

Orient Electric to ramp up fan business with direct-to-market strategy, new plant

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Orient Electric is sharply focusing on a direct-to-market distribution strategy in certain States to bolster its fans' business. It is also ramping up its manufacturing footprint by commissioning a green-field plant in Hyderabad, set up with an investment of over ₹210 crore.

Ravindra Singh Negi, Managing Director and CEO, Orient Electric, told *businessline*, "Over the past fiscal, we focused on strengthening the direct-to-market (DTM) distribution model in eight States for the fans segment. This strategic pivot has yielded positive results. We have seen high double-digit growth



Ravindra Singh Negi, MD & CEO, Orient Electric

and marketshare gains in these States." He added that the company balances its DTM strategy with a master franchise distribution model for the fans' business.

The company has adopted the DTM model in Bihar, Odisha, Uttar Pradesh, Karnataka, Andhra Pradesh, Telangana, Gujarat and Uttarakhand. It has seen 65 per

cent y-o-y sales growth in these States and now contributes 30 per cent to the overall fans' sales. "In the current year, we have also initiated the DTM model in Himachal Pradesh and Jammu & Kashmir. We also plan to leverage insights gained from DTM markets to optimise operations in other regions," he added.

RAMP UP PRODUCTS

The CK Birla-promoted company has also ramped up the presence of its overall product portfolio in modern retail and large retail format stores and said it has begun witnessing positive results. It is also making targeted marketing investments on e-commerce platforms. "We are selling products such as LED lights, extension boards and

irons on these platforms. The online channel is key from the perspective of the consumer's discovery, evaluation and purchase journey," Negi added.

The consumer electrical products company is also looking to ramp up distribution in the southern region. This comes at a time when it has expanded its manufacturing footprint. Negi said that the company's new greenfield plant for the fans segment in Hyderabad has been set up with an investment of over ₹210 crore. "We commissioned it in May. We expect this plant to be fully operational by next summer. It is enhancing our ability to serve the southern and western region, and also expansion into international markets," he added.