

WHAT THEY SAID..

The Indian Retail and eRetail Congress (IReC) 2018 held on 16-17 April at JW Marriott, Aerocity, had top visionaries, business thought leaders and retail bigwigs, who shared their insights and discussed the disruptions taking place in various sectors

BUILDING THE FUTURE OF RETAIL

The first trend highlighted by Krish Iyer, President and CEO, Walmart India, during the inaugural session underlined how customers are at the core of any business while offline, online or omnichannel retail are just the platforms for delivery. "Walmart has been in India for a while now and is completely committed to stretching its footprint in the country. Our mission right now is to empower small resellers or small kirana stores to serve their customers well and ultimately make them our ultimate consumers. Secondly, any retail company needs to find out what exactly the customer wants and then plan the retail strategy accordingly," he said.



REPLICATE SUCCESSFUL STRATEGIES

Samir Modi, Managing Director, Modi Enterprises, took the discussion forward. When Modi started Twenty Four Seven, India's only organised retail chain in the 'round-the-clock' convenience store format, he went through a number of legal battles even after getting permission from the Delhi government. However, he maintained that the key to successful business is adapting to what's best for the firm, even when it implies copying some strategies. "Be innovative, take risks, see what you like from other organisations and copy that blatantly. Invest in brick-and-mortar, forget e-commerce, challenge the norm, hire staffers who can smile rather than technology experts," he advised.

LINK CONSUMER GOODS COMPANIES AND RETAIL

There are a few essentials that are important for linking consumer goods companies with the whole retailing space and the consumers. The next session, presided by Suresh Narayanan, Chairman and Managing Director, Nestle India Ltd., underlined the importance of human touch in maintaining relationship with consumers. "The primary goal for all of us is customer first. We have demanding shoppers who are knowledgeable about quality, brands, etc. Indian consumers do not care if the brand is Indian or foreign so long as the product is of value," he said. Narayanan also emphasized the importance of traditional retail since "maximum sales in FMCG are derived from mom-and-pop stores of the country".



MEASURING THE VALUE OF EXPERIENTIAL

Experiential is a trend that continues to gain momentum and retailers are, very consciously, promoting in-store experiences to please their customers. Ashish Goel, Co-Founder, Urban Ladder, talked about how the home fashion brand has always tried to keep the brand imagery "drool worthy". "We have two formats of stores – one is the lifestyle format where we show a room in its full glory and the other is the catalogue format where items from one category are placed next to each other. We definitely offer experience in our stores. Experiential retail is very important but you need to move away from making it gimmicky to actually making it relevant for the customer. It is essential to measure the value of experiential and keep it relative," he said.

MOVING AHEAD WITH BLENDED COMMERCE

The omnichannel summit started with Bruce Stuart Harryman, Distribution Network Planning Head, John Lewis (UK), who talked about the integration of physical and digital commerce and "ultimately delivering an exceptional shopping experience to customers across all touch points". John Lewis is a chain of high-end department stores operating throughout the United Kingdom. "Our customers don't see any difference in shopping online or at our store since it is a seamless process for them. While 20% of our online orders are researched at John Lewis outlets, 75% of our online customers shop at the John Lewis stores. So they are shopping through all the channels," said Harryman, who further underlined the fact that a retailer needs to keep investing in innovation in shops for better experience, etc. since this can ultimately lead to a successful omnichannel business.





GET SET FOR OMNI-REVOLUTION

The world has been witnessing an omnichannel revolution these past few years and the retail leadership is now all set and ready to go ahead with the trend. Vasanth Kumar, Managing Director, Lifestyle International, asserted, "Today, the millennial generation naturally expects digitized selling which is a combination of 'digital' and 'touch and feel'. They use their smartphones as they shop and so it's important for every retailer to deliver the best omni-experience." Lifestyle International has been progressing each year, moving towards becoming tech-ready.

CONVERGENCE OF COMMERCE AND PAYMENTS

A keynote address by Joseph Chan, CEO, Asia Pay, threw light on the converging world of commerce and payments where he discussed the transformations in transactions and how to achieve a smart cashless society with contactless payment. "In some places in China, when you walk up to a convenience store or some fast food stores, you can easily use face recognition, place the order and make the payment," he revealed, while talking about the changes in the payment landscape. "A lot of payment options are becoming available by using mobile devices and SOMO wallets," he highlighted. These, he said, are creating increasing opportunities and challenges for the retailers while they continue to reach the expectations of their consumers.



THE 'MADE IN CHINA' PHENOMENON

Riding on the high note with which the event had started, Yash Parwani, CEO, OPPO, brought the summit to a close by defining China's big promise for the Indian retail market. "Technically, before 2008-09 Chinese handsets were always regarded as low quality products and most of them would come without warranty but we launched quality products that would make customers happy and at a price that others could not provide, along with exclusive solutions and specifications. When we look at India as a market, it is the second most important market for us across the globe after China," said Parwani.

GETTING THE RETAIL AND ERETAIL INDUSTRY IN THE LIMELIGHT

The IReC 2018 acted like a legion master-class, featuring different arenas of the industry through four distinguished summits – omnichannel summit, e-retail summit, payment summit and the global summit.

By Tanya Krishna and Zarafshan Shiraz



With the Indian retail and e-retail industry passing through an interesting, adventurous and lucrative phase, the timing for the India Retail and eRetail Congress (IReC) 2018, held on April 16-17 at JW Marriott, New Delhi, could not have been any better. And like every year, it returned in full glory with top visionaries, business thought leaders and retail bigwigs, who shared their insights and discussed the disruptions taking place in various sectors. The IReC 2018 acted like a legion master-class, featuring different arenas of the industry through four distinguished summits – omnichannel summit, e-retail summit, payment summit and the global summit.

The 7th edition of this annual affair started with

the lighting of lamps by Ritu Marya, Editor-in-Chief, Franchise India Ltd.; Krish Iyer, President and CEO, Walmart India; and Samir Modi, Executive Director, Modi Enterprises. While Ritu Marya acknowledged that the brick-and-mortar model is the most dominant form of retail not only in India but worldwide, she also agreed that e-commerce has since long come out of its infancy stage and has immense opportunity waiting to be tapped. "While almost every brand is moving towards omnichannel and e-commerce, India is not even among the 10 largest e-commerce markets in the world," she said. This was the trigger for all the panel discussions that followed over the next two days.

CREATE A SOUND ORGANISATIONAL STRUCTURE

India has, in the last decade, witnessed an enormous number of foreign brands entering its market. While some prosper, many are forced to step back. Bestseller is one such company which has become an indispensable part of India's fashion retail scene. Vineet Gautam, CEO, Bestseller India, credits this success to the organisational structure of Bestseller wherein the country headquarters takes the decision about market strategies rather than the head office in a foreign



location. "We first look at what is affecting the customers and the company staff and then go ahead to give a thought to product assortment. Furthermore, one

needs to define experience from the consumer's perspective. The first thing a consumer experiences is the product and then the store layout. If all these are well managed, then follows technology and being omnichannel," he stated.



ENSURE A HAPPY CUSTOMER

With online retail moving on, the next discussion focusing on trends and the way forward highlighted the importance of the merger of FMCG, retail and e-commerce – all aimed at ensuring a happy customer. Arvind Varchaswi, Managing Director, Sri Sri Tattva, said, "We need to remain relevant in our customers' life. Understanding a customer's requirement is most important. Being a brand, we need to innovate and engage society in the brand." He also affirmed that ultimately it would be a love marriage between brick-and-mortar and e-commerce which would work in favour of the consumers.

ONE SIZE DOESN'T FIT ALL

The next trend highlighted by speakers Bhagyesh Dwivedi, Founder, Retailers App; Mohit Dhanjal, Director-Retail, Raymond and Atul Bajaj, ED-Merchandising and SCM, Puma, underlined the importance of adopting new strategies. "Sometimes small is the new big. The store size depends on which market one is operating in, the brand portfolio and the kind of customers one needs to cater to. We moved away from our cookie-cutter approach to open stores ranging from 600-1,000 sq.ft. in smaller markets," said Dhanjal. Atul Bajaj asserted that if a retailer gets his merchandising and store design right, the size of the outlet will not matter in the long run.



WHAT'S NEXT FOR SHOPPING MALLS?

Shopping malls in India have witnessed a drastic change in the past few years with onslaughts from e-commerce retailers and also the entry of international brands in the country. This particular session focused on what's awaiting shopping malls in India. The panel, comprising Dinaz Madhukar, Executive Vice President, DLF Luxury Retail and Hospitality; Anurag Singh, Co-Founder and Managing Director, Affle Enterprises; SK Sayal, CEO and Managing Director, Bharti Realty; and Alexander Koth, Founder and Managing Director, MiNODES, discussed the relevance of malls in the age of e-commerce. Anurag Singh negated the fact that shopping malls need to compete against online commerce. "In many categories, offline pricing is better than online, especially in the electronics segment. What we need to realise is that online commerce is not yet designed to be optimal and the way of running the offline stores network is the way you need to move forward. But the first battle is to provide the 'discovery' value that would bring consumers to malls." SK Sayal spoke about the mixed use of land by shopping malls and the challenges related to it.

FROM TRADITIONAL TO DIGITAL

This session underlined the sense of transforming a business with traditional roots into one which is digitally-led. Brian Bade, CEO, Reliance Retail, pointed out that the real challenge lies not in transforming the business into a digital one but seamless functioning of both offline and online channels. "The future of retail does not lie in how brick-and-mortar can turn into omnichannel but on how we evolve the experience to offer exactly what the customers want. I believe that e-commerce still has a long way to go," he said.

INCLUSIVE GROWTH FOR MODERN WORKPLACES

The next panel including Rajesh Jain, Managing Director and CEO, Lacoste India; Manish Mandhana, CEO, Mandhana Retail Ventures; and Lalit Agarwal, Chairman and Managing Director, V-Mart Retail Ltd., was moderated by Rajat Wahi, Partner, Deloitte India. The session talked about the importance of diversity and inclusion in the modern workplace.

Lalit Agarwal opined, "Our company's vision is to try and create value everyone should feel proud about. We try and adopt people from all parts of India with different expertise. We also give regular rewards and recognitions to our employees; we empower them to take decisions." Furthermore, the panel also agreed on the relevance of innovation in product categories, etc.



GOING INTERNATIONAL

The keynote address was followed by a panel discussion on how to build brands and organisations that can help support international growth. Nikhil Ranjan, Managing Director, William Penn; Rahul Kapoor, Co-Founder, Excedo Luxuria; and Sushant Rabra, Partner, KPMG India, shared meaningful insights on best practices for success in global markets. “For any brand looking to enter any country – maybe South Korea, the UK or America – there is a simple equation of how price plus value must equal worth,” opined Kapoor.



BIG DATA TO TAKE RETAIL INDUSTRY AHEAD

The concluding session talked about the importance of big data in attracting consumers. Shivanandan Pare, Head-New Digital Businesses, Aditya Birla Fashion and Retail underlined the significance of data analytics in reinventing the customer experience. “The evolution of data as a power tool happened because online guys are sitting on a repository of huge data. Now this is available to the offline world as well. However, it is in an extremely unstructured way, non-scalable and non-tracked. Once a retailer starts doing that, his ability to understand and improve increases,” he said.



DIGITAL PAYMENTS

Even though digital payments have grown rapidly over the last five years, they are still in their nascent stage. “The market is going to be USD 500 billion at a compound growth of 50%,” shared Vikas Bansal, Head of Emerging Payments, Amazon Pay, adding, “It all started with demonetisation where the government provided this huge momentum to disrupt the payments and create a habit.” Given that many merchants are reluctant to start digital payments, the government has made all transactions less than Rs 2,000, which will provide the required impetus to trigger growth.



OPTICAL FIBER

Holding an enlightening discussion on the paradigm shift in new communities, new consumers and new markets, Sauvik Banerjee, CTO, TataCliQ and VP-Digital Initiatives, Tata Industries, spoke about how the brick-and-mortar brands and small retailers are becoming digital natives through the use of social media. “Countries like the UK have a very strong sense of platforms and products,” said Banerjee who has studied disruption in the emerging optical fiber countries like Vietnam and India and realised it was important to know how the consumers were shaping up. “Data shows that 29% of farmers in India have got 2-3 smartphone sets in each family. So the paradigm shift is happening,” he said. “The network eruption in Tier 2 and 3 cities will start moving wallets, e-commerce and digital education,” he added.



PERSONALISATION IN E-COMMERCE

Highlighting the various aspects of investment required for implementing technology, Stephen Antony Venansious, Head of Projects, www.awok.com, Dubai and Rashi Menda, Founder and CEO, Zapyle, talked about how it offers a great online shopping experience. Pure playing e-commerce taps the knowledge and pinned data, which are kept intact in various devices and smartphones. Comparing the leakage of Cambridge Analytica with usage of data by e-commerce, Venansious said, “In an ethical way e-commerce companies can actually use this data to understand or process this customization.” “India is where all the major technological developments and revolutions are happening,” he added, pointing to the fact that many companies are after our data sciences and personalisation tactics.



OPTION OF PACKAGE RETURN

Revealing why responsiveness beats speed in the supply chain, the summit had Lakshminarayan Swaminathan, Director-Supply Chain, Myntra, said, “Customers are not willing to give up the option of ‘return’ and this is the core of the e-commerce business, more so in the fashion space because there is a lot of touch-and-feel, the right fitting, etc. which is not the case with several other products.” While elaborating about the two types of returns – one that goes from the warehouse but the courier agent is not able to deliver and the regular return by the customer. “COD i.e. ‘cash on delivery’ is the market-mover today and you get the trust of seeing the product first and then paying for it,” he stated.

INDIAN RETAIL & ERETAIL AWARDS 2018



Entrepreneur of the Year	"Samir Modi, Managing Director, Modi Enterprises "
CEO of the Year	Vineet Gautam, CEO, Bestseller Fashion India Private Limited
Young Entrepreneur of the Year	Ishaan Jain, Director, Biotique
Retail Leader of the Year	Lalit Agarwal, CMD, V Mart Retail Limited
eRetailer Leader of the Year	Ananth Narayanan, CEO, Myntra –Jabong
Lifetime Achievement Award	Manohar D. Chatlani, Founder, Soch Apparels Private Limited
Apparel Retailer of the Year	Sports & Leisure Apparel Limited (Lacoste Licensee in India)
National Retailer of the Year	Reliance Digital
e-Retailer of the Year	Tata CLiQ
Dynamic Retailer of the Year	Da Milano
Leisure & Travel e-Retailer of the Year	IRCTC
Customer Loyalty initiative of the Year	The Mandhana Retail Ventures Limited
Best Application of Technology Award	Wills Lifestyle ITC Limited
Marketing/Advertising Campaign of the Year (Retail)	Raymond Limited
Most innovative retailer of the Year	Pepe Jeans India Limited
CSR Initiative of the Year	DLF Mall of India

Store Design of the Year	VARIETIES, The Raymond Shop, Patna
HR Strategy of the Year	SPAR Hypermarket
Best logistics service provider	DHL Express (India) Private Limited
Best Franchised Brand of the Year	CLASSIC POLO
Best Retail Design- Indian Lubricant Market	D'Art Design
Regional Retailer of the Year - North	24Seven
Regional Retailer of the Year - East	Himalaya Opticals
Best Shopping Mall of the Year - East	Quest Mall
Best Shopping Mall of the Year - South	LULU Mall
Best Shopping Mall of the Year - National	DLF The Chanakya
Quality Customer Service Enabler of the Year	Ginesys
Best Technology Provider of the Year	Paytm
Customer Service Excellence Award	CENTRAL
Debutant e-Retailer of the year	HATS OFF ACCESSORIES
Best B2B e-Commerce	Wishbook
Fashion e-Retailer of the Year	Myntra Designs Private Limited

Specialty e-Retailer of the year	The Man Company
Marketing/Advertising campaign of the year (eRetail)	Jabong
Best Shopping experience	Tata CLiQ
Consumer durables e-Retailer of the Year	Infibeam
Omni Channel Leader of the Year	The Roadster Life Co
Best innovation in e-Commerce Payment	Avenues India
Best eRetail Start-Up of the Year- Food & Beverage	Sleepy Owl
Best eRetail Start up of the Year - Apparel	Takshaya
Best use of social media award - eRetail	Myntra Designs Private Limited
Home & Lifestyle Retailer of the Year	Godrej Interio
Best in Retail Category Award- Automotive Industry	Mahindra First Choice
Best in Customer Service- Financial Service	ICICI Securities
Specialty Retailer of the Year	Peps Industries Private Limited
CDIT & Telecommunications Retailer of the Year	Infiniti Retail Limited
Book retailer of the Year	Om Book Shop
Fashion Accessories retailer of the Year	Ayesha Fashion Private Limited

Best Use of Social Media and communication Strategy award of the Year - Retail	JACK & JONES
Jewellery Retailer of the Year	Tanishq
Footwear Retailer of the Year	PUMA
Wellness Retailer of the year	Organic Harvest
Large Format Retailer of the Year	Max Retail Division- Lifestyle International Private Limited
Luxury Retailer of the Year	Genesis Colors
Best Retail Design Agency - Indian Lubricant Market	Exxon Mobil
Most Stylish Merchandise Retailer of the Year	Inc.5

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