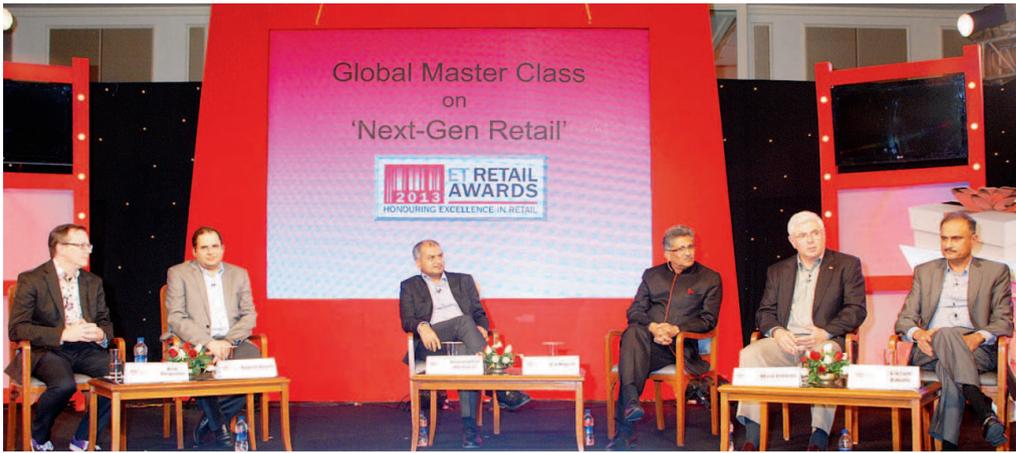


The Indian retail industry is waiting to reach the peak of boom. The development of the retail sector took place with the establishment of retail/convenience stores in the locality. With the government intervention, the industry in India wore a new look and outlets for public distribution system and cooperative stores were set up. The third edition of the ET Retail awards, reflected the same industry story and was truly an experience in itself. The awards ceremony was held on February 7, 2013, at the Trident hotel, Nariman Point, Mumbai. The ceremony began with a beautifully enacted pantomime, which was performed with the use of UV lighting and



L to R: Rick Ferguson, VP, knowledge development, AIMIA Inc; Rakesh Biyani, joint MD, Pantaloon Retail India Limited; Ramanathan Hariharan, CEO, MAX, board member, Landmark Retail; B S Nagesh, founder, TRRAIN, vice chairman, Shoppers Stop Ltd; Mark Batenic, president and CEO, IGA Inc; Vikram Bakshi, JV partner and managing director, Connaught Plaza Restaurants Pvt. Ltd. (McDonald's India - north and east)

'NEXT-GENERATION' TO WEAVE THE FUTURE RETAIL TALE

The basis of the success of retail industry will be the youth. FDI in the industry will benefit the 'kirana' stores, largely. How? Noopur Modi, elaborates by decoding the panel discussion at the ET Retail Awards 2013



Mark Batenic, president and CEO, IGA Inc

"With FDI, the independent grocers can adapt to the new way the shoppers will go to the market."

traced the journey of buying and selling, from the early days of trade and barter system, to the modern times of super-markets and hypermarkets. The central theme of the pan-



Rakesh Biyani, joint MD, Pantaloon Retail India Limited

"E-commerce is here to stay but so will be the brick stores. The time, the experience of shopping will still remain."

tomime was to establish the fact that 'the customer is the real king' and his satisfaction is the ultimate goal of a retailer. With stalwarts like, Mark Batenic, president and CEO, IGA, Inc.; Rakesh Biyani, joint MD, Pantaloon Retail India Limited; Ramanathan Hariharan, CEO, Max, board

member - Landmark Retail; Vikram Bakshi, JV partner and managing director, Connaught Plaza Restaurants Pvt Ltd (McDonald's India - north and east); Rick Ferguson, vice president - knowledge development, AIMIA Inc.; B S Nagesh, founder, TRRAIN and vice chairman, Shoppers Stop Ltd and with renowned film actor, Kabir Bedi as the master of ceremonies; the ET Retail Awards 2013, organised by the Economic Times, in association with Retailers Association of India (RAI), was the ultimate celebration of excellence in the retail sector.

Retail in India is one of the pillars of its economy and accounts for 15 per cent of the country's GDP. This sector also provides employment to around 40 million people of the country. With talks about getting FDI in retail, there is a sense of positivity in everyone. To bring to light the various concerns associated with welcoming this move and answering pertinent questions - can short term gains negate long term growth drivers; how can one aim at a synergy between the emerging retail consumer and the retail business model of the future; will Indian retail develop the SME sector or focus more on front end activities and many more, a Global Master Class on Next-Gen Retail was convened at the ET Retail Awards 2013, chaired by B S Nagesh, founder, TRRAIN and vice chairman, Shoppers Stop Ltd.

Rick Ferguson, VP, knowledge development, AIMIA Inc,

commenced the discussion by comparing the Indian consumers with the US, UK counterparts. "The Indian consumers define themselves with technology and all the information that they seek is available to them instantly." One of the major concerns that comes along with the coming in of FDI in retail is the effect this move will have on the local grocers of India that

An Initiative by



have been in the business for many decades.

Mark Batenic, president and CEO, IGA Inc said that "The 'kiranas' will benefit from this move. The fact is that, the grocers in this country know what they want, they know what their shopper wants and they



Ramanathan Hariharan, CEO, MAX, board member, Landmark Retail

"It is essential to create pockets of leadership in the organisation and empower them to experiment. This will align them to a common vision of the organisation and drive them towards a bigger goal."



B S Nagesh, founder, TRRAIN, vice chairman, Shoppers Stop Ltd

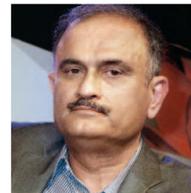
"The key step in this sector would be to conduct a model of an 'FDI friendly retail state' and find out if the consumer, who is 'the king' is open to accepting this change."

know what their new shopper wants."

Over the last few years, the modern formats of retail have brought a new way of shopping that was never heard of in the times of the traditional grocers. This has paved the way for the Walmarts, the Tescos and the Carrefours, to devise a plan to invest in India and change the retail landscape of the country. Looking at the scenario from the point of view of the consumer of India, the introduction of FDI will breathe a new life to the young segment of the population which is between the age group of 18-29 years. With the changing dynamics of the Indian consumer, who is well-informed and is well exposed to social media in a very large way, catering to his personal needs is one of the most difficult aspects in India's retail scene. Vikram Bakshi, JV partner and managing director, Connaught Plaza Restaurants Pvt Ltd (McDonald's India - north and east) shared that

"We need to identify products that will bring them in and then upgrade them to our core products. It is a dynamic and an ever changing customer that we need to cater to."

With the unending needs of the customers and the prime duty of the retailer to provide and fulfill these needs, the customer feels pampered and spoiled. Today, we are at a time where the online format of retail has taken the country by a storm and with a single click of the mouse; things get delivered at our doorsteps. In such a situation, maintaining a balance between the brick and



Vikram Bakshi, JV partner and MD, Connaught Plaza Restaurants Pvt. Ltd. (McDonald's India - north and east)

"The Indian consumer is about 'yeh dil maange more' and it is true that they have limited money but their aspirations are way beyond the money in their pockets."

mortar formats of retail and the online formats is essential. Rakesh Biyani, joint MD, Pantaloon Retail India Limited felt that "E-commerce is here to stay but so will be the brick stores. There could be categories where the consumers come pre-decided as to what to buy. One of the probably

outcomes could be that window shopping could get reduced. Maybe, the influence parameter will drop as the internet will play the key influence." When one looks at the future of any industry, one of the key things to keep in mind is the kind of repercussion a certain policy or development will have, to the already established chain of events. In case of FDI in retail, it is the farming community that must not be forgotten. India is still an agriculture nation and our dependence on farmers is immense. Making the connection right from the farm to the end consumer seems to get smoother as we look into the future. Rather than importing raw materials from abroad, growing them in the country will enhance the small and medium enterprises in the years to come. We can actually achieve the inclusive growth that has been talked about a lot by the powers-that-be of our country; however, it has to be a collective effort on a large scale. According to Newton's third law of motion, every action has an equal and opposite reac-



Rick Ferguson, VP, knowledge development, AIMIA Inc

"The Indian consumer has much more in common to their counterparts in the other countries."

tion. In this case, with the country opening its doors to the giant retailers of the world, competition is bound to grow and there is no denying that. Ramanathan Hariharan, CEO, MAX, board member, Landmark Retail is opined that "The basic fundamental thing about any large scale organised retailer is to experiment a lot in their organisation and build leadership through experimentation. If we let them experiment, the table is laid for leadership and they can then drive those experiments with capability to the next level and gauge what works and what doesn't and in turn, strengthen the former." B S Nagesh, founder, TRRAIN, vice chairman, Shoppers Stop Ltd concluded the panel discussion by saying that "One of the most successful ways to implement or check the viability of any innovation, a prototype or a pilot test is conducted. So the key step in this sector would be to conduct a model of an 'FDI friendly retail state', as this could prove as an example to the other states to adopt FDI and change the way India shops."

All set for growth

Manu Anand, chairman and CEO, Pepsico India, shares his views on the retail industry in India and experience of being a part of the ET Retail 2013 Awards ceremony



The Indian retail market is poised for growth. One of the key aspects of the retail industry is absolute acknowledgement of the fact that 'the consumer is the real king'.

The industry is by far, based on achieving success on this factor. Organised retail has huge potential in India and one of the main reasons that drive this growth is the demographics of our country. The urban population of India is a whopping 377 million and this is the section of people that has increased incomes and is subjected to a constantly changing lifestyle. Notably, there are about a 100 million working women in India and almost two-thirds of the population of our country consists of the youth that is below the age of 35 years. Quick Service Restaurants (QSR), multiplexes and the thirst for new experiences are what will define the next generation of retail. One of the main aspects to look forward to would be how FMCGs partner with retailers.

THE MANTRA FOR SUCCESS

The success mantra would be to blend the strengths of the people and the departments and evolve models, which can offer: multiple brands under one roof; provide very powerful insights; great innovation capability, combined with great execution and growth; innovation in supply chain and scale capability by enhancing same store growth.

LOOKING AHEAD

The game plan for the success of the industry for the next five years will include: creating a common vision by sharing problems and converting them into opportunities; driving more brands; formulating channel specific formats and ensuring backend integration with FDI, while providing benefits to the farming community.

SIGNIFICANCE OF INDUSTRY AWARDS

Events such as, 'ET Retail Awards' are a great initiative to recognise and award the excellent work that the small and big players of the retail sector have done or do towards the success and expansion of the industry. The players of the industry have brought India amongst the top five countries in the retail industry, worldwide and has enabled the sector to provide 15 per cent of the country's annual GDP and has given employment to more than 40 million people in India.

(Noopur Modi)



Catch the coverage of the Global Master Class panel discussion on 'Next-Gen Retail' on ET NOW on Feb 23, 2013 (Sat) at 5:30 pm and coverage of the ET Retail Awards 2013 on Feb 24 2013 (Sun), at 6:00 pm.

When excellence steals the show

The ET Retail Awards 2013 saw the who's who of the retail industry walk away with awards that truly showcased their excellence

The third edition of the ET Retail awards rounded off in Mumbai, recently. The awards ceremony kicked-off with a beautifully enacted pantomime, elaborating on how the retail industry evolved in the last couple of years. The awards ceremony was organised by the Economic Times, in association with Retailers Association of India (RAI). It reflected an ultimate celebration of excellence in the retail sector and a benchmark for the highest standards of performance in this field.

A PARADIGM SHIFT

When it comes to world rankings, India stands at the number five position in retail and generates employment to around 40 million people and contributes 15 per cent to the GDP. When visiting malls was once upon a time considered an 'outing', children today, refer to it as 'mall'ing'. This concept of buying and selling and making the consumer the real king, has undergone a sea change and ET

Retail Awards 2013, was organised to felicitate those industry players who have made this shift, a success.

THE APT PLATFORM

In order to discuss the seriousness of the situation, a panel discussion - a Global Master Class on 'Next-Gen Retail' was convened. The Economic Times encouraged corporate India to raise the bar and inculcate a culture of excellence in its business practices. This initiative was supported by The Retailers Association of India and the awards process was validated by Ernst & Young India Pvt Ltd.

GETTING DOWN TO BUSINESS

Today, Indian consumers are tech-savvy and demand instant gratification. It is this profile that remains one of the most difficult but critical consumer identities to understand by the retailers. To add to this, there is a paradox of choice of brands that are available under the sun (from a pin to plasma televi-



The ones who stole the show at the ET Retail Awards 2013 Winners

sion, literally), as there are too many brands to choose from and limited shelf space. Indian consumers (especially the youth between the age group of 18 to 25), have a limited spending capacity, yet their aspirations are high. So, in order to achieve and build a profitable enterprise, the need of the hour is to customise products to cater to Indian needs, while keeping their aspirations intact. The lifestyle of people has un-

dergone a sea change over the last decade. Today, there is very little difference between tier I and tier II cities; the migration of people from smaller cities to the bigger ones has reduced considerably and these factors have led to the creation of retail centres in smaller cities. So, it is more of a challenge to establish retail outlets in urban cities, where space is an inherent problem. The growth in infrastructure should boost FDI

in retail in the years to come. For FDI in retail to carve a success story, it is essential that pockets of ownership are created within an organisation. There should be empowerment at every level, so that people feel motivated to push themselves harder and perform. Every entrepreneur, who sets his shop in India, conducts what is called a pilot study to gauge the acceptance of his product/service in the market. A similar option

could be conduct a prototype or a pilot of an FDI-friendly state.

THE WINNER TAKES IT ALL

The selection and screening process was in the responsible hands of Ernst & Young. A stringent screening and selection process, by the jury was conducted. Out of the many entries that were received, on the basis of innovation, sustainability and replicability of the concept, the winners under various categories were chosen. The award for the Luxury retailer of the year was given to A S Motiwala Fine Jeweller; Golds Gym India and Crossword Bookstores Ltd walked away with the award for Excellence in marketing; the award for Store design of the year-multi brand was given to Ishana; Big Shoe Bazaar Pvt Ltd was awarded Excellence in operating efficiency - multi brand products; there was no winner in operating efficiency - services; the award for Excellence in operating efficiency - single brand products was given to Liberty Shoes Ltd and Kabhi-B Bakery and Patisserie; Tara Jewellers was awarded the best Store design of the year in the single brand category; Retail idea of

the year was awarded to Raymond Made to Measure; MakeMyTrip Pvt. Ltd. was awarded the Online retailer of the year award; Most trusted retailer of the year was Shoppers Stop Ltd; the TRRAIN Retail employee of the year award was given to Mohammed Ghouse - Dominos, Bengaluru, who increased customer satisfaction with his work; the Retail personality of the year award was given Ramanathan Hariharan - Landmark Group and lastly, the most prestigious award was the ET Retail Hall of Fame, which was awarded to the wife of late Raghu Pillai. It was a moment of pride when everybody gave a standing ovation while his wife received the award on behalf of her late husband.

WINNERS OF 'MOST TRUSTED RETAILER OF THE YEAR' PUBLIC POLL CAMPAIGN

As part of the ET Retail Awards 2013, three lucky winners were chosen for participating in the 'Most Trusted Retailer of the year' public poll campaign, which was conducted nationally, with the use of social media. We would like to congratulate the winners and thank all the participants for their enthusiastic participation. The three lucky winners of the Blackberry Handsets are:

1. Kunal Singh, Mumbai
2. Lokesh Garg, New Delhi
3. Simonette Fernandes, Mumbai