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BARCODES
DECODING RETAIL !!

GONDOLA

WARCODES

Reliance Digital

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in-store | online | mobile

RETAIL DIGITAL ECOSYSTEM MODERNIZATION

"First time in Podcast"

TETE A TETE
With Mr. Saurabh Bajaj
Marketing Head – Dairy at Britannia

BARCODES TEAM 2021

BARCODES
DECODING RETAIL !!

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LETTERS FROM READERS

I read the article carefully and found it captivating and significant for the retail businesses, I got couple of ideas while reading the article and will converse about it, in the wake of pandemic I have implemented some radical changes in my business and I think it's time adopt accordingly, and transform the retail businesses from the conventional one.
Thanks and Regards

Vishal Kumar Giri
Prash Enterprises

Rajesh Prajapati
Barclays

I have been reading a lot of content on digital disruptions caused by e-commerce industry on retail sector specially in this pandemic situation. But the insights provided in here connects very well with the ground reality. Plus covering almost all the dots in such short and crisp content brought a lot of value on the table for me. Would love to go through upcoming editions of the newsletter.

The design was decent and professional. I loved the article written by Prof. Nagendra Hegde, specially the title. Cover story titled R(etail) 2.0 was very informative and well framed. Overall the photographs and design of the newsletter was really attractive and catchy.

Kritica Mishra
Motorola Mobility India

Md Babar Khan
Wipro

Overall the October edition stands out for the effort to adapt to the global challenges due to covid-19. This appeals for the fact that life must go on at all times. The focus on safety of the customers and the owners and sellers is laid out very intelligently. Off the line picturised demonstration is truly the need of the period.

The newsletter is quite comprehensive and put the views to the point. This will also give fair idea about the strategic arrangements for barcodes and valuable views of the industry leaders..

Soham Kanthale
Siemens Ltd.

EDITOR'S NOTE

Dear Readers,

We welcome you all for the latest version of Gondola for the year 2021.

The life of every individual has changed from the last year but not stopped. Availability of Covid vaccine in the market made citizens to feel safe and better in the last few months but the recent hike in cases and lockdowns at few places is bringing back the lost fear of corona in the masses. In the initial time of post lockdown, market had seen huge increase of sales especially in retail. But at the same time, the increase in the number of units purchased in a single visit, impacted the frequency of purchase. Looking at the present scenario, it seems that this trend is going to remain for a long period in the market.

The present edition of Gondola emphasizes on various topics related to retail, starting from emerging trends of Hyper displays which helps in greater level of customer engagement and experience. Eye catchy displays with aesthetic background and real time visuals are acting as a new paradigm in building brand new value in the market.

There is no stop button for the evolution of retail, with in hand technology and affordable data charges everything seems to be possible. The race of Omni channel presence has been paced up in the last one year which resulted in the drastic number of new customers who had their first ever online transactions. Our Warcodes column sheds light on this information by referring to the current competitors.

From the time of barter system to digital payments, handmade products to products with no human intervention; every phase of retail holds its own significance. The present Re-tale column exclusively portrayed the retail ecosystem and its modernization.

This time, team Gondola invited Mr. Saurabh Bajaj, Marketing Head of dairy at Britannia for an informative conversation for our Tete-a-tete column. Entire column represents his journey, experience learning and a detailed review of FMCG in his tenure. We also have begun a new trend of barcodes podcast this time, where you will be able to enjoy and listen to our tete-a-tete column in much detail.

The reach of products from one end of the world to another end has been integrated in many ways, any minor disturbance can cause huge impact to the business. The recent Suez Canal blockage is one such event that resulted in approximated losses of $50 billion in delayed or missing shipment. All the carriers dependent on this canal are already travelling with the delay of 11 days and can be increased. More information about Suez Canal blockage and its major impact on retail has been discussed in our special column of Brick and Click in this gondola.

All thanks to our Barcode warriors of 20-22 and 19-21 for bringing such an engaging content and making it success.

Gondola wishes you a very happy reading.

Durga Sreekanth
Treasurer-Barcodes

CONTENT

Designing Team

Hitesh Kumar
Jothy Namburu
Mownick Rokkala
Aparajita Singh

COVER STORY

Hyper Real Displays

Progress is impossible without change, those who cannot change their minds cannot change anything.

-George Bernard Shaw

The world around us is changing at quite a fast pace. Every day we see a new upgradation in technology emerging around us. With this 'change' ruling, the world has become a dynamic place. This stays true even for the retail industry, where digital disruptions are happening every now and then. Retailers are innovating across the globe in huge variety of ways - and innovation has become the key element for this industry. Also, such constant changes have in-turn transpired into smaller human attention spans which makes retailers to be on edge every time. Reflecting this scenario into retail sector, this fast paced lifestyle has posed a challenge for retailers to capture the attention of target consumers. Disruption in technology has made retailers to inculcate them in their stores for an enhanced in-store experience for the consumers.

Visuals play a dominant role, for people in perceiving and understanding the external environment, which later help in making a successful sale. Modern shopping spaces are full of visual aesthetics and unique hyper real displays. These help in predicting people's artistic preferences, and also act as one of the crucial factor in affecting observer's attractiveness to a store.

In today's hyper-competitive market, everything should feel alive, and look alive! Retailers tend to eagerly fill their stores with fixtures, furniture, decoration, displays, and product stock to provide experiential value to shoppers. Buyers perceptions about displays of items is changing drastically. Market has one rule "Jo dikhta hai, vohi bikta hai!", which continues to be an evergreen philosophy. Current scenario talks about 3D technology, Visual merchandising, customization, out of the box ideas, aesthetic backgrounds and colour combinations. We human beings are highly visual in nature and we need to see things in real. This fact also stands true when it comes to retail stores and that's where it becomes important for retailers to design winning retail displays.

Today, retailers are analysing the emerging trends and are taking advantage of numerous technologies, including digital displays, augmented reality, real-time analytics, to create unique and significant retail experiences. Engaging hyper real displays and visual merchandising have become key elements, that can help retailers in building brands, engaging customers and also driving sales.

Now, coming to the main question - what is the need of these displays? These visual hyper real displays create a unique environment for the customers where they get to have a one-of-a-kind shopping experience. Creating inspiring and appealing in-store visuals can make consumers stop in their ways and encourage them to buy, share and come back for more. Hyper real displays are a new paradigm, that enables consumers to experience real time shopping by creating an environment that enables more consumer engagement. They are the first point of contact for any business, and can help in making a very strong first impression. In the present generation, every brand lives a story and these displays can help in building a story for its consumers.

The rapid adoption of mobile technologies in emerging markets has created a demand for more hyper relevant experiences that drive value, convenience and engagement. For layman, Hyper Real Displays don't matter to that extent as they consider it as a retail setup, but if we stand in a shoe of a retailer, for him every element of display matters the most. Let's take an example of brands like Gucci and Zara - they particularly focus on their displays because a person entering a store might have come with an intention of window shopping but colours and patterns can fascinate them, to make a purchase, which will stand as a winning position for the brand. So to enhance their displays, they contrast their lightings, and aesthetic background colours, with attire on mannequin.

Aesthetic backgrounds are the trending part of every retail store irrespective of its size. Adding on to this, since the society is on the motive of saving the planet, retail stores have come up with a new and lit trend of decorating their stores with scrap or waste material, which enhances the look as well as portray a message to the buyer of the very motive. This trend is full of creativity and cost effective too.
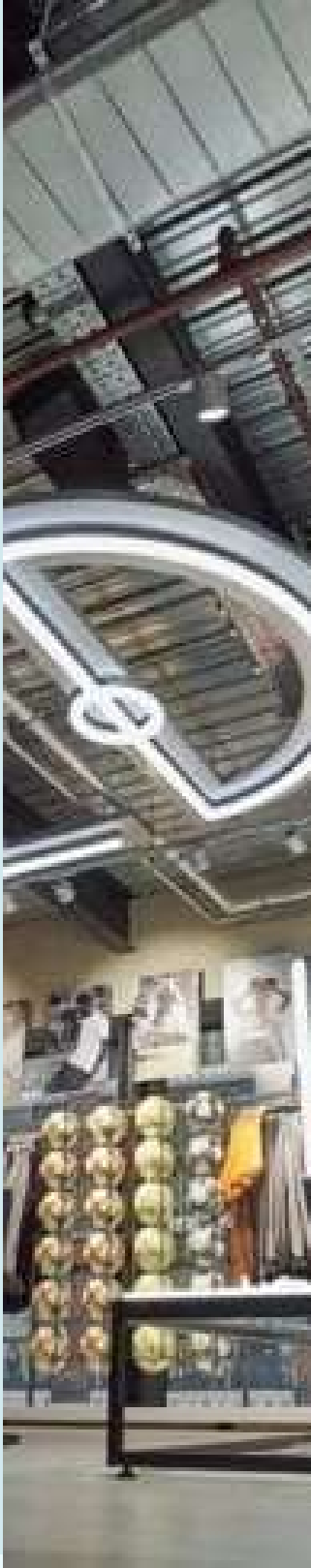
Beauty giant Benefit Cosmetics was able to take the cue quite quickly when it launched an immersive pop-up in Shoreditch called the BeneFIT Anti Gym. To coexist with the launch of their new eyebrow palette, the gym aesthetics is that of a very pink and quite an Instragrammable gym. Similarly, Benetton created a 'rainbow theatre' pop-up in Printemps that was bold and eye-catching. The colour palette, use of wall paint, graphical lines up and down the floor making it all into a simple yet striking display of colour. Combining all these elements together creates an everlasting impression in the minds of consumers.

Technology will surely change the shopping experience of buyers by bringing some tremendous features of trying products according to your colour, shape and size, but it can never overcome the in-shop experience of retail stores. It is these little details, that the customers live to experience, when they visit retail stores. And, it will be these very details, that the customers will continue to live for, in the coming future as well.

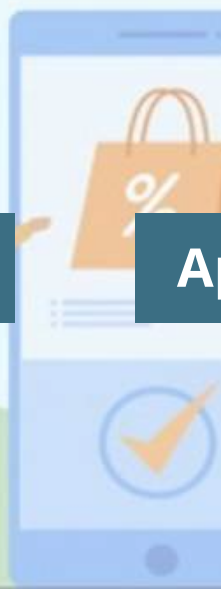The famous artist James Gulliver, after all, was not wrong, when he quoted these famous lines –

Retail is Detail

Ashi Goel

Aparajita Singh

EVENT REPORT

Gaming Session

01.01.21

Barcodes conducted their first Ice Breaking session on the very first day of the New Year 2021, to make Barcodians start the new year with fresh energy and hope after the drastic events of 2020. The session was designed such that the students open up and get comfortable with their peers. The session involved two different games; the first game was story-telling. In this panellist starts with a random sentence. In a sequence, each member should use the existing sentence and go on by adding another sentence. The same will be continued till the end of the sequence. Every sentence added keeps building a random and fun story. The game also lets us understand the go-to thoughts of the individual students. For example: People with follower traits end up adding sentences that complement the previous statements, while people with leading/dominating traits add sentences that change the course of the story entirely.

The motto of designing this game was to improve the presentation skill, communication skill, eye contact, and spontaneity among the members.

Resume Building session

11.01.21

Barcodes held their first virtual resume building session for the batch 20-22. As the batch is getting closer to their internship period, Barcodes decided to make them realise how important role a resume plays in the selection process. The session started off with resolving the queries that the participants had regarding what to add and things to be omitted from the resume. Then the session was followed by the explanation of crucial details that makes the resume effective and eye-appealing. The barcodes club secretary Mr. Shreyas Naik shared his resume as a reference to explain the participants on how we should arrange the information in an organised way, followed by guiding participants to maintain a master CV along with 3 other different formats of resume for different purposes i.e. for each specialization, campus placement and off campus.
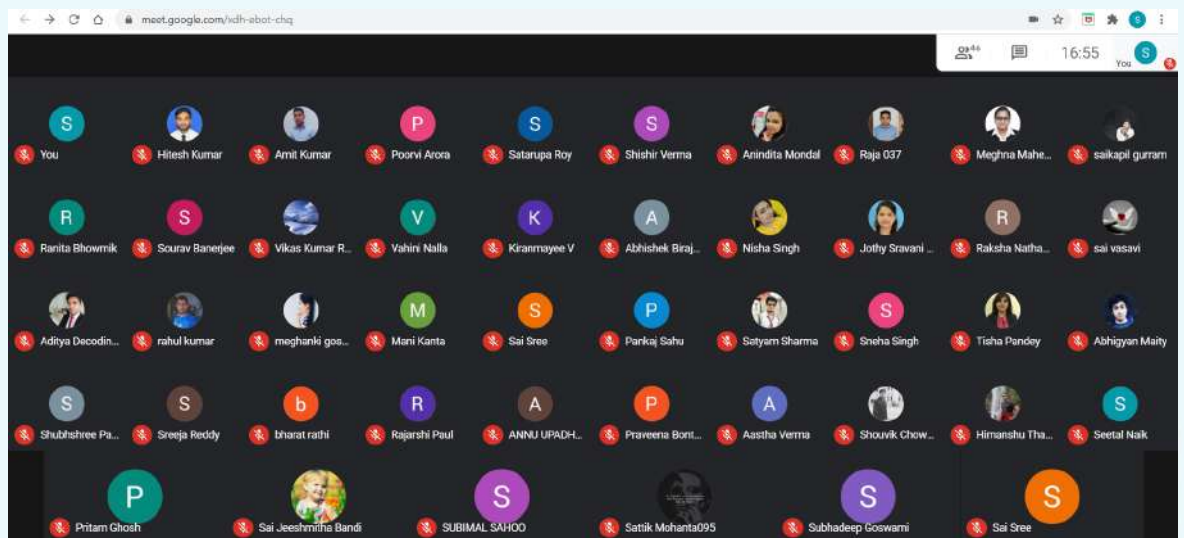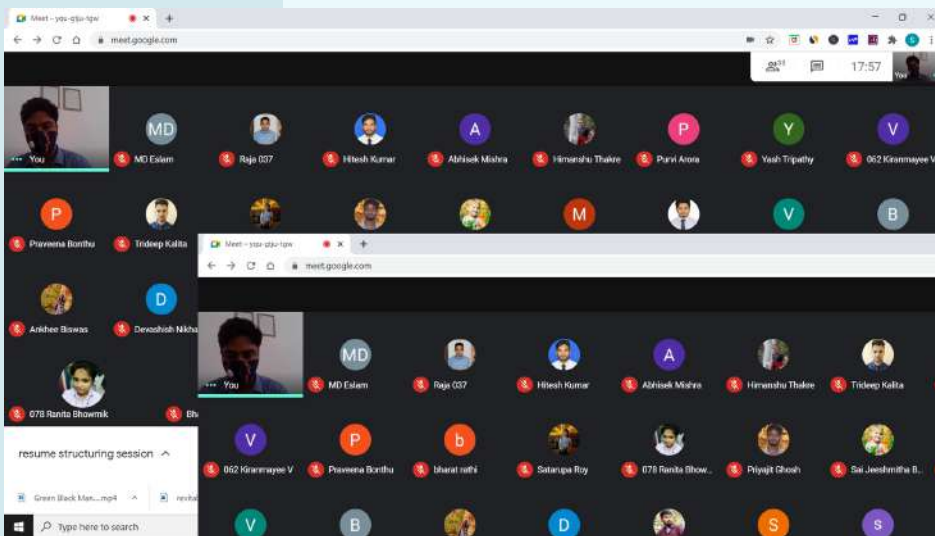
Key insights from the session

- Do not build a CV, build a brand.
- Always use the zigzag format for putting in data.
- Give first preference to what you bring to the table with your work experience, academics, objective/personal profile, languages known, hobbies, technical skills.
- Stick to one page of resume, especially if there is no prior experience.
- The picture in the resume must be impressive, and in formals.
- Objective must be personalized to your personality.
- We can add participation in events (even if we haven't won) if we have less content in our CV. (but should be relative to the job being applied for)
- Only use soft skills and key words that you can justify with multiple work-related examples.
- The most important rule is to not write anything in the CV which is not known to the student because, the recruiter sees right through it.
- One should use the same font throughout the CV.

Raja Sunkisala

Resume Building Session

Devashish Nikhaley

Gaming Session

Retail Knight

13.02.21 - 15.02.21

The past year was tough for the students. After lockdown things have changed. Internet and platforms like Zoom, Google meet became implicit part of our lives. Even in these tough times, colleges are doing their best for the students academically or through extracurricular activities.

To break the monotony of regular classes, Barcodes came up with its most awaited event of the year – 'Retail Knight'. There was a full wave of excitement and nervousness among the Barcodes members. Barcodes is the first club to organize an inter-club competition in IBA. This was also the first time when the juniors were able to experience what happens on the other side of the table of fest management. This event led the junior Barcodians to have a first-hand experience on conducting and managing fests and feel more optimistic about their capabilities to conduct these events and activities next year for the institute.
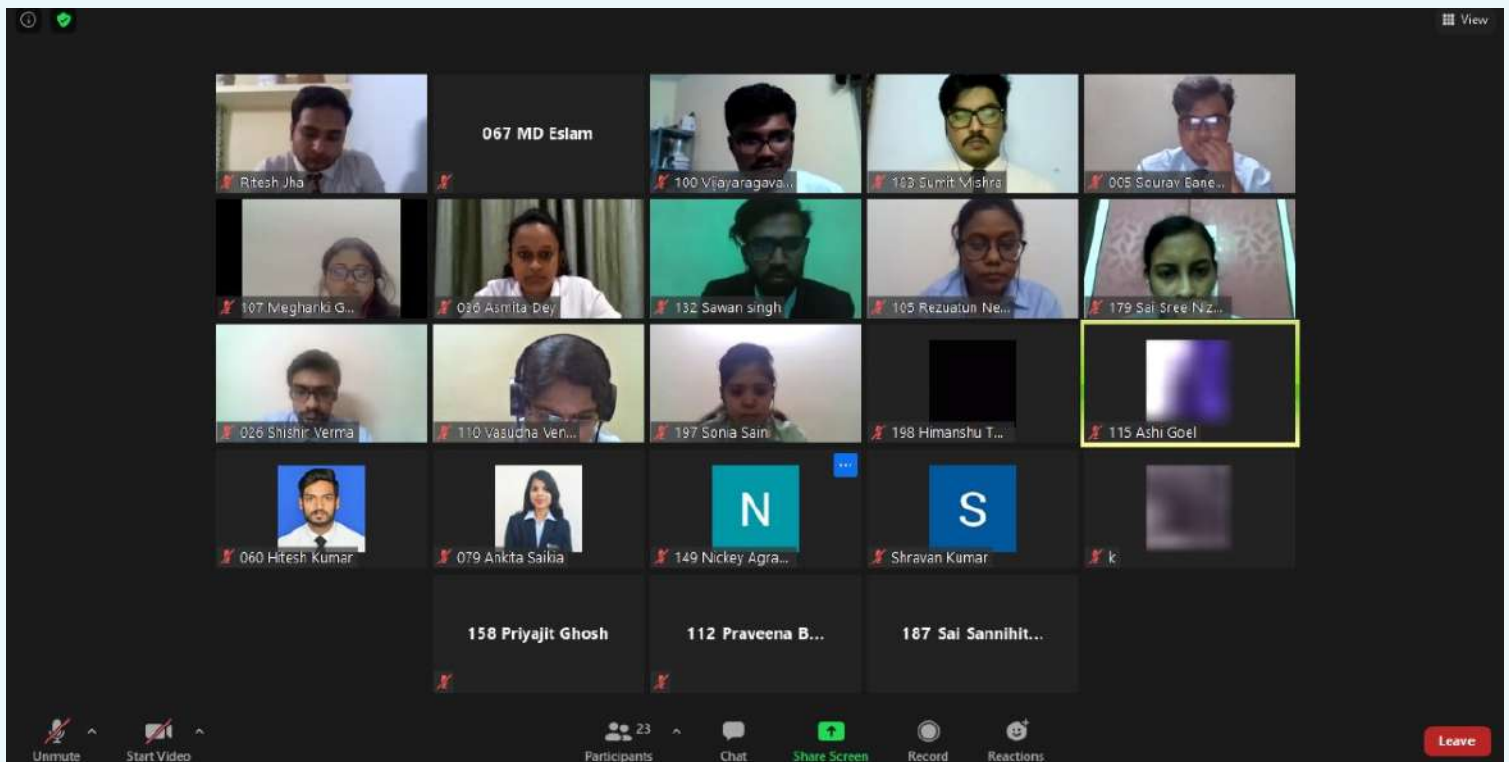
It was an inter-club fest where all the other clubs were invited to participate in different verticals viz., marketing, finance, HR, operations. Each vertical had ten Barcodians along with two core members of the club who were coordinating the fests. All the verticals consisted of 4-5 rounds where there were several quizzes, presentation rounds, stress rounds, etc. The fest went for three days in full swing and everybody participated quite enthusiastically. The rounds were not only challenging but also interesting.

"Winners of Retail Knight"

| Rank	Retail - Marketing	Club	Rank	Fin-tail	Club
1	Tisha Pandey	Infin'IT	1	Sumit Mishra	Navigators
	Meghanki Goswami	Infin'IT	2	Sourav Banerjee	Hunterz Ignite
	Rajarshi Paul	Infin'IT	3	Vasudha	OM
2	Sree Krishna Ballur	Navigators			
	Sai Krishna Chaitanya	Navigators			
	Inampudi Manonmani	Navigators			
Rank	**Retail - Operations**	**Club**	**Rank**	**Retail - HR**	**Club**
1	Sheeba	Infin'IT	1	Rahul Chandra	Dolphins
2	Rishab R Achar	OM	2	Somali Shaw	Hunterz Ignite
3	Mridul Das	Infin'IT			

'Infin'IT club' took home the title of Retail Knight

These rounds helped the participants as well as organizers to gain insights about the retail industry. It was a fun-filled event, even though it was online. As organizers of the event, it was one of the most learning experience for the Barcodes' members. They not only learnt how to organize, co-ordinate and manage time also to manage their academics without compromising on either front. For participants, it was an event where the organizers as well as the competitors were their own batch mates. It was a sight to watch an environment full of energy and zeal.

The best part of the fest was that both coordinators and participants helped each other in making the fest successful by supporting each other. All in all, it was a successful event that all the Barcodians were proud of. All the Barcodians now look forward to conducting such an amazing fest in an offline mode which would provide a greater experience and learning to the students.

Yash Tripathy

Bhanu Priya

INDUS BUSINESS ACADEMY
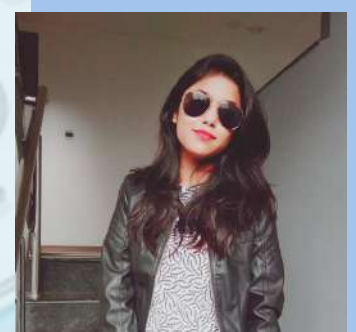
RE-TALE

RETAIL DIGITAL ECOSYSTEM MODERNIZATION

The Indian retail zone taking everything into account today is a phenomenal advancement story navigating over twenty years.

As shoppers, we have perceived how the area has advanced. It's currently difficult to envision how twenty years back, shopping was a task that required a lot of preparation. Strangely, there's space for everybody – from Kirana stores to present-day retailers to online business players and the chance has extended from the initial 100 million clients to the following billion.

At the center of this development lies the customer and their quickly evolving needs, affected by ceaseless decisions, continuous examinations with contending items, and the convenience of Omni-channel stages. Today, carefully sagacious shoppers have spread across the length and expansiveness of the country. Whether or not you are arranged in a Tier 3 city. Organizations have likewise reacted with extraordinary speed through advanced tech reception to give us (all day, every day/365) what we frequently underestimate – a hyper-customized client experience.

Among the most remarkable accounts to come out is how Kirana stores embraced advanced – from getting orders online to arrange satisfaction through hyperlocal coordinated stock chains to computerized instalments, the circle was finished. The pandemic additionally catalyzed the growing effort of web-based business organizations to more modest urban communities and towns – tier 3 and 4. Giant brands such as Flipkart, Amazon & Paytm Mall (among others) saw massive spikes in consumer buying behaviour from these locations. The profoundly advanced entrance has welcomed the hinterland in total agreement (or if nothing else close) as metros. This has additionally required a geological spread where retailers are attempting to draw nearer to their clients and meet their service-level agreement

This growing retail territory – almost its 4.0 symbolize that we are by and by it isn't about separated or on the web yet O+O, Online, and Offline which is the get together of standard and online channels into a painstakingly enabled climate, depicted by the trading of tech plans and totally used by cutting edge shrewd customers. Four factors are engaging this quick change – experience personalization, assignments digitization, creation network joining, and sharp edge tech crediting the spine to the O+O structure. Aided by colossal data-driven encounters and the gathering of cutting-edge specialists like AI, NLP, Big Data, Cloud, and Immersive Media, the degree of personalization (contraption freethinker) continues going granular.

In any case, we should likewise recall that retailers of the 4.0 period should not be focused on Omni-channel presence just; the greater spotlight ought to be on information-driven experiences of clients and how rapidly they can be followed up on.

Retail is Detail

Another key to retail modernization is the Network framework.

The best guidance for reformist retailers to follow is – to adopt the thought process of a tech organization yet don't act like one. Fruitful retailers have shown throughout various numerous years they are acceptable at giving a wide decision of creative items and administrations to purchasers, which should keep on being a strength. Adding tech organization thinking empowers new viewpoints, however, retailers that attempt to construct their advanced arrangements can run into inconvenience. All things being equal, it could be more astute to work with experienced sellers that can give a comprehensive organizational framework to address numerous difficulties with different arrangements.

Purchasers who are perceived by the organization and who have picked in for extra administrations can be presented customized shopping encounters on their cell phones. They can even shop with their appearances, looking at utilizing facial acknowledgment programming that interfaces with their Visa or ledger. - however in the event that the buyer picks this decision.

The "Global Digital Transformation Market in Retail report" gauges a build yearly development pace of more than 22% somewhere in the range of 2019 and 2024 — and that is not astonishing for the business. Computerized change is empowering organizations to coordinate cycles and innovation arrangements utilizing a continuously advanced establishment. New advanced innovations gather, store, examine and disperse data quicker and more safely than any other time in recent memory. The advanced arrangements that retail organizations pick during computerized change should suit a remarkable business climate.

At the National Retail Federation (NRF) Shop.org conference last year, Kiran Mani, Managing Director of Retail at Google, shared these insights based on tracking Google search activity:

- A 55% growth in searches for "ideas" on mobile suggests that customers are more curious.
- 33% of customers expect personalized recommendations, which indicates customers are more demanding.
- A 120% growth in search for "same day shipping" shows customers are more impatient than ever.

Retailers are working hard to keep up with these changes. The recent Adobe Digital Trends in Retail report found that more than half (54%) of retailers say the customer experience is their most important area of focus. Retailers are also competing with online giants like Alibaba and Amazon, two companies that Gartner predicts will have captured 40% of the global online retail market share by 2023. The advanced scene of retail today incorporates an assorted framework climate with a wide range of and soloed retail location, distribution centers, and coordination's frameworks — which must all be modernized and empowered to convey progressively. Computerizing and improving information trade among and between inventory networks, internet business, and in-store tasks is basic to address these issues.

Better network, legislative push for advanced exchanges, the ascent of balance tech trailblazers, and contactless installments ascending in all cases have all purposefully added to this monstrous change of **DIGITAL ECOSYSTEM MODERNIZATION**.
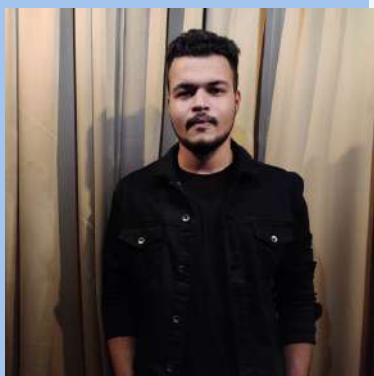
Himanshu Thakre

Nickey Agarwal

TETE-A-TETE

This time Barcodes has captured the intellect and experience of Mr. Saurabh Bajaj who is not only the Marketing Head – Dairy at Britannia Industries Ltd. but also recognised among the 50 best Marketing Professionals by White Page International.

To listen to the complete podcast, click on the microphone given below:

Mr. Saurabh Bajaj (Marketing Head - Dairy at Britannia)

This may be a very common question to you, but many of our audiences would like to know how you became a successful marketer being an engineer?

This story goes back even before I became an engineer. If I was to think what I would like to as a child and probably in an idea world I would be doing research in physics. Because I had a curiosity and really wanted to know how things work. Post my 12th I landed up in engineering and realized that there is lot of difference between pure science and applied science. And engineering is far more practical. Even though I was doing a four-year course, in the first three years I introspected on what else I could do. I had a lot of friends applying for jobs in the IT sector, I thought of UPSC, I thought of IAS, and a lot of different thigs. But somehow I was not getting that joy of exploration and studying the fundamental in science. Then I got the chance to meet some really interesting MBAs and I also went through my father's books of management and marketing in specific which is driven by core logic and understanding which is at core very logical. It is a complex thing to understand the consumer. There is a galaxy of brands and consumers out there with their consumer experiences, and found these very close to my calling where I will get a chance to uncover and learn something really new. And that's how I sort of fell in love with marketing in the third year of my engineering itself. And when I joined IIM Indore I immediately took a lot of interest in the marketing club. I was the founding secretary for Uthsaha which is IIM Indore's Marketing Fair. And I decided to undertake a career in FMCG, that's what sort of laid the ground to where I am today.

Along your experience as a sales manager and marketing head how did your responsibilities differ between these two?

I think it is a very good question. And it is one of those questions that I find a lot of students fascinated with. I feel one must do sales definitely because sales and marketing are the two sides of the same coin. Marketing is about generating demand, and sales is about servicing demand, so both of them have a role to play. Unless you have done sales and unless you have seen what it is to see how the stock moves you will be an artificial marketer. Only when you are in sales you are able to see that stock move and only then one will be able to appreciate what marketing brings to the table. The responsibilities in the role of sales and marketing are very different. Sales role is all about team work, compatibility, and ensuring that you deliver your numbers, demonstrate your passion for excellence. Marketing also at the end of the day is about driving the business but it is a lot more strategic, long term oriented, getting the ship to move in the right direction.

So, I feel sales and marketing are linked to each other but at the same time the roles are very complimentary. One needs passion to succeed, may it be in sales or marketing. But in sales you need an eye for detail, having an execution orientation every day. While in marketing you need to have passion for delivery but yet an important question a marketer has to ask himself is 'am I doing the right thing?' not only for a short term but also for the long term.

There are so many methods like TV ads, Newspaper ads, through which a brand can communicate with its audience. According to your experience which one do you feel is the most effective?

When it comes to communication goals, I feel there are two kinds of it. The first one is the pure play advertisement to send across your message to the largest number of customers at the lowest possible cost. The second kind of communication is to really engage with your audience, get them to fall in love with your brand which can at times be limited in scale but higher in impact. And these are two complimentary tasks that advertisers need to do. When you are going in for the first task which is about giving across singular message or just communicating your proposition to somebody who is taking it passively and you want the highest scale with the lowest spend. And for this, undoubtedly TV is the king. But, consumers cannot talk back to the TV which gives limited degree of engagement. Talking about digital medium, it is not a medium actually. Digital is the way in which you can do each of these tasks. So if you want to use digital as TV you can use payroll ads on Facebook which functions exactly like a TV. If you want to use digital to engage your audience, you can do a contest on Facebook.

So I think what a brand needs to clearly figure out is 'today what I am trying to do', do I want a singular proposition to be spent on the highest number of people, of course I will use bulk of my budget on TV. But at the same time the two things a marketer always needs to keep in mind is the trade-off between scale and impact. Thing like TV can give you very high scale but limited impact, but things like digital ways can give you high impact but can be in limited scale. So you need to understand to make a meaningful difference in your campaign what are the bare minimum amount of people and with what intensity do you want to touch them.

How do FMCG brands retain their customers with numerous competitive brands and their strategies prevailing in the market?

You know there is this lovely book which I think all the students should read and it is called How Brands Grow by Byron Sharp. I feel it is the most scientific book on marketing that I have come across. What Byron Sharp says is that there is no such thing as loyalty, especially when it comes to FMCG products. Because you and me, we may think we are loyal to a particular brand and you may find a different brand sitting on the shelves of our home. We do not really care so much of these brands. Many a times we are buying FMCG products that we feel are right at the moment of buying. So what Byron Sharp says is that, loyalty does not exist, every opportunity is the time to a fresh recruitment and recruitment is driven by only two things, making your key brand assets available, physically and mentally. A key brand asset is the distinctive piece which can be packaging or product taste that your product owns. And we make these brand assets available, either in the terms of distribution or mental availability by playing the ads or visuals very clearly. So in a competitive market place where we have so many brands it is really about developing the jungle. The largest brand with largest availability is likely to recruit much faster than others which is why market leaders tend to become much larger and the smaller players tend to get rattled off. Hence if you look at a lot of classical marketing strategies they always claim that no matter what category you play in you must always be in the top three positions if not the brand can lose relevance in the market very quickly.

Usually when working in a food industry, the products are perishable as they come with an expiry date. How did FMCG manage this during Covid times?

Somewhere in April – May when there was the highest amount of lockdown and confusion, a lot of companies decided to stick to the 80 – 20 principle. And the principle simply says that almost 80% of your business comes from the top 20% of SKUs.

And as long as you focus on making those top 80% of stock available across bulk of their outlets, you will find very little hit in the overall business. And I feel most of the companies did that in the first 3 months of the pandemic. And as the lockdown was eased, the rules of distribution eased, brands put lot more range into the market.

When we are into retail stores like supermarkets or mom and pop stores, we experience a lot of advertisements, but what actually happens at the back end or to be specific on the desk of a marketing head in relation with advertisement and strategies?

This question brings me to an interesting topic. When we are in college we tend to see marketing as one homogenous science. We think that marketing is marketing. Marketing can be to customers, shoppers, stores everybody. But when you enter a corporate job, you realise there are various kinds of marketing. We have consumer marketing and consumer marketing. Customer marketing is more related to the shopper, consumer is the one who consumer your product, and a customer is the one who buys the product. And hence in all this the marketing which is used is customer marketing. Under customer marketing there comes shopper marketing, customer marketing, and trade marketing. Trade marketing is how do you ensure maximum availability in store, what kind of schemes do you negotiate with your buyer. The question which you are asking comes specifically under shopper marketing. In a modern day store or a mom and pop store how do I ensure I have the right rules of the game to drive maximum offering, maximum conversion. In my previous experiences, and if you do some of these reading online, you will come up with this really interesting format of studying shopper marketing. A book which I may refer which uses some of these theories is by an author called Paco Underhill. He has authored this book 'Why We Buy' and what it talks about is the 5S of shopper marketing where the 5S are See, Scan, Spot, Show interest and Select.

Equipped with an experience of more than 17 years can you please brief the audience of Gondola, your take on future of retail and marketing?

Again a very interesting question. The marketing principles will remain the same but we will keep rediscovering them in various ways. If ten years back the Bible was Kotler, ten years later it may still be the Bible but it will be supplemented with books like 'How Brands Grow', there is always a growth in literature and fundamental understanding of what really moves the shopper or the consumer. This is one section that will evolve.

The other part of change which I have noticed especially in the last year during the pandemic and which personally excites me is about how some of the small changes which were happening in the world of marketing and retail have been accelerated. One change which has really accelerated is the amount of consumers shopping online, the growth in Ecommerce. One might arguably might say that is more sales but it has more new challenges for the marketer. Because so far the marketers were living with the dominance of their presence in store linked with distribution, but Ecommerce changes that. Suddenly you need to figure out to ensure how you are in the Top 10 searches. Hence, Ecommerce is one that is accelerating the change of marketing. One other thing that is causing a lot of difference is, I remember back in 2010 I was one of the persons spearheading the digital revolution, I was one of the first guys to put Cadbury Celebrations on Facebook and we got a million fans in 6 months with almost zero investment. I see the same change happening now with mediums like Spotify. I see a lot newer forums now. YouTube, Facebook are probably old news. I think every marketer knows how to deal with them. But how does one deal with Spotify, Gaana, Podcasts? I feel this is something new for marketers to pick up and learn. One more thing that I find is fairly changing is the whole role of moment marketing. The way Prime Minister Modi talked about Vocal for Local and how many brands picked that up. The whole Suez Canal blockage and how so many brands used that as an opportunity. I feel moment marketing is the emerging trend and digital agencies should gear up for that. The last thing is, earlier you know there used to be a role of movies and suddenly movie releases are happening on OTT platforms like Netflix which again provides large opportunities for brands to capitalize. This is again changing the way we consume media. We can say that the pandemic has accelerated a lot of changes which were anyways happening slowly and it is the job of the marketer to top up with all these tool kits be prepared for the next generation of users to spend effectively which will allow him/her to engage with the consumer.

Abhishek Birajdar

Purvi Arora

WARCODES

Reliance digital VS croma in store | online | mobile

HEADS

Company Details	This Mumbai-based Consumer durable products retailer is conceptualized from Reliance Retail, which is a completely owned subsidiary of the conglomerate Reliance Industries Limited (RIL). RD deals with the largest consumer electronics through a network of 8,000 store chains in India. RD offers over 200 national and international brands - Household appliances, personal care, entertainment, portable IOTs, etc.	Croma came into reality being a one-stop destination for online shopping in India. This electronic consumer goods retailing is a part of Infiniti Retail, which is, in turn, is a subsidiary of the Tata group, in Andheri, Mumbai. This retail brand specializing in consumer electronics & accessories offering over 6000 products across 300+ brands and 150+ stores across 40+ major cities of India. Categories such as communication, computing, entertainment, hygiene, photography, cooking accessories.

|		
Marketing strategy	Investing in many advertising sources ranging both online and offline. Their discount offers in clothes and footwear attract tons of consumers. Billboards are often seeming ubiquitous. Reliance Fresh has all-time offers going on where their products are usually on the 17-49% discount range which is a promising one to indulge audiences. They also use print media and simultaneously social media to reach customers. Deals/offers, discounts category-wise, season-wise, and weekend-wise to lure the customers.	Croma primarily follows communicative strategies like news media and radio advertisements. Recent endeavors i.e., social marketing reinforced with Facebook and Google ads in the hopes of projecting the brand trust of TATA group and supplementing with excellent customer support. They aim to provide quality products at a reduced price which appeals to the center class population. Neutralized store promotions like the "Croma Loves You" campaign where the shop employees start dancing to the tunes of the song and explain the advantages of shopping with Croma retail.
Product Range	Reliance Digital offers over 200 national and international brands offering the widest assortment of products spanning Audio & Video products, Kitchen and Home Appliances, computing, and Fixed-line instruments as well as a wide range of accessories and new-age gadgets across all major product categories. Reliance Digital offers its customers a delightful shopping experience and helps them in bringing home the latest & best of technology at an unbeatable price.	Croma's label product range covers almost 500+ products across the electronics & consumer durable categories. Croma aims to offer an intuitive, simple, and customized experience. Croma has entered into a partnership with Amazon to launch a new range of smart TVs Hisense, a leading global consumer electronics and appliance manufacturer, announced that Hisense's range of TVs will now be available in Croma retail stores across India and on online platform.
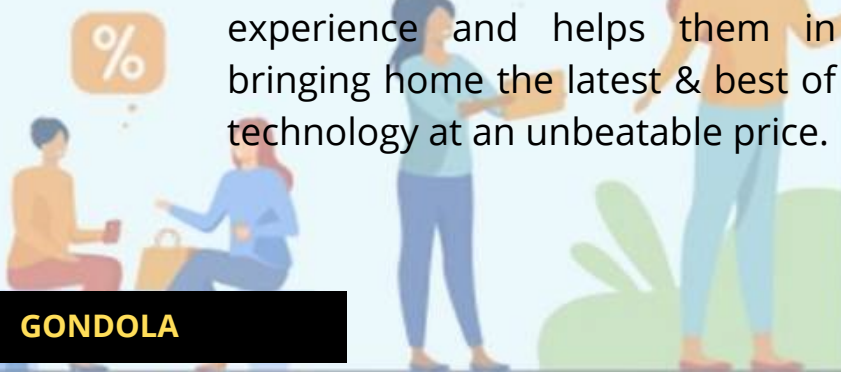
Customer acquisition

RD primarily targets Gen X and Gen Y for the pact pacing consumer durables, but categories of people to avail the products and helps it to sustain itself in the market successfully. The company has Apple authorized reselling unit -iStore, which was initially the only way for customers to acquire/service iPhones and other Apple products, as of now it's a prime hub for Apple products.

Reliance Digital has developed a strong portfolio of products offered under its own label RECONNECT. The RECONNECT products are unique by cutting-edge innovation, superior quality, and offering great value coupled with ResQ care Plan (service) which attracts the customers. Adding to that, RD has enabled a forum naming solutionbox that provides the DIY instructions/stories, performance review, architecture of the electronics, even allowing individuals to post and have a meaningful engagement amongst themselves.

In recent years, they've partnered with Facebook and others for setting up NUE payment for people to avail of the ease of bill payment.

The company targets its audience who falls between 18-50+ years aged primarily in metro and Tier-I cities through its expanded units (Tata- online, Cliq, Kiosk). Croma provides customers to be confidence in the quality of the products as well as competitive prices. It provides attractive discounts for bulk buyers which leads to greater revenue. Croma coupon code 22 active Croma discount coupons across all products & best Croma promo code offer for all users.

Engaging with the millennials across the digital spaces, Croma continues to dabble into hashtag campaign **(#BrighterBeginnings2021 or #whatsyourexcuse)**, short video/reels challenge to invoke more engagement from the audiences – even putting up taglines such as **"Here to create a #BrighterEveryDay & give you the power to build the future you desire. A visit to Croma can change your life; so, come, drop by!"** to attract audiences.

TAILS

Profit/Loss Reliance Retail's consolidated value of sales and services increased by 30% Q-o-Q to ₹ 41,100 Cr. even when the complete store network wasn't operational and with footfalls still significantly lower than pre-COVID levels. Reliance Industries' retail arm, Reliance Retail Ventures Ltd (RRVL), reported a 29.7% increase in consolidated revenue at ₹ 36,566 Cr. for the FY21 Q2 as compared to ₹ 28,197 Cr. in FY20.

Expected lower profitability on account of decline in sales due to lockdown in FY21-Q1. Higher requirement of inventory per store for new stores and debt funding for store addition plan will result in a moderation in working capital for FY21. Total debt increased from ₹ 539 Cr. to ₹ 623 Cr. In FY20. Weakening operating margins in FY20 due to higher additional investments for expansion coupled with sales of low margin products like smartphones (contributing 39% of overall sales-net loss in FY20 and expected operating level losses in FY21.

Cons RD's RECONNECT label products seem to be limited (about 150 or so), adding to that – disoriented product showcase, esp. limited quantities of fast selling products. Negative perception towards Reliance Digital (unresponsive ResQ services post-purchase – unnecessary persuasion for purchasing optional items, violation of customer assurance (in case of returning within warranty products).

In the year 2020 Croma faced many unprecedented challenges and obstacles due to COVID-19. Even with transitioning year, Croma managed to add 45 stores - hoping for more customer engagement in the new normal. On top of that, it's also working towards improving its website and online delivery services as more retailers build digital capabilities owing to a rapid shift in shopping behavior this year.

Cons

Delivery of faulty products more than often in some cases.

(Threat) Amazon served a legal notice to Future group (for a non-compete contract with the sale of its retail/wholesale/warehousing business, barred sale to Reliance with the contract with Amazon. This could be an obstacle for RD.

Croma has been often alleged to lack empathy for customer needs. The company has also been facing a lot of complaints lately about the behavior of their in-store personnel. All this has affected the quality of customer service of Croma Retail. Compared to RD, it's reviewed to be dragging its feet in discounting, pre-booking, offering on special occasions (RD's Digital India Sale – Republic Day).

The plush stores (15k to 25k sq. ft) may seem to be far-fetched when it comes to small-tier cities, according to some reviews.

Sattik Mohanta

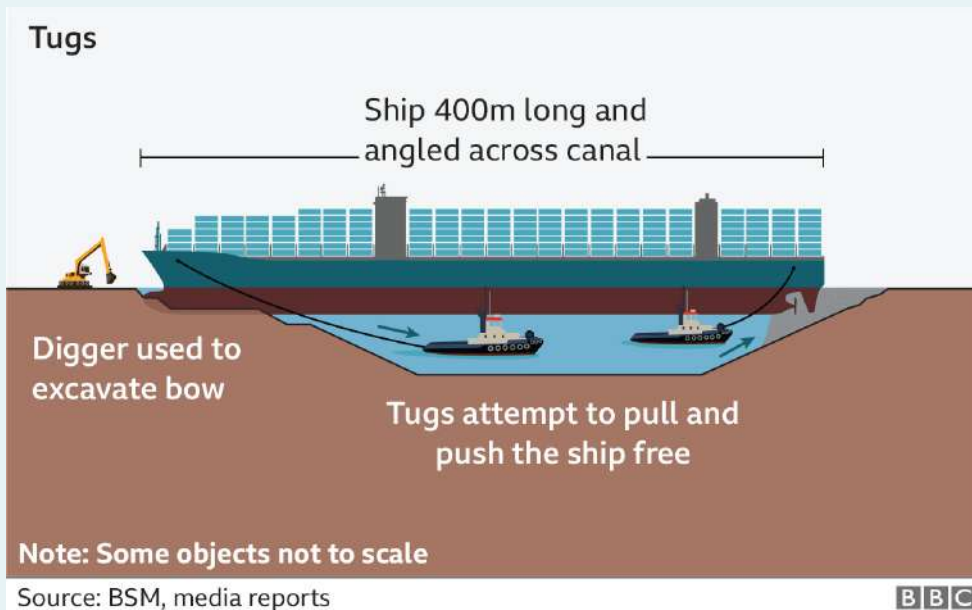**Ankhee Biswas**

BRICK & CLICK

Suez Canal Blockage and the Impediment caused

Suez Canal is an artificial waterway that contributes to 12% of world trade. It was built for a decade, from 1859-1869 to reduce maritime between Europe and Asia. However, a ship named 'Ever Given' was stuck in this manmade canal for a week long and blocked the canal for about 7 days.

Lloyd's List says that more than $9 billion worth of goods passes through the 120-mile waterway each day, i.e., around $400 million per hour. Just by a rough estimate we see that an approximate of $50 billion is going to be missed or delayed in delivery. One week is quite a long time to pull out a ship with all the technological advancements we have.
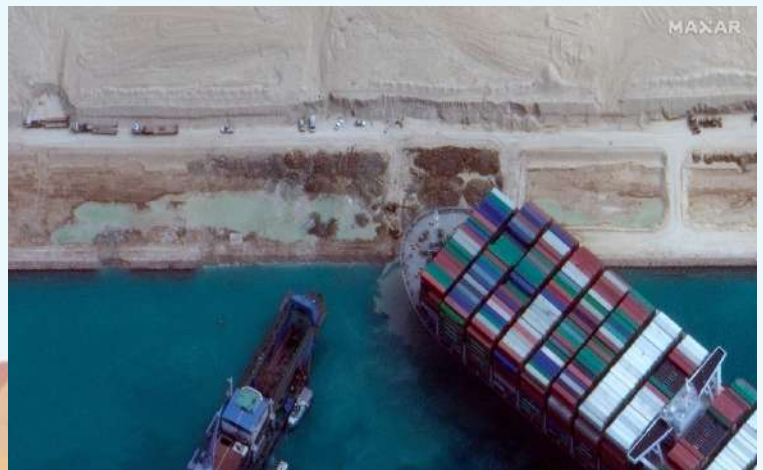
But, the cargo on the ship should not be affected and most importantly, greater external force might cause breakage of the ship leading to greater damage. This caused delay in clearing the canal and turbulence in the International Supply Chain Management.

Tugs

Ship 400m long and angled across canal

Digger used to excavate bow

Tugs attempt to pull and push the ship free

Note: Some objects not to scale

Source: BSM, media reports

BBC

There is a circular effect for everything and the blockage of Suez Canal also has it. The other ships are unable to transit through, as the authorities have closed the canal. At the same time, there are some ships which were completely locked in the canal while other carriers returned back or travelled all the way around Africa to reach Asia. The carriers which were stuck or changed route course, are all experiencing a minimum of 11 days' delay in shipment. The knock-on effects also include delay in delivery of empty ships which will lead to delay in picking up of new shipments and will incur higher costs. Another repercussion would be blockage at ports as well as vessels not being at the right place for their next planned journey. Most importantly, it further worsens the supply chains which was already dealing from a container shortage amidst the Covid-19 pandemic.

Previously, global companies have all been following Just-in-time and lean inventory models. Just-in-time is a concept where goods are delivered just before they are needed. This approach helps in minimizing storage costs and reducing overstocking of unsought products. Toyota, Apple and McDonald's are some of the companies which have been successful in implementing this concept and reduce their costs optimally. Lean inventory method helps in reducing bottle-necks of the supply chain and transportation delay. Such inventory control methods are quite effective for companies. However, the volatile environment existing currently is creating more chaos. Even during pandemic companies heavily reliant on Just-in-time have suffered from raw material shortage or over-stocking of product in some areas. Now due to this blockage of the canal there will be delay in production for manufacturing units and shortage of supply in retail sectors.

The continued impact of pandemic is an opportunity to increase household consumption. But, lack of inventory is a cause of great concern for the companies. Companies, specifically retail are in a complete dilemma as there are huge inventory gaps that are currently occurring or likely to occur. In the era of same-day delivery and 'just-in-time' inventory, even a small blockage can cause disruptions down the line; leave alone the big ones. The Just-in-time inventory is now being doubted highly by experts. The sudden peak of demand and lack of stock is a grave mistake on a company's supply chain.

There is no denying that having a global supply chain creates economies of scale and helps in cost reduction. But little turbulence in the waters is proving costlier for companies than their estimate of savings. The fact that ship containers are actually scarce is also making global supply chain all the way more difficult. A CNBC report stated that there are lot of finished goods waiting to be exported but are unable to, due to shortage of containers. Major retailers like Crocs, Gap, Peloton, Footlocker, Five Below, William Sonoma, Steve Madden, Whirlpool, Urban Outfitters, and Tesla all cited supply chain problems impacting their business in the previous quarter. However, the most overlooked aspect so far of this blockage has been on fuel prices in India, which is already at its peak. India is among the top importers of crude oil and products via Suez Canal. This crisis will see ramifications in form of higher crude prices, eventually affecting the retail sector. Companies like Nike & Peloton recently made headlines saying that millions of dollars got wasted in shipping delay-related costs.

In the aftermath of a crisis, it is obvious to realize what could have been done to avert, address and solve the situation. India had come up with a four-dimensional strategy to deal with the crisis. According to the plan, shipping lines will be explored via Cape of Good Hope to re-route the ships, though this will lead to an extension of 15 days. The plan will be executed under the supervision of CSLA (Container Shipping Lines Association). CSLA also assured that the freight charges would be honoured as per the existing contracts.
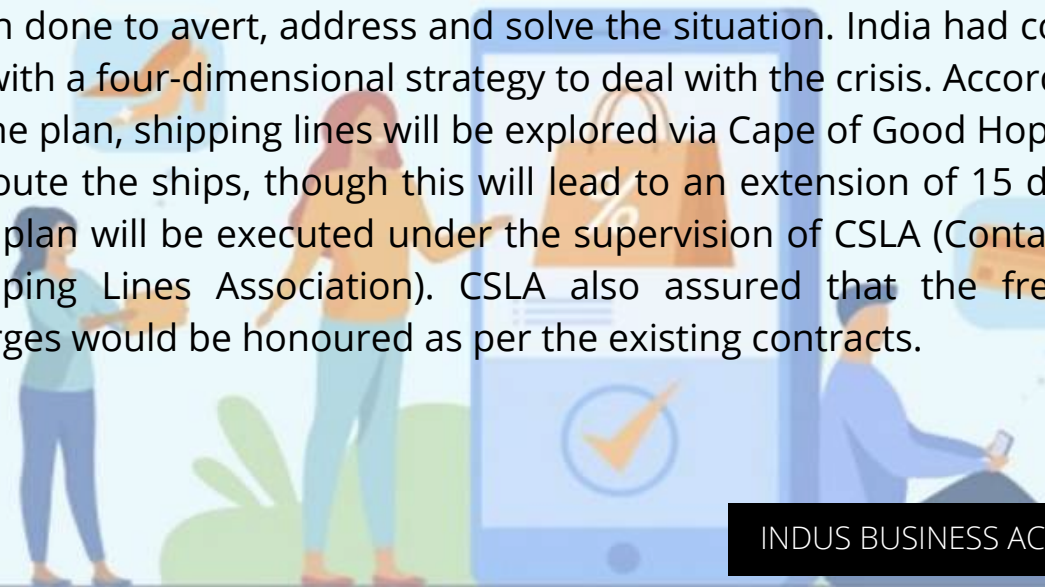
This blockade has made companies to upgrade their crisis contingency plan making them explore alternative sea routes as well as making tough decisions if limited components can be ported or which customers to prioritize.

All of this suggests that global business is not just a market of opportunities but a battlefield every day, every hour. Conquering it requires efficient strategies to bounce back from such challenges. These strategies can be as simple as taking a detour to reach the destination or hurriedly looking for distributors within their boundaries. To be prepared for such uncertainties, it always takes agility which is a paramount key to success. Therefore, companies will have to prioritize on agility to be better prepared for future volatilities of any kind.
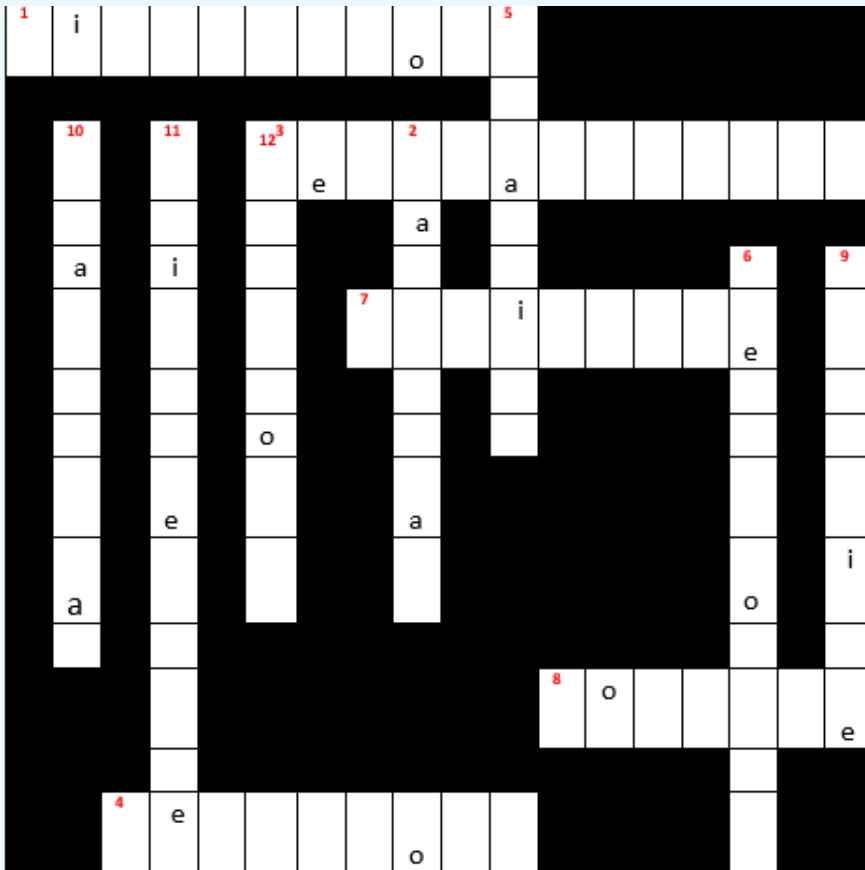
V. Kiranmayee

OFF THE LINE
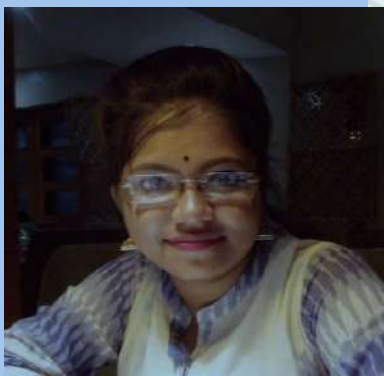
Ranita Bhowmik

Shubhadeep Goswami

CROSSWORD

Priyajit Ghosh

Mownick Rokkala

ACROSS
1. Refers, by extension, to the company that operates.
3. Promotional event to increase sales.
4. Retailers hate this.
7. Materials being lost in a retail shop.
8. Smaller ones will help in manufacturing strategies.

DOWN
2. A place in every retail.
5. Goods through many large networks which interconnect with each other.
6. When consumers do research online and go to store for final evaluation.
9. Purchase of overproduced goods at a lower price.
10. Plan of displaying merchandise to maximize sales.
11. Manufacturers or Producers are not the owner of the brand.
12. Providing discount in the original price of goods to increase sales.

Hope you loved
GONDOLA
Digital Edition

Do mail us your feedback at:
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