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MUMBAI

[COVER STORY]

PHYGITAL RETAIL: THE FUTURE IS HERE

[PAGE 24]

IMAGES Retail™

Future of Businesses

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McKinsey has reported that personalization drives up to 15% more revenue growth and improves marketing-spend efficiency by up to 30%. Phygital retail drives personalization, leading to sales and is slowly becoming the talking point for retailers all across the globe. Phygital is the buzzword and this issue is all about getting to the depths of phygital retail via thoughts and ideas put forth by leading retailers from across India. We are awaiting hear more and get more insights, as we get ready to make way for the Phygital Retail Convention, scheduled for 10th and 11th November, 2021 at the Renaissance Hotel, Mumbai.

Phygital Retail Convention (PRC) is India's go-to retail intelligence event of 2021. Through the event we aim to bring together multiple stakeholders in global retail businesses to hack the most critical disruption-ready strategies around consumer behaviours, technology and innovation. A powerful blend of panel discussions, talks and masterclasses, zoned exhibitions to showcase tech solutions, innovations in products, services, retail spaces, ideas and concepts awaits you. In addition, you will be able to discover and experience advanced solutions from technology solution providers and innovators presenting success stories of trailblazing retail business transformations from across the world.

In this issue we also bring to you the 'India Retail Reboot 2021'. As per the findings of the report, India's organised retail stock reaches 64.3 Mn Sq. ft. as of H1 2021 and is expected to cross 82 Mn Sq. ft. by 2023. Delhi, Bengaluru, and Hyderabad are leading the sector's growth. This is a good sign and pushes us feel optimistic about the retail sector. We also capture the household penetration for FMCG companies in this issue and understand how it is key to the growth of this sector.

This issue also uncovers the success stories of prominent D2C startups to bring to you a milieu of interesting growth stories and market journeys. All in all, we are happy to witness a positive nip in the air that spells growth and is bound to push retail to new heights in the last quarter of this year.



Amitabh Taneja

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shopping destination where you can snap up great bargains on the majority of products available, every single day. In conversation with Vishal Mahajan, Director, Dubai Outlet Mall, we try to decode the business prospects, the changing dimensions of retail, and much more.

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Farmley is a premium dry fruits brand that believes in the goodness of nature, and hence brings the purest form in hygienic packaging to the doorstep. It is a community brand with affordable pricing from the best of farms.



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Leaping Over the Last-Mile of E-Commerce with Drone Delivery

Suresh Mamunuru - Vice President - Supply Chain & Logistics, Cybage mentions that the drone market is predicted to exhibit a growth rate of 17.63% from 2019 to 2022. He analyses how in the e-commerce sector, drones have become the links connecting warehouses to outlets and individual customers.

New launches & investment makes retail a promising ground for growth

With the festive season making its way into India, retail industry continues to report growth and recovery as many brands begin to action their growth and expansion plans for offline retail.

By IMAGES Retail Bureau



JOCKEY OPENS ITS 1000TH EXCLUSIVE BRAND STORE IN INDIA



Page Industries, India's leading apparel manufacturer and the exclusive licensee of Jockey and Speedo in India announced the launch of Jockey's 1000th exclusive brand store (EBS) in India. Jockey has further expanded its retail network as it focuses on deeper penetration for accelerated growth in the country.

Jockey entered the India market in 1994 under an exclusive partnership with Page Industries Ltd. and has consistently been gaining market share in the Indian apparel market by offering consumers products which are world-class. Starting its journey with innerwear, the company set itself on course to break stereotypes by setting up the first exclusive innerwear brand store in the country. These exclusive Jockey brand stores are spread across metros as well as smaller towns and play a pivotal role for consumers to experience the Jockey way of life and its range of products under one roof. The launch of the

1,000th exclusive brand store highlights the significance of the traditional retail network spread for Jockey as the company simultaneously focuses on expanding its online presence.

Ganesh V S, Executive Director and CEO, Page Industries, spoke on this



occasion and said, "Since its foray into the India market, Jockey has always strived to enhance consumer experience and build a strong brand connect with customers and the exclusive brand stores are a testament to that unwavering focus. The experience of the Jockey

way of life at these outlets along with Jockey's trademark comfort and quality have played a decisive role in driving consumer preference for our products. We continue to expand our network of exclusive branded stores across urban and rural centers while simultaneously exploring newer formats of retailing including online platforms as we continue on our growth journey in the country."

Rahul Shukla, Chief Retail Officer (CRO) commented on this "Jockey has always continued to capture the consumers imagination right from its inception, catering to both the functional and aspirational needs of the entire family, offering premium quality innovative products, value for money proposition and establishing its leadership position in every product segment & every channel that it operates in. The journey of Jockey retail has been full of successful milestones and has continued to gather pace as it progressed over the years".

How Household Penetration is Key Factor for FMCG Companies

This is a good time for FMCG companies to achieve household penetration by experimenting while lowering costs, effective advertising and understanding evolving consumer needs. For instance, many companies are now experimenting with the ready-to-cook segment in the traditional Indian breakfast space.

By Amrinder Singh, Director, Bonn Group of Industries

‘**H**ousehold penetration’ is defined as the share of total households reached within a geographical area year by a product or service in a given year. Fast-moving consumer goods (FMCG) or consumer packaged goods (CPG) companies face a stiff competition every year and household penetration is a key factor for them. The FMCG industry has undeniably enjoyed success for many decades now. According to a McKinsey & Company report, by 2010, the industry had created 23 of the world’s top 100 brands. The FMCG sector had grown total return to shareholders (TRS) almost



SSIPL is an integrated sportswear company that has been in the business of manufacturing, retail & distribution of international sports & lifestyle brands since 1994. Today, SSIPL has a nationwide network of exclusive and multi-brand stores spread across 80+ cities with 3 lakh square feet of retail presence.

They have built strategic partnerships with key international sportswear brands in the Indian market and the group is also the largest retail partner to Levi's. They manufacture footwear for international brands like Nike, Puma & Lotto. SSIPL is also the authorized distributor of Lotto & Nike's fitness equipment range.

In this exclusive interaction with IMAGES Retail, Aasheesh Mediratta - CEO - SSIPL Retail LTD talks about the brand's journey so far and how they are eyeing the future. Excerpts:

Tell us a little about the current brand portfolio

SSPIL group has been in the business of retail and manufacturing for almost 30 years. The company started in



1994 with the manufacturing for Nike. Currently, we manufacture for several international and national brands. The retail segment of the company is divided into four verticals, first vertical we have Nike for whom we run their EBOs, then for Levis we have been a long standing partner for them for years now. The other two verticals are reserved for our internal brands. In total our four verticals are spread over 270 stores and 3 lakh sq.ft of retail presence.

Why don't we talk about the changes in customer behaviour and retail environment owing to the pandemic?

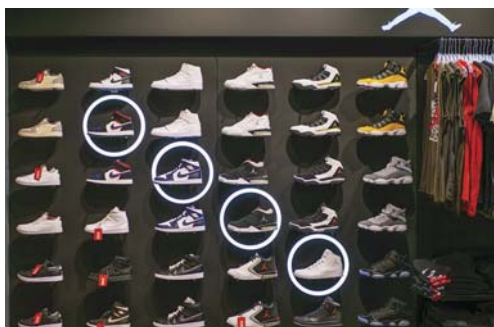
Earlier there were only mom and pop stores, there was hardly any brand presence. When I went to college, I got to see brands like Peter England and Flying Machine. Until then, the customer in terms of offline retail, could only experience brands at a local MBO. There is a famous saying that 'customers buy what they want to buy', but if you go back 30 years you were forced to buy what was offered. Recently, with the boom of the e-commerce sector the whole retail landscape has actually changed, it completely baffles me but also it has created an opportunity for brands who're digitally connected. People can connect with brands through experience centres. And now the new generation D2C brands are further accelerating the process.

Customers are more discerning especially in Tier-II and III cities. Now we see a lot of residents in Tier-II and III cities and the customer is equally or maybe more discerning because they are so hooked to

The big leap

In this exclusive interaction with IMAGES Retail, **Aasheesh Mediratta**, CEO, SSIPL Retail LTD talks about the brand's journey so far and how they are eyeing the future. Excerpts:

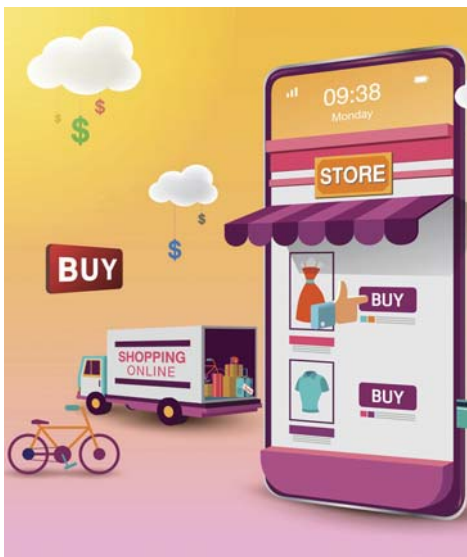
By IMAGES Retail Bureau





Phygital Retail: The future is here

A blend of physical and digital, phygital retail is bringing in the best elements of ecommerce and combining them with the unique aspects of browsing or shopping in a real-world brick-and-mortar store to bring to the customer an universe of retail, which is unique and futuristic.



According to GWI, over half of consumers in North America research a product online before buying it. Then again, according to a 2021 state of consumer behaviour report, many people still choose to shop in person. In fact, globally half the consumers still look to shop offline and find it advantageous. So, in order to gain maximum advantage retailers are merging their physical and digital storefront in more ways than before. And it is important than ever and phygital retail is a way to accomplish this. Combining the best components of ecommerce and brick-and-mortar business models to improve the customer experience and boost sales revenue is one of the advantages of phygital retail.

India is slowly accepting the norms of phygital retail too and in this issue we talk to some key retailers across sectors and domains to decode the idea of 'phygital' in the Indian context.



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ICS is India's largest e-commerce Intelligence business event, which brings together path-breaking products, ideas, innovations, people and companies that are redefining enterprises and digital best-practices across industries and sectors. With four different themes – Services Commerce, Lifestyle Commerce, Marketing & Channels and Society & Culture – featuring some of the most renowned speakers and companies in areas from D2C, e-commerce and retail to new-age marketing, e-services, and more, this year's ICS was a power-packed two days event, which happened on 6-7 October, 2021.

By IMAGES Retail Bureau

ICS 2021: A virtual gala

The Internet Commerce Summit (ICS) 2021, India's largest two-day e-commerce intelligence business event organised by IMAGES Group in association with GreenHonchos, kick-started on 6th October 2021. In his inaugural address, **Manish Tiwary**, Vice President, India Consumer Business, Amazon, said, "The government's vision of a trillion-dollar digital economy is clearly a symbol of the opportunity that exists for the development of new ecosystems in diverse sectors. Digital cooperation presents immense opportunities that, if harnessed properly, will allow both consumers and businesses to drive tremendous value, productivity and efficiency. Moreover, it helps to bridge the rural-urban divide and brings many new users to the fore."



CBRE South Asia Pvt. Ltd., India's leading real estate consulting firm, today announced the findings of its report titled 'India Retail Reboot 2021'. The report highlights that India's organised retail stock has reached 64.3 Mn Sq. ft as of H1 2021 and is expected to cross 82 Mn Sq. ft by 2023. According to the report, Delhi & Bangalore are leading the sectors' growth with an expected addition of over 5 Mn Sq. ft of the overall organised retail stock respectively followed by Hyderabad expected to add over 3 Mn Sq. ft.

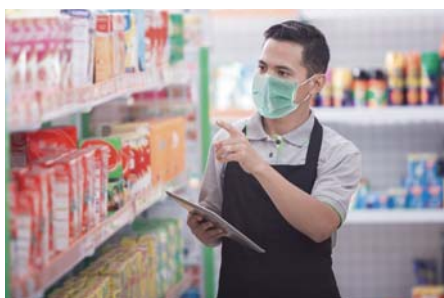


Back on track

India's organised retail stock reaches 64.3 Mn Sq. ft as of H1 2021 and is expected to cross 82 Mn Sq. ft by 2023. CBRE South Asia Pvt. Ltd., India's leading real estate consulting firm has just released a report titled 'India Retail Reboot 2021'.

The report highlights that with the onset of the pandemic, the consumer behaviour shifted towards 'conscious buying', leading to a significant shift in consumer purchase behaviour both across physical retail and E-commerce. The F&B, E-commerce, pharmaceuticals, and the traditional grocery retailers as the top performing sectors witnessed steady growth despite the pandemic.

Commenting on the announcement, **Anshuman Magazine, Chairman, India & South-East Asia, Middle East & Africa, CBRE**, said, "The overall outlook for the Indian retail real estate market continues to be positive at the back of an accelerated vaccination drive, policy reforms, and increasing urbanization. Moreover, with more investors looking at REITs and fractional ownership for the commercial segment, the sector is embarked on a growth trajectory."



Effect of the pandemic

The most immediate impact of the COVID-19 pandemic and the resultant nationwide lockdown in March 2020 was felt on the retail sector as the government-mandated shutdowns, travel restrictions and social distancing made a huge dent on consumer confidence and discretionary spending. As a result, sale of products that fell in the "non-essential category" was negatively

- » Green shoots of recovery witnessed in India's retail segment with Delhi showing significant improvement in sales and getting closer to the pre-COVID levels.
- » Sectors that are showing significant rebound from 2020 levels are department stores, apparel & footwear (specific categories within), hypermarkets & electronics.
- » The top 3 sectors under E-commerce that led the segments steady growth were Apparel & Footwear, Beauty & Personal care, and Consumer Appliances.



New Frontiers

Dubai Outlet Mall opened in August 2007 and is the first 'value/outlet' concept mall in the MENA region. Home to over 1,300 of the world's top premium and luxury labels in 240 stores, the mall is the ultimate value-shopping destination where you can snap up great bargains on the majority of products available, every single day.

Dubai Outlet Mall is the ultimate value-shopping destination. From housing over 1,300 world's top premium and luxury labels in over 240 stores, the Mall also offers a comprehensive and delicious food and beverage selection in food court, standalone restaurants and cafes. The mall is also home to a huge family entertainment venue as well as a soft kid's play area for youngsters. Shuttle bus services, the Outlet Plus Card with added value offers, multilingual Customer Service Assistants and interactive use of social network sites are only some of the tourist focused services offered by Dubai Outlet Mall. Located at DUBAILAND® on Dubai - Al Ain Road (Route 66), just 20 minutes from downtown Dubai, the mall has over the years grown to become a favorite with tourists.

In conversation with **Vishal Mahajan, Director, Dubai Outlet Mall**, we try to decode the business prospects, the changing dimensions of retail, and much more.

A close look: The business model

"The main focus being 'Value', we endure to offer a comprehensive & happy experience to the visitors – individually or as a family. Dubai Outlet Mall is the first 'Outlet' concept shopping destination in MENA region offering great value to customers. Dubai Outlet Mall offers 30% to 90% off the original selling prices every single day of the year on more than 1,300 international and local brands. With

The Growth Story

One of the first few brands in the country to promote the concept of beauty care without harmful chemicals and preservatives, WOW Skin Science delivers sustainable nature-infused and research-backed products that give customers visible results and long-term benefits. It has also earned itself a name as one of the pioneering D2C beauty brands to leverage the reach of digital platforms and touch base with consumers across pin codes.

By Tripti Mehta



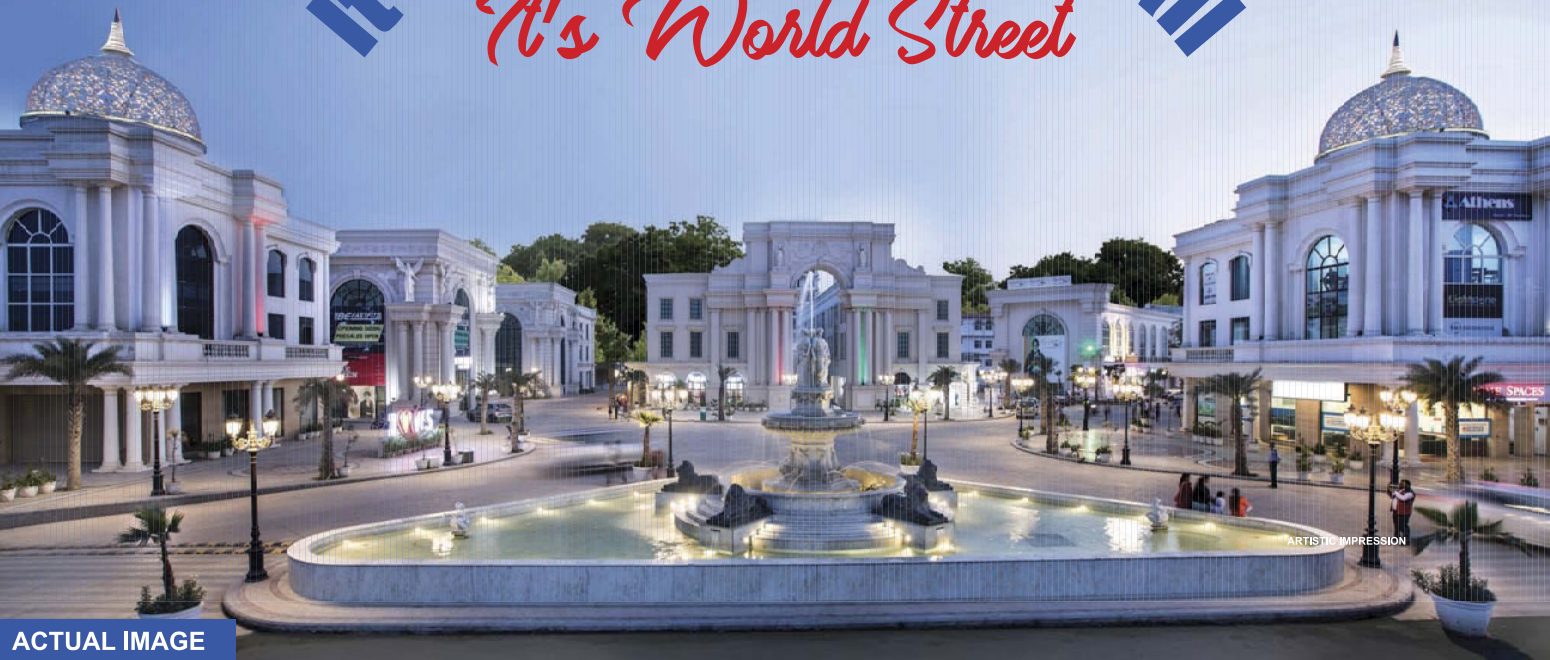
Pioneering ideas

Started in 2013, WOW Skin Science was born out of a passion and vision to develop and deliver the best of beauty and wellness products inspired by traditions from both East and West, backed by research and science. All its formulations are a blend of Ayurvedic preparations, Western herbal medicine practices and modern scientific research. “We have been working hard to become a new-age beauty and wellness brand committed to delivering products based on modern science and age-old wellness traditions. We are a highly customer-focused organisation that delivers beauty and wellness solutions that the customers want. The aim is to deliver a WOW-some experience when the consumers use our products at a price that they love. We were also one of the pioneering D2C beauty brands in the country that leveraged the digital platform to reach consumers at every tier market across the country. We continue to leverage the same, and our customers are quite comfortable in picking our products online,” says **Manish Chowdhary, Co-founder, WOW Skin Science.**

- » WOW Skin Science has grown from strength to strength over the last few years. Despite the pandemic, its sales did not slow down and the company is confident of an impressive growth this year as well.
- » The brand has successfully tapped into the online space through marketplaces Amazon, Flipkart, Myntra, Nykaa, Purple and Big Basket. It has also launched its own shopping App to extend its sales reach.
- » WOW has been witnessing a massive year-on-year growth of 120%.
- » Not far behind is the brand's customer growth rate at 80%.



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