

# De'Longhi Group partners with Orient Electric for India foray

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## Brings Italian premium range small appliances here

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Italian small appliances maker De'Longhi Group is making its foray in the Indian market through a partnership with Orient Electric, part of the diversified CK Birla Group.

Under this partnership, Orient Electric will exclusively market and distribute premium small appliance brands — De'Longhi, Kenwood and Braun in the country.

Tunc Gencoglu, MEIA Vice-President-Commercial at De'Longhi Group, told *BusinessLine*, "The appliance market in India is poised for significant growth. We believe India has the potential to be among our top ten markets in the next five years in terms of revenues."

He said the company was open to looking at the possibilities of manufacturing its products in India in the long-term. "We are aware about the "Make In India" initiative. We are looking at India from the long-term perspective and could eventually look at manufacturing in the country," he added.

For now, the two partners plan to import these products from markets such as Italy, Germany, China and Romania.

The De'Longhi Group's product portfolio under three brands — Braun, De'Longhi and Kenwood — includes a range of small household appliances including products for coffee preparation, food preparation and cooking, cleaning and ironing.

Rakesh Khanna, MD & CEO, Orient Electric Ltd, said the partnership will help the company expand its appliances portfolio and tap into emerging trends in the consumer appliance space in India. "Premiumisation is gathering pace in India and the premium segment in small appliances is witnessing high growth fuelled by increasing demand from fast-evolving Indian consumers," he added.

Orient Electric will distribute these premium products through its own brands stores, large format retailers, specialist store channel and e-commerce. The company believes that each of the three brands has the potential to become a ₹100-crore brand in the next 3-5 years.

Saurabh Baishakhia, Senior Vice-President and Business Head, Appliances, Orient Electric, added, "Initially, we will sell these products across the top 25 cities in the country and gradually ramp up the distribution to about 100 cities in the next 2-3 years."

He said that the company expects to capture a significant market share in the premium appliance segment in the next few years. The company will also look at B2B sales and expects the institutional channel to contribute 10-15 per cent to the revenues.

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