

THEME 2018-2019



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THE INDIAN RETAIL STORY

GROWTH, CHALLENGES
AND OPPORTUNITIES

3rd **Retail**
India
Summit

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INDIAN CHAMBER OF COMMERCE

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Foreword



Dr Rajeev Singh
Director General

The Indian retail story is one of crossing new boundaries and consolidating broken grounds. The industry caters to a billion plus population spread across the hinterlands of India, the urban centers and the new age millennials. Though age old unorganized retail comprise 91 percent of the market, big brands, foreign investments, customized solutions, experience vs mere shopping are the new buzz words in the industry.

The potential for growth is evident from the fact that India is expected to become the world's third-largest consumer economy with a size of USD 400 billion in consumption by 2025, with growing disposable income, expanding middle-class and rapid digitization through smartphone and internet penetration being major growth drivers.

This report by the Indian Chamber of Commerce delves into the current scenario, challenges and future outlook of the retail industry in India. Tapping the pulse of the industry, we have Retail Inc joining in with their views and industry analysis.

I hope this initiative will act as an industry mouthpiece for the sector and will have positive implications for policy advocacy.



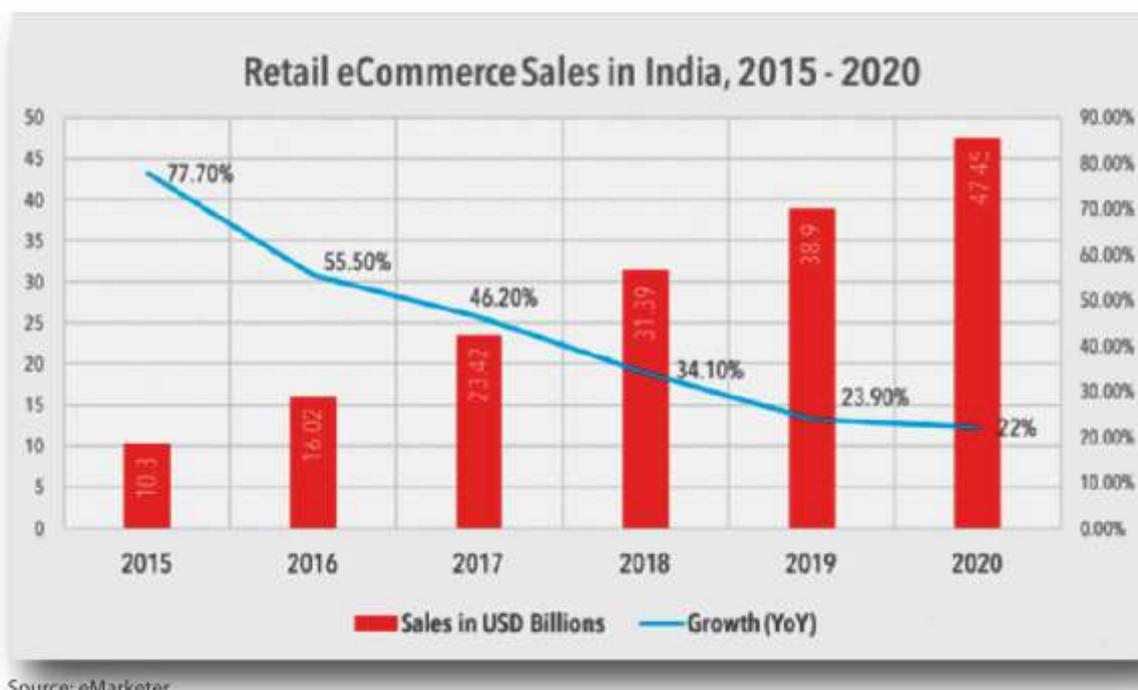
Introduction

The Indian Retail Industry has come forth as one of the most dynamic and fast paced industries contributing 10 per cent of the country's GDP and around 8 per cent of its employment. India is Asia's third and the fourth largest retail market globally offering massive investment opportunities. Organized retail in India has seen a continuous influx of players into the market, but not all of them have tasted success yet because of factors like heavy initial investments that are required to break even with other companies. The Indian retail market environment is also ever changing, with evolving consumer behavior. Consumer 'experiences' plays a decisive role in their buying decision. Over the last decade we have gone from a linear, retail focused model to today's iterative, digital-centric model of customer behavior. Retail branding has become complex due to the presence of dual layered objectives – establishing a differentiated positioning of the retailer and its own line of goods, and secondly, making the positioning attractive enough for successful off take of other manufacturer brands. India's favorable macro-economic indicators, investor friendly policies and rapid growth in consumption are driving the growth of the retail sector in the country as a whole.

Indian Retail Industry: Market Potential

India's modern retail growth narrative, that started with a handful of shopping centres with specialty retailers in the big cities during the mid-1990s has transformed significantly with the emergence of e-tailing and the integration of e-tail and brick and mortar stores followed by the latest wave of omni-channel retailing.

Today India's retail sector is marked by increasing internet penetration, smartphone usage and adoption of digital wallets that has significantly reshaped business demands. Indian Retail Industry is expected to grow from \$672 billion in 2017 to \$1.3 trillion by 2020, with emergence of newer avenues of retailing, digitization and modernization of infrastructure. Though India's organised retail penetration is still much lower compared with other developed and emerging economies, but it is expected to witness a substantial rise from current 19 percent to 24 percent in the next three years, with an increase in size from the current Rs 87,100 crore to around Rs 1,71,800 crore. Some of



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the big players in the Indian retail industry today include Pantaloons Fashion & Retail, Future Group, Croma, Titan, Tanishq, Reliance, Aditya Birla Group, RPG Group, Landmark, Piramal Group, Walmart India, IKEA among others. Faced with increasing competition in the urban market, retailers have started opening shops in the smaller cities and rural areas. Real estate boom in the country is also augmenting the growth of organized retail construction of hypermarkets and shopping malls in different cities.

In the last one decade India has seen the emergence of many online brands such as Flipkart, Myntra, Jabong etc. Online grocery stores and retailers such as Big basket,

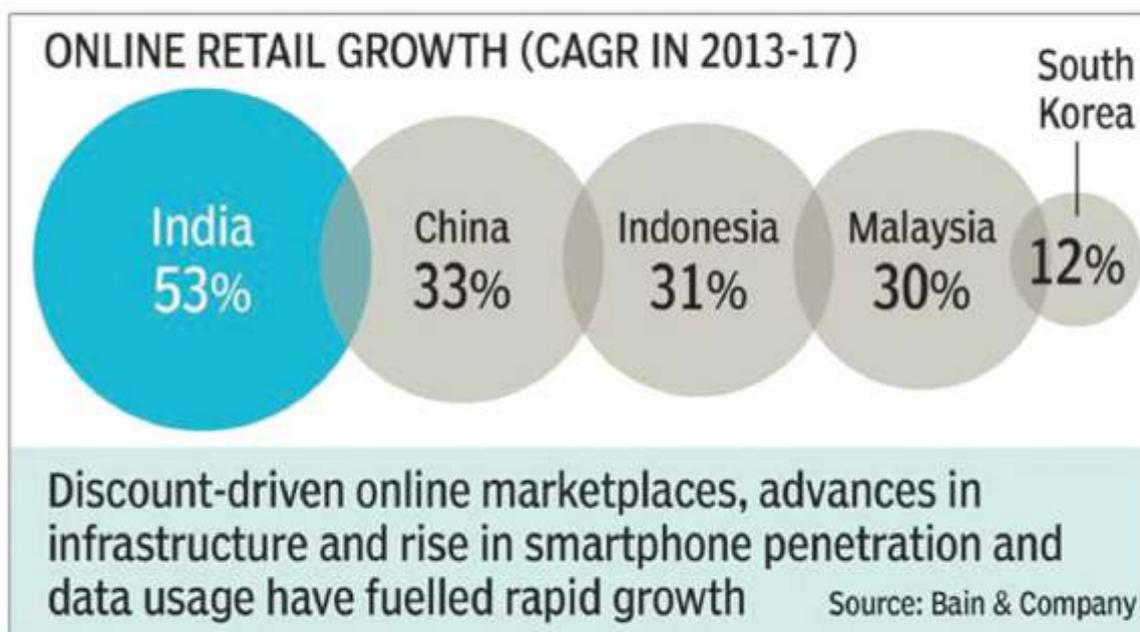
Flipkart and Amazon are helping the FMCG products reach customers all over India, at a click of a button with different discount offers. Volume-led growth, innovations in product launches and festive discounts have added renewed optimism in the sector.



Different Types of Retail Stores in India

India's economic growth coupled with urbanization and higher disposable incomes has helped to drive the growth of luxury goods consumption. Both domestic and international luxury brands are exploring online and offline routes in the Indian market, through e-commerce and strong logistics. The Indian luxury market, which had typically been restricted to the upper echelons of society in the metro cities, has now witnessed a structural change in its consumer base. Today, the well informed & enthusiastic Indian middle class from Tier I and Tier II cities, represent 45 percent of the total luxury market goods consumption.

Indian retailers are increasingly relying on hyper-personalization models based on behavioral data, brand performance, demographic preference and pin codes as marketing strategy and coming up with new innovative solutions such as performance management, frequent sales operation management, demand & inventory planning to boost sales and get competitive advantage in the market. India's retail boom has acquired further momentum and vibrancy with international players entering the market and the existing industry leaders taking giant innovative steps to attract and retain customers.



Indian Retail Industry is a sunrise sector for employment generation. According to the National Skill Development Corporation, India's retail sector will need a workforce of around 56 million and the sector is going to have one of the highest incremental human resource requirements by 2022. As the Retail Industry expands it creates jobs at all levels starting from semi-skilled to skilled labour. With the digital revolution and growth of e-commerce opportunities, high-end jobs will also be in demand. Multinational companies entering the Indian market, post easing of FDI regulations are also likely to invest in back-end infrastructure such as warehouses, logistics, accounting, customer services etc. creating ancillary jobs across the country.

37 to 45 licenses are required to start a retail operation in India

Retailer's Everyday Challenges

- * Supply chain is the key bottleneck for retail sector growth. India lacks efficient and reliable logistics infrastructure and roads, rails and ports
- * Lack of efficient cold-chain system leads to enormous wastage especially in rural India, especially for food retail
- * India lacks national level distributional networks & hubs. Consumer product companies are more focused as front end distributors and hence the distribution model is more robust in urban areas with high consumer concentration

- * Trucking industry is fragmented with absence of reliable national service providers. SCM systems have low penetration in rural areas
- * Power shortage remains a major issue across India and higher costs of alternative power source installations are passed onto the consumers
- * Paucity of land and lack of labour reforms affect operations of organized retailers in India

Despite all the challenges, the Indian retail sector is attracting large number of global players. Changes in the Indian government policy regarding FDI in retail sector would help to promote this industry. FDI in multi-brand retail upto 100 percent can bring about huge foreign investments in technology and real estate.

Trucking industry is fragmented with absence of reliable national service providers. SCM systems have low penetration in rural areas



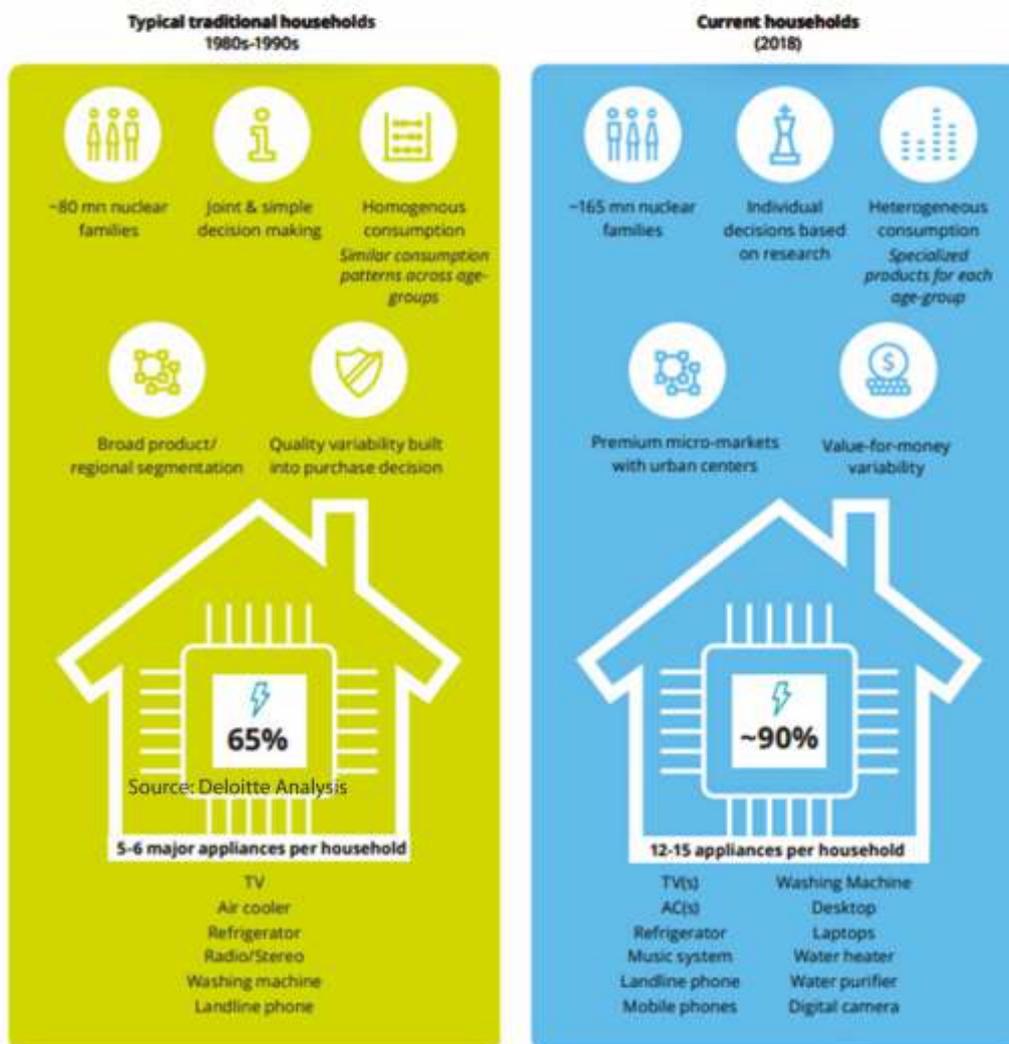


Impact of GST on Retail Industry:

The implementation of Goods & Services Tax (GST) in India has had a positive impact on the Retail Industry. GST has streamlined the state and the central taxes and has eliminated the cascading effect of taxes in different markets. This has ushered in greater transparency, improved flow of credit and reduced trade barriers. GST has helped retailers simplify their tax structure, with Central Sales Tax (CST) being abolished, retailers will no longer have to maintain warehouses in each state of operation, as retail business can now be carried out in every state upon single registration. This has lowered transportation cost and led to consolidation of warehouses. GST has significantly reduced the burden of tax on the retail sector. This has also provided a stable environment for the growth and development of e-commerce platforms. However, under the new GST regime, every supply will have to be accounted for. Gifts, promotional offers or discounts which are very common in the Indian retail space, will now attract tax, unlike the previous VAT regime, when all such free products, samples, gifts were tax-free. Retailers offering such discounts will definitely need to brainstorm on alternative promotional strategies.

Shifting Consumption Patterns: Changing face of Indian retail

India is broadly segmented into rural and urban areas and by comparing the distributions of sales, it can be shown that most sales of apparel and accessories and food are generated in rural areas, whereas entertainment and consumer services are preferentially sold in urban regions. Households in India have evolved from typically consisting of 4-5 major consumer appliances during 1990s to nearly 12-15 appliances today. The evolution is led by expansion of technology, preference for convenience and augmented disposable incomes. Retailers need to analyze consumer segments differently keeping in mind the purchase structure and consumption patterns differ according to the living standards of the consumers.



Food and grocery accounts for the majority share of the retail market in India followed by apparel and footwear, and consumer durables and Information Technology (IT) segments



Source: Konnected

Consumers today are more exposed and knowledgeable due to easy access to information. Today nearly 75 million rural adults are exposed to television, more to radio and the number of people to own internet connections are increasing on a daily basis. Greater access to information and development of communication systems has brought about a golden opportunity for traders. On the one hand, it has led to the availability of packaged goods and, on the other; it has augmented availability of consumer durables, cosmetics and food and beverages etc. The increased level of transactions in these categories improved the rural market share from 28 per cent in 1985 to 37 per cent in 1989, a growth from INR 800 crore in 1985 to an estimated INR 5,000 crore at present clearly indicating that a vast market has emerged in the rural sector, which is bigger than the urban sector.

In the current age of multiple choices, increased convenience, value-driven demand and inter-connectedness, short listing and prioritizing strategy can become a major challenge for consumer companies. As a result, the brands are seen facing an immense pressure to remain relevant and competitive in this rapidly evolving consumer landscape.

Apart from rising disposable income another major factor affecting the consumer behavior in India is the Shifting Family Structures. Previously extended Indian joint family has given way to nuclear households. The proportion of nuclear households, which has been on the rise during the past two decades, has reached 70 percent and is projected to increase to 74 percent by 2025. This ongoing shift is significant to marketers because nuclear families spend 20 percent to 30 percent more per capita than joint families.

Decision makers in nuclear households base their consumption decisions more on lifestyle considerations and the need to “keep pace” than on the need for functional necessities, especially in such categories as consumer durables and apparel.



Factors influencing a consumer



Factors determining customer experience



It is essential for the retailers to recognize the buying behavior of the consumers. In order to offer seamless consumer experience, the retailers have to be dynamic and have to keep up with the consumer's changing needs in regards to delivery, returns, product choices and after sales service.

The Millennials, between the age group of 18 and 35 years is becoming the driving force in consumer markets and redefining India's consumption story. Characterized by high levels of disposable incomes and brand conscious digitally connected individuals, millennials put emphasis on value derived from the product/service. They differ from their previous generations by their lifestyle choices, consumption pattern, significant need for convenience, and brand preferences. Despite being young, these millennials are already the chief wage earners accounting for approximately 70 percent of total household income.

Convenience and wider choice of products are amongst the biggest reasons for millennials preferring online shopping. However, physical retail would also continue to dominate, as the shopping experience is in itself one of the biggest reasons for millennials to opt for the offline retail mode. Product 'touch and feel' remains one of the biggest reasons of millennials for shopping offline. However, with rapid advancements in the e-commerce space, conducive product return policies have made it possible for consumers to touch and feel products, especially apparels.



Down the E-commerce Revolutionary Road

E-commerce is changing the face of the retail industry and India is expected to become the fastest growing e-commerce market in the world. With ever-increasing acceptance of technology, AI, machine learning and other transformative solutions in the offing, Indian consumers are looking for more and more online shopping alternatives. E-tailers are looking at different innovative ways of interacting with their consumers, with social media paving the road ahead. Modern technology is completely transforming the Indian retail ecosystem, starting from shoppers' way of selecting their merchandise in a store to various cutting-edge solutions at the retailers' disposal to enrich consumer experience and information. From healthcare to real-estate, tourism, fashion or electronics, no industry has been left untouched by the e-commerce revolution. In terms of e-commerce sales as percentage of total retail sales, consumer electronics segment in India has the highest online penetration (17 percent), followed by apparel and footwear (9 percent) and beauty and personal care (1 percent) respectively. Food & grocery, with retail sales of around \$530 in 2017, accounted for around 0.1 percent of online penetration.



Internet penetration in urban India has increased from 60.6 percent in December 2016 to 64.86 percent in December 2017, while for rural India, internet penetration has grown from 18 percent in December 2016 to 20.26 percent in December 2017. With around 500 million Internet users in the country, Indian e-commerce retail industry has maintained an upward growth trajectory with a lot of untapped growth potential. Mobile is no longer only a device for communication; rather it has now become an indispensable medium for shopping and entertainment.



As social network users in India is expected to increase from 168 million in 2016 to around 258 million in 2019, social commerce is also fast developing, with almost one-third of the users transacting through the websites. Social commerce encourages greater digital payments adoption. Indian retailers are exploring social networking sites like Facebook, Whatsapp and Instagram to reach out to the potential consumers and grow business.

Also, in the last one year, India has witnessed massive changes in the digital payment mode. India has one of the most evolved digital payments systems among developed countries like US, China and Japan. Apart from card based electronic payments, next-generation payment structures such as mobile wallets, payments banks, BharatQR and electronic authentication are enhancing and reshaping the digital payment volume in the country. The transaction value of digital payments in India stands at an aggregate of around \$200 billion in FY18, which is expected to grow to \$1 trillion by FY23. The share of electronic transactions in total volume of non-cash payments has increased from 84.4 percent in 2016 to 89 percent in 2017. Government of India's push towards digital initiatives is expected to further accelerate outreach and adoption of digital wallets in the country.

Foreign Direct Investment (FDI) stirs up the Retail Front

India categorizes retail into two segments; single-brand and multi-brand. Previously, foreign brands needed the approval from the Department of Industrial Policy and Promotion (DIPP) to invest above 49 per cent in single brand retail in India. This has been revised wherein foreign brands can now fully own local single brand chains. Moreover, in the past 30 per cent of the goods had to be sourced domestically by foreign retailers in India. To boost ease of doing business, foreign retailers can now meet this requirement – incrementally – within the first five years of their operations in India. In case of multi brand retail, foreign companies must invest a minimum of USD 100 million with 50 percent of their investment going into backend infrastructure within the first three years. Furthermore, the company can only sell products made in India – giving their domestic competitors a huge advantage. As India makes more progress at easing regulatory norms in retail –foreign businesses are likely to benefit from the developments.

Retail Branding: Key Challenges and Best Practices

The forward march of digital technology in the retail space has blurred the divide between online and offline retail to create a unique omni-channel platform by integrating physical and digital experiences. The current prominent trend has evolved shopping from a matter of simple transaction to being an experience. This is the reason why even brands are now looking for subtle integration across popular and quality content, rather than pushing the product's features through standalone campaigns that only list a product's features. The emergence of retail-tainment, i.e. clubbing various enjoyable activities such as gaming parlors, sports contests, movie tickets, etc. with the act of shopping, has also contributed to the growth of the retail sector.

Factors Driving Organized Retail

- * Higher disposable incomes
- * Purchase of essential and luxury products
- * New technology and lifestyle changes
- * Access to credit facilities
- * Nuclear families
- * Increase in the number of working women
- * Increase in rural income
- * Migration to cities and towns from villages
- * Growth of modern trade formats like malls, hyper markets etc

Mall culture

Small towns in India have been hit by the multiplex revolution which is inextricably linked to the mall culture. The Economic Times predicts that around 300 malls are expected to come up over the next 5 years in non-metro cities. The shift to tier-II and -III towns is based not just on a saturated metro market and prohibitive real estate costs in the big cities but higher disposable income in the small towns owing to a lower cost of living and the perception of malls as aspirational spaces.

Retail Market Snapshot



The retail sector in India is dominated by the unorganized retail trade, where unorganised trade forms around 93% of the overall trade. This is in contrast with the developed countries where the organised retail industry accounts for almost an average of more than 80% of the total retail trade. This highlights a lot of scope for further penetration of organized retail in India



The sector can be broadly divided into two segments: Value retailing, which is typically a low margin-high volume business (primarily food and groceries) and Lifestyle retailing, a high margin-low volume business (apparel, footwear, etc). The sector is further divided into various categories, depending on the types of products offered.



Transition from traditional retail to organised retail is taking place due to changing consumer expectations, growing middle class, higher disposable income, preference for luxury goods, and change in the demographic mix, etc. This is further intensified with the convenience of shopping with online stores (online shopping), multiplicity of choice under one roof (Shop-in-Shop), and the increase of mall culture, etc. These factors are expected to drive organized retail growth in India over the long run.



The online retail is growing at rapid pace. Online retail in India is expected to be at par with the physical stores in the upcoming few years, driven by robust investment and rapid increase in the number of internet users.



The overall retail market in India is expected to grow at 12 percent growth rate per annum, driven by growing urbanization, rising income, younger demographics and rising aspirations of the middle class. Modern trade is going to expand as twice as fast at 20 percent per annum and traditional trade is expected to grow at 10 percent.

Key challenges in retail branding

Offline vs Online brand

When a consumer is researching or buying a product from an online channel, his or her primary needs are convenience, ease of research (compare, contrast, read feedback & reviews), and the ability to easily access a wide range of products to take a value-driven decision. While, buying from a physical store, consumers needs are to physically touch and feel the product, to satisfy a specific shopping occasion and to get a more in-depth evaluation of the product. In order to satisfy these different consumer needs, it becomes imperative that branding needs to be consistent across this wide variety of needs and distribution channels.

Technology driven expectations

Superior functionality and ease of use of online channels is a key expectation of consumers, which leads to the need for impressive visual features. In the physical world, consumers are expecting to be impressed by holistic brand experiences. This has been the trigger behind retail stores morphing into experience centers and role of technology in forwarding that cause is significant.

Every other retail brand today is focusing on building its own experience store for the convenience of the customers.

Walking into stores is not just about touch-and-feel, try-and-pay any more. A relaxing corner with couches to read a book, a dietician to tell you what to buy before you pick up any organic goodies and a salon to complete your new look when you purchase an apparel. The experiential stores are now making shopping fun, and not just transactional. Leading in the forefront of experience stores are Fabindia and Reliance Retail

The success of brands like Apple, Starbucks, Hermes, Samsung and Disney are largely driven by the superior retail experience they provide. Premium and luxury brands design physical retail touch points that have the ability to propagate the same exclusivity perception that the brands stand for. This is not only true for single-brand retailers (like the examples above) but also for multi-brand retailers. Multi-brand retailers which fall primarily under the 'price-tier' driven segment have tasted success when they evolved their branding beyond price-based positioning. Strong branding requires a comprehensive understanding consumption patterns and trends.



Best Practices in Retail branding

Keeping in-line with global trends -The emergence of social media platforms has magnified the pace at which new consumption trends change every day. Retailers need to stay on top of these trends to be relevant shopping destinations for consumers. Branding needs to be strong enough to encompass these changes and keep a retailer relevant, as its product lines evolve.

Embracing technology -As retailers look at creating and delivering experiences, embracing technology as an enabler for a strong brand is important. Technology is becoming a core element of branded experiences and retailers need to embrace more of it in their branding strategies. Smart kiosks at malls ease shopping through technology. With an instant catalogue on big screen, customers can search if the product is available in the store or not. If unavailable, order can be placed in the kiosk and the product will be delivered to the customer's house.

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Becoming Global Brands - Retailers such as Amazon and Alibaba have redefined the way global retail business models work.

Consequently, any retail branding initiative needs to embrace a global mindset towards augmenting market reach. However, we still have not seen similar success stories for traditional physical retailers, which illustrate the challenges of managing infrastructure at a global level.

Amazon and Walmart have similar strategies of continuous investment in building a brand identity and image, staying close to its purpose, moving with times and establishing core equity of the brand.

Personalization -Branding strategies should be capable of providing personalized experiences, even when they are shopping at value or discount-pricing retailers at each and every consumer touch point. The retail industry has embraced big data analytics capabilities to create such experiences.

Sustainable retail branding strategy

Modern retail branding strategies primarily target maintaining consistency of positioning and communication across all possible touch points. Touch points have proliferated from mere physical stores to online buying channels available on multiple platforms and devices (desktops, laptops, tablets and smartphones). In addition to buying channels, retailers also need to maintain a continuous online presence for visibility and reinforcement of key positioning elements. Fragmentation and proliferation of media vehicles and the emergence of social media as e-commerce platforms (Twitter, Instagram, Pinterest, Snapchat, Tumblr etc.) means that retailers have more touch points to manage.



Future of Retail

We have already discussed about the shift in the retail sector, with the emergence of e-commerce from brick and mortar stores to that of cross-channel branding by creating visual identity, perception building, enhancing customer experience and strategic product positioning. The retail sector will have access to emerging technologies such as augmented reality, Internet of Things (IoT) and 3D printing etc towards meeting its manifold objectives like customer relationship management, payment solutions and the like. With the consumer purchases now criss-crossing online and physical worlds, retailers have to ensure consistent and high quality brand experiences across channels and points of engagement. For example, bad customer experience on the online channel of a retailer may impact sales at physical sites. Retail branding has come a long way from the time when having similar color palettes on the primary name board and internal branded materials was considered good enough. Emerging technologies like '3D Try on' for spectacles, Voice Driven Shopping, Evolution of Brick & Mortar stores into improved in-store experiences etc. are some of the cues that the future is holding for us, as regards to the retail industry outlook.



Industry Speak: Retail.Inc

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Growth Capex is set to increase in 2019; the impact of GST and e-Way bill on business has been positive; Favourable sectoral growth drivers are High disposable income, favourable demographics and HNI presence. The primary challenges for business arises from storage, delivery and regulatory compliance. The emerging areas in business are Luxury, Online and Private labels.

The Sugarr & Spice, Creative Bakers & Confectioners Pvt Limited

“

Growth capex is set to increase in 2019; the impact of GST on business has been neutral but impact of e-way bill has been positive; the sectoral growth drivers in ascending order of importance are high disposable income, favourable demographics, HNI and FDI inflows. The primary challenges for business are real estate price, informal sector presence, regulatory compliance, storage and delivery; the emerging areas in business in order of importance are Online, Rurban, Private labels and Luxury

Turtle Limited

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Today's market demands convenience and we will see the continuation of multi-channel retailing. The Goods and Services Tax (GST) is expected to provide the much needed stimulant for economic growth in India by transforming the existing base of indirect taxation towards the free flow of goods and services. To remove the problem of multiplicity of taxes and reducing the burden of the tax payer a simple tax is required and that is Goods and Service Tax (GST).

Charnock Hospital

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Traditional advertising mix like TV, Print, OOH & retail branding help maximize our brand salience, campaigns are aimed at intensifying the brand visibility and image in marketplaces. Commitment to the core messaging and proper execution is absolutely vital to our marketing plans.

Dollar Industries Limited

ICC Recommendations

- * The Retail Industry in India is worth a gold mine to be explored. While the business potentials are immense, there are certain key issues that need to be addressed effectively at this juncture
- * Indian retailers should focus more on providing quality services to the consumers. Industry needs to take cognizance of consumer choice and understand the regional variations in consumer attitudes to retailing. Indian retailers should try innovative retail formats to enhance shopping experience and serve all sections of the society
- * Industry needs to take care of infrastructure problems & availability of basic amenities at the retail outlets, especially in the Tier II & Tier III cities. Efficient management of the supply chain bottlenecks for retail sector growth in India requires better logistics infrastructure and roads, railways & ports. Supply chain management (SCM) system still has low penetration in rural areas. Trucking industry needs to be developed with the presence of reliable national service provider
- * The rural market is larger than urban market and the marketers cannot afford to ignore studying the rural consumer behavior. Creating retail stores which should be rural in nature, so that the rural masses identify themselves with these stores will enable retailers to take advantage of the untapped customer base
- * Despite increase in purchasing power in Tier II and Tier III cities, ecommerce penetration is limited due to low internet penetration and lack of good quality physical retail spaces. Corporate should supplement government efforts in creating resources such as infrastructure development, education system, storage, internet connectivity and others
- * Reliable cold chain system needs to be developed in rural India in order to reduce the enormous food wastage. Also India lacks national level distributional networks & hubs, whereas distribution model is more robust in urban areas with high consumer concentration
- * Transportation facilities need to be rapidly developed for the growing cross border e-commerce market. India operates as a transfer hub for different intercontinental routes such as Europe-South East Asia and Europe-Australia, due to its geographical location. However, in order to cater to the growing intercontinental traffic, infrastructural facilities and connectivity should be developed at smaller airports In the Tier II and Tier III cities
- * Lack of standardized quality assurance certifications for most products in the country is a major problem for today's retail industry, where consumers seek not only economical products, but also those that are safe and healthy. This not only increases product returns and wastage across the system but also presents a major credibility issue for retailers & consumer product companies. The industry needs

- * to adopt international standards for large scale organized retailing development.
- * To enable a smooth growth and harmonious coexistence of traditional and modern retail, both in urban and rural areas, the Government needs to adopt a single cohesive national retail policy, which adequately addresses all the stakeholders
- * Developing the retail infrastructure in India also requires spread of telecommunications & internet facilities in the rural and semi-urban areas for meeting the requirement of organized retailers
- * Skilled labour shortage is a challenge facing the organized retail sector in India. The country needs a reform in the existing labour laws and retailers need to introduce improved training schedules for employees
- * Indian retail industry is still mostly unorganized, comprising of small scale retail stores with little or no standardization. Organized retail market in India accounts for only around 9 percent of the total sector. There is a need to uplift the unorganised retail sector with more capital, modern retail management technology and skill development. In this regard, creation of a unified national market across the country under GST will play an important role in making supply chain and Indian retail sector more efficient.

Conclusion

India's retail sector stands at the cusp of rapid growth, being one of the fastest growing retail markets across the world. As Government of India has allowed 100 percent FDI in single branded retail through automatic route, Indian retail industry is going to be benefitted from foreign technical expertise and know-how, capital infusion, sophisticated frontend retail presence and new employment generation. With India's digitization drive and rapid growth of e-commerce, retail players should redesign their consumer interface rapidly and focus on the end-to-end digital integration of the value chain. For the domestic retail industry, there is a huge untapped potential in product categories such as food and grocery, consumer durables and home appliances, apparel, travel and tourism. As India is witnessing a significant increase in purchasing power, rapid global integration and changing consumer lifestyles, the industry is poised to grow faster in terms of its productivity, competitiveness and efficiency in the days to come.

About ICC

Founded in 1925, Indian Chamber of Commerce (ICC) is the leading and only National Chamber of Commerce operating from Kolkata, and one of the most pro-active and forward-looking Chambers in the country today. Its membership spans some of the most prominent and major industrial groups in India. ICC's forte is its ability to anticipate the needs of the future, respond to challenges, and prepare the stakeholders in the economy to benefit from these changes and opportunities.

Set up by a group of pioneering industrialists led by Mr G D Birla, the Indian Chamber of Commerce was closely associated with the Indian Freedom Movement, as the first organised voice of indigenous Indian Industry. Several of the distinguished industry leaders in India, such as Mr. B M Birla, Sir Ardeshir Dalal, Sir Badridas Goenka, Mr. S P Jain, Lala Karam Chand Thapar, Mr. Russi Mody, Mr. Ashok Jain, Mr. Sanjiv Goenka, have led the ICC as its President. Currently, Mr. Rudra Chatterjee is leading the Chamber as its President.

ICC is the only Chamber from India to win the first prize in World Chambers Competition in Quebec, Canada.

ICC's North-East Initiative has gained a new momentum and dynamism over the last few years. ICC has a special focus upon India's trade & commerce relations with South & South-East Asian nations, in sync with India's 'Act East' Policy, and has played a key role in building synergies between India and her Asian neighbours through Trade & Business Delegation Exchanges, and large Investment Summits.

ICC also has a very strong focus upon Economic Research & Policy issues - it regularly undertakes Macro-economic Surveys/Studies, prepares State Investment Climate Reports and Sector Reports, provides necessary Policy Inputs & Budget Recommendations to Governments at State & Central levels.

The Indian Chamber of Commerce headquartered in Kolkata, over the last few years has truly emerged as a national Chamber of repute, with full-fledged offices in New Delhi, Mumbai, Guwahati, Ranchi and Bhubaneswar & Hyderabad functioning efficiently, and building meaningful synergies among Industry and Government by addressing strategic issues of national significance.



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