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R IMAGES Retail™

Future of Businesses

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RETAIL EDUCATION:

TRAINING EMPLOYEES
FOR GREATER SUCCESS,
PRODUCTIVITY

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Future of Businesses

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The retail sector is facing challenges like never before and one of the major bottlenecks has been attracting and retaining skilled, career staff. In fact, the retail industry in India is competing with other high growth sectors for skilled recruits – recruits who won't simply stand in a store and sell, but who will also get involved with and contribute towards taking business forward. This demand for highly professional, skilled and trained employees has made 'Retail Education' a necessity in India. In the October edition of IMAGES Retail, we take a look on the Retail Education and how it trains the employees for greater success and productivity.

With retailers demanding skilled workers and retail moving forward at a fast pace, it is no wonder then that India fascinated with foreign brands – something which is no secret, but the wheel has now turned a full circle. With India poised to become the third largest economy in the world by 2025, it is foreign brands that are chasing Indian consumers, not the other way around. In a special feature titled 'Global Retailers in India: Moves, Leaps & Hurdles', IMAGES Retail analyses the chief drivers of growth of all major foreign brands in the country.

The October edition also brings you an exclusive interaction with three industry stalwarts, **Samir Modi, Managing Director, Modi Enterprises; JP Shukla, co-Founder and CEO of 1-India Family Mart and Falguni Nayar, Founder & CEO, Nykaa.com** who talk about their brands, and how they are working towards revolutionising retail shopping and consumer experience in not just Tier I India, but Tier II, III & IV as well.

Last but not the least, the issue brings you a roundup of the retail industry's most prestigious awards ceremonies - IMAGES Retail Awards (IRA) and IMAGES Retail Technology Awards (IRTA). We thank retailers, brands and industry experts for being a part of the awards function held in Mumbai last month, congratulate the awardees and thank participants for creating a powerful, collaborative atmosphere at the event.

As always, we hope you find the issue informed and beneficial. Do log on to our website, www.indiaretailing.com to read more informative articles and analyses on the stage of the global retail industry with an emphasis on India.



Amitabh Taneja

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GLOBAL RETAILERS IN INDIA: MOVES, LEAPS & HURDLES

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India's enchantment with foreign brands is no secret but the wheel has now turned to a full circle. Today, it's the foreign brands that are chasing the Indian consumers



[COVER STORY]

RETAIL EDUCATION: TRAINING EMPLOYEES FOR GREATER SUCCESS, PRODUCTIVITY

In India's robust retail sector, the demand for skilled retail associates is never ending. There is mostly always a shortage of trained, informed staff and it has been estimated that India will require around 15 million educated retail staffers by the year 2020...

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Concept Stores, New Brand Launches Spell Growth for Indian Retail Sector

– By IMAGES Retail Bureau

Brands in India are growing bolder, understanding the consumer better and offering him experiences like no other in order to lure him in-store and tempt him to turn his visit into a buying visit. We bring you a quick glance at everything retailers are doing to enhance CX this month – from opening new stores to launching new brands...

Bata rolls out its new Red Concept store in Jadavpur

➔ Keeping up with its commitment to provide a world class shopping experience to its customers, Bata, India's leading footwear manufacturer, announced the launch of its latest 'Red Concept' store at Kolkata's Raja SC Mallick Road in Jadavpur.

The new store introduces Indian customers to a global concept that exposes them to an improved in-store visual merchandising experience, unified throughout all Bata stores across the world with a red and white colour theme. The store design seamlessly marries visual merchandising with thematic windows to magnificently bring alive every product display. The soothing in-store music further amplifies the shopping experience for customers.

Speaking on the store launch, **Sandeep Kataria, CEO, Bata India Ltd.** said, "Since the launch of our first Red Concept store in Kolkata in February 2018, customer feedback has been nothing short of extraordinary. Our new Red Label collection that offers a great mix of stylish formal and casual shoes for men and women along with these new Red Concept stores will enhance the customer shopping experience."



The Red Concept store offers customers a breathtaking visual merchandising experience. It uses colour blocks to contrast against the wall and the product. The overall red and white color scheme delivers a clean and crisp look to the overall store. The entry tables have a red rubik cube as attractive point which allows it to be used as a secondary window in addition to the main entrance windows to keep consumers engaged inside the store. The store interiors showcase LED lighting in the shelves and headers highlighting products with red square graphics accentuating key sports products. The store's white lounge seating, encourages self-service in customers to comfortably try products in the store.

All the Red Concept stores are well stocked with the complete range of ladies and men's footwear as well as bags and other accessories that have caught on with customers. Buoyed by the tremendous response of these stores, Bata aims to introduce 150 more such stores in India by the end of this year by opening new and renovating the existing ones.



Macho launches sub-brand Macho Hint

➔ Macho one of the leading brands in men's innerwear category in the Indian market has launched its sub-brand Macho Hint. The brand offers an exciting new range of innerwear backed by new colours, cuts and designs.

One of the main USP's of this new brand's product range is that, none of the prints will be repeated in the next collection of products. Made from 100 percent premium combed cotton, the

Global Retailers in India: Moves, Leaps & Hurdles

– By Namita Bhagat

India's enchantment with foreign brands is no secret but the wheel has now turned to a full circle. Today, it's the foreign brands that are chasing the Indian consumers.

India is poised to become the third largest consumer economy in the world by 2025, its retail market is expected to hit US\$ 1.1 trillion by 2020, while e-commerce is expected to grow at 30-40 percent CAGR over the next three years. Clearly, no foreign brand or retailer with global aspirations can risk missing this exuberant market!

The Backdrop of Global Brands in India

India's enchantment with foreign brands is well-known. Even decades ago, Indians – especially the middle-class and the well-heeled – were using a host of global brand products. Those were the days when exclusive brand outlets and department chains had yet to emerge and the imported and locally-made foreign brand merchandise was available through traditional shops only. Swiss food major Nestlé (best known for milk powder, Nescafe and Maggi) and Czech-born shoe brand Bata's relationship with India dates back to the pre-independence era and is still going strong. Brands and products of US-based

Nykaa Aims at 100% Growth this Fiscal, to Open 200 Stores by 2020

– By Charu Lamba

Nykaa reported a revenue of ₹570 crore in 2017-18. The brand has been EBITDA positive for two quarters in a row. The retailer is on a path to 100 percent revenue growth in the current financial year...



In 2012, investment banker turned entrepreneur, **Falguni Nayar, Founder & CEO, Nykaa.com**, left the comfort of her 19-year-old job to pursue her dreams. She entered into the beauty space and launched a beauty portal, Nykaa, for the growing number of beauty consumers in India and since then there has been no looking back.

Talking about the idea of entering an altogether new space in the business of beauty, Falguni says, “I once walked into a Sephora store and was amazed by the profusion of brands, the beautiful displays and the women behind counters who offered advice, sold beauty products and helped women discover a whole new side to themselves. This and other exposures to multi-brand online retail made me realise there was such a huge gap in India with a severe dearth of good multi-brand retail experiences in the beauty and wellness space. I saw the need for a multi-brand retail format that gives unbiased advice to consumers, being able to guide them on the right products for their beauty and health concerns. It was a risk I was willing to take but, I am happy to say that they have been well-received by our customers.”



Retail Education:

Training Employees for Greater Success, Productivity

– By Sandeep Kumar

In India's robust retail sector, the demand for skilled retail associates is never ending. There is mostly always a shortage of trained, informed staff and it has been estimated that India will require around 15 million educated retail staffers by the year 2020...

The Indian Retail Industry is very vast and is considered to be a platform which has employment for all. Be it the educated, barely educated or the uneducated, the skilled or the unskilled, labours or managers, everyone can find some kind of employment in this industry. The reason for this endless employment opportunity is simple – the Indian Retail Industry has been on a continuous growth spree since its inception. With each passing day, plenty of retail space is being created, and along with this come employment opportunities.

There was a time, when making a career in the retail industry was considered an easy thing. Ideally, departmental stores, *kiranas*, local shops, factory outlets, warehouses, retail outlets etc. were the commonest areas of interest for an average individual seeking a job in retail. Store owners met and hired dozens of applicants seeking jobs, every single day.

India has the highest density of retail outlets in the world – for every 1,000 persons there are 15 retail outlets in the country. The overall size of the retail market here is estimated at ₹15 lakh crore at present. Out of this, 4 percent of retail trade is conducted in the organised sector, while the remaining 96 percent

Samir Modi to Open 10,000 24Seven Stores in 5 Years; Tests Cashier-Less Check Out

– By Charu Lamba

Some of the tech-based innovations the brand is introducing in keeping with its revamped image include LCD screens, bar-code reading screens, digital bar-codes, self-service and food vending machines...

Samir Modi launched 24Seven retail stores in 2005 as India's first convenience store chain that stays open round the clock. These stores offer Indian consumers a completely international shopping experience with a wide range of products from ready-to-eat food, beverages, groceries provisions, various convenient services and a lot more 24 hours a day, seven days a week.

When Modi launched 24Seven, he marketed them as a one-stop shop for all daily and general necessities of the modern-day double-income family.

Talking about the journey of the brand, Modi says, "It has not been a smooth journey. We had to struggle a lot running a convenience store business in India which runs 24x7. We had to modify our retail strategies many times. In fact, we had to shut the business for over a year."

However, the scenario changed in March 2017, when the government permitted shops to stay open round-the-clock. Sharing the secret of his brand's survival and eventual success, Modi states, "Running a convenience store business is not as easy as running a supermarket or a bakery business. It requires a different skill set and different assortment of products to run it successfully."

The company initially tied up with Indian Oil to open stores at their petrol stations, creating a fast turnaround service culture. Today, the brand has total 85 stores, including standalone stores, across Delhi and Chandigarh.

International Look & Feel

In early 2017, the retail chain initiated the process of revamping the brand by introducing a new logo and a new tagline, along with changing the entire look and feel of the stores, which included digital screens, focused lighting and peppy music. Explaining the need for change, Modi says, "I wanted consumers to enjoy the overall shopping experience and we tried to enhance it by improving their overall interaction inside the store. Almost all of our stores have been revamped and going forward, we will be opening stores based on this new format."

Apart from digitisation, the store size of the revamped outlets have also changed. Earlier, the average size of store used to 1,000 sq. ft, whereas, the new stores span around 1,500 sq. ft.

Innovation - The Key to Success

The brand, that boasts of 2,000-3,500 SKUs, is planning to install gizmos to digitise the stores further. "We are going more digital. Going further, we will be increasing spends on digital marketing. Apart from this introducing interactive racks, 3D imaging and tech-based training is on the cards," reveals Modi.

He further adds, "I am in the exploration stage of introducing cashless checkout. We are also testing recycling machine, where customers can trash





IMAGES RETAIL TECHNOLOGY AWARDS 2018

The IMAGES Retail Technology Awards (IRTA 2018), which were held on September 5, 2018 at Hotel Renaissance in Mumbai; celebrated some of India's most outstanding achievements in retail. IRTA honoured excellence in digital innovation and implementation in the retail industry.

The categories were designed to ensure that not a single out of the box idea went unnoticed. The awards were rolled out highlighting the key aspects of retail operation- customer experience, innovation and excellence in operations.

Method: The entries underwent an extensive research and evaluation process designed to determine winners in truest sense of the term.

Data collation and Validation: The entries were scrutinised and validated with respect to the applications and data supporting that are received, in accordance with the pre-determined set of rules and regulations.

Online Entry Forms: The entry forms were available online both for the retailers and the service providers.

Jury Process: All entries were first scrutinised by an independent jury that shortlisted the top entries in each category. A final jury then reviewed then shortlisted entries and determined the winners.

Jury Panel: *Arun Gupta*, Consultant, Praxis Home Retail Ltd. (a Future Group company) and Managing Partner & Director, Ingenium Advisory was the Chairman of the jury. The other members in the panel were *Amarinder Singh*, Chief Involvement Officer, CIO Association of India; *KRC Murty*, Experienced BFSI IT Professional; *Kamal Goel*, Senior Vice President, Information Technology, *Anand Rathi*, Financial Services Ltd.; *Rahul Mahajan*, Group CIO, Lodha Group; *Ritu Madbhavi*, CIO, FCBulka; *Sabyasachi Thakur*, CIO, Parksons Packaging Ltd.; *Suresh Iyer*, CIO, Blue Star Ltd.



IRF 2018: India's Retail Realty 3.0

– By IMAGES Retail Bureau

IRF 2018 introduced three parallel conference tracks viz Retail Roulette – Trends, Strategy, Brand Building, Profitability, Expansion – a Retail Real Estate Track and The Tech Leap in form of the India Omnichannel Forum...



▲ From L to R: Ashish Goel, Urban Ladder; Aymeric Lacroix, Swarovski; Rajiv Suri, Shoppers Stop; Ramanathan Hariharan, Landmark Group (Dubai) and B S Nagesh, TRRAIN

India Retail Forum (IRF) 2018, presented by MAPIC and powered by Future Group, the premier knowledge and networking platform for India's retail industry, celebrated its 15th edition on September 5&6, 2018 at Hotel Renaissance, Mumbai. IRF has evolved over the last 15 years into India's most robust and influential platform for Retail business, with the ardent support of the industry. Suresh Prabhu, Hon'ble Union Minister of Commerce & Industry and Civil Aviation, Government of India was the chief guest for the event.

India Retail Forum is the top choice of the who's who of the retail industry. Key decision makers and exhibitors representing Indian and international brands were instrumental in making IRF 2018, a grand success. The event was organised by REED Exhibitions.

This year, IRF introduced three parallel conference tracks viz Retail Roulette (Trends – Strategy-Brand Building-Profitability-Expansion), Retail Real Estate Track powered by ANAROCK (The football Game) and The Tech Leap (India Omnichannel Forum- Retail Hangar Technology/ Omnichannel/ Digital).

INDIA RETAIL FORUM: RETAIL ROULETTE

The two day retail forum comprised of panel discussions, research presentations, knowledge presentations, insights and opinions from the industry experts and retail leaders. The sessions were mainly focused on:

- Sustaining Consumer Trends: From Mall to Mobile, Adjusting to New Consumer Habits
- Reshaping Retail Arena: Year of convergence & Global Power Play
- Setting the Strategic Agenda: Getting Fit for Growth

In a One-on-One Session, **Kishore Biyani, Founder and Chief Executive Officer, Future Group**, the doyen of modern Indian retail, said, "Future Group has set a target to be trillion-dollar company by 2047 driven by technology that would capture consumer behavior and data."

"Technology reduces space, time and increases customer interaction. Since we now know the buying behavior of the consumer, our factories will plan their production based on the data. Future Group is currently opening two small stores a day, which will increase it to three small stores a day and then to five small stores a day by next year. This will help us understand the assortment that we should keep and the production that should be undertaken," he said.

Stating that retail was Future Group's religion, consumer the God and stores the temple, Biyani said, "India is a heterogeneous market and unless you get your hands dirty, you will never understand it. As part of engaging the



▲ Kishore Biyani, Future Group with Anuj Puri, Anarock

customers, the group would also explore movies," he said.

Commenting on the retail potential in the country, Biyani said that as India's overall economy rises to \$5 trillion by 2030, it will trigger the consumption economy to \$2 trillion and the per capita consumption of \$2,000 will be a turning point.

Candidly admitting about being ignorant in their early days and also to being lucky in getting away with it, Biyani said, "I want to build into the biggest consumer business that the country has ever seen in less than 10 years with our own distribution."

Delhi-based Nysaa Retail Pvt. Ltd, which operates a chain of value retail stores

under the brand name 1-India Family Mart across Eastern and Northern India, has stepped up its expansion plans. The fastest growing value retail chain in India plans to invest ₹200 crore and open around 100 stores in the next fiscal.

1-India Family Mart has been consistently proving its mettle as one of the fastest growing value retail chains by providing affordable fresh fashion and general merchandise to its large customer base in Tier II and III cities. With its inception in 2013 and a vision to address the need of 75 percent of the population that resides in the small towns and cities of India, 1-India Family Mart looks to expand and accumulate around 12 lakh sq. ft. of retail space by 2020.

In an exclusive interview with IMAGES Retail, **JP Shukla, Co-founder and CEO of 1-India Family Mart**, talks about the thought behind starting his brand, the work that goes in catering to a small town, lower middle class audience and the company's plans for the future.

Tell us about 1-India Family Mart.

1-India Family Mart started in 2013. The major motive behind this brand is to cater to a lower income group and be present in B, C and D towns. Currently, we have 66 stores and they are majorly in C and D towns. It's not that we don't want to come up with A and B towns, but C and D



1-India Family Mart: A Big Deal in Small Towns

– By Surabhi Khosla

Value retail store 1-India Family Mart has pioneered the concept of meeting profits by virtue of large scale reach and unique target audience segmentation, while maintaining quality at extremely competitive and affordable prices...

towns are our primary focus areas, coming up to B in later stages. Initially we were more present in eastern UP – we are there 12 districts of Bihar and 8 districts of Jharkhand, we have a store in Chhattisgarh and we're coming up in 2 more there. We have a store

in Uttarakhand and we are planning to expand to the Northeast as well, before the Puja season starts. The initial idea is to cover prominent districts – UP, Bihar, Jharkhand, Assam and Chhattisgarh. We are planning on expanding to 100 stores in

these districts in the next two years and then we will think of expanding to other districts in the periphery.

We've already opened 66 stores in FY 2017-18. We plan to be 80 store-strong before Diwali 2018 and by the end of 2018, we aim to hit the 100



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