

Growth & Revenue in Retail

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The TURTLE Story

Franchise India Summit – The Lalit, Kolkata

Snapshot



1993

- Primary Focus on Men's Readymade Shirts
- Started with production of 20 Shirts per Day supplying to an In-House Retail Store
- Brand name inspired from 'Ninja Turtles'; animal-based names was the trend
- Turtles: slow and steady, wise, balance of nature, mythological, worshipped
- Perception: international brand with good quality products (customers 'discovered' value-for-money / affordable prices)
- Steady, organic growth, focus on profitability



2013

- One of India's leading menswear brand
- Revenues nearing Rs.150 Cr.
- Over 85 EBOs spread across India
- Presence in major Large format stores like Central, Pantaloons, Shopper's Stop.
- Complete 'head-to-toe' range across formals, casuals, party-wear
- Major contributor to the conservation of Turtle species the brand and company's namesake



Snapshot

- Recently ranked **# 4** in **Brand Trust** Report 2014 – all India Apparel Menswear category
- **Offer a complete range** of Formals, Casuals, Party-wear (suits, blazers, jackets, pullovers, windcheaters, denims, tshirts, shirts, trousers, head-gear, bags, footwear, eye-wear, belts, ties, cuff-links, wallets & other accessories)
- Available in over **400 cities**, across 1200 MBOs and over **85 EBOs** in India. We are also present **internationally** in the Middle East in Dubai, Bahrain, Muscat, Saudi Arabia, Kuwait.
- Present in over **175 Large Format Stores @** Central, Pantaloons, Shoppers Stop.

Snapshot

- Growing **Online** presense at Turtleonline.in, Jabong.com, Flipkart.com, Myntra.com and HomeShop18.com
- **First** apparel brand in India to commercially produce **Khadi** shirts & jackets (hand-spun, hand-woven, eco-friendly fabric)
- Engaged in conservation & protection of endangered species of turtles with **Turtle Survival Alliance (TSA)**
- Recently Launched a new Brand logo & Store Design in sync with international brand imagery

New Look - Exclusive Outlets



New Look - Exclusive Outlets



New Look - Exclusive Outlets



New Look - Exclusive Outlets



Survival Kit for Retail 2020

- Increase in sales and market share while being profitable
- Focus on service and brand experience
- Building Entrepreneurship rather than a business
- Finding new growth avenues – such as Ecommerce

Market Share :

The Brand Visibility Vs Profitability Issue

Market Share

- High Rentals in metro cities
 - Pros : More brand visibility and recall
 - Pros : Consumer base much larger
 - Cons : Rentals and operation costs are very high
 - Cons : Sustaining over 6-9 years a challenge
- Brands usually end up working for the mall developers and landlords
- Stiff competition from national and international brands
- Careful and calculated risk strategy for expansion

Profitability

- We have focused more on Tier II and III cities – where Rentals and operating costs are relatively lower and ROIs are achieved faster
- Company owned, Franchisee operated model results in quicker expansion with lesser capex expenditure burden on the brand
- Keep costs & overheads in check
- Cluster-based expansion strategy (better ROI)
- Building efficiency into the system – inter-store transfers, auto-replenishments, TAT in store

Retail is Service

Retail Service

- More and more people across the country are getting exposed to modern retail
- With new malls coming up in Tier II and III towns – it has created a demand for service oriented jobs in the region
- Most brands face a challenge to find trained staffing and maintaining the same brand standards across the country is a major challenge

Retail Service – Our Strategies

- A Customer Loyalty Program in store for regular offers and updates
- A consumer friendly store environment and policies – such as returns and exchanges
- A toll-free number, email and online feedback – available for our consumers to connect with the brand if they face any issue
- Facebook & Twitter pages for increased customer interaction, engagement and feedbacks

Entrepreneurship in Franchising ...

Entrepreneurship in Franchising

- Look for Entrepreneurs rather than investors
- Building local PR and rapport with consumers important and a known face from the catchment surely helps
- Ent's evaluate each move, expenditure carefully before proceeding as their own profits are linked with the store – such might not be the case with professional led business models
- Connect with the brand and brand-loyalty much higher – grow to multiple stores within the city or region

Expansion and Partnership

- Ensure that your partner has a bite into the pie
- If the store sales/profits go down he/she should also feel the pinch
- Work more on profit and loss sharing models – most brands work on profit sharing and loss bearing models
- Make your partner part of the decision making process and keep him in loop for important updates and strategies made by the Brand

The Ecommerce Boom !

Ecommerce – Here to stay

- Brands should embrace online sales and ecommerce completely
- In developed markets, online business is already contributing 15-20% of the total sales
- In India this is currently 5-8% but things are changing quickly (esp. with increasing mobile penetration)
- Apparel among top 3 categories now

Ecommerce – Here to stay

- Very low entry-barrier to setup and start a ecommerce site
- Portals do the marketing and drive footfalls for you on online sites – they are essentially burning their money to promote your sales
- Instant nation-wide presence and reach possible
- Ecommerce should be one of the major growth generating revenue channels in the next decade

Thank You