

Accelerating The Growth Strategy



On marketing strategy
We at Orient Electric are working toward a strategy wherein we are focusing on creating products which offer pride of ownership. While we have a strong presence in the electrical distribution, we are strengthening our reach in the electronics retail channel for appliances. We also want to accelerate our growth in the top end of the appliances market; therefore, our association with De'Longhi will help us grow faster in the premium appliances segment. This partnership will help us mutually to expand our appliances portfolio and tap into emerging trends in the consumer appliances space in India. Under this partnership with the De'Longhi Group, we are introducing De'Longhi coffee machines which is the world's number one brand in coffee machines. We are introducing kitchen machines from Kenwood which is number one brand in food preparation in Europe and Braun hand blenders which is the number one brand in hand blenders.

On distribution strategy (from selective towns, to regional, to finally, national)

We now have a wide spread distribution covering top 150 towns in India for our Orient Electric range. For these premium brands, initially we will be targeting the top 10 cities where these products have a market and will gradually expand the distribution.

On establishing dealer and distributor network

Our distribution spread now covers top 150 cities; however, even within them we need to be selective for marketing these premium brands. Our existing network will give the necessary depth, while this association gives us an opportunity to strengthen our presence in the high-street catchments and specialist stores, including organized retail and also expand our spread within their stronger markets and stores.

On positioning strategy (pricing versus competition)

Indian consumers are moving from value for money to money for value. They are switching from value-led purchase to smarter aspirational purchase which offers a pride of possession.

I would say price is a relative factor, consumers in India today are not restricted by price, they want convenience, pride, and want machines which make their life easy. Having said so, the range that we are offering is wide and at different price points and once we establish the product experience in store demonstration and strong Omni channel marketing, the consumers will make these smart investments. We are confident that the consumer we are targeting will appreciate the effort and quality of our products.

On size of the addressable market

The overall market size of the products that we have under Orient Electric has an addressable market of ₹5000 crore. There is an emerging market for aspiration kitchen appliances in India and is estimated to be around ₹150 crore.

On targets set for the brands

Orient Electric targets to be amongst the top three appliances brands within a short period of time. The De'Longhi brands have the potential to become number one brands in their respective segments.

On plans with modern retail, family chains, and e-commerce platform

We have planned a phased-out approach and will be targeting cities Tier-I cities followed by Tier-II cities in the next phase. The international range of products will be sold through large format retail stores, chain stores, Orient's own branded stores, and specialized retailers in electronics. We will also have exclusive tie-ups with e-commerce channels.

Anything else you may like to add

At Orient Electric, we always strive to unravel and bring to the surface the latent consumer needs and meet them with apt solutions which make life simpler and experiences better. While Orient has been present and growing in the small appliances segment, we now want to accelerate our growth strategy by looking at top-end and adjacent categories with quick win strategies. We recognized the opportunity to plug the top-end of the appliances and we are optimistic that this tie-up will help us to bring in a wide range of premium appliances to India. ●

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