

CONVERGENCE OF PHYSICAL AND DIGITAL BUSINESS

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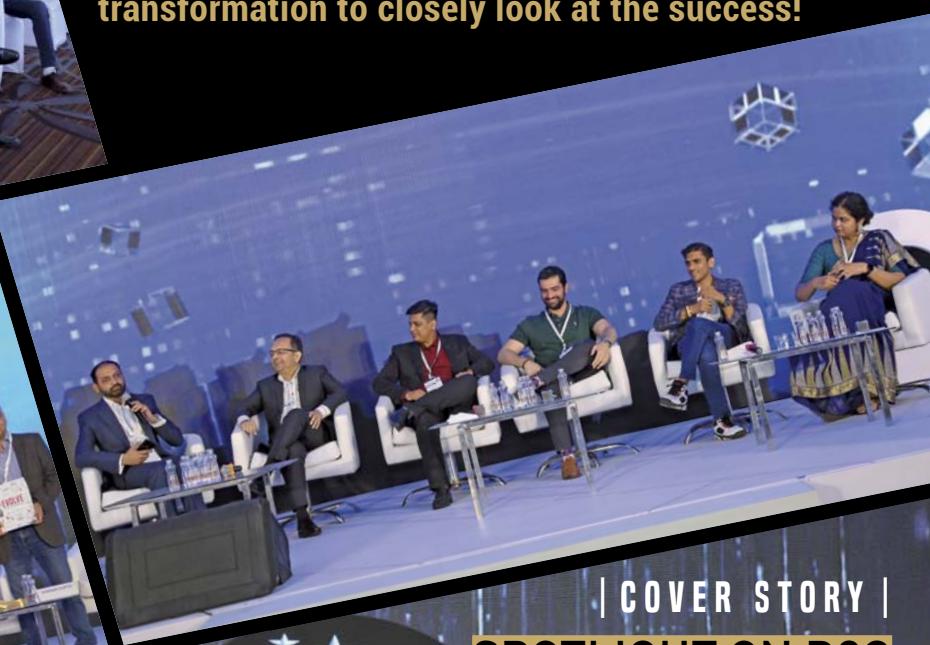
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transformation to closely look at the success!



| COVER STORY |

SPOTLIGHT ON D2C
AN EXCLUSIVE COVERAGE
OF THE FIRST SESSION
OF THE D2C SUMMIT &
AWARDS 2022

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| FROM THE CEO'S DESK |

The era of change is here and now!



Staying afoot with the changing times and keeping abreast with the technology-led growth that has been brought upon the industry slow and steady, has been a humbling journey. The idea has always fascinated us and we have been able to propagate and partner with not only the retail industry but every other industry to discover and mark the bigger changes brought in by technology.

Walking alongside technology we have together crossed 3 years of being in business and it only feels like yesterday that we started this ride. The landscape is becoming very interesting at this moment courtesy of our partner ecosystem, the business ecosystem, and much more. This ecosystem is galore with ideas and we only want to jumpstart a new conversation every day to make technology conversations more meaningful and widespread. There is no stopping, but only discovering the new market, the new horizon and of course, understanding the new-age customers to make the business worth their time and money.

Retail was already changing and D2C has now taken over the baton to write a new growth story. I would like to add here that we had just wrapped a successful first edition of the D2C Summit & Awards, a first-of-its-kind event to celebrate the D2C landscape and its opportunities. It was a breath-taking 2 days on 6th and 7th April, as we welcomed 200+ speakers and 500+ delegates under one roof. With the pandemic forcing everyone to stay indoors, this event was a breather after months and the smile on everyone's face stood out earmarking the changing times. It was a bustling show and got the entire ecosystem under one roof to discuss and debate everything related to the D2C universe.

It is time to stir a change and bring technology to the front to lead the way!

Bhavesh Pitroda

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LAST WORD



Moving towards a new horizon of retail

With time the dimensions of retail have changed and it has given way to new structures, processes, and ways of doing business. With time as retail has embraced the idea of phygital, we have moved from one touchpoint to another progressing with growth and success. Retail all across domains is empowered by technology today and it is proliferating the alleys of growth with more figures of growth. It is our luck and joy that we have been able to partner and witness this growth in technology for the industry, very closely over the last 3 years.

As Phygital Magazine completes 3 glorious years in business, we are fortunate to have witnessed every change very closely over time. There is so much happening at every bend of the road that it becomes important to trace and track the growth of the industry now at this pivotal juncture. Whether it is the growth of the D2C landscape in India or the changing dimensions of traditional retail, we have our eyes set on the remarkable story of 'retail in the new normal'. And why retail alone? We are keenly looking at the technology adaptation and growth story of other segments of business too.

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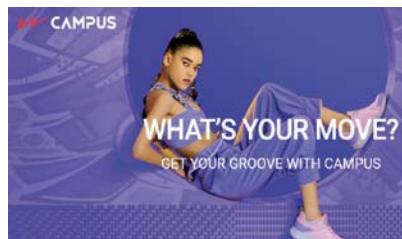
19. Spotlight on D2C

D2C brands with their digital-first approach have been pushing the growth momentum of the Indian economy. Uncovering the varied facets of this growth journey we give you exclusive coverage of the D2C Summit & Awards 2022 in its first season.

| SNAPSHOTS |

CAMPUS ACTIVEWEAR IPO TO OPEN SOON

 Campus Activewear Limited is all set to open an initial public offering of equity shares of the face value of ₹5 each ("Equity Shares") comprising an offer for sale of up to an aggregate of 47,950,000 Equity Shares on Tuesday, April 26, 2022, and will conclude on April 28, 2022, an official statement highlighted. The Anchor Investor Bidding Date will begin on Monday, April 25, 2022, according to the company's draft red herring prospectus filed with market regulators SEBI.



The Price Band of the Offer has been fixed at ₹278 to ₹292 per Equity Share. Bids can be made for a minimum of 51 Equity Shares and in multiples of 51 Equity Shares thereafter. The Offer comprises an offer for the sale of up to 8,000,000 equity shares by Hari Krishan Agarwal, up to 4,500,000 equity shares by Nikhil Aggarwal, up to 29,100,000 equity shares by TPG Growth III SF Pte. Ltd., up to 6,050,000 equity shares ORG Enterprises Limited, up to 100,000 equity shares by Rajiv Goel and up to 200,000 equity shares Rajesh Kumar Gupta. The Offer also includes a reservation for subscription by eligible employees. The Equity Shares are being offered through the red herring prospectus of the Company dated April 18, 2022, filed with the Registrar of Companies, Delhi and Haryana in New Delhi, and are proposed to be listed on the BSE Limited and the National Stock Exchange of India Limited.

IKEA APPOINTS NEW COUNTRY EXPANSION MANAGER FOR INDIA BUSINESS

 IKEA (part of Ingka Group), a Swedish home furnishings retailer brand, announced the appointment of **Adosh Sharma** as its new **Country Expansion Manager**, for its India business. He will be taking the position from Per Hornell and will be part of the IKEA India leadership team reporting to Susanne Pulverer, CEO-CSO.

As the Country Expansion Manager, Adosh will lead IKEA India's ambitious omnichannel expansion and growth plans to reach many more people in India. Prior to this role, Adosh held the position of General Manager Buying Merchandising & Planning for the MENA (the Middle East North Africa) market with a multinational retailer/Marks & Spencer in Dubai.

Adosh brings with him over 20 years of experience in retail, having worked across India, the Middle East, and North Africa markets. Prior to this, Adosh was associated with IKEA Franchises since 2008 and has worked across the markets of Egypt, UAE, and Qatar. In his last assignment with Al Futtaim, he worked with brands such as John Lewis, Marks and Spencer, and Eggo



as General Manager where he was responsible for market expansion, operations, brand marketing, strategy, and profitability.

Adosh Sharma, Country Expansion Manager, IKEA India, commenting on the appointment said, "I am delighted to be back at IKEA and excited to begin my journey as IKEA continues to move closer towards the vision of creating a better everyday life for the many people of the country. IKEA is committed to India as it continues to be a prioritized market for us. We have been able to build a strong foundation in India through our omnichannel presence and we look forward to achieving the long-term vision of providing accessible, affordable, and sustainable home furnishing solutions to the people."

KAPIVA LAUNCHES ITS OVERSEAS OPERATIONS

 Kapiwa, a homegrown D2C Ayurvedic nutrition brand recognized by Honorable PM Modi on the 87th episode of Mann Ki Baat, has today announced that it is eyeing global expansion, starting with UAE and US. With this international expansion, the brand has set a target to reach 100 crores global revenue by end of FY 2024-25.



In fact, in the last few years, the global market witnessed a huge uptick in awareness and adoption of Ayurveda products. As per industry reports, the Ayurveda market is set to grow by USD 6.81 billion from 2021 to 2026, progressing at a CAGR of 15.32%. The immense untapped potential in the international markets is expected to play a massive role in this growth. Kapiwa's expansion strategy is centered around and driven by market-specific consumer insights and behaviour. As per Kapiwa's market research, the US market showed increasing interest in Ayurveda with the popularity of preventative healthcare in the aftermath of the pandemic which the brand aims to leverage. Similarly, with Indians accounting for over 50% of ex-pats in Dubai, Kapiwa believes that the initial adoption and awareness can be driven at a rapid scale. The company plans to double down on its growth strategy by driving tech-enabled customized offerings in the near future.

| BUZZ |

Listening Closely

Giving you a snippet of what some of the founders and leaders had to say when it came to retail, D2C, and doing business in the new normal.



The offline ecosystem is very inefficient and it's very difficult to get a great product at affordable pricing and even the choices were very limited. It's only now that people after the pandemic have started realizing the importance of sleep and mattress now is being associated much more with the health and wellness category.

– HARSHIL SALOT, CO-FOUNDER, OF THE SLEEP COMPANY



one thing we realized in our entrepreneurial journey is that the brand's vision brands and purpose are long-term gains, so the brand will not feed the business at first but the business will feed the brand and therefore from people's perspective also I think that those are the decisions you make. To start with, I feel an entrepreneur should not fall so much in love with their idea of a brand that they stop listening to their customers. Rather, it should always be customer-focused and the brand must eye the customer needs to proceed ahead.

– NEHA KANT, CO-FOUNDER OF CLOVIA



When we started three years ago, the market awareness was quite low and that was something that was one of our major challenges where we had to work to educate the customer and tell why precious metal and what's the difference between other brands and us. So, creating this knowledge-backed conversation with the customer to make them aware and prepared to accept us was one of our biggest challenges when we entered the space.

– RUSHIKA BHATIA, CO-FOUNDER, TALISMAN



When I look at a brand imparting experience, I feel that every experience should be shoppable. The way I would look at it is how can a brand use every interaction to add value for the customer and also gives us an opportunity to make a sale when the customer is actually engaged with us. Basically, it is all about engaging the customer in one touchpoint with a gamut of experiences and then making them a customer for life by giving them a chance to shop from your exclusive range. It has to be spontaneous and customer-oriented such that no gap is created between experience and sales.

– KANISHK ARYA, COO, SLEEPYCAT



I believe in less is more when it comes to shoppable experiences. I feel over cluttering with content and probably massively putting a lot of information in front of people might confuse them and make a lot of decision-making points. If they're confused, they will just leave the website without making any purchase. So, whatever information we're providing to all people over the website, they should be very focused on what you're providing, and what product quality are you giving rather than making them choose from different options.

– SAUMYA KABRA, FOUNDER AND CEO, OF CONFETTI GIFTS

COVER STORY

Spotlight on D2C

D2C brands with their digital-first approach have been pushing the growth momentum of the Indian economy. D2C is the future of digital commerce and these last two years have been the hotbed for acquisitions, funding, and the entry of global D2C enablers and platforms. This further reinstated the whole aspect of D2C becoming prominent.



2021 has been a blessing for Indian D2C startups, and the ecosystem raised \$783.7 Mn – 251% higher than all of 2020. This influx of capital has not only resulted in thousands of new brands but also introduced disruptive models and made way for new opportunities and innovations too. VC interest in brands has grown and more and more unique ventures are getting leveraged now, as compared to earlier.

The D2C space is growing, it is a powerhouse of opportunity for brands and in keeping with the pandemic and the accelerated growth push it gave to the D2C ecosystem, it is now time to look closely at this sector to witness its 'emergence' story. And we aim to know the narrative by talking to powerful brands within the ecosystem as we try to unearth their journey within this universe.

Over \$1.3 Bn has been pumped in as funding in 2021 and over 42 deals and more than 17 acquisitions have been completed this year. Indian D2C environment has seen the birth of 33 unicorns in 2021. It is safe to say that this is the 'universe of opportunities for retail and it is only getting better from here!

Commemorating the D2C growth story

To mark the eventful growth story of this sector, a one-of-its-kind Summit & Awards to celebrate and honour the D2C sector and its growth story. Held on the 6th and 7th of April 2022 at Renaissance, Mumbai this event brought together the entire D2C ecosystem to discuss, deliberate, and share exclusive knowledge, and actionable strategies on how to build, operate, and scale profitable D2C businesses in 2022.

After successfully launching the India D2C Yearbook 2021, India D2C Summit 2022 gathered India's most innovative founders, brightest minds, and trailblazing D2C brands for two days of Knowledge and networking that will help you drive successful D2C business in 2022. The speaker line-up included masters of their business and was handpicked to share their proven blueprints to success.

In the next few pages let's unravel the sessions from the summit to highlight the glorious event.



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| AWARDS |

D2C BRANDS FELICITATED FOR EXCELLENCE AT INDIA D2C SUMMIT & AWARDS



powered by



SUGAR Cosmetics and PEE Safe emerged as category leaders in brand building and innovation

 **IMAGES** Group honored India's leading D2C (Direct to Consumer) brands excelling in brand building, business operations, innovation, marketing and customer experience across consumption verticals and organisational functions on April 7th at The Westin Mumbai Powai Lake, Mumbai. The India D2C Summit and Awards 2022 was presented by Shiprocket and powered by GreenHonchos.

Innovating and disrupting the Digital Ecosystem, Indian brands have decoded sustainable strategies that have proven mettle to service customers and deliver tangible results scaling profitability of D2C businesses. With dynamic and agile next generation entrepreneurs, the Indian D2C segment embraces a massive canvas of opportunity and growth across industries that is becoming the podium of change for new-age brands.



| INDUSTRY UPDATE |

Right Customer Approaches

There are many methods of attracting customers and finding that sweet spot is what brands are after. Some are defining customer approaches and tuning the journey for a customer using the traditional methods, while others are using new-age techniques to do the trick.



As a business owner, you're aware that your client base is the lifeblood of your company. A steady stream of new customers allows you to grow your business and fulfill your company vision. This becomes even more critical when it comes to the online business and the whole corpus of omnichannel business. This is the sector that is garnering the most attention at this moment and therefore needs to be seen under the spotlight. Thus, we speak to some growing yet niche new-age e-commerce businesses to understand the strategies they are employing to steady their customer approaches.

Crafting a niche story

Since the inception of the brand, DiAi has been all about designing & creating fine jewellery pieces specifically for the modern woman. **Disha Shah, founder of DiAi Designs** goal is to see 3/5 women wearing DiAi while she walks on the streets. Keeping this in mind, the

team also introduced making jewellery on custom orders. This gives them a chance to deliver the exact piece the customer is looking for. They believe that if you deliver what the consumer is looking for, the product sells itself. Of course, it isn't as easy but their primary motive has always been to show the product in its most real form and keep it as relatable as possible.

"We constantly interact with our consumers to understand new trends and styles they are following to learn and grow from them. Also delivering the best quality and your promised output is what every consumer expects. We strive hard to achieve that everyday. We are constantly analysing the engagement, traffic, and customer demographics to understand where our marketing focus should be. Data is definitely the key to success and honestly, we are yet to work towards utilizing it to its best!" Disha points out. She admits that her team always

works that extra mile for every customer, as they believe no customer is too big or too small. However, if there is a bigger occasion or order that the consumer is shopping for they help them out further, in terms of giving them more time to understand all that they are looking for. They also receive many brides who are shopping for their wedding and trousseau, who need that extra attention! As an added step towards tightening the customer approaches, the brand is also working towards launching a loyalty program soon. "Being an online D2C brand, our initial goal was to receive as many orders as possible (from different customers). However, when our first



| TECH VIEW |

Technology for growth:

Tech transformations disrupting the D2C ecosystem to push the growth envelope

Digital transformations all across India have led to the growth of the e-commerce industry and the D2C brands in the country. With this, the customer's expectations from the brands in terms of fulfillment and order-handling are also increasing, and to meet their expectations the new-age brands are leveraging technology to their credit.

By Yash Bhatia



Brands of all sizes are betting on tech to understand the consumer better and design products that best suit their needs. Be it apparel, accessories, or the footwear sector. Artificial Intelligence is reshaping

how products are designed and developed while working to predict customer sentiment and requirements. Generative design software is expected to be a US \$44.5 billion market by 2030, as per CB Insights' Industry Analyst Consensus.

Arvind Bajaj, Ezok Shoes, when asked about the total investment they are making to introduce technology, added, "Evolving technology is a major driving force in the evolution of business today. As a company we deeply understand manufacturing,



| SPOTLIGHT |

Healthy way of life

With the D2C space rising, and the ecosystem becoming an unputdownable factor within the retail domain, healthy food and beverage brands are fast becoming the way of life. People are slow and steady accepting these trends and switching to health with the right options.

 **Increasing** awareness and adoption of healthcare practices across the country has made it necessary for us to comprise a vast range of healthcare products across the spectrum. To add to this, an evolving customer base calls for brands to innovate and launch new products frequently in the healthcare market. As a result, innovative concepts are fast becoming the need of the hour. Let's look at how 3 brands are setting the trend right with consumers by giving them a taste of their unique health products.

Fit & Fabulous

BodyFirst® is part of BodyFirst® Wellness Nutrition Pvt. Ltd., a science-based sports nutrition, personal health, and wellness group. BodyFirst® products aim to provide health supplements of the highest quality and ONLY the ingredients which have a lot of studies done by research bodies. Not only are the products scientifically approved but

they also have high-quality standards that are maintained across batches as the Regulatory norms. Right from sourcing our scientifically studied ingredients to evaluating the right dosing and getting the final product in a format that is user-friendly, they take utmost care to maintain quality. Bollywood actor Suniel Shetty has partnered with this wellness brand, joining the brand's mission of 'Aatmanirbhar.' Bodyfirst products are available on e-commerce platforms including Amazon, Flipkart, Paytm, Nykaa, 1mg, Buyiceps, Seniority, and HealthKart. The brand soon plans to make them available at retail outlets, supermarkets, pharmacies, and modern trade channels.

BodyFirst's Unique Selling Proposition - USP - is the use of science-backed nutritious components in all its products. This has played an important role in the products' acceptance and popularity. Owing to this and other product features, we are confident that BodyFirst's customers will continue to spread the word about the brand in their

network of relatives and friends. Also, the global health and fitness industry is leaning towards the increased usage of Indian brands, which, quite obviously, results in an increase in market size for BodyFirst's products too. We believe that building trust and delivering authentic and high-quality products will enable Indian players to thrive in this market. The pandemic has also triggered an increase in the number of persons consuming nutritional and health products. This increased market size has boosted BodyFirst's burgeoning market even more. Our geographical presence across the country also enables us to tap markets in several cities and towns. Largely, a customer would gauge any health and fitness product based on two main parameters. The first of these is quality and effectiveness. Our product line comprises quality ingredients, of which we share detailed information, along with test findings for our products. We want consumers to be healthy without having to spend on expensive nutritional products, and this takes care of the

| SPOTLIGHT |

The Beauty Story

Beauty as a retail segment is evolving at every turn and is growing thanks to the consumer sensibilities and the advent of a bevy of new brands.



Beauty as a segment is thriving and the growth of natural skincare brands in this ecosystem is even more heartwarming and takes the spotlight thanks to the courageous advent of a host of conscious brands. These brands, mostly D2C are ruling the ecosystem and are presenting something new to the audience at every turn. Here's looking at the customer-centric story of such rewarding brands from this ever-evolving ecosystem.

Creating a customer-friendly narrative

Ravina Jain, Founder, and CEO, of **The Skin Story & The Beard Story** mentions, "For us, innovation is a daily routine. We have our teams doing continuous research and development to look for innovative as well as new product ideas. While we do not bypass the process of stringent testing and rigorous product certification, each of our products is an innovation in terms of its product delivery and its result-oriented ingredients. Since all our products are completely science-backed, it has been a norm for us to continue experimenting and innovating these solutions for our consumers. Maintaining the quality of our products with heavy investments in innovation has helped us adopt a wide range of revolutionary offerings



Exploring Limitless Potential Way Beneath The Surface

As a leading full-stack D2C enabler, we help brands unlock their potential and exponentially grow their exclusive online channel with a Technology driven and Performance oriented approach towards operational ease & enhanced conversions.

Consulting | Technology | Marketing | Analytics | Marketplace