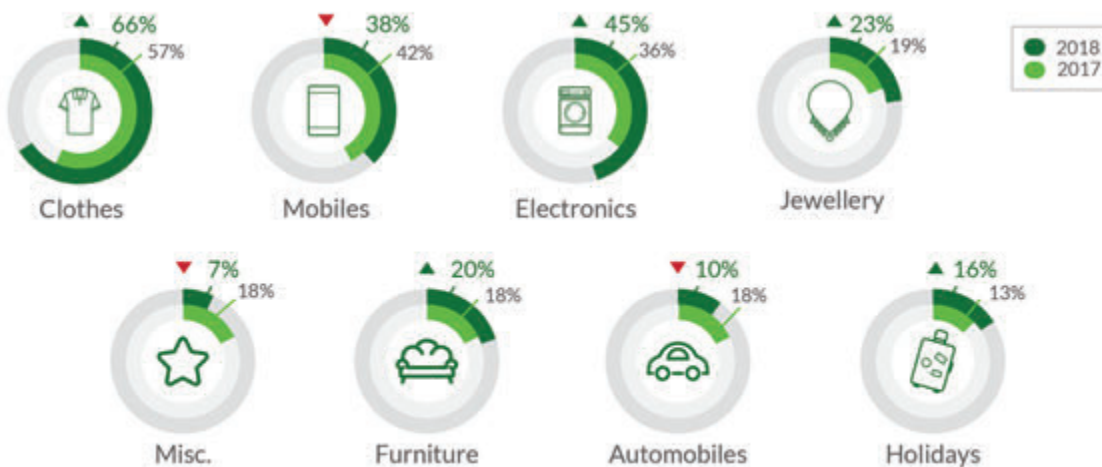
retailers will have to really hone-up their skills to ensure that they give consumers the right product with the right amount of information as well as the right amount of experience, which is becoming increasingly important for consumers,” he added.

Speaking about the Index, Ramesh Natarajan, Co-founder/COO, LitmusWorld said, “The consumer voice is out. Brands cannot

**Festive Shopping Index 2018**  
Initiated conversations with over 50,000+ Indian consumers to measure the shopping sentiment this festive season

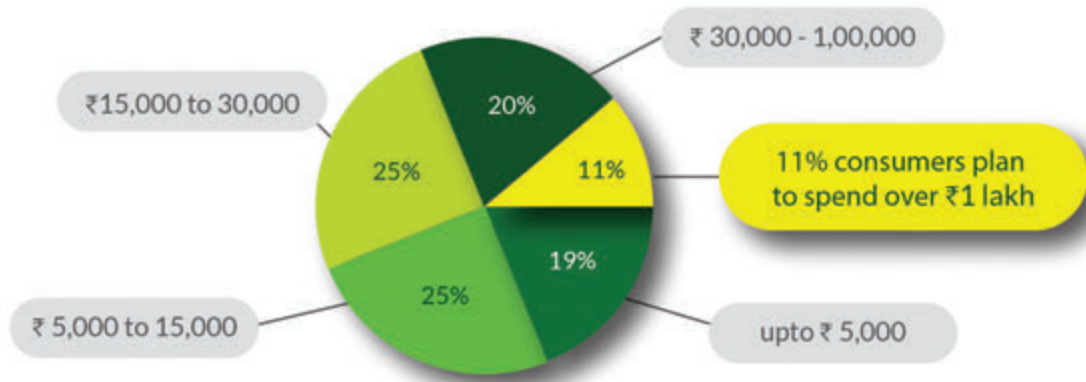
**85%** consumers are looking forward to shopping during the ongoing festive season

## SHOPPING CATEGORIES



Misc. Furniture Automobiles Holidays

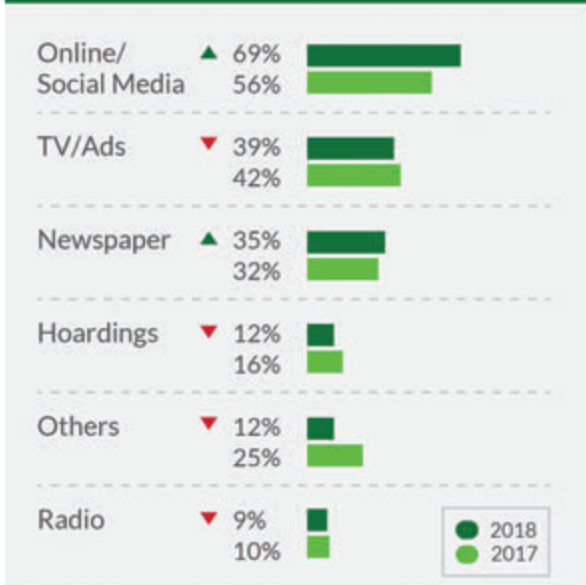
SHOPPING BUDGETS



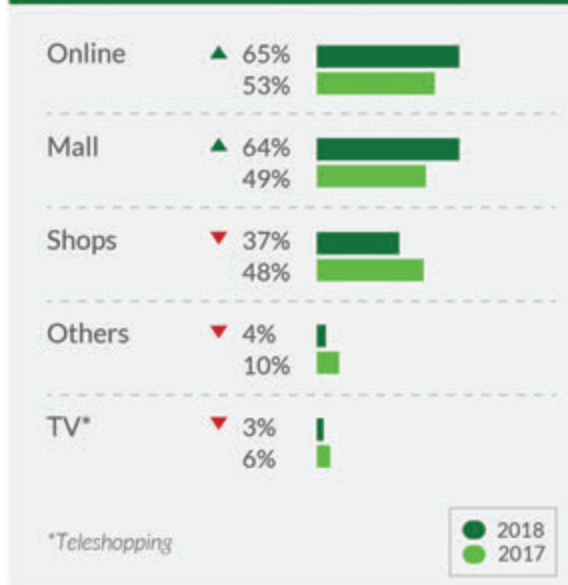
PREFERRED MODES OF PAYMENT

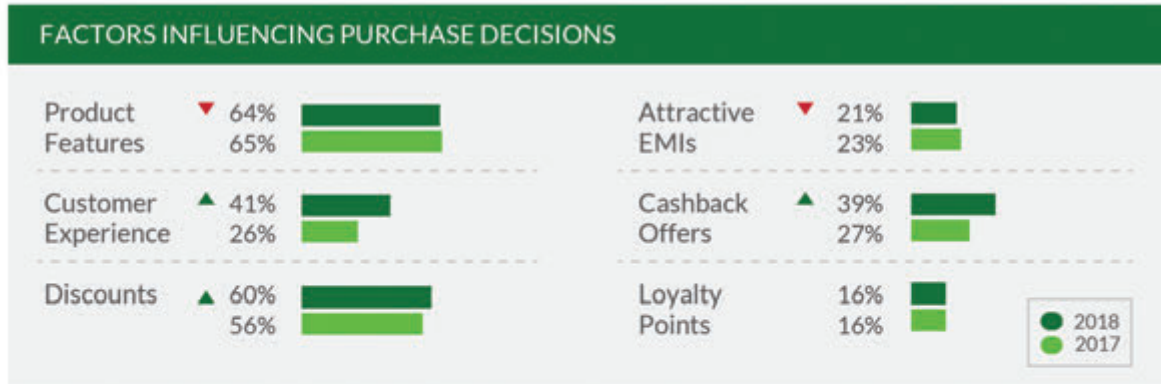


MOST INFLUENTIAL ADVERTISING MEDIA



PREFERRED SHOPPING CHANNELS





Get the real insights in real-time on popular topics, trends and best practices through the contextual conversations platform of LitmusWorld. Conversations are designed to emotionally engage and to make it simple for individuals to share their opinion.

afford to ignore the emotions of their consumers. Customer Experience (CX) is here to stay and will be the not-so-secret weapon for digital transformation.”

#### KEY FINDINGS

Compared to last year, big changes have been observed in the way consumers want to buy electronics and jewellery. The percentage of consumers wanting to buy electronics has increased from 36% in 2017 to 45% this year. This indicates a significant change in shopping preferences. Similarly, jewellery, that failed to gain significance last year (19%) has experienced a traction and has gone up by 4% to reach 23% this year.

The figures indicating the overall shopping budget of consumers are encouraging this year with as many

as 25% willing to spend from Rs 15,000 to Rs30,000 and 20% wanting to spend Rs30,000 to 1,00,000. A significant 11% are willing to spend more than Rs1 lakh this festive season.

One of the things that stood out this year in terms of factors influencing purchase decision is that 60% consumers are clear that they want a discount. A whopping 64% felt that product features are important to them, which is similar to last year. However, there has been a jump in the percentage of consumers putting a premium on consumer experience from just 26% last year to 41% this year. This indicates that consumers are becoming more and more uncompromising and do not necessarily want to a trade-off between price and consumer experience.

#### OTHER FINDINGS

Like last year, this year as well clothes (66%) dominated the shopping category. Electronics (45%) and Mobiles (38%) were ranked second and third.

- ◆ Online (65%) was the most preferred channel followed by malls (64%).
- ◆ Credit card was the most preferred mode of payment (42%) with debit card being the second preference (26%), followed by cash (19%).
- ◆ The most influential advertising media was dominated by ads seen on social media—Online (69%). Ads seen on television came second with a share of 39%, followed by those in newspapers at 35%. 😊



# MAKE A **SMart** MOVE

*The International Home + Housewares Show is a great mix of big brands and smaller innovators. It allows us to see a broad scope of what is out there in a really well organised environment. This Show has opened up new opportunities that other shows do not provide. I'll definitely be back.*

Samm Swain, Buying and Merchandising Director  
Lakeland  
United Kingdom

2 – 5 March  
Chicago, USA

Show information and free online  
pre-registration: [www.housewares.org](http://www.housewares.org)

international  
**home +  
housewares  
show** | 2019



INTERNATIONAL HOUSEWARES ASSOCIATION™  
the home authority

With any questions, please contact the Show's representative in India,  
CK Retail Consultancy:  
Mr. C.K. Nair, Tel: +91-9819788859, [ck.nair@ckretailconsultancy.com](mailto:ck.nair@ckretailconsultancy.com)  
Ms. Esha Guha, Tel: +91-9950053777, [esha.guha@ckretailconsultancy.com](mailto:esha.guha@ckretailconsultancy.com)

## INTERNATIONAL HOME + HOUSEWARES SHOW

# THE INNOVATION SHOWCASE

The International Home + Housewares Show is one of the best international sources of innovative ideas and products in the category

In addition to more than 2,200 exhibitors showcasing thousands of new products, the International Home + Housewares Show offers visitors education and an insight into business practices and trends that are shaping the industry.

One key reason for international buyers to visit the Show is to find innovative new products and brands to differentiate their product offering and concepts. In the U.S, kitchenware and houseware are driven by innovation and design, which is why the Show is the used as the platform to launch thousands of new products and ideas.

International buyers who used to visit the Show every two years now feel compelled to attend every year as Chicago has become THE place to find innovation. Supporting this, the International Housewares Association (IHA) organisers of the show keep receiving positive comments that the products showcased are colourful, fashionable, fun—and most important, functional.

Special programs highlighting innovation at the Show include:

### INVENTORS CORNER

Located in the Clean + Contain Expo,



the Inventors Corner brings the raw edge of creativity to the Show. The Inventors Corner Pavilion features 60 booths showcasing new housewares innovations and just-ready-for-market inventions. It has become a major destination for the media, shopping networks, manufacturers, major retailers, catalogues, chain

stores, branding experts and distributors worldwide, hoping to lock in deals with the featured inventors and introduce their new products to the marketplace.

### INVENTORS REVUE

The Inventors Corner also features the Inventors Revue, where startup marketers present their creations to

a panel of experts and seasoned inventors offer presentations on how to succeed as an inventor.

Each inventor is given the opportunity to present their new product to a powerful panel comprising industry leaders. The panel gives objective feedback — good, bad or indifferent. Pitch to the Pros has proven to be a great benefit to the inventors. It's great fun for the panellists as well because they too often find products they are interested in.

**IHA GLOBAL INNOVATION AWARDS (GIA) FOR PRODUCT DESIGN**

The IHA Global Innovation Awards (gia) for product design honour exhibitors' latest creations and cutting-edge innovations.

Innovative products are judged by a panel of experts that includes designers, retailers and news media. Product finalists (in 13 categories) selected by the judges are featured in the Buyers Clubs at the Show and at the IHA Global Innovation Awards display in the Lakeside Center Lobby.



**IHA STUDENT DESIGN COMPETITION**


Sponsored by IHA, design students create concepts for housewares products. This global competition is recognized by design professionals for its contribution to education. The competition is judged by designers and managers at houseware

companies who select the winning projects from an international field of submissions.

The Student Design Competition's challenge to students is to re-design a current houseware product to meet the needs of the future or to create a concept for a new product. Winning projects are selected for their innovation, understanding of production and marketing principles, and quality of entry materials.

The winners of the IHA Student Design Competition demonstrate their concepts in the exhibit in the Lakeside Center Lobby.



The International Home + Housewares Show will be held in Chicago from March 2 to March 5. To know more, visit <https://www.housewares.org/show/> 

# BUILDING A LEGACY

Third generation entrepreneur **Ajay George Varghese** has taken Bipha Laboratories, the business his grandfather started 90 years ago, to markets beyond India

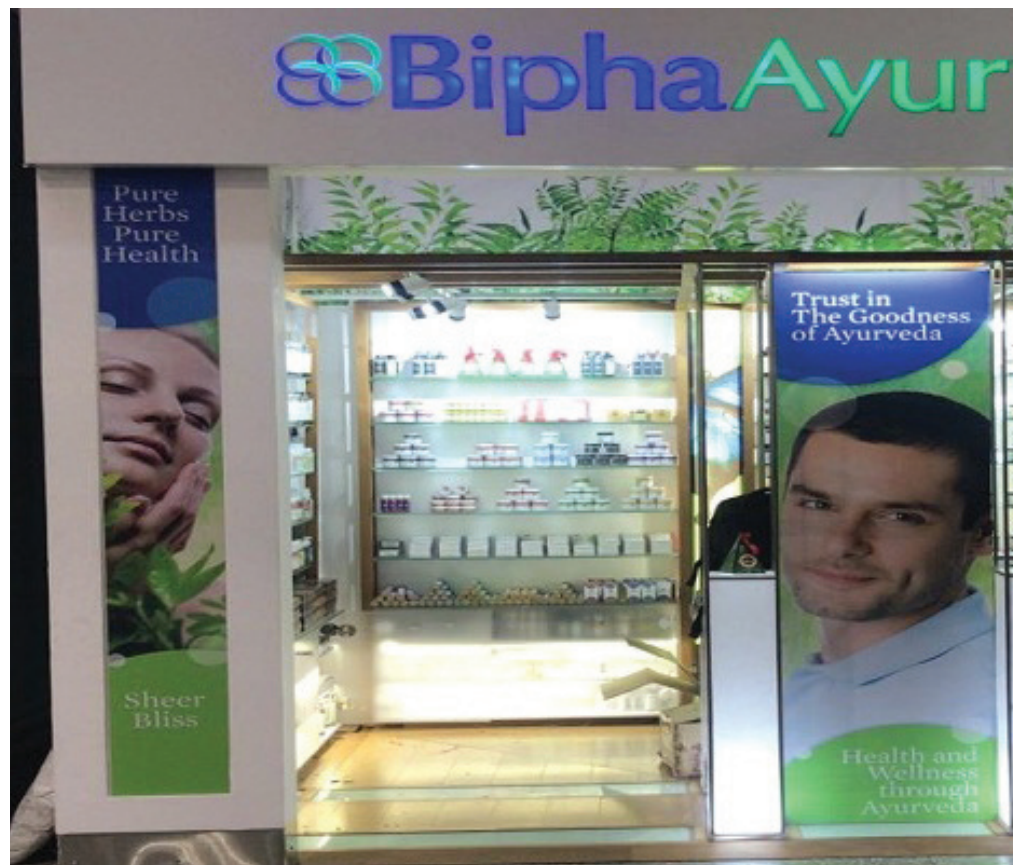
**T**here is a lot to be said for a brand that has stood the test of time for nine decades and continues to reinvent itself, while being true to its founding principles. Bipha Drug Laboratories Pvt. Ltd. is one such Ayurvedic legacy brand that was founded in 1929 by Pappy Vaidyar. Pappy was an accomplished Ayurvedic physician with a divine gift to heal. His sole motive behind starting this business was to help alleviate suffering. Taking this rich legacy forward in the 21<sup>st</sup> century is third generation entrepreneur Ajay George Varghese. Under his leadership, Bipha has not only increased its product portfolio but has also expanded its global footprint.

Ajay's strength has been his ability to re-imagine Ayurveda so that it is more accessible to the modern urban population. He shares his business journey, dreams and aspirations...

## THE BEGINNING

Bipha was founded in 1929 in Ochira, Kerala. We are one of the first Ayurvedic companies from Kerala.

In Ayurveda, there are two types of products – classical products and proprietary products, which



are special formulations. At Bipha, we are proud to have several proprietary products that are extremely popular and efficacious. We have a wide range of products under the segments of Aroma, Ayurvedic Formulations, Food and Nutrition, Personal Care and Wellness Supplements. Our focus has always been on providing genuine products that customers can rely on.

## RETAIL FORAY

The growth of the company has been phenomenal. In the 1960s, we laid the foundation for a modern enterprise. In the 1970s, we were the first Ayurvedic company in Kerala to manufacture ayurvedic formulations in convenient forms such as tablets without compromising on their efficacy. Around the same



time, we started exporting to other countries. (Today, we export to more than 15 countries.) In 2010, we got into retail in a big way. Our first retail store started at the Cochin International Airport.

We primarily got into retail because of the rise in lifestyle diseases. The urban mobile population was not really going to their roots (of



► Bipha was recognised as the Best Brand of 2017 by the Kerala State Small Industries Association



Ayurveda) to combat lifestyle disorders. We felt this was a large, albeit unorganised market and there was an opportunity to deliver our products through retail channels. At present, we have 12 stores. In addition, we sell on various online platforms as well as our own website.

We have come a long way...We started with two products and now

we have over 340 products across seven categories.

Our first international store is coming up in Kuwait followed by Romania.

#### **BUSINESS USP**

We are the only Ayurvedic retailer from Kerala with nine decades of experience. We have mastered the process of creating genuine ayurvedic products. We still follow a lot of the original practices such as use of woodfire, copper vessels and granite pestle & mortar. The system is semi-automated now, but the processes are still original. It's the ideal convergence of the old and the new.

We are an extremely customer-centric organisation. Every decision is taken keeping the customer



► **Ajay George Varghese, CEO & Managing Director, Biphia**

in mind. Our company is built on a single value called 'trust'. Trust is what we stand for, trust is what we sell. This trust is based on value, legacy, history, principles and relationships.

**CHALLENGES**

Getting trained manpower is the biggest challenge for any company that is looking to grow. Finding good, committed and qualified people is difficult, everything else is manageable.

Awareness about Ayurveda is lacking. Even though it's part of our heritage, few have a real understanding of Ayurveda. People look at it as an alternative rather than a holistic and significant wellness system. Ironically, it is a system that is being recognised and appreciated in countries other than India.

**MY BIG BUSINESS DREAM**

We aim to have more than 20 retail stores by the end of the year (2018). We would like to grow our presence in tier 1 & 2 cities in India. By 2021,

our target is to have 100 stores.

Our vision is to have an even stronger multinational presence. We already have a presence in Europe, Middle East, Maldives and Seychelles.

We want to make Ayurveda accessible and popular. We are in the process of establishing high-end experience centres in different countries. Besides products, these centres will offer services.

We also want to create online retail digital centres.

**ON RETAILERS ASSOCIATION OF INDIA (RAI)**

We have a great relationship with RAI. Retail is an exciting business to be in and every day is a learning opportunity. RAI has enabled us to interact with other retailers in Kerala and India; sharing of information and experiences. The learning has been tremendous.

**ON RAI - GLOBALINKER**

RAI - GlobalLinker is a great platform

to network with fellow entrepreneurs.

**MESSAGE TO ASPIRING ENTREPRENEURS**

Entrepreneurship is a great avenue for any individual to opt for. India has a population of 1.3 billion. We have dynamic talent and a large pool of resources. To provide people productive employment is the biggest opportunity and challenge for entrepreneurs.

Having said that, entrepreneurship is not easy. It requires commitment, persistence, hard work and passion. It's a challenging process but equally exciting and rewarding.

An entrepreneur should always remember: Profit is a by-product, it is the 'people' element that is the most important. 😊

# BHOLA MANA HAI

It's the 8<sup>th</sup> edition of the TRRAIN Retail Awards and you are invited to join us as we recognize and reward the country's best retail associates for their incredible customer service stories and more.

DATE: WEDNESDAY, 27<sup>TH</sup> FEBRUARY 2019

TIME: 6.00 PM ONWARDS | VENUE: RENAISSANCE HOTEL, POWAI

RSVP: Nivete at 02228443260 or [awards@trrain.org](mailto:awards@trrain.org)  
Entry by Invitation only



Presents



#TalesOfRetail

Follow us: [f](#) TRRAIN [t](#) TRRAINIndia [v](#) TRRAINIndia [i](#) TRRAIN\_India

## MINI TRS - THE RAYMOND SHOP

# DOUBLE CENTURY

**Mohit Dhanjal**, Director – Retail, Raymond on launching over 200 Mini TRS outlets across emerging towns of India in just 19 months and the merits of this novel franchising model

Since nine decades Raymond has maintained its position as one of the country's leading retailers of men's wardrobe solutions. Over the years, it has been constantly reinventing itself with the introduction of new product categories, processes and even formats.

One such novel introduction is a format called the Mini TRS – The Raymond Shop (Mini TRS). Launched in 2017, Mini TRS is a different franchising model that will help Raymond tap the growth opportunity present beyond Tier, I, II and III towns. It is an asset-lite model that requires an investment less than 1/3rd of a regular TRS. The low cost helps in making the business profitable in the emerging markets of tier IV and tier V. The design is agile with modular interiors. This means the stores can be set up within 15 days instead of the usual 45. Taking into account the challenge in availability of retail inventory in these towns, the store size has been optimised to 600-1200 sq.ft. vis-à-vis the average 2500 sq.ft.

Once the model was tested and launched, the retail team took the challenge of opening 300 stores in two years against the past average of 25 stores per year. The journey



from the first store in Bihta, near Patna in March 2017 to 100 stores was covered in just 12 months; while the 200<sup>th</sup> outlet milestone was reached in another seven months. Launching 200 stores in just 19 months was quite a feat—it is the fastest retail store roll out in the Men's Fashion & Lifestyle category. With these new additions, Raymond is now present in over 500 towns — again, a first for an apparel brand in the country.

Mohit Dhanjal, Director – Retail on what helped make it possible...

### 200 STORES IN SUCH SHORT TIME. WHAT'S THE FORMULA?

The success formula has been 2-fold. First, the new agile & asset-lite busi-

ness model itself that paved the way for the brand to enter these emerging towns of India, which hitherto were inaccessible.

Second, the new business model was then brought alive by associating with like-minded franchisees in these potential towns by leveraging their market knowledge, hands on operations and adherence to the business framework.

### HAS THE NEW MODEL INCREASED REVENUES?

These stores continue to add incremental revenue and income to the company since they have opened in completely new markets and towns. Over 90% of the stores opened have



**“WE HAVE CRAFTED A WHOLE NEW BUSINESS MODEL WITH OUR MINI TRS STORES. THIS MODEL PAVED THE WAY TO PROFITABLY ADDRESS THE OPPORTUNITY IN TIER IV AND V TOWNS AND SERVICE THE LATENT DEMAND OF THE ASPIRING CUSTOMERS WHO LOVE RAYMOND BY BRINGING THE BRAND INTO THEIR TOWN”**

- Mohit Dhanjal, Director - Retail, Raymond Limited

exceeded our expectations in revenue generation.

#### **WHAT CRITERIA DOES A FRANCHISEE HAVE TO MEET TO QUALIFY FOR THE MINI TRS?**

More than transactional relationship the company strongly believes in an ethic based relationship with its franchisees. It abides by its 5 cultural pillars.

The first pillar is **transparency** in dealing and interacting with people internally and externally. The brand has a transparent policy framework with standard and unbiased terms of trade for each channel type.

The second pillar is **collaboration**, which is epitomised through 'I am with you in this'. The franchise model is built in such a manner that the brand par-takes in the setup investment. This ensures that both the franchisee and the franchiser have common interests in making the business relationship work.

The third pillar is **meritocracy**, which involves rewarding and recognising the franchisees on the ba-

sis of performance across five levels such as total value contribution, driving the growth agenda, customer satisfaction levels at the store, engagement through its Raymond reward program (CRM) and initiatives taken in bringing alive the brand in their catchment markets through the LSM platform.

The fourth pillar is **personal accountability**—each employee is empowered to take decisions which are in the interest of customers and the organisation. Commitments made are honoured and if there is a delay in action, the team will keep the stakeholders informed of such delays.

And, the fifth pillar is **bias for action**. If something is not right, quick action is taken on it or it is reported to the right team so that they may set it right. Opportunities are grasped and gaps are addressed.

#### **HOW DO YOU HELP FRANCHISE PARTNERS ACHIEVE BREAK-EVEN FOR THEIR INVESTMENTS?**

The essence of the partnership is an entrepreneurial mind set and

passion towards Retail Business. Our team works along with our franchise partners on a detailed profitability model with store P&Ls / business targets which are monitored on a continuous basis by our area managers.

The catchment plans are then worked out to drive footfalls through sustained calendar activations for the stores. The team trains the franchisee and store team on retailing principles, emerging trends, product training and visual merchandising keeping it relevant for franchisee and customers.

#### **WHAT TURNOVER IS THE RETAIL DIVISION AIMING FOR IN THE YEARS TO COME?**

In retail, we have a mantra for growth that we internally refer to as 5Gs of growth. These are Competitive Growth (faster than the competition); Profitable Growth (+ve EBIT); Sustainable Growth (continuous year-on-year); Inclusive Growth (Company and Franchise partners) & Experiential Growth (enhancing customer experience). This 5G growth leads to exponential growth for Raymond. 😊

# A JOURNEY OF ENRICHMENT

By setting new benchmarks in quality, services and employee engagement, salon chain Enrich has added value to not just its customers and employees but also the salon industry

By Shiv Joshi

Sometimes, helping a friend in need can change your life, literally. That's what happened in the case of Vikram Bhatt and Rohit Dedhia. Their gesture of helping their friend Parul Mehta become financially independent after she lost her father, took them down a path they had never imagined. Since Parul had some knowledge about the beauty business, together, they opened Enrich, a 300 sq. ft. salon in Mumbai's suburb Mulund with an initial investment of Rs6 lakh. It was a small cosy place with five chairs for hair services, two beauty cabins, reception and waiting areas. The staff consisted of two hair stylists and two beauty therapists.

"At the time, neither Rohit nor I was remotely connected to the beauty space. We took the entrepreneurial plunge just to help our friend," said Vikram Bhatt, Co-Founder and Director of Enrich Salons.

Yet, they managed to break new ground from the get go by doing things that were unheard of at the time.



## PIONEERS FROM THE START

Enrich was the first unisex salon in the suburbs when the trend was to have ladies only beauty parlours.

"Being from a different domain, there were no pre-conceived notions, so everything was questioned and nothing was taken for granted. For instance, when we started off, the industry was quite unorganised and run with few processes or systems. We were from industries where Standard Operating Procedures (SOPs) and a systematised manner of working

was of utmost importance, which we brought into the salon business—unheard of for a salon at that time," he added.

Another first was to have a Salon Management Team with trained managers overseeing the operations. Enrich also was the first to use disposables to achieve a high-level of hygiene.

Not just this, the salon chain pioneered loyalty programmes in the salon space and introduced mono-dose packages in collaboration with its product vendors for its services.

All of these factors acted as strong differentiators catapulting Enrich ahead of the competition in this saturated category.

**SNIPPING THE CHALLENGES**

Enrich, like every business that has been built from scratch, faced a number of challenges along the way. “There were of course a number of challenges, but these very challenges gave us the tools to differentiate ourselves and grow in the right manner,” said Vikram.

One such hurdle they faced was when they first opened a salon in Vile Parle back in 2001. The issue they were facing was of low footfall. “We were faced with the decision of having to close the salon, which we of course did not want to do. We decided to take a bold step – to give our services for free, as a sampling exercise. This was unheard of back

in those days. Our gamble paid off though,” he shared. Today, Vile Parle is one of Enrich’s highest revenue-generating salons. Encouraged by its success, sampling is an initiative the salon chain follows for most of its new salon launches even today.

Apart from that, one of the biggest challenges they faced was talent retention. After all, some customers form a relationship with the technician who makes them look good and feel good. But it’s a challenge that the entire industry faces. Towards this, Enrich invested heavily in training, counselling, career path clarity, best practices in people connect and inclusive growth. This has helped it achieve the lowest attrition rate amongst the players in the industry.

**THE TURNING POINT**

Having done so many things right,



► **Vikram Bhatt, Co-Founder, Enrich Salons**

the business was growing at a good pace with a new salon being steadily added every year to the portfolio between 1997 and 2012. In 2010, Enrich ventured out of Mumbai to open in Pune and Bengaluru.

In 2016, Enrich acquired Belita to venture into home salon services. Through it, Enrich takes salon services to a customer’s home, office or any other venue of choice. “It seemed natural to combine its home-services expertise with the customer experience delivery of Enrich Salons. The current contribution of Belita is about 2% overall, and growing at more than 50% Year-on-Year,” informed Vikram.

The real growth for Enrich started after funding. “Our first round of funding (2011) helped boost our growth—in the next two years, we opened 50 salons. In addition, we worked a lot on efficiency and cost management—two focus points which have helped us be ready for our next spurt of growth. Thanks to



### INVESTING IN ITS PEOPLE

Enrich employs about 1700 people across levels, including technicians, salon management, corporate and support team. "Planet Enrich is our expression of the strength of the collective. It has over half a dozen initiatives for our team members," said Bhupesh Dinger, Director – Operations. Here are a few of them:

- ◆ **EAP (Employee Assistance Program):** Professional counselling service delivered in complete confidence on phone/chat/email and in person by a third party.
- ◆ **Emergency Medical Assistance:** Need-based fund two thirds of which comes from employee contributions and one-third from the company.
- ◆ **Stay Interviews:** Focusing also on the reasons why people stay in the company (while most do only Exit Interviews)
- ◆ **iCare:** Tie up with a third party provider, which facilitates the purchase of consumer goods and white goods on interest free EMIs, specifically for Enrich employees.
- ◆ **Townhalls:** Various business parameters are presented, right from an organisation level to individual salon level. Also, every activity and future initiatives are communicated to all.
- ◆ **Scorecard:** Every technician gets a scorecard in which s/he gets his or her rating on 11 business parameters. This gives the technician the chance to understand their strengths and points of improvement.
- ◆ **Transparent growth path:** Clear communication of Key Result Areas (KRAs) to be achieved by every employee to be eligible for growth.

Enrich's best practices in People Connect has earned it multiple HR awards over the years.

our second round of funding, our aim is now to reach 200 salons by 2022," informed Vikram.

#### HIGHLIGHT ON EXPERIENCE

Despite the increase in pace of expansion, Enrich chose not to go the franchise route and even today

all its 60+ outlets are company owned. "We believe this give us the best control over systems, processes and people, which translates into a better and more consistent customer experience across geographies," explained Bhupesh Dinger, Director – Operations, Enrich.

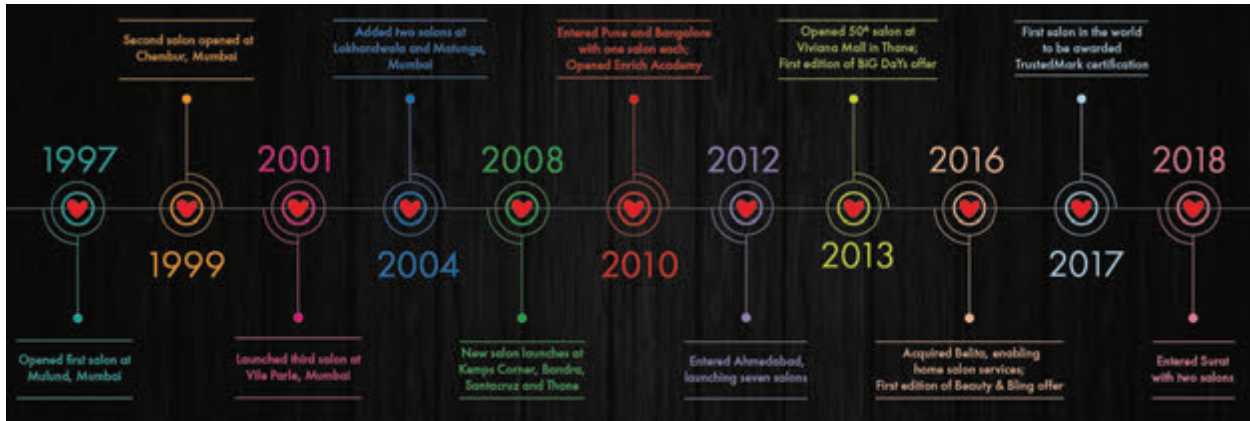


► **Bhupesh Dinger, Director - Operations, Enrich Salons**

In addition to retaining the ownership of the experience, there are several things that Enrich does to ensure a high quality customer experience. One of them is to have a centralised POS (Point of Sale) system/MIS (Management Information System), which enables gathering information about each of its customers and their history of visits with Enrich.

"Through this, we can customise offers, build a client profile, make notes, track feedback, check past purchases, perform service consultations, and much more, across all salons," he informed. When a customer visits a salon, the experience is customised to each guest based on his or her profile and preferences mentioned in the CRM. Every customer is given the choice of selecting a particular technician who they might be comfortable with, or selecting the gender of the technician they want to do their service.

In addition, regular quality and



customer experience audits are conducted across all salons, every month. Each of the salons is marked on a set of criteria, and an action plan is developed in each of the areas of improvement. The salon chain works closely with product partners to ensure authenticity of products, giving regular feedback for product improvement and new

product development, keeping in mind the requirements of hygiene, effectiveness and cost.

It also tracks and responds to all the feedback received across channels (via social media, customer care, post-billing) and incorporate those learnings.

“Our business is a high contact

business. We work in the customers’ personal space 100% of the time, and are in actual physical contact with them. Hence, it is critical that we maintain that level of trust at all times with the client,” said Bhupesh.

That is why all technicians undergo 240 hours of training every year, including technical training, up-skilling, personal growth and soft skills, which educate them on the behavioural aspects of their work.

## THE TECHNOLOGY ANGLE

*Despite having limited scope for technology in the business, Enrich has deployed it in many ways to enhance efficiency:*

- 1. The POS/MIS makes it easy to follow processes, enabling a much more consistent customer experience.*
- 2. Tableau for analytics and business intelligence.*
- 3. App to make bookings, check repertoire, accessing customer profiles, and more.*
- 4. eHRMS (Electronic human resource management systems) for employee attendance, documentation, access to tax forms and payslips, annual appraisals and biometric logins.*
- 5. Separate apps for technicians and managers through which they can check their appointments and target sales.*

## FUTURE FOCUS

With strong foundation in terms of systems and processes and a steadfast focus on customers, Enrich continues to grow from strength to strength. “Our focus has always been on sustainable and profitable growth. Rather than explosive and cash-incinerating growth, our model has been to get established and then identify the right places to expand into. Our plan is to continue in the same manner, and focus on our current geographies for the foreseeable future,” said Vikram, the accidental entrepreneur. 😊



# WHY JOIN RAI

## **Advocacy Support**

RAI makes representations to Central and State Governments and local authorities on critical issues. RAI liaises with the Government, in identified areas for the development of the retail community. As a member, you would have access to the 'Member's Only' section of the website – and be able to participate in collaborative efforts within the community to shape policy.

## **Guidelines and Standards**

RAI disseminates on common guidelines and policies for the sector which would be accessible to Members. These include the National Occupation Standards – developed by RASCI (Retailers Association's Skill Council of India). Other guidelines help in the creation of infrastructure and facilities to improve the retail environment in India.

**Networking Meets:** As a member you would be invited to participate in Networking Meets held at Mumbai, Delhi, Chennai, Bengaluru, Kolkata, Coimbatore, Kochi and other cities.

You can also:

- Be part of and steer industry committees on aspects such as Supply Chain, Finance, Advocacy, HR, and Technology.
- Attend events, seminars and training programs organised by RAI at member rates. Get access to RAI infrastructure facilities in Mumbai for training activities.
- Receive complimentary copies of STOrai and RAI's daily newsletter – Replenish – which aggregates news, insights and jobs relevant to Indian retail.
- Purchase RAI publications at member rates.
- Receive survey findings, trade information and legislation updates.

**Most importantly, you commit to helping  
create a robust retail industry in India.**



## Join RAI as

- **Core Member:** Core Membership of RAI is applicable to retailers across sectors. To join as a Core member, a retailer must fulfil the following conditions:
  - a) Issue a tax invoice for every transaction.
  - b) Be registered under Goods and Services Tax (GST).
  - c) Not employ child labour.
  - d) Earn over 50% of the organization's business or INR 100 Crore whichever is less from retail activities.

<u>Turnover</u>	<u>Annual Fee</u>	<u>with 18% GST</u>
Upto Rs 5 crore	Rs 2,500/-	Rs 2,950/-
Rs 5 - 10 crore	Rs 5,000/-	Rs 5,900/-
Rs 10 - 20 crore	Rs 10,000/-	Rs 11,800/-
Rs 20 - 50 crore	Rs 15,000/-	Rs 17,700/-
Rs 50 - 300 crore	Rs 25,000/-	Rs 29,500/-
Rs 300 - 500 crore	Rs 35,000/-	Rs 41,300/-
Rs 500 - 1,000 crore	Rs 1,00,000/-	Rs 1,18,000/-
Rs 1,000 - 5,000 crore	Rs 2,00,000/-	Rs 2,36,000/-
Above Rs 5,000 crore	Rs 5,00,000/-	Rs 5,90,000/-

- **Associate Member:** Associate Members are companies that support retail industry. These include retail consultancies, retail hardware and software suppliers (design companies, retail fixture and furniture companies, POS hardware, software, security systems). To be eligible a service provider should:
  - a) Be registered as a company or firm in India.
  - b) Be a supplier, vendor, developer or service provider to retail.
  - c) Be registered under Goods and Services Tax (GST).

Membership fee structure based on the turnover of the company is as follows :

<u>Turnover</u>	<u>One time Joining fee</u>	<u>Annual Fee</u>	<u>with 18% GST</u>
Less than Rs 20 crore	Rs 1 lakh	Rs 10,000/-	Rs 1,29,800/-
More than Rs 20 crore	Rs 2 lakh	Rs 25,000/-	Rs 2,65,500/-

- **Real Estate Member:** Real estate members are companies that develop/manage retail destinations such as malls and shopping centres. To be eligible a company should:
  - a) Be registered as a company or firm in India.
  - b) Be a supplier, vendor, developer or service provider to retail.

<u>Turnover</u>	<u>One time Joining fee</u>	<u>Annual Fee</u>	<u>with 18% GST</u>
Less than Rs 20 crore	Rs 1 lakh	Rs 25,000/-	Rs 1,47,500/-
More than Rs 20 crore	Rs 2 lakh	Rs 1,00,000/-	Rs 3,54,000/-



## Join RAI as

- **Affiliate Member:** Affiliate associations are associations/industry bodies that partner with RAI towards promoting exchange of information and pursuing common interests. For instance: NASSCOM, The Federation of Chambers of Commerce & Industry (FICCI), Confederation of Indian Industry (CII), Clothing Manufacturers Association of India (CMAI), Gems & Jewellery Association of India (GJAI), National Restaurant Association of India (NRAI) and All India Footwear Manufacturers & Retailers Association (AIFMRA) are affiliate members of RAI.

One-time membership fee\* Rs 25,000 + Annual Fee\* Rs 10,000 (\*18% GST)

Total Amount Rs 41,300/-

- **Academic Member:** Academic members are organisations that help fulfil the education, academic research and training needs of the industry.

To be eligible an institution should:

- a) Be registered as an educational institution or an educational trust in India.
- b) Offer one or more courses in Management/Retail/Design/Visual Merchandising, as part of the curriculum.

One-time membership fee\* Rs 50,000 + Annual Fee\* Rs 5,000 (\*18% GST)

Total amount is Rs 64,900/-

### To know more about RAI membership contact

**Deepa Nair**, Manager – Membership, +91 9819426961, [deepa@rai.net.in](mailto:deepa@rai.net.in)

**Venkataraman.D**, Manager - Southern Region, +91 9884875875, [raman@rai.net.in](mailto:raman@rai.net.in) (Chennai Chapter)

**Nivethitha Ravi**, Executive - Business Development, +91 9944481533, [nivethitha@rai.net.in](mailto:nivethitha@rai.net.in) (Coimbatore Chapter)

**Vishnu Gopinathan**, Manager - Southern Region, +91 9995823537, [vishnu@rai.net.in](mailto:vishnu@rai.net.in) (Kerala Chapter)

**Alok Raman**, Manager - Membership, +91 9811281889, [alok@rai.net.in](mailto:alok@rai.net.in) (Delhi Chapter)

**Rekha Dey**, Manager - Eastern Region, +91 9007842345, [rekha@rai.net.in](mailto:rekha@rai.net.in) (Kolkata Chapter)

**Email:** [info@rai.net.in](mailto:info@rai.net.in) | **Call:** 022 - 28269527 - 29 | **Website:** [www.rai.net.in](http://www.rai.net.in)



# NEW MEMBERS

## CORE MEMBERS

- A. A. Helmets, Mumbai
- Agripro Industries, Tirupur
- Akya Retail Pvt. Ltd., Bangalore
- Amith Hardware, Chennai
- Amsam Group, Hyderabad
- Angi Clothing, Chennai
- Aswins Home Special, Chennai
- B P Marketing, Guwahati
- Bamena Enterprises, Shillong
- Chakra Chains Jewellery Pvt. Ltd., Chennai
- CR Projects, Shillong
- Crown Enterprises, Guwahati
- Dab Fab Pvt. Ltd. Jaipur
- Deshwal Enterprises, Delhi
- Dhanwantary Medicare & Research Centre Pvt. Ltd., Kolkata
- Fame Super Store, Surat
- Farid Mukhim, Shillong
- Fire n Grill, Chandigarh
- FnB Needs Foods Pvt. Ltd., Chennai
- FSN Brands Marketing Pvt. Ltd.
- (Nykaa), Mumbai
- G D Hardwares, Shillong
- Grok Overseas Enterprise, Delhi
- Hi Tech Ceramics & Co, Chennai
- In Touch, Guwahati
- Just Marketing, Guwahati
- Laxmivas Enterprises, Mumbai
- M2H Solutions, Coimbatore
- Manimekalai Prasuram, Chennai
- Metro Soaps, Chennai
- Minu Sarswat, Shillong
- Mobile Zone, Chennai
- Moksha Wellness Pvt. Ltd., Delhi
- New India Sales Corporation, Chennai
- Orbit Systems, Chennai
- Prime Biz, Mumbai
- Royal Apparels, Chennai
- Saini Hardware, Shillong
- Salasar Sales, Guwahati
- Sam Traders, Mumbai
- Saravan Mart, Coimbatore
- Sebastian Lyngdoh, Shillong
- Shravnik Corporation, Chennai
- Sky Vision, Guwahati
- Sohum Shoppe Ltd., Guwahati
- Sparkle, Coimbatore
- Sree Varadharaj Silks, Trichy
- Sri Krishna Pharmacy, Chennai
- Sri Mahalakshmi Dairy (Aroma Bakery), Coimbatore
- Sri Vasavi Thangamaaligai, Dindigul
- SSR Creations, Chennai
- Sundar Electricals & Electronics, Chennai
- Suriya Resources, Salem
- T.K. Venkateshwaran, Chennai
- Tapan Sarkar, Shillong
- Vasantham Enterprises, Chennai
- Vimala Paper Company, Chennai
- Vummidi Bangaru Prakruthi, Chennai
- Zimson Times Pvt. Ltd., Chennai

## ASSOCIATE MEMBER

- Loyalty Juggernaut India Pvt. Ltd., Hyderabad

# 9 OUT OF 10 RETAILERS IN INDIA TRUST RADIOWALLA

THE #1 IN-STORE RADIO PROVIDER

WE SERVICE  
12,000+ STORES  
ACROSS 250+  
BRANDS IN INDIA,  
AND OPERATE IN  
7 COUNTRIES

Centralized &  
Customized  
Music & Audio  
Solutions for  
Retailers

Audio Content  
for Corporate  
Radio

+91-97429-18049  
SALES@RADIOWALLA.IN

 ...let's play!  
**radiowalla.in**

RADIOWALLA.IN

manyavar.com

# Manyavar® Mohey®

INDIA'S LARGEST ETHNIC WEAR BRAND  
CELEBRATING OVER 500 STORES ACROSS 190 CITIES IN 3 COUNTRIES

© Manyavar Pvt. Ltd. 2018

# WELCOME TO FMCG 2.0 THE FAST MOVING CONSUMER GENERATION

For the new restless generation of consumers who want to try something different and innovative. With over 23 unique brands, we're here to serve a generation that is not defined by what is available today, but by what it seeks tomorrow.



GROCERIES



DAIRY



BEVERAGES



BAKERY



SNACK & MUNCH



WORLD FOODS



HOME CARE



[www.futureconsumer.in](http://www.futureconsumer.in)



PERSONAL CARE



Now available at Big Bazaar, Star Bazaar, Easyday, HyperCity, Nilgiris, Walmart Best Price, Haiko, Heritage Fresh, Foodhall, Aadhar, Spencer's, Booker, and on Amazon, Snapdeal and PayTM.

