

Retail Leader:
Woodland to open 60 more stores
this year, says, Harkirat Singh
pg 18

Market Scan:
Retail Icons of East
India
pg 21

Retail Spotlight:
Rise of the Indian luggage industry:
from utility to fashion accessory
pg 50

Concept:
Kama Ayurveda: A retail concept
that touches the Indian roots
pg 56

RIMAGES Retail™

Future of Businesses

AUGUST 2017

VOL. 16 NO. 8 • ₹100 • www.indiaretailing.com

[COVER STORY]

MER CHAN DISING 2.0

STRATEGIES FOR RETAIL
PLANNING SUCCESS

[PAGE 40]



Sept, 19-20, 2017
Mumbai, India

www.indiaretailforum.in



Editor in Chief | **Amitabh Taneja**
Editorial Director | **R S Roy**
Publisher | **S P Taneja**
Chief Operating Officer | **Bhavesh H Pitroda**

EDITORIAL

Managing Editor | **Surabhi Khosla**
Assistant Editor | **Shubhra Saini**
Contributing Editors | **Zainab S Kazi, Sheetal Choksi, Namita Bhagat**

CREATIVES

Art Director | **Pawan Kumar Verma**
Dy. Art Director | **Deepak Verma**
Layout Designer | **Naresh Kumar**

PRODUCTION

Sr. General Manager | **Manish Kadam**
Sr. Executive | **Ramesh Gupta**

SUPPORT

Sr. General Manager – Administration | **Rajeev Mehandru**

SUBSCRIPTION

Asst. Manager – Subscriptions | **Kiran Rawat**

ADVERTISING

BUSINESS HEAD

Anjali Sondhi | Director
anjalisondhi@imagesgroup.in | +91 9810204297

Waseem Ahmad | Vice President
waseemahmad@imagesgroup.in | +91 9833628852

DELHI:

• **Vineet Chadha** | VP (Retail Support Group & indiaretailing)
• **Vandana Verma** | Sr. Manager

MUMBAI:

• **Bindu Pillai** | Assoc. Vice President
• **Sarang Mehta** | Sr. Manager
• **Akanksha Tawde** | Sr. Executive

AHMEDABAD:

• **Sunil Vadadoriya** | Dy. Manager

KOLKATA:

• **Piyali Oberoi** | Vice President & Branch Head
• **Rohan Narayan** | Dy. Manager

BENGALURU:

• **Suvir Jaggi** | Vice President & Branch Head
• **Devidutta Roypitam** | Sr. Manager

LUDHIANA:

• **Hemant Gupta** | Associate

For advertising queries, please write to salesretail@imagesgroup.in

CONSUMER CONNECT

Anil Nagar | Vice President
anilnagar@imagesgroup.in | +91 9811333099

MEMBERSHIP TEAM:

Priti Kapil | **Priyanka Sagar** | **Sarika Gautam**

Images Multimedia Pvt. Ltd.
(CIN: - U22122DL2003PTC120097)

Registered Office:

S 21, Okhla Industrial Area, Phase II, New Delhi 110020
T: +91 11 40525000 | F: +91 11 40525001
E: info@imagesgroup.in | URL: www.imagesgroup.in

Mumbai: 1st Floor, Plot No. 111 / 3, Marol Co-Operative Industrial Estate, Marol, Andheri (East), Mumbai 400 059
T: +91 22 28508070 / 71 | F: +91 22 28508072

Bengaluru: 523, 7th Cross, 10th Main, (Jeevanbhima Nagar Main Road), HAL 3rd Stage, Bengaluru 560 075
T: +91 80 41255172/41750595/96 | F: +91-80-41255182

Kolkata: 30-B, Anil Roy Road, Ground Floor, Kolkata 700 029
T: +91 33 40080480 | F: +91 33 40080440

Merchandising 2.0 - Strategies for Retail Planning Success

Merchandising plays a pivotal role in retail planning and execution. It is the link between sales on the front-end and the supply chain at the back-end. The all important 4 Ws: what to sell, when to sell, where to sell, and whom to sell to, of retail are sorted with the help of merchandising. These four W's are critical for retailers to balance a positive consumer experience, available inventory, and the ability to meet consumer's future needs in timely manner.

To accurately identify these four W's, retailers need to devise a holistic merchandising strategy for retail planning success. In this issue we spoke to Buying & Merchandising heads of leading retail brands in India to zero in on the best practices adopted by them.

In the August issue, we also explore in detail, East India's retail market. East India is an untapped region in India, with the most potential. With the changed political, social and economic conditions and with consumers becoming more aspirational, transformation in the retail scenario has definitely arrived and one can say it is here to stay.

In a quest to understand the potential of East India's retail market, to actualize and tap into available opportunities, we bring to you the the hidden prospects of the region's retail scenario. With this article, we hope to facilitate East India's rising retail pace and bring the market's potential to the fore for the benefit of the existing players and the new entrants.

There is also a special feature on the luggage retail sector and how the category has evolved from being a necessity to a modern-day fashion accessory.

I bring this issue to you in the hope that you will find it insightful.

On a concluding note, I would like to remind our readers about the 2017 annual mega congregation of retail industry at India Retail Forum, which is scheduled for 19th-20th September at Renaissance Hotel, Mumbai. We hope to see you there in large numbers.



Amitabh Taneja

All material printed in this publication is the sole property of Images Multimedia Pvt. Ltd. All printed matter contained in the magazine is based on the information provided by the writers/authors. The views, ideas, comments and opinions expressed are solely of the writers/authors or those featured in the articles and the Editor and Printer & Publisher do not necessarily subscribe to the same.

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 - 110 020 and published by S P Taneja from S - 21 Okhla Industrial Area Phase - 2, New Delhi 110 020
Editor: Amitabh Taneja

In relation to any advertisements appearing in this publication, readers are recommended to make appropriate enquiries before entering into any commitments. Images Multimedia Pvt. Ltd. does not vouch for any claims made by the advertisers of products and services. The Printer, Publisher and Editor-in-Chief of the publication shall not be held for any consequences in the event of such claims not being honored by the advertisers.

Copyright Images Multimedia Pvt. Ltd. All rights reserved. Reproduction in any manner is prohibited. All disputes are subject to the jurisdiction of competent courts and forums in Delhi/ New Delhi only. Images Retail does not accept responsibility for returning unsolicited manuscripts and photographs.

For subscription related queries, email to: subscription@imagesgroup.in
For feedback/editorial queries, email to: letter2editor@imagesgroup.in



powered by
QUEST
INDULGE

[PAGE 21]

THE CHANGING RETAIL LANDSCAPE OF EAST INDIA

As we move further into 2017, most of the Eastern states of India display a glorious upward trend, one which is rapidly reaching skyward.



[COVER STORY]

BUYING & MERCHANDISING: WILL THE HEART OF RETAIL WIN THE HEARTS OF CONSUMERS?

[PAGE 40]

In the last few years, we have witnessed enough discussions on omni channel strategies, digital strategies from a marketing lens, customer loyalty, and shopper experience. Yet, the focus on Buying and Merchandising strategies in the new world has been virtually nonexistent. In this article, we explore the challenges faced by the B&M teams, the strategies they deploy to ensure that products fly off the shelves, as well as their perspective on the role of B&M in the future - what will impact it and how it will change.

- 12 NATIONAL NEWSMAKERS Q1 RESULT BRINGS CHEER TO THE RETAIL SECTOR**
- 14 INTERNATIONAL NEWSMAKERS INTERNATIONAL RETAIL SECTOR BACK ON TRACK**
- 16 MY THOUGHTS ABEL A. CORREA, HEAD OF IT – STRATEGY & PROJECT GOVERNANCE, ARVIND LIMITED**
The End Result of Customer Experience Must Be Heightened Relationship with the Consumer
- 18 RETAIL LEADER WOODLAND TO OPEN 60 MORE STORES THIS YEAR**
Woodland has been steadily growing about 20-25 percent over the years,," says, Harkirat Singh, Managing Director, Woodland.
- 50 RETAIL SPOTLIGHT RISE OF THE INDIAN LUGGAGE INDUSTRY: FROM UTILITY TO FASHION ACCESSORY**
The Indian luggage market has, over the years, shed its traditional utilitarian tag and has evolved as a lifestyle offering.
- 56 CONCEPT KAMA AYURVEDA: A RETAIL CONCEPT THAT TOUCHES THE INDIAN ROOTS**
Vivek Sahni, Co-Founder and CEO of Kama Ayurveda, talks about the journey of the brand.
- 60 VIEWS LUXURY RETAILERS IN INDIA NOT JUST 'SURVIVING' BUT 'THRIVING'**
There is no denying that the luxury retail segment has evolved immensely over the last decade.
- 62 IN CONVERSATION CROCS TO DOUBLE INDIA BUSINESS IN THREE YEARS, INVEST HEAVILY IN DIGITAL MEDIA**
Crocs – the slip-on plastic clogs and flipflops– have become a niche trend.
- 66 INTERFACE THE INDIAN LUXURY LANDSCAPE IS EXPERIENCING STRONG EVOLUTIONARY UNDERCURRENTS**
La Martina bets big on digital, sports marketing strategies to drive consumer engagement.



16



18



50



56

[CORRIGENDUM]

The article titled *Technology – The Greater God of Retail* – on page 56 of IMAGES Retail June, 2017 issue erroneously featured the incorrect profile and quotes of Vikram Idnani. We deeply regret the error. His correct profile and quotes are appended.



VIKRAM IDNANI Head-IT, Trent Ltd.

As the Head of IT, Vikram Idnani boosts performance of businesses via systematic technology investment and the measurement of ROI. By sharply focusing on IT strategy, he drives growth through IT transformation, simplicity of operations and customer satisfaction. His strong program and change management skills were honed when he was a technology consultant in the US first and then in India and later as retail CIO. He brings a team-based and process-oriented outlook to new technology adoption.

If I was not a CIO, I would be a wanderlust who trekked and travelled to the remotest places on this planet.

The three places you would love to visit but have not done so far: Gallapagos Islands, Arctic circle, Antarctica

Technology that excites me the most: Virtual reality

What according to you are the three biggest important changes happening in the world of technology? The big changes happening in the world of technology are: an increased focus on customer experience, the introduction of artificial intelligence and the use of big data tools to mine data coming in through various channels and enable faster decision making.

How do you think these changes will impact Indian retail? The availability of analyzed, consumable information is already enabling faster decision-making. Retailers who align their processes to leverage this information will naturally become more agile and more relevant to consumers.

What are the 3 game changing technologies in the space of customer experience? Game changing technologies in the space of customer experience are Big Data mining tools, Artificial intelligence, Virtual reality.

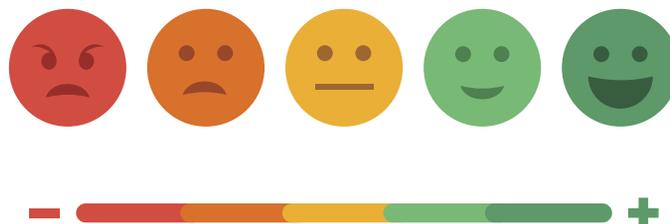
THE END RESULT OF CUSTOMER EXPERIENCE MUST BE HEIGHTENED RELATIONSHIP WITH THE CONSUMER

The Customer Experience (CX) exercise is successful when a customer sees the organisation talking of the customer's benefit rather than the business profit, or at least a balance between creating value for them and turnover.

Consumer experience does not necessarily mean digital as projected by the software vendors in the market. During my days at Piramyd Retail as Head of IT, we did something different. It was hot summer season in Mumbai so we decided to give watermelons (big ones) for anyone who shopped for Rs 500/- and above – no agenda for upselling but just a little fun for consumers while shopping. A corner was also created for customers to take their pictures and keep the postcard we printed it on as a keepsake. Those were the days when we created memories and relationships. Today, such opportunities

have quadrupled with the coming of the Millennials. There is comfort with the ample access to technology. Gamifying the Selfie generation.

- Consumer experience is not just about
- Giving discounts
 - Attaching a sales person (head count) to the consumer when they arrive at the store
 - Offering Free Wifi (focus on the outcome and not just the means)



Abel A. Correa

The end outcome of any CX has to be heightened relationship with the customer and this can happen only when the customer sees the organisation talking of the customer's benefit rather than the business profit, or at least a balance between creating value for them and turnover.

Lot of retailers talk about customer loyalty but the way to look at it in today's generation is how loyal is the retailer to its customer base. One needs to keep a keen eye out for change in customer behavior by mining POS data – for example: if a customer who used to buy Rs 800 shirt has started buying a shirt for Rs 2200 could spell an opportunity for the retailer to offer him high-end accessories, or anything in the higher price range.

Delivering consumer experience on a technology platform cannot be fulfilled if the following points are not taken care of:

PROCESSES: A high degree of customer centric processes that are backed by an appropriately empowered employee base. My recent visit to a pizza store helped me understand this. I visited a pizza place with my son and asked for an XYZ pizza. My son pointed out that there is an offer on the pizza that I had ordered – Buy 1 Get 1 Free. So, I asked for the same. It was then that the staff informed me that this was only for consumers who ordered food online, and not for walk-in customers. Here I was being deprived of a benefit just because I walked in. I spoke to the store manager and he responded positively. “Let me see what I can do,” he said. He made a call to someone (presumably important) and just like that, they extended the offer to me. End Result – I walked out of the store happy. The Point of the Story: An

“ Woodland has clocked ₹1200 crore in revenues and has been steadily growing about 20-25 percent over the years, hoping to achieve consistent growth in upcoming years. ”

– Harkirat Singh,
Managing Director, Woodland.

WOODLAND TO OPEN 60 MORE STORES THIS YEAR, EXPAND TO CHINA AND SOUTH AFRICA

– By Shubhra Saini



1. Howrah Truss Bridge, Kolkata
2. Vidyasagar Bridge on River Hooghly
3. Budha Park at Ravangla, South Sikkim
4. Nalanda University Ruins, first Buddhism University, Bihar
5. Lingaraja Hindu Temple Complex, Bhubaneswar, Orissa



powered by
QUEST
INDULGE



the changing retail landscape of east india

Smoothly riding the crest of Eastern India's aspiration-wave and changing shopping trends in the metros, tier II&III cities of the region have driven the conventional trader-run stores to morph into more organized, large-format retail outlets. And, to facilitate this growth of retail, many retail realty projects have sprung up in all major markets of East India.

As we move further into 2017, most of the Eastern states of India display a glorious upward trend, one which is rapidly reaching skyward. Luxury buying has transmogrified from an occasional indulgence into necessity and increasing consumer spending power is aiding this metamorphosis. The end result – the Great Indian Middle Class has been elevated to a higher level. What was unthinkable in the Eastern region till a few years ago is becoming a reality, thanks to premium retail destinations like Quest mall, which has opened the luxury retail gateway in Eastern region. It's because of such premium destinations that customers belonging to a diverse milieu are making a beeline for malls to look at, touch, feel, buy, and then revel in the experience of possessing high-

end international and national products.

Eastern India is in the cusp of being transformed from a traditional customer base into a fashion conscious, brand-savvy market. Its young generation is shopping and demanding both fashion and quality along with value for money spent from retailers. To meet these impossible demands retailers – big and small, branded and unbranded, regional, national and even international – are gearing up hugely, and very successfully. To cater to these consumers, retailers need to wake up to the importance of managing retailing efficiently and effectively. Retail management saves time and ensures the customers easily locate their desired merchandise and return home feeling satisfied that they have received what they have paid for. The consumers' ambitions to reach global standards in lifestyle, coupled with high disposable incomes, are aggressively scripting a radical change in the business viability of organised retailing East India.

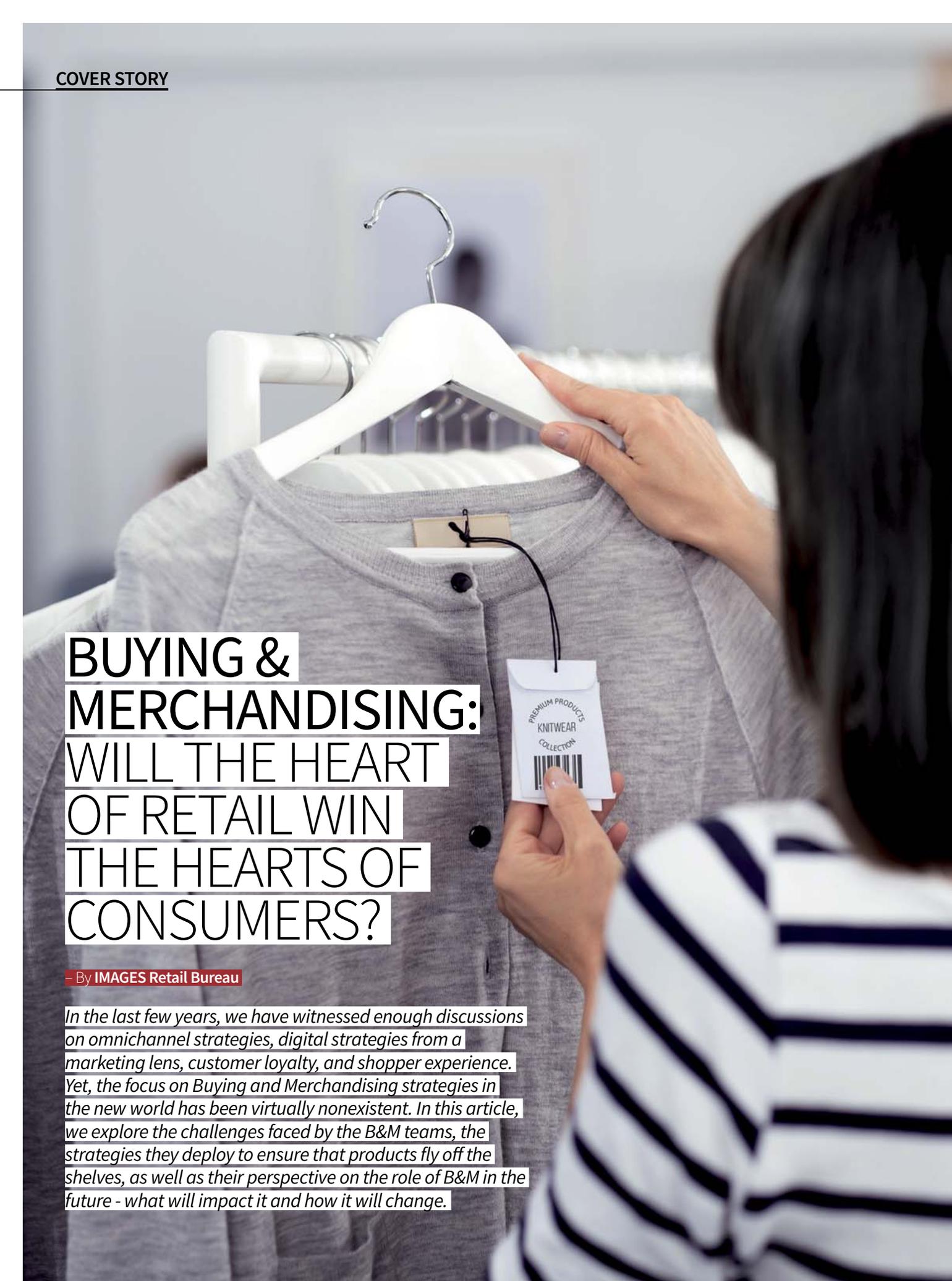
"East is called the retail market of tomorrow with all its potential. The east Indian economy has grown by about nine percent annually over the last three years and even higher growth rates are being projected for the future. Malls and large size

department stores have become a fixture in the urban landscape across the East Indian countries" says, Anirban Kundu, Regional Marketing Manager, East & Central India, Max Retail Division.

India's retail market value will reach an estimated ₹6,156,333 crore (US\$ 1026.06 billion) in 2017. And if this number has to be pushed further then the focus needs to shift from traditional

North and West zones to states like West Bengal, Bihar, Orissa, Jharkhand, Chhattisgarh and the North-eastern states.

Retail stalwarts are of the opinion that the true demographic dividend of India would remain untapped if the eastern region is not explored. As the retailers are now looking for scale, sustainability and growth, Eastern India – with format retail players who are present across multiple categories – is the next obvious bet. Be it Pantaloons or Big Bazaar, or regional fashion and lifestyle brands such as Turtle, GKB Lens, Spencer's or Manyavar, the East has been a major market contributing significantly to overall growth for all these brands. In this special feature, we speak to the stakeholders of modern retail in the region. We gain their perspective and analyse 'what the future holds for East India's retail market'.



BUYING & MERCHANDISING: WILL THE HEART OF RETAIL WIN THE HEARTS OF CONSUMERS?

— By **IMAGES Retail Bureau**

In the last few years, we have witnessed enough discussions on omnichannel strategies, digital strategies from a marketing lens, customer loyalty, and shopper experience. Yet, the focus on Buying and Merchandising strategies in the new world has been virtually nonexistent. In this article, we explore the challenges faced by the B&M teams, the strategies they deploy to ensure that products fly off the shelves, as well as their perspective on the role of B&M in the future - what will impact it and how it will change.

RISE OF THE INDIAN LUGGAGE INDUSTRY: FROM UTILITY TO FASHION ACCESSORY

– By **Namarita Kathait**

The Indian luggage market has, over the years, shed its traditional utilitarian tag and has evolved as a lifestyle offering. Increasing business and leisure travels coupled with rising disposable income and organized retailing have led to increased demand for luggage. The segment – which is growing around 18 percent CAGR – is extremely streamlined and is looking at a good next few years. According to a report by Ken Research, the Indian luggage industry will reach ₹102,857 million by FY'2018.

Remember when Hritik Roshan acted as the poster boy of VIP commercials, making all the girls swoon and all the boys wish they could carry a VIP luggage like him. How about when American Tourister commercial became an exemplary marketing tactic?

And we certainly can't forget the rise of Fastrack bags that penetrated the school and backpack market successfully by cashing in on the 'cool quotient'.

In the past, consumers have always separated luggage from fashion. Luggage was a utility, not a style accessory. Today, luggage brands are working extremely hard to completely change this perception of Indian consumers. In fact, the market over the last few years has become tremendously competitive. From established brands like VIP and Samsonite – trying to compete for the throne – to new entrants such as Da Milano, trying to establish a stronghold in the Indian market, the Indian luggage segment is on the move!

The segment has, over the years, shed its traditional utilitarian tag and has evolved as a lifestyle product. Increasing business and leisure travels coupled with rising disposable income and organized retailing have led to increased demand for luggage. Within this category, the demand for brand names has grown, as consumers aspire for goods that count as status symbols.

The segment – which is growing around 18 percent CAGR – is extremely streamlined and is looking at a good next few years. According to a report by Ken Research, the Indian luggage industry will reach ₹102,857 million by FY'2018.





KAMA AYURVEDA: A RETAIL CONCEPT THAT TOUCHES THE INDIAN ROOTS

– By **Shubhra Saini**

*Understanding the gap in the market for authentic Ayurveda beauty and wellness products, **Vivek Sahni, Co-Founder and CEO of Kama Ayurveda** launched the brand along with three partners in 2002. The brand, which started with a small line of just nine products, has today become a name to reckon with. Kama Ayurveda, has 23 stores in India apart from a strong e-commerce presence. Their product range comprises of seven major categories – skin, hair, bath & body, mother & child care, men’s care, gifting and wellness. Talking exclusively to IMAGES Retail, Vivek Sahni outlines his brand’s journey and summarizes his vision of the evolution of Kama Ayurveda in the near future.*

The idea of launching an authentic Ayurvedic beauty brand came to

me after I worked closely with Indian artisans while spearheading a packaging project for the Khadi brand. While on this project, we worked closely with Indian farmers and artisans and this project strengthened my belief that Ayurveda and a return to traditional Indian values and crafts is something that held great power for the modern-day consumer. As an avid practitioner of Ayurveda and Yoga, I have always believed in a holistic way of living and this was the seed of the brand that has now become Kama Ayurveda.

Armed with belief and knowledge of authentic Ayurveda as it is truly intended to be, we founded the brand in 2002 with my three partners Rajshree Pathy, Vikram Goyal and Dave Chang to promote the message of true Ayurveda, universally. The journey has truly been rewarding ever since. We built a brand and a business around our conviction and faith in bringing Ayurveda to the world and the world in turn loved our products. Kama





Radu Bercan / Shutterstock.com

Luxury Retailers in India not just ‘surviving’ but ‘thriving’

– By Prem Dewan

There is no denying that the luxury retail segment has evolved immensely over the last decade. Many brands have entered the Indian market, few have left and a few are re-entering India as they feel the country is now ready for them. India’s luxury sector is growing at a rapid pace with international brands setting up shop here.



THE INDIAN LUXURY LANDSCAPE IS EXPERIENCING STRONG EVOLUTIONARY UNDERCURRENTS

– By Shubhra Saini

Argentina-based luxury brand La Martina – a polo lifestyle company known for its apparel, technical equipment and accessories – started its India operations in 2014 with the launch of its maiden store in the capital’s most coveted luxury mall, DLF Emporio. La Martina in India has diversified the brand to add general fashion products for ladies, men and kids. **Eliana Koulas, Director of Luxus Retail, the Indian franchisee for La MaUrtina**, finds colossal potential for the brand in the country. Talking to IMAGES Retail, Koulas points out that La Martina falls in affordable luxury segment and says that the brand doesn’t have any direct competitors in India.

Tell us about the history of the company and profile.

La Martina is a deeply authentic brand. Its style was born on the Polo fields. From the beginning, the vision was to create an Argentine brand that could expand internationally closely linked to Polo and share sporting values such as sacrifice, elegance, luxury and skills which constitute the DNA of La Martina. To achieve this purpose, La Martina spread its passion around the world, fostering the development of Polo in every country around the world making the brand the official supplier of the most prestigious Polo events including competitions in Saint Tropez, Miami and Sylt and in some of the most traditional and renowned universities of the world – Harvard, Yale, Oxford and Cambridge, with the addition of a number of other associations and institutions.

How big is the market for the products of La Martina in India and what is the growth rate?

While the Indian psyche is driven towards value luxury and discounting, there is a fine line between what the India consumer aspires for and the price he is willing to pay for this aspiration. Indians are instinctively value-laden and would think twice before splurging on luxury items. We have observed that they don’t necessarily buy into random purchases where there’s no repeat purchase behavior happening,

print
passion

STARTING ₹ 399



WOMEN'S CASUALS

ALL WORK,



ALL PLAY



CHINOS.



LARGEST COLLECTION OF CHINOS STARTING ₹ 799

fbb
INDIA'S FASHION HUB

BIG BAZAAR
Making India Beautiful