

Twist In The Etail

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If we've done carpet-bomb coverage of retailing, we believe it's the Next Big Thing. This week, we've got academia's view on the subject du jour. Starring Professor **NIRMALYA KUMAR** — take your lessons in Etailing and retailing's new Ps

Vikram Doctor

LESSONS from the bleeding edge of technology, that's how **Nirmalya Kumar**, professor of marketing and commerce, International Institute for Management Development,



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Lausanne, describes the learnings that are happening from e-commerce. "Because people have lost so much money trying to figure out how to do it," he laughs. Still, someone's lost is someone else's gain, and the ebullient professor has unquestionably been one of the beneficiaries. He's done a PhD on distribution channels, and has taught and consulted on marketing, retailing and distribution. "But these days the only thing everyone wants to hear about is e-commerce," he says, grinning.

Teaching Shoppe



to make them take justice of organized retail."

Part of the problem is that countries in most opinions, the supply chain in India is actually quite efficient. He admits that the chain is fragmented, and various players don't give

great service, but argues that if you take into account the really small margins they operate under and the fact that they still result in a wide range of products reaching consumers of all incomes, then it's actually fairly efficient.

And there's little incentive for manufacturers to compete with it.

As to the end he considers that the logic of large scale organized retailing which provides a high service level at a low price is not to be dismissed, as it is waiting to be held back. "Organized retailing will grow, and ultimately manufacturers will have to adapt to it. It's like Wal-Mart and Procter & Gamble (P&G) in the US. For years P&G refused to co-operate with Wal-Mart until finally one day it realized that the retailer was too big to ignore. Today they are both working closely together. And one day that will happen here too."

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