

Images Retail

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FUTURE OF BUSINESSES

NOVEMBER 2011 • VOL. 10 NO. 11

₹50 US\$10

WINNING INSIGHTS FROM BEST BRAINS IN RETAIL



- ➔ IRF 2011 report
- ➔ Images Retail Awards 2011
- ➔ The purse-and-purpose retail strategy
- ➔ The joy of visual merchandising

IRF
INDIA RETAIL FORUM
2011

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The two-day IRF (India Retail Forum) 2011 that concluded last month in Mumbai exceeded all expectations in terms of the number of participants, the intellectual output generated at the sessions, the networking opportunities, the exchange of ideas and the sheer energy and optimism circulating through the show.

We believe this collective wisdom of the captains of the Indian retail industry should be disseminated as widely as possible so that everyone gains from the unique insights and perspectives shared by the speakers at the loaded sessions that ran back-to-back morning to evening.

The show concluded with the announcement of the IMAGES Retail Awards in a scintillating ceremony, with the top retailers of India being recognized for their efforts over the past one year. We are happy to bring you saturation coverage of IRF 2011: a detailed report about the IMAGES Retail Awards and the various sessions as well as a photo feature on business networking at the event that gave an opportunity to delegates to connect with each other.

The Indian retail industry is clearly at the cusp of massive growth. The economy has not been doing too badly and the entry of FDI in multi-brand retail seems imminent. This will see not only the inflow of foreign funds into India but also the active participation of global retailers in the retail industry, making them equal stakeholders in its growth. Everyone stands to benefit by the India growth story. Hopefully, in the next IRF, we will be able to raise a toast to the formal entry of multinational players in multi-brand retail and the expertise and insights they will bring to the trade.



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Printed & published by S P Taneja on behalf of Images Multimedia Pvt. Ltd. Printed at Modest Print Pack (P) Ltd. C-52, D.D.A. Shed Okhla Industrial Area Phase -1, New Delhi - 110020 and published by S P Taneja from S - 21 Okhla Industrial Area Phase - 2, New Delhi. 110020 Editor: Amitabh Taneja

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A BLOW-BY-BLOW ACCOUNT OF THE HUGELY SUCCESSFUL INDIA RETAIL FORUM 2011, OFFERING UNIQUE INSIGHTS AND PERSPECTIVES FROM THE BEST BRAINS IN RETAIL ABOUT THE CHALLENGES AND OPPORTUNITIES FACING THE INDIAN RETAILERS



Global retail players eye Indian market, ask for regulatory changes



The Ion Orchard mall in the prime shopping district of Orchard Road, Singapore

WHILE CHINA IS BOOMING, INDIA HAS TO CATCH UP FAST BY BOOSTING PER CAPITA INCOME AND LIBERALIZING THE FDI REGIME. THIS WAS THE VIEW OF GLOBAL RETAILERS AND PROPERTY DEVELOPERS WHO ASSEMBLED IN SINGAPORE RECENTLY IN AN EVENT ORGANIZED BY MALL DEVELOPER CAPITAMALLS ASIA

By Sanjay Choudhry in Singapore

→ CapitaMalls Asia, one of Asia's biggest listed shopping mall developers, organized a forum called Retail Global Connexion in Singapore on October 12. About a dozen prominent retailers from all over the world addressed the audiences, sharing their insights and breakthroughs that turned them into success stories.

In his welcome note, Liew Mun Leong, Chairman, CapitaMalls Asia, said that the company has been investing heavily in developing shopping malls in Asia due to the rapid urbanization of the continent.

This is changing the shopping habits of consumers and driving the need for modern, well-managed shopping complexes.

Liew stressed that Asia, particularly China, has to correct the global imbalance of trade with the Western economies by increasing their domestic expenditures. "If China's current domestic expenditure of 33.8 percent of its nominal GDP of US\$6 trillion is increased to, say, 50 percent, the increase in domestic spending will be around US\$1 trillion," he said. "Urbanites are slowly changing their

shopping habits to buy domestic necessities in modern malls. If this trend continues, we estimate that China alone will need something like 12,000 additional shopping malls to cope with this change.”

Liew noted that shopping malls are much more than mere buildings. “They are a symbol of the aspirations of the community they serve. They are big crowd pullers. They inspire people to work hard to attain the goodies that they showcase and achieve economic success.”

According to him, the colorfulness and style of Desigual’s clothing – which is known for its patchwork designs – will go very well with the Indian market. “But India still has many barriers of entry in place for a small player like us. We need to understand the Asian market more by expanding in different countries of the region and then we will look at entering the Indian market with a local partner. For example, the agreement that Zara has done with the Tata Group sounds very interesting

CapitaMalls Asia has been in India since 2006 but the pace of development could be faster, felt the company CEO Lim Beng Chee. “The pace is probably a bit slow in India, unlike China. We started with a project in Shanghai in 2003, and went in, in a bigger way immediately after China entered the WTO in 2005, which is not far from when we started in India in 2006. Today, we have 55 properties in China, whereas we have nine projects in India – two have just opened and there are still seven under



The IMM Shopping Mall in Jurong East, Singapore

Talking to *IMAGES Retail*, Manel Adell, CEO of the Spanish casual clothing brand Desigual, who spoke at the event, said he expects the Asian region to keep growing at a high growth rate because of the demography factor. “We think we have a huge opportunity in Asia to expand,” he said. “Our strategy is to first test all the markets in a particular region and then decide which ones to support with capital expenditure.”

To test the waters, Desigual has been running a total of five stores in Singapore and Japan. Now it is looking for a faster growth path. “We are actively considering countries such as China, Hong Kong and Taiwan to set up company-owned stores. In the rest of the South East Asian countries, we are looking for partners. We have, however, not yet started with India, but that will happen once we have increased our presence in Asia,” Adell said.

to us. It is likely that we will consider a similar arrangement with a local partner in India,” he added.

Hirotake Yano, President of the Japanese 100-Yen store-chain Daiso who also spoke at the event, revealed to *IMAGES Retail* that the company is actively looking to enter the Indian market and has been in talks with Mukesh Ambani’s Reliance Retail for the last three years for a joint venture. *(Please see the international news section for more details – Ed.)*

construction. When we first started out, we had about 50 to 60 employees and today, we have over 2,700 employees in China. So you can see the different pace of doing business between the two countries.”

Lim said this has to do with the overall business environment, the openness of the economy and the receptivity of the government for foreign investment. “But we believe that India is a market that will eventually open up.” He remains optimistic about the



“The pace is probably a bit slow in India, unlike China. We started with a project in Shanghai in 2003, and went in, in a bigger way in 2005. Today, we have 55 properties in China, whereas we have only nine projects in India.”

– **Lim Beng Chee**, CEO, CapitaMalls Asia

cover story

INDIA RETAIL FORUM 2011



INDIA RETAIL FORUM 2011, THE BIGGEST RETAIL EVENT OF INDIA HELD AT MUMBAI'S RENAISSANCE HOTEL FROM SEPTEMBER 21-22 THIS YEAR, WAS PACKED WITH BACK-TO-BACK SESSIONS, WORKSHOPS, EXHIBITIONS AND UNLIMITED BUSINESS NETWORKING OPPORTUNITIES. IT EXCEEDED EVERYONE'S EXPECTATIONS YET AGAIN WITH A HUGE NUMBER OF RETAIL CAPTAINS AND POLICY MAKERS THRONING THE VENUE TO SHOP FOR SUCCESS.

OVER 3,000 LEADERS, DELEGATES AND STAKEHOLDERS – VIRTUALLY THE WHO'S WHO OF THE INDIAN RETAIL INDUSTRY – THRONED THE HALLS AND EXHIBITION SPACES OF IRF 2011 THAT CONCLUDED WITH A COLORFUL AWARDS CEREMONY ON THE NIGHT OF SEPTEMBER 22.

THE TWO-DAY ANNUAL FORUM WAS MODELED AROUND THE THEME OF "SHOPPING FOR RETAIL SUCCESS." IT WAS LOADED WITH ABOUT 35 HIGH-POWERED SESSIONS, WORKSHOPS AND DEBATES ADRESSED BY OVER 200 SPEAKERS WHO COVERED A WIDE SWATHE OF TOPICS THAT ARE OF IMMENSE INTEREST TO INDIA'S \$28BN ORGANIZED RETAIL INDUSTRY. THERE WERE ALSO AROUND A 100 COMPANIES IN THE EXHIBITION AREA SHOWCASING THEIR PRODUCTS AND PROPERTIES.

AN EXCLUSIVE REPORT BY "IMAGES RETAIL."



NETWORKING

THE WHO'S WHO OF THE INDIAN AND GLOBAL RETAIL INDUSTRY WERE PRESENT AT THE INDIA RETAIL FORUM 2011, WHICH OFFERED AN INTERACTIVE AND LIVELY PLATFORM TO EXPRESS IDEAS AND EXCHANGE VIEWS WITH OTHER STAKEHOLDERS.



Electronic gadgets such as iPads and iPhones from Apple and phones from Motorola were given as gifts.



Meetings and discussions led to the formation of new contacts.



NETWORKING



Audiences interacted with the experts and panelists to gain valuable insights.



Exchange of ideas led to prospective business proposals and cracking of deals.



The bigwigs of retail industry graced the event with their esteemed presence.





IMAGES RETAIL AWARDS 2011

GALLERY OF TITANS

The Images Retail Awards (IRA) 2011 were announced on the last day of the India Retail Forum 2011 held in Mumbai. These recognized India's top retailers for their outstanding performance across multiple categories in FY 2010-11.

This year, the IRA entry process had a key eligibility criteria: only retailers with stores in at least three regions of India were considered eligible to contest for the titles. This applied to all categories except "Luxury."

A minimum of four valid entries with complete data were a requisite for an award to be given in any category. Retailers were asked to provide data relating to business performance and retail expansion. In addition, an industry jury comprising eminent professionals from the retail real estate and retail consulting businesses were asked to rank their top three finalists in each category.

In the overall scores, the retailers' data was given 70 percent weightage, while the jury's scores were given 30 percent weightage. Within the retailers' data, business performance had a 60 percent weightage while retail expansion had 40 percent weight.

Since the Images Awards team did not receive the minimum required number of four valid entries with complete data in some categories, no awards were given in these, including in Food & Grocery, Hypermarket and Health & Beauty Services.

The jury for IRA 2011 consisted of Kishore Bhatija, CEO, Inorbit Malls; S Raghunandan, CEO – Retail, Prestige Group; SK Sayal, CEO, Alpha G Corp; Pranay Sinha, Managing Director, Star Centres; Amit Bagaria, Chairman, ASIPAC; Devangshu Dutta, Chief Executive, Third Eyesight; Harminder Sahni, Managing Director, Wazir Advisors; Jonathan Yach, CEO, Propocare Mall management, and; Amitabh Taneja, Chief Convenor, India Retail Forum.





A multitude of shoppers await your arrival

Orion Mall isn't just a striking, well planned construction of 8 Lacs sq.ft. across four levels. Given its central and perfect location, it will be a paradise for 20,000 shoppers within Brigade gateway- a 40 acre lifestyle enclave, and others in the surrounding areas of Malleswaram, Rajajinagar and Yeshwantpur.

As part of Brigade Gateway, this lifestyle mall is being built amidst 1250 premium luxury apartments, the world Trade Centre- catering to 10,000 professionals- and the prestigious Sheraton Hotel. The mall will also feature India's largest PVR multiplex having 11 -screens, Brands like , **Anchor Tenants** : PVR cinemas, Star Bazaar, West Side, Land Mark, Debenhams, Zara, blu-o

Vanilla Stores : Wills Lifestyle, Reebok, Rock port, Blackberry's, Magnet, Helios, Louis Philippe, Van Huesen, Allen Solly, Crocs, LPV , Soles, The Mobile Store, Chemistry, Mint, Triumph, Affinty, Body Shop, Accessorize, Guess, Nautica., Addons- Men, Bag Zone, Samsonite Black Label, Samsung, Carters, Next, Oshkosh, Nike, Jack & Jones, Sunshine India, Reid & Taylor, S. Oliver, Pepe Jeans, Levi's, Rattrap, health & glow, VIP, Esprit, Puma, Timezone, Mochi and IMYME.

The Orion Mall also features all the modern amenities that a state- of-the -art mall has to offer, Easily accessible from all parts of the city and right next to the upcoming metro rail station station project, the Orion Mall is an irresistible business choice.



"Latest addition @ Orion Mall "

Retail Brands: Bag Zone, Mango, Mother Care & ELC, Rockport, Parcos , Bata, Hush Puppies, Base Camp, Fastrack, Fastrack , Da Milano, Jockey , Neck & Ties , Park Avenue, Arrow & izod, Celio, Vinegar, Clarks, Chicco, Univercell, Perceptions, My Planet Home

Food Court Brands : MAI TAI, Kobe, Toscano, Zaffran, Mainland China, Rajdhani, Mcdonalds, Mad Over Donuts, Kailash Parbat, Subway, Mad about china, Indian Tadka, Tiger Bay, Up South, Sbarro, Empire, Café Noir, Café Mangii, Chili's



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