



SHOPPING CENTRES
ASSOCIATION OF INDIA

MALL & TALK

HAPPY

INDEPENDENCE DAY

August 15th





COO's DESK



Anjeev Kumar Srivastava,
COO, SCAI

August has a special significance for India for it was on 15th of August, 1947 that India won independence. August also marks the beginning of the festival starting with Independence Day followed by Onam, Ganesh Chaturthi, Navratri, Dusshera, Deepawali continuing all the way till Christmas. At this time, consumer spending picks up and shopping Malls woo customers by launching new campaigns and giving attractive offers to customers. As malls work ceaselessly towards providing a superior experience to customers, SCAI would like to wish all its members the best for the upcoming festive season. May you reap huge profits in the months to come.

Anjeev Kumar



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India is celebrating 76th year of Independence. Shopping Malls celebrate the independence day with great enthusiasm and gaiety. Please post the...

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COVER STORY



DRIVING SALES WITH F&B

Shopping malls are no more only about just brand stores, but more about food, socialising, building, and connecting at a spot that helps with making memories.

Sunil Munshi, VP, Retail, Orion Malls (Brigade Group) in this context mentions that consumers tend



to come to the mall for a complete mall experience, and F&B completes that experience. "The number of people who visit the mall for F&B and entertainment on a regular basis is much higher than those who visit specifically for shopping. At Orion Mall at Brigade Gateway, we have the additional advantage of restaurants placed strategically to overlook the lake, which

works as an added incentive. We strive to ensure that there is diversity in the F&B cuisines that our malls offer. Our leasing team works rigorously to bring the right mix of established and aspirational brands on board to cater to all segments and provide a wide array of cuisines to our patrons. We look for the right synergy between a brand and our positioning before taking it forward in terms of space, location etc," he adds.

Watch out for more

In the coming months, F&B will remain a crucial factor in attracting visitors to malls. The trend of people prioritizing malls as destinations for entertainment and dining is expected to continue in the coming months. Offers and promotions play a vital role in attracting customers to a mall and whenever there is a lucrative offer, we have noticed a trend of an increase in customers who visit the mall to avail of that offer. "Offers are specially curated for special occasions throughout the year. For example, we have noticed that during summer some F&B outlets cull out activities around 'mango' introducing special mango-based foods and beverages, which is well received by our patrons. Aside from being a major driver of footfalls, food courts represent an integral and even separate retail category today. We all love going to food courts for the variety of options cater to



everyone's needs, from teenagers who want to experiment with different cuisines, to adults wanting to eat something light. Not forgetting the little ones who settle for nothing but burgers and candies, food courts have something for everyone. Our fine dining space accounts for around 20% of the mall area. As a rule of thumb, the percentage of fine dining is in the range of 25% to 30% at all malls across the country, as it is a tried and tested method," he notes.

Gerald Mathew, General Manager Operations,



Growel's 101 Mall agrees that over time, malls have transformed into social hubs for friends and families, particularly in the aftermath of the pandemic. Nowadays, customers favour malls that offer enhanced opportunities for social interaction.

Consequently, the Food and Beverage (F&B) segment has become the central attraction,

drawing more people into malls. This change in consumer

preferences has elevated the F&B segment to a pivotal position among the anchor offerings, supporting fashion retail within the malls.

Taking it a Notch Above

Gerald notes that at Growel's 101, they take immense pride in offering a diverse and an exceptional F&B



mix in our catchment area. "Post-pandemic, we have expanded our food and beverage offerings to include a wide array of global and regional cuisines, catering to our valued customers' varied tastes. It is with great pleasure that we welcomed renowned names like Haldiram's, opening its first Mumbai outlet at our mall, and Aromas Café & Bistro, debuting their mall outlet in Mumbai at our premises. In addition to these, our F&B line-up boasts popular brands such as Pop Tates, Urban Tadka, Barbeque Nation, Starbucks, and many more. When selecting F&B partners for Growel's 101, our focus lies in bringing a diverse variety of cuisines, spanning international, Indian regional, and local favourites, to cater to all age groups and preferences. We carefully fill gaps in our offerings to ensure a delightful dining experience for every customer. Moreover, we consider the popularity and potential of the F&B brands we introduce, which has led us to include beloved D2C (direct-to-consumer) brands like Box8 and Theka Coffee, among other favourites," he mentions.

The trend of multi-cuisine and all-day diners alongside coffee shops is gaining popularity, moving away from the traditional fine dining establishments that operate exclusively during lunch and dinner hours. These all-day diners strike a balance between super casual food courts and formal dining experiences. Many remote and gig workers now favour coffee shops as their preferred workspace, as they offer a welcoming atmosphere, access to Wi-Fi, and the flexibility to work on their projects while enjoying a cup of coffee or a meal. "The allocation of space for Food and Beverage (F&B) in shopping malls has seen a significant increase, rising to 25-30% from the pre-Covid period's 12-15%. This growing trend has positioned F&B as a promising and crucial category for shopping malls, effectively acting as an anchor to support fashion retail and attract more footfall. Kitty party attendees, college students, and various groups find combo offers and weekday discounts highly appealing. In line with this trend, we run the 'Thoosday' offer at our food court every Tuesday and Thursday, where our F&B partners provide a select menu at a flat 40% discount. Additionally, in February, we organized the 'Eat Street Kandivali' food carnival, a delightful weekend extravaganza featuring over 40 food & beverage stalls offering a diverse array of options, including Gourmet food, Street food, Organic food, Home Chef Specials, and much more to explore and enjoy," he further notes.

Bringing the right mix



Nandeesh M.R., G.M - Garuda Mall (Garuda Group)

mentions that when it comes to offering space to the right partners, they always investigate the brand mix. A city like Bengaluru has a cosmopolitan culture. The crowd staying here are mainly from different parts from Karnataka, different states, and people from different of countries because of the software industry. "Keeping this in mind, when we are selecting the right partner in F&B space, we will always give preference to traditional cuisine along with local F&B operators who know the Bengaluru market and palate very well. With the new generation becoming a focal consumer, there has been a revival in interest in fast food and casual Asian food is a big hit among them and international brands cater to this need. All This is going to help in the long run to sustain the crowd. When people are visiting the mall, if they see large offerings in the F&B area, people will repeat visiting the Malls and chain them circles as well. When we are selecting the brand mixture, we are giving preference to the local brands and State wise sales adding international brands to the whole mix," he points out. For the last one year, they believe that the F&B business is improving month by month. The reason behind this might be aftermath of COVID-19, where people want to come out often and willing to spend more entertainment, Food, and travel. This is showing significant growth in terms of F&B. Even though online food business is good, most of the time people are coming out and hanging out with their friends and relatives at the food outlets and spending their time with good ambience and music. He believes that this trend will continue further in future. Particularly in Bengaluru, non-local youth being vital group visiting Malls, wish to spend time in Malls ravish the appetizing Food and prefer to dine at their choice with multiple cuisine around them in the mall. "F&B spaces are picking up very well after COVID because we are seeing significant increase in F&B



sales. Last couple of years, people felt that they were confined within four corners and their solitary life made them to be attracted by Malls and F&B. People are coming out and hanging in the F&B Joints. People are travelling and people are trying the taste the food in F&B outlets often. Even lot of office space have removed their work from home option and that crowd has also added to F&B. People are becoming more experimental with food and cuisines, and I think this trend will continue further. Promoting offers is always good in F&B. Campaigning, food tasting activity, conducting chef workshops, inviting influencers to write about the food taste and promoting the same in social media, newspapers or in radio, conducting musical nights, comedy shows etc. helps to increase or drive crowds. Any good publicity gets more crowd towards F&B. The competitive offers in F&B always works to drive the crowd. As we aware food is an integral part of Indian culture and if the mall follows the principals in the choice available from short eats so elaborate dining experience. 20% of the mall should have the fine dining along with food court. When you have fine dining and food court, these F&B outlets provide an opportunity for the shoppers to take a break from shopping and relax, which can lead to increased dwell time and sales for the other stores in the mall. Without F&B options shoppers may leave the mall sooner reducing the chances of them making purchases. Overall, F&B outlets are essential components of the modern retail malls," he says.



Cruising with power
Ashish Gupta - Vice President - Business

Development, Pacific Group mentions "F&B has unquestionably emerged as a crucial anchor in driving footfall to all our malls. Over time, the allocation of space for F&B particularly has witnessed an impressive shift, evolving from a mere 8% - 10% to a substantial 20% -

25% of the total area, surrounding Food Court counters, Restaurants, and Cafés. The modern lifestyle, where individuals consume meals multiple times a day, coupled with the adventurous spirit of the growing generation, necessitates our focus on providing ample areas and prime locations to cater to their gastronomic desires.

Embracing this trend, we aim to create an enticing F&B experience that resonates with our discerning clientele, satisfying their diverse palate preferences".

At Pacific, the team prioritize meeting center-specific requirements, precisely planned for the surrounding catchment area. The selection of the right partners is crucial and requires careful consideration, considering factors like ambience's look & feel, the hygiene standards of both the (FOH) and (BOH) areas, and the menu offerings. Here, they carefully assess how brands have priced their menus and the variety they offer to ensure a well-rounding dining experience. On the other hand, performance metrics like sales and footfall data play a centric role in evaluating existing and potential tenants. Pacific's objective focuses on curating a diverse culinary landscape, covering various cuisines without overkill.

"We value reliable and competent partners aligned with our commitment to retail excellence. Ans, we are proud to have onboard the esteemed F&B tenants like Burger King, Starbucks, CDH, Chili's, Cafeteria & Co., Domino's, Punjab Grill, KFC, among others, as repeat partners across all Pacific Malls, ensuring top-notch dining experiences for our valued customers. The Indian customer is undeniably inclined towards offers and discounts, regardless of the context. The pursuit of value is paramount, leading to the popularity of platforms like Dine Out, Swiggy, Zomato, Nearbuy, etc., offering substantial discounts. People are opting for these platforms even when booking tables at restaurants/ Cafes. The discerning Indian customer's preference for value-driven options has prompted such heavy discounting practices to gain grip and success in the market. The strategic utilization of these platforms allows customers to enjoy the benefits of discounts while enhancing their overall dining experience," he added.

Approximately 20-25% of total mall area now goes to F&B & out of that the mall allocates approximately 50% of its F&B area to proper restaurants, including CDRs, standalone QSRs, and Fine-Dines. Cafés are positioned on each floor, comprising 10-15% of the F&B space, enhancing the shopping experience. The Food Court, covering 30-35% of the F&B area, features a simple layout with seating surrounded by food counters, ensuring convenience for customers. The seating capacity is planned to accommodate up to 1000 patrons which in earlier days was only 200-250 & we may even see it going up as high as 2000 seats in near future. Overall, the mall's F&B offerings prioritize customer satisfaction through thoughtful design and a diverse culinary experience.



CEO TALK



IN CONVERSATION



We speak to the visionary **M. G. Gopala Krishna, JMD- M. G. Brothers, Nellore, Andhra Pradesh** to understand his take on leadership and what he is doing to create that difference in the industry.

What does the future of shopping malls in India look like?

It looks very good, but we must understand the changing customer behaviour and requirements. With paradigm shift in the technological and as we witness tech disruptions every year, for example in the entertainment industry with OTT, VR and AI, it is important to understand what customer expects from a shopping mall, so that we create spaces to increase their dwell time. If we create spaces to cater all age groups and make shopping malls into family entertainment centers, there will be great demand and opportunity for shopping malls in India.

A major challenge faced by shopping malls is that many shoppers choose to buy from High streets rather than Malls. How should the Shopping Mall industry tackle this challenge?

The major challenge the Malls face is not from the high streets, or consumer buying from high street, the major challenge is the lack of understanding in the basic functioning of a mall by the mall owners, top management of the mall. A mall is totally different to high street, Malls should cater every age group and to every member in a family. So, it is extremely important to understand these important concepts before constructing a mall during the design development phase itself, zoning, brand mix, impulsive purchase, customer dwell time, catchment area, customer services, amenities. It is also important to understand how brands complement each other, which brands

add value, and which don't add value to the mall. When the mall owners and top management understand the importance of the above points, there is no need to worry about High street brands and offerings.

What about the trends you are noticing in the industry owing to the customer behaviour changes?

FEC, Cinema, food should give the growth in foot fall as well as revenues in the mall, the growth will happen through innovation, timely renovation which keeps the businesses fresh and customers excited. Customers visit Malls for leisure, amusement, shopping and for having a hassle-free family time. The concept of visiting a Mall only for shopping is extinct, shopping malls are Family entertainment centres which facilitate shopping with good amenities and services. We need to understand this trend, to understand customer expectations and behaviour.

Any process or strategy shifts that you have brought in for your brand keeping this thought in mind?

As a mall owner, we have started investing in the brands inside the mall, for example we have taken over the Game zone, 3 food court counters and we also





operate around 25,000 sq. ft. of fashion brands. We are operating all the brands successfully. One thought behind this is to understand the customer's pulse firsthand and use this knowledge to enhance customer experience to delight them in the mall. While we invest in the brands, we have started cross promotions which has given good results in conversion and increase in ABV.



What trends that you see in this industry in the next 5 years, especially in south India?

Malls will be driven by Families, so it is important to capture the requirement of all age groups from a toddler to 60 years plus customer. It is also important to capture every segment of the customer and give them great experience from a lower middle class to wealthy customer as we bring all segments on a single platform. As a result, I see brands becoming more technology driven, like app-based shopping carts just getting delivered in the store, self-checkout points etc. Technology driven changes which reduce customer wait time are expected, so as a result more spaces and brands which provide experience to customer senses to be created like amusement parks, game zones, food, cinema, 4 D, VR experience centers. Especially in the south, I see multiplex, gaming and festive driven growth and business. Malls in the south work along with the multiplex to facilitate special shows and work towards renovations, as well as celebrating festivals along with customers by creating festival ambiance and hosting mega activities. As urbanisation is rampant and as customers miss the true sense of the festival which took place in the villages, if we can create a true festive environment, it will have a great impact.

What major difference do you find between shopping malls in India and those in the Europe and west Asia?

India being largely populated and driven by middle class families; footfalls should increase 5% to 7% Year on year. To provide good experience to the increasing footfalls we must gear up by providing better and innovative services to the customers, like valet parking, app-based parking slot reservations, electric charging stations, quick checkout at parking and shopping etc. Along with this we must focus on having good brands which provide high quality goods at the right prices, Like hyper marts, large format multi brand fashion stores etc. While Europe and west might look at improving average bill value, average spent per customer, in India while these are very important we should also focus on how to enhance the impulsive purchase senses of customers, how to create loyalty programs, managing the customers during peak hours and festival seasons and also provide amenities and services .

What personality traits make a good leader and what traits do you admire in a leader?

Listening to your employees, customers, tenants, and vendors. Sharing knowledge, creating an environment of peace, empathy, and joy at the workplace. It is very important to understand that each employee spends 3 times more time at the workplace per day than what he spends at his home with his family, so it is our responsibility to create an environment better than his home. I admire a leader who lets their team grow, make mistakes, and learn from their mistakes. The leader should be predictable, and he should spread peace in every interaction.

What is your biggest challenge when it comes to people management?

The biggest challenge is when the top management don't understand how to build a culture driven organisation and when they don't understand the importance of nurturing and investing time and emotion on every employee, when you want to create a value-based culture it is not just in words or on paper, we must live and demonstrate it at all levels. When you feel that an employee is a member of your family the approach changes, it is important to trust your employees and share the knowledge. With more on demand job opportunities (Uber, Zomato etc.) being created, full time skill-based talent will be scarce. The



challenge will be to hire the talent with the right mindset and nurture them to value the culture of a company and create ownership towards the company he works for.

How do you get the most out of your team?

By giving freedom to make mistakes and learn from them, creating an open environment where mutual respect and trust is key to continued partnership. Creating opportunities for growth and giving them exposure to different functions of business.

How do you create an effective working environment?

Effective work environment is created when you retain the employees and when the average work experience with the company is around 36 months or more per employee. As the employees are well trained with real field experience in the company, and as they become a part of the value-based culture, efficiency automatically improves. It is also important to have reward mechanism which not only has extrinsic value but also has high intrinsic value.

How are you laying the bricks for growth and success?

Is it going to be an omnichannel journey or putting action to digital transformation or accelerating processes with technology or something else? Tell us your thoughts.

No doubt the future is omnichannel, technology driven, AI enabled etc., but in the end, customers want to experience things, create memories and feel happy walking around other human beings. The point to understand is the growth will happen only when the malls equip themselves with technology driven, customer-centric operations which includes providing comfort, memorable experiences, events, quiet places to relax, entertainment, safety and when all the above is bundled and provided to the

customer, it should automatically result in happy customers resulting in natural growth.

How much has the company grown under your leadership so far?

How do you see the company changing in two years, and how do you see yourself creating that change?

We are growing at a rate of 10%, while the operating profits have grown by around 18%. Next 2 years looks exciting as the Covid and Post Covid market uncertainties are cooled off. As more national and multinational brands look out



for conscious expansion, we are looking forward to introducing great brands to Nellore city creating excitement and opening new segments in the market. As a person, I would like to explore and experiment by introducing exciting brands and have an event calendar which is unique and exciting where all age groups can enjoy and engage with the mall.

Elaborate on the initiatives (marketing and digital) which were a success for you?

Few of the marketing initiatives which work are cross promotions between complimenting brands like food court and game zone. Also having a well-planned out event calendar comprising of mini and mega events throughout the year creates a great impact. Year-long activities and customer engagements really help, for example we have an event calendar which has an average of 150 to 170 days of events or activities.

Digital is turning out to be a very important form and communication as well as an important means of engaging with the customers. It is very important to communicate offers as well as new introductions regularly on the digital platforms, most of the customers might not be aware of the offer, new trends, designs, or loyalty programs which the brands are offering, so it is important to post the information in an interesting and attractive way. We have a very aggressive digital plan, where we create at least 100 to 150 (posts, reels, stories etc. put together) per month.

How do you want to grow the brand's offline presence in the future as well?

Offline presence of brands inside the mall as well the mall will grow by providing good service to customers,



through events, activities, fashion shows, kids carnivals etc. during these activities relevant brands are promoted. We have a kiosk near the help desk where all brands can place their leaflets or books to promote the offers and new introductions. Hoardings inside the mall are placed in such a way that every entry point and exit point is covered. All the brands inside the mall are given free branding based on the season and even paid branding is given at highly discounted prices, this is one of the reasons why at least 60% of the brands have their advertisement contracts with the mall at any point of time.

What has been your biggest learning since becoming a Managing Director?

The biggest learning after becoming MD is to Collaborate with all business partners (tenants, vendors etc.), stake holders positively and create a sense of Unity among us. It is important to understand their perspective and take their inputs seriously. Always have an eye on the latest trends and try to benchmark the best in the industry.

I also understand the Value of the business community and how useful and powerful it is, through enrolment in SCAI, I understood how to look at issues from a larger perspective and put forward our thought to the governing bodies periodically.

What is the biggest challenge you have faced in your career and how do you challenge yourself?

The biggest challenge has been to build and run a business exactly how I visualised it. It is a great challenge to dream something and make the dream come true exactly the way you wished for. In this journey, I understood that to make your dream a reality we must implement what you wished for. Value based Culture plays a major part, to create a culture where

employees own the company by heart, it is important for top management to put extra efforts in nurturing the employees and to lead by example. Core values of the company should be clearly defined and communicated so the all the employees' behaviour is aligned with the culture.

What hobbies or sports are you involved with outside of work and why do you enjoy them?

Cricket, Jogging, playing with my kids, meditation, biking and car enthusiast. I enjoy these activities because I truly connect to them, most of the times after certain age or after few years in business most of our leisure time goes into some kind of business networking or trying to indulge with high society groups or high net worth individuals by doing so, we lose ourselves and we lose the connection with our heart. It is very important to understand whatever activity we indulge in, after the office hours should create lightness in your heart, we should feel like children who play with each other forgetting the surroundings. When we truly involve ourselves in such activities it helps us keep our mind and body young.

How do you handle stress and pressure?

Meditate and be with my kids and friends. I also realise that thinking and brooding about an issue does not solve it, most of the time we over think about uncontrollable things, so we need to understand what our scope is and give our best, leave the rest to God. Most of the times Stress and pressure are self-created through our actions, if we learn how not to create such situation in the future and when you have a strong will power to refrain from activities which result in stress or pressure, we can avoid many such situations. To an extent we should also understand stress, pressure and happiness is a state of mind. When you truly believe you are always happy, you will truly be happy always.





How do you balance your work and private life?

I have a schedule where I review all the daily reports in the morning session. I have all the activities captured in the daily report and I call the necessary division when there is some action needed on any issue, Afternoons I have meetings and discussions on improvements and issues. I try to maintain fixed timings to have a daily routine.

Our private life is equally important or even more important than professional life; after all we work so hard to have a peaceful private life. Anything in life where we don't spend time and nurture will not have expected or desired results, when you want to have a good family or private life we have to contribute our time and emotions for it. This will happen only with good time management and emotional management.

What is the best and worst part of being a Managing Director?

The best part is that you enjoy being the boss and the worst part is also being the boss. The challenge is to create a mind set to enjoy the journey of ups and downs. When things are going as desired it is good to be in the top, when there are issues and uncertainties like the COVID pandemic it becomes a very stressful and challenging Job. There are many situations where we must take tough decisions with long-standing employees, which is a very difficult task. In the present situation where there are technological breakthroughs every year, it takes a lot of effort and forward thinking to plan for disruptions.

I feel being the top executive of any business is like being a mother to a child, every mother tries her best to bring up the child and gives the best. When the child is successful, she is at peace and when something goes wrong, she is in distress. Similarly, being a Managing director, I think it is important to enjoy the journey and try our best, we may take the wrong decision, but it is important to learn from them. Bottom line is to take the blame on yourself and share the success with your team. Until we truly understand this by heart there is always a best and worst part, when we understand this, and enjoy the journey then there is only the best part. Like I already shared, being a mother is always beautiful, so being an MD has always been the best part in my professional life and I truly enjoy every minute of the journey.





TREND ANALYSIS



BUILDING CUSTOMER LOYALTY WITH THE RIGHT PLANS

High inflation rates can make it hard for retail brands to survive, but increasing customer loyalty can help. Prioritizing customer experience, enhancing communication channels, and acting on customer feedback to expand loyalty helps do it right and with perfect results. The (not?) coming recession is the worst will-they-won't-they in recent memory. Every day, the experts seem to flip flop on whether the retail industry will feel the brunt of consumers curbing their spend, or not. While consumer spending is still up year-over-year, the growth seems to be slowing and may stall out.

Building the base

One thing is for sure though: while a recession may or may not arrive, what has already arrived is high inflation. The inflation rate in the US is still around 6%, which is five times what it was ten years ago. This has been the key factor leading to many consumers keeping their wallets closed and waiting for a drop in prices.

Continued high inflation doesn't bode well for shopping in general, but your retail brand doesn't have to be a victim of reduced consumer spending if you have the right strategy in place. And that strategy can be boiled down to just two words: increasing loyalty.

Focusing on Loyalty Helps Weather the Storm

According to Hubspot, loyal customers are 50% more likely to try new products and will spend 31% over brand new customers. So, while other brands may be hustling to acquire new customers who are willing to spend, it is almost always a more effective use of your marketing dollars to focus on expanding your base of loyal customers.

During times of high inflation rates, everything is more expensive, which is a double whammy for you and your consumers. Not only does the average shopper have less to spend outside of the essentials, but most retailers will be forced to raise prices on their products to compensate for the increasing overhead costs.

Recent price increases in retail are the main reason customers are switching brands as much as they are now. In fact, more US consumers have reported that they switched retail brands in the past few months than any time since the pandemic started.

Considering unavoidable price increases, your retail brand's best move to combat this is to focus on loyalty above all else. After all, it's much harder for a shopper to switch away when they're in love with your brand!

So, what can your retail brand do to increase and expand loyalty among your current audience?

Prioritize the Customer Experience

If your prices must increase, then it's up to your team to provide an elevated customer experience that can make up for that extra spend. Exceptional customer experience (we call it clienteling) is the cornerstone of customer loyalty.

We recently wrote about elevating the in-store experience that can go a long way to boost customer happiness and thereby loyalty. One additional factor to consider is the return and exchange experience. During economic downturns, even your most loyal customers can get picky about what they eventually decided to keep. A friendly and easy returns policy puts their minds at ease when shopping with your brand.

But aren't easier returns expensive for each store? Perhaps, but the increase in sales from your happy and loyal customers will more than make up that cost. Accenture found that a well-managed return experience can drive a substantial increase in profit per customer on average over six months, and a 29% increase over a three-year span.

Other ways to prioritize the customer experience include a user-friendly online shopping platform, retraining your staff to provide that clienteling service in-store and online, and personalized product recommendations and offers.





EXPERT SPEAK



IMPACT OF USING SALES STRATEGIES ON THE PERFORMANCE OF SHOPPING MALLS

By Indraneel Majumdar



We are a group taking a walk through the mall. Typically, we have assembled near the front entrance, and I am explaining how the mall has done over a certain period. It differs in rendition from client to client, brand to brand, depending entirely on their needs and wants.

But there's one term everyone among all of us walking knows.

Trading Density.

Years back, back in 2008-09, when we first set out to lease a mall effectively after we had agreed internally upon the Retail Zoning of a mall and Revenue Share was just being espoused as the better way forward, we knew that brands that have a better city presence and a better market share of the business category in the city, would succeed. So, we sharply focused on getting those brands in.

But, to our utter surprise, we found that such brands that commanded a market and dominated customer preferences were far and between. So much so, a survey undertaken through an agency for the Bangalore City retail business yielded such inconvenient results that we had to junk it, then and there.

What was the metric then forgetting to know the best brands in every category?

That opened the world of retail performance for every mall manager to keep a good eye on.

That also opened the insight to how sales really happen and why.

One of the mall companies I worked for a decade back had periodic reviews with retailers of the mall where the store managers or even the area managers arrived to discuss things.

But sales impacts were due to stuff happening elsewhere.

Over the years, I have found that sales are impacted by:

1. Freshness of merchandise, Spring - Summer and Autumn - Winter being the fulcrum but even within that a whole lot of work happening week on week to keep stores looking brilliantly fresh with dazzling merchandise.
2. People in stores to showcase the merchandise.
3. The width and depth of merchandise to actually get yield out of every browsing customer.
4. The use of trial rooms to effectively make sales happen.
5. The last mile of offers and loyalty.
6. The supply chain of inventory 24x7.
7. The ardent reach of all products and services to make customers know more about them, in the mall and through social media engagement, beyond the mall.
8. Pricing and the equivalence of pricing across all channels - store, digital marketplaces and modern trade.

There are more points to consider but for the moment let us work with the above list.

Mall managers now needed to apply this knowledge to each brand, see the specificity pertaining to each category and brand, and work out the science for a serious relationship strategy.

A customer choice is mapped then and the right adjacencies that have come through a good zoning and mix will enable the brand merchandise to be compared correctly with its competition nearby and the customer becomes so engaged that he is bound to buy.

Week after week, brands have to work towards their sales and malls have to engage with the brands to know the leaps that the brands are taking so as to support and push the growth that is possible.



We value results and results are what is fondly known as Trading Density.

But there's the work beneath the surface that, if not done, may allow time to pass by and brands may not wake up to the merits of the location or sometimes, even the mall.

Some of the malls around the country have done all the above brilliantly and some others have gone beyond just measuring things. They've actually engineered the whole environment to a degree that's amazing!

But every mall location in every city and every store location in that mall sometimes has its own merits. So much so that when budding developers ask me about a certain location, I happily say that a mall is now possible anywhere. It's what you put into the mall that matters. Does a Borivali location in Mumbai require a larger amusement floor? Maybe it does. So, are the shopping floors to be limited? Maybe. Can that be copied to a location in Greater Noida or Alipore in Kolkata? Definitely not. Do we plan concept stores of some brands above 3000 sq ft for a mall in Bangalore? Why not? But can that be possible for a mall in Nagpur? Maybe yes.

Malls have developed the science. It's now to use it effectively to make sure brands flourish. And brands know. But unless mall managers are totally passionate and committed to the prosperity of every tenant, they will

not get this sales impact going.

From day one, Retail Performance must be a division. One can man it himself or herself or even have a one- or two-person team who hang around with the Leasing and Design heads, put ideas into their heads, ideas that start to make sense and over time, it all happens.

It's preferable if this team or person is there even before the mall starts and he brings in some insight or the other about how or why something is worth looking into. Because refits, churn or expansions are time taking. Possibly, in most malls, even very costly. Justified decisions with complete understanding so as to get into the revenue share side of the business as early as possible will take malls a long way.

We walk into a store. They have the Barbie merchandise in front of the store. Visually perfect. More of the pink, some brawny men may be put off, but you never know. They are wearing pink shirts these days. The store manager helpfully tells us that the merchandise is flying off the racks. The pricing is premium. But the timeliness of the merchandise to match with the release of the film four floors above is making a superb impact.

I wear a smile. The accompanying brand managers also look happy.

This is not just the landlord business anymore.





A TO Z of Business Terminology



Sometimes we keep hearing the same terminology, over and over. But do these terminologies register in our mind? Are you up to date with all the relevant retail business terminology?

Our A-Z guide is here to help you decode some fundamental shopping centre terminologies that come in handy when handling operations.

14. Cash and Carry Wholesaler

A form of wholesale that sells products on the spot, usually with cash only, to a purchaser who is then able to self-carry the products out themselves without having to wait for any time in between purchasing and delivery.

15. Cash Wrap

The place where a consumer goes to purchase products or services within a store, usually consisting of a cash register machine as well as supplies, such as tissue and bags, for purchases to be placed in. Cash wraps are the main checkout areas within retail stores where customers pay for their items. This is where retailers place their POS systems and other retail software that helps them to process sales. Retailer promotions, such as stocked shelves, are often placed near cash wraps to help tempt queuing customers to make impulse purchases.

16. Cannibalization

Not as gruesome as it typically means, retail cannibalization occurs when a retailer introduces a new product that ruins the sale of an existing one. You want to develop new products that fill a void or complement existing products, not replace them.

17. Card-on-File

A secure way to store customer's payment information, card-on-file technology speeds up the checkout process and rewards regular customers with a smoother experience. It can also easily integrate loyalty rewards into the system.

18. Chargeback

This is a disputed charge from a customer.

Chargeback's can be a nuisance but can be almost wholly avoided with a great POS system and an up-to-date EMV or contactless credit card machine. Remember, without this, any fraudulent transactions that are charged back must be reconciled by you, the retailer.

19. Clienteling

The process of creating a more personalized shopping experience retailers is using more in-depth data and analytics to increase sales. The technology used behind this, like big data, is still state-of-the-art and expensive, but as with any technology, will soon become more affordable for small and medium-sized retailers.

20. Cloud POS

This is a web-based point of sale that runs through the internet rather than a few computers on site. Cloud technology makes payment processing and inventory much more reliable and simpler.

21. Consignment Merchandise

Consignment shops don't own the products that they sell. Rather, individual consignors (the owner of the product) uses the consignee's (owner of the retail space) shop to sell their goods. The consignee will usually receive a percentage of each sale.

22. Consumer Packaged Goods

These are usually inexpensive, perishable goods that have a fast turnover time. Examples include pre-packaged foods, drinks, and other edible, non-durable items. The market for CPGs is highly saturated and extremely competitive due to the constant demand.

23. Conversions

A term used to describe the finalizing of a sale. This usually goes in conjunction with "leads." A lead is a prospective sale, while the conversion is the actual sale.

24. Co-Operative

A business owned by a group of members instead of investors or stockholders. Co-ops can come in a variety of forms and are feasible in a variety of industries from retail



to housing to health care.

25. Cross-Merchandising

A strategy that groups different unrelated products together to encourage the sale of each or several of them together. It can feature products that more naturally pair or can get creative and have products that are more uniquely combined.

26. Customer Resource Management

CRM is a system that can be built into your POS to help organize and manage your communication and relationship with loyal customers. A powerful POS CRM software stores basic information, allowing your cashiers to know more about your customers, and helps personalize rewards and promotions.

27. Chargeback

Chargeback's are charges that are returned to credit cards and bank accounts when a customer disputes a purchase made from their account. In cases of chargeback's, customers deal with their card or bank provider rather than directly with the merchants.

28. Contactless payments

Contactless payments refer to those powered by near field communication (NFC), which enables fully wireless transactions. They include some credit and debit cards, payments made with smart phones and smartcards. Customers tap or wave their card or phone above a payment terminal instead of swiping or inserting the card.

29. Consumers

The final purchaser or end-user of any product or service.

30. Dead Stock

Inventory in a store that has never been used or purchased by a consumer, however is from a previous season and despite multiple attempts to sell it, this stock does not sell. Dead stock is often a result of inexperienced buying, including lack of knowledge of the customer base. Dead stock is bad news for retailers. This can happen due to seasonality but also because products simply aren't popular or retailers have overbought.





KNOW YOUR MALL



Taarun V Jain, an innovative thought leader and passionate entrepreneur, currently serving as the Managing Director for Legend Malls, a prominent group of malls renowned for their unwavering commitment and consistent growth. A graduate from Delhi University with an honours degree in Commerce, Mr. Jain further pursued his academic journey with

a master's degree in business administration and finance, which has equipped him with profound knowledge and expertise in the industry. With an impressive tenure of over 15 years in the industry, Mr. Jain possesses a remarkable understanding of the intricacies involved in converting distressed locations into profitable venues. His visionary approach and dynamic leadership have been instrumental in shaping Legend Malls into a thriving and successful enterprise.

Legend Malls specialized in acquiring existing malls, lately acquired VSquare Mall and successfully transformed it into Legend Centra Mall, Bhiwadi. Get ready to experience a whole new level of shopping, dining, and leisure like never before. This issue of "Know Your Mall" takes you on a tour of the fabulous offerings and exciting features that make Legend Centra Mall a must-visit destination in the city.

Mall Specifications : Legend Centra Mall covers an extensive area of 1.7 lakhs per sqft and is conveniently located for easy accessibility. With five floors, including a terrace and basement area, it offers a spacious and enjoyable shopping experience.

Mall Facelift : Legend Centra Mall is undergoing a stunning facelift, transforming it into a modern and stylish destination. With its fresh and contemporary design, the mall provides a visually appealing and comfortable shopping atmosphere for visitors.

Premium Legend Cinemas : Experience the magic of the silver screen at the premium Legend Cinema. With plush seating, state-of-the-art sound, and visuals, this cinema offers a luxurious movie-watching experience. Enjoy the latest blockbusters or indulge in retro movie

marathons at this sophisticated cinema hall.

First-time Brands in Bhiwadi : Legend Centra Mall is proud to introduce renowned brands like Lifestyle, Croma, Mr. DIY, Look Salon, Miniso, Vero Moda, Only, Jack & Jones to the Bhiwadi city for the first time along with already trading stores in the mall, i.e., Vishal Megamart & Pepperfry. Residents can now access their favourite brands without having to travel long distances.



Biggest Food Court : Legend Centra Mall houses the biggest food court in the city, offering a wide variety of culinary delights. Whether you crave Dominos, Burger Singh, MOC, Roll & Bowls, Nazeer, along with exclusive Haldiram restaurant, this food court has something to satisfy every palate.

Ample Parking Space: Parking worries are a thing of the past at Legend Centra Mall. With ample parking space in the basement and outer periphery, shoppers can enjoy a hassle-free shopping experience without worrying about finding a spot for their vehicles.

Unique Brewery Concept: Coming soon to Legend Centra Mall is a one-of-a-kind brewery on the terrace. Here, you can unwind and savour freshly brewed beers, handcrafted cocktails, and delightful bites while enjoying breath-taking panoramic views of the city.

Planning for a Unique Gaming Zone: Legend Centra Mall has plans to introduce the city's first-ever Gaming Zone. Brace yourself for an exciting play area and bumper cars that will provide endless entertainment for both kids and adults. Get ready for thrilling fun and create lasting memories at this unique gaming zone.





GROWTH OF AI IN RETAIL INDUSTRY



ARTIFICIAL INTELLIGENCE A GAMECHANGER FOR RETAIL INDUSTRY



In recent years, AI has advanced significantly. A solution that was once only seen in science fiction movies is now the standard for all different kinds of products, businesses, and procedures around the globe.

The adoption of artificial intelligence (AI) by businesses across industries has sped up the digital transformation process. It's evident that AI is one of the fastest-evolving technologies available today with the most varied applications that are applicable across industries given that the global AI market size is anticipated to reach \$266.92 billion by 2027.

One of the most disruptive trends today is the digital transformation of the retail industry. Whether start-ups or major corporations adopt it, digital retail has the potential to completely change the way consumers shop.

Today, artificial intelligence (AI) could enhance a wide range of activities by analysing massive amounts of data to pinpoint problems and suggest potential fixes. Due to its ability to automate tasks, spot trends, and other things, it also has a significant impact on businesses. Article presented by PPZ explains why the future of AI looks promising and exhaustive consideration on same.

RETAIL IS EVOLVING FAST, AND ARTIFICIAL INTELLIGENCE IS LEADING THE CHARGE

During the forecast period, it is anticipated that the global artificial intelligence market in the retail sector will grow at a CAGR of 35%. The introduction of artificial intelligence in retail is changing the industry. Today's businesses track their operations to support corporate goals, produce better outcomes, and interact online with clients. Global artificial intelligence in the retail sector is expanding due to an increase in smart device and internet users, increased awareness of AI, big data analytics, and government initiatives towards digitalization.



There is more to digital transformation in retail than simply connecting things.

It entails transforming data into insights that inform choices and boost business performance. These insights are produced by AI in the retail sector, particularly machine learning and deep learning. Excellent customer experiences, opportunities to increase sales, quick innovation, and shrewd operations are the results for retailers, all of which help one stand out from the competition.



Industries that use AI to Improve their operations

1. Manufacturing 2. Healthcare 3. Finance 4. Retail 5. Education and 6. IT Industry etc.

Machine learning and deep learning are the two AI techniques that are most frequently used.

Businesses in the retail sector use deep learning and machine learning technologies to give customers a more individualised experience and an engaging environment. The retail industry is embracing computer vision, a branch of deep learning in artificial intelligence. **Customer experience, demand forecasting, inventory management, and other new retail use cases are becoming feasible.**

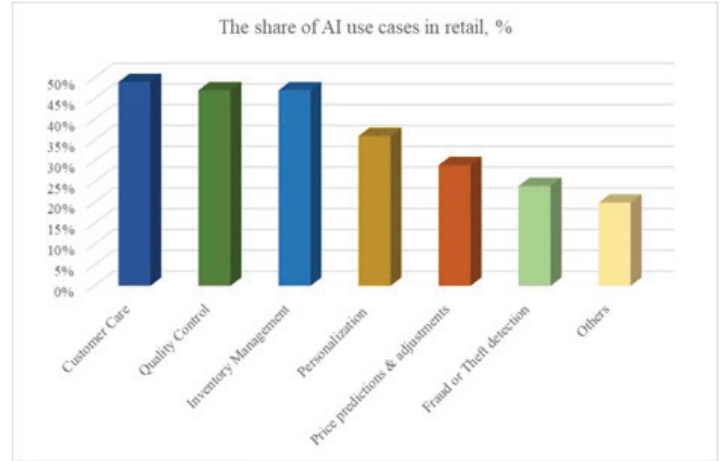
Artificial intelligence is becoming more and more popular among retailers who want to stay competitive. **They have access to streams of data thanks to AI, which enhances their decision-making process' speed and efficiency.**

Meanwhile, 325,000 retailers will employ machine learning in some capacity by 2023. Additionally, because their CCTV cameras can gather pertinent visual data, retailers are already well-prepared to use AI. **Image classification, object detection, optical character recognition, human pose estimation, and activity recognition are just a few of the tools that are already helping retailers enhance the experiences of both their customers and their employees.**

In this article, we'll examine some of the most intriguing applications of artificial intelligence (AI) in retail and outline the underlying technology.

We shall talk about the following:

- Checkouts without a cashier
- Inventory control
- Analysis of consumer behaviour
- Product placement and planograms being examined.
- Crowd research
- Retail uses of optical character recognition
- Future Retail Applications of AI



AI in retail: Nine biggest business benefits

Increased supply chain efficiencies | Improved customer satisfaction | Optimized product location | Personalization leading to higher sales | Reduced costs | Optimized, data-driven decisions | Enhanced personnel planning | More eco-mined operations | Bolstered security.

Here are a few of the industry's most important AI applications:

• Automatism

• Many tasks that were previously completed by humans are now routinely automated thanks in large part to artificial intelligence. As a result, employees can devote more time to providing excellent customer service and less time to tedious tasks.



• Computers have made it possible for businesses in the retail sector to handle more difficult tasks, like resolving client issues. These developments lead to increased sales, improved productivity, overall profit, and favourable environmental outcomes.

• Crowd Analysis

• To detect customers entering and leaving the store, object detection is now used. Retailers can then use this foot traffic data which involves counting people to analyse metrics that





help them understand why people buy their products, as well as their general in-store behaviour, reactions to products, and customer preferences.

- It offers analytical data that helps the retailer manage their stores more effectively and can be used to better understand and manage lines, staff changes, and other aspects of store operations.

• Loss Mitigation

- Self-checkout innovation is being sparked by AI technology, which provides a safe scanning method and aids in reducing shoplifting. It can operate independently of human intervention and gives customers greater control over the purchasing process. AI authentication will be used in the new system to log information on shady shoplifters.



• Sustainability

- Retail operations could become much more sustainable with the help of artificial intelligence. By tracking emissions and encouraging recycling, AI forecasting tools assist businesses in becoming carbon neutral. Artificial intelligence also lessens the amount of waste that is dumped in landfills and lessens the environmental impact of travel to physical stores.



• Reducing Expenses

- Retail companies can become more organised and efficient by implementing artificial intelligence, which will enable them to make data-driven decisions. It's expected that AI will automate repetitive tasks and improve more difficult work, like scheduling, tracking, and delivery. All these innovations have the potential to significantly improve the productivity and ease of doing work for employees.

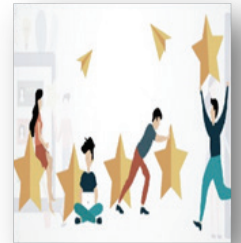


Caper Components



• Cashier Less Checkouts

- A checkout without a cashier is one that doesn't need one. Instead, a customer enters the store, adds items to their shopping cart, pays for the items, and leaves without ever having to interact with a human assistant.



- Thousands of cameras, IoT sensors, and computer vision-based systems are used in a cashier less retail setting to:

- Finding and comprehending customer interactions
- Object detection algorithms make it possible to keep track of product movement.

• Customer Gratification

- Consumers benefit from AI as well. For instance, chatbots can provide customers with quick store navigation assistance and tailored product recommendations. AI speeds up and improves checkout by making personalised recommendations. Businesses can demonstrate to customers that they value their time and are prepared to go above and beyond to ensure they have the best experience by using AI in this manner.

- The Smart Kiosk system, one of the services SandStar has developed, is intended to help retailers overcome operational difficulties by using multidimensional data and visual analysis. Our Smart Stores empower companies to take wise decisions to streamline daily operations.



• **Retail AI use case** : Sephora the online beauty products retailer has added more features to its chatbot. They are mentioned as follow:

- Color match reservation assistant
- The two new Messenger bots provide customers with better ways to interact with Sephora by streamlining their access to pertinent services.

• Customer Journey Mapping

• Retailers all over the world believe that customer journey mapping is an effective method for enhancing the customer experience. Retailers use data and AI to create a more precise picture of the journey of their customers. This enables them to see an increase in sales and analyse decrease in the marketing budget if any.

• Shopping that is customised

• AI-driven analytics and machine learning algorithms are used to analyse customer data, including purchase history, and browsing behaviour.

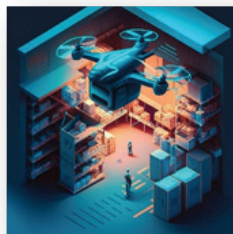


• AI retail use case: As an omnichannel retailer, Amazon personalises each customer's homepage using analytics powered by AI and information gleaned from their purchases, preferences, wishlists, and cart entries. To better understand its customers, Amazon collects historical and real-time data. The company then employs hyper-personalized marketing campaigns to raise customer satisfaction and experience levels.

This results in a custom shopping experience, leading to an increase in sales, both online and offline.

• Optimising the supply chain

• AI is also used to optimise the supply chain, from production to delivery, to cut costs and boost productivity.



• According to McKinsey & Company, AI-powered supply-chain management forecasts can cut errors by up to 50% and decrease lost

sales and product unavailability by up to 65%.

• **Retail AI use case** : Zara adjusts the production schedules and quantities in its supply chain based on the demand forecasts produced by its AI algorithms. By doing this, the retailer makes sure that there is sufficient production of its best-selling products while avoiding overproduction of less popular items.

• Inventory Control

• It is the process of making sure one has enough inventory to satisfy customer demand, both offline and online.

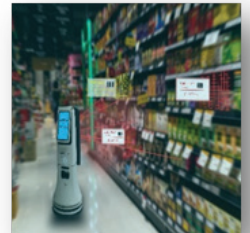
• Retailers use AI-powered technology like camera vision and sensors to help them see what needs to be restocked in real-time because they can't have eyes everywhere.

• Retailer Lowe's AI use case - In its high-touch departments, Lowe's uses tiny cameras that are mounted on shelves. These cameras broadcast live data on shelf stock levels. The staff can quickly replace the supply on the shelf from the stock room merit to the system's real-time notification sent to devices throughout the store.

• Forecasting and management of demand

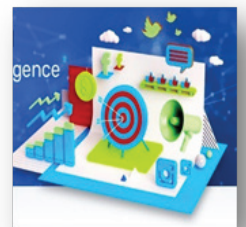
• One of the key tactics for business development is determining the demand for goods or services.

• Inventory managers can maintain their product lines in accordance with demand with the aid of AI-powered demand forecasting strategies. To predict demand accurately, AI and ML techniques are used. They aid in comprehending seasonal trends. Therefore, by forecasting demand, retailers can prevent stock-outs.



• Sales promotions and marketing

• Person perusing a rack of clothes AI-powered CRM and marketing systems can teach themselves more about your customers' preferences and behaviors, which will allow one to create more precise customer profiles. Retailers make use of this data to





deliver more tailored campaigns with relevant incentives or product suggestions.

- The sales representative for Conversica is a prime example of this. The main purpose of this software is to automate and enhance the sales process by starting conversations with online leads, which generates an average engagement rate of 35%. Additionally, it can assist you in re-engaging current leads, which will increase sales.

• Field representatives can offer retail partners highly personalised customer service.

- Retailers, who face a lot of pressure, value insightful information based on their clientele and the area in which they operate. A field representative's relationship with a retailer will be strengthened and they will make more sales if they can share AI-driven insights on product trends and consumer behaviour.

• Virtual fitting rooms

- Virtual fitting rooms are a great way for customers to save time and find the perfect outfit with all the elements perfectly matched in a span of minutes. A virtual fitting kiosk from Me-Ality can scan you in 20 seconds and measure points of one's body in this period. Companies like Levi's, Gap, Brooks Brothers, Old Navy, and others installed these scanners in their stores and received massive sales increases.



- With personalization, automation, and greater efficiency, artificial intelligence has the potential to completely revamp the conventional retail experience.

• Offline retailers

- We can put these things into practise to enhance the shopping experience in actual stores: Application of kiosks When you have a picture of a specific item, such as a dress, you can send it over Bluetooth or Wi-Fi to a kiosk, which then displays the exact or a dress that is similar in the store. It will also directone to the dress's exact location in the shop.

• Chatbots

- Chatbots are essential for retailers because they are how the personalised, dependable, and interesting CX

that clients from all over the world demand can be delivered. NLP and computational linguistics are used by chatbots to help businesses reach new customers, respond to customer questions, understand how customers behave, and, occasionally, boost sales.



• Fraud prevention:

- Over the past ten years, the retail sector has struggled with in-store frauds that are growing quickly. But with the aid of the appropriate vendors, contemporary retailers around the world are utilising a combination of beacons, smart detectors, machine learning, and video analytics to help detect peculiar behavioural patterns that may indicate the likelihood of theft or fraud.

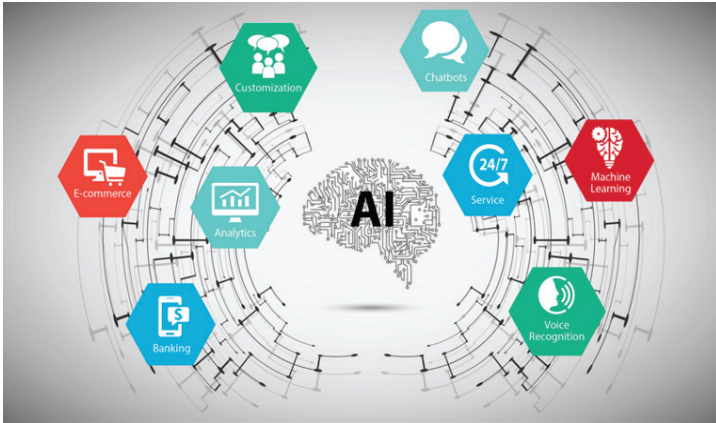
• Video analysis

- The video analytics industry is ready for an upgrade thanks to significant advancements in computer vision technology. The videos captured by the CCTV cameras at a shopping centre will provide useful information, such as time spent by customer looking at each item and who is taking an item off themselves and keeping it on themselves without adding it to the cart.



- With the help of this intelligence, the store will be able to take the necessary actions, such as making offers in areas with the fewest customers and rearranging the product shelves so that appealing items are placed on low-selling shelves and vice versa.

- When someone tries to put something in their pocket without paying for it by placing it in the cart, a security alert will be displayed on the screen. It will be easier to understand their customers and act accordingly with information like the number of people who visited their store at a particular time, their age, and gender.



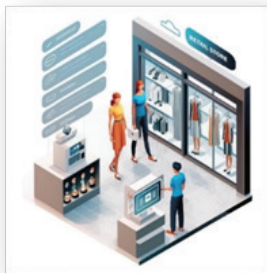
In a nutshell

Without a doubt, in the rapidly changing socio-economic environment, new technologies like artificial intelligence (AI) can aid businesses in achieving tremendous growth. Companies that don't join the trend are probably going to lose relevance soon. Companies must switch to automated processes, gain better insights, and increase customer engagement to increase revenue, and integrating AI can accomplish all these goals.

Few usages of AI applications for varied retail formats are remarked below.

1. AI is used by Neiman Marcus for visual search.

Neiman Marcus, a high-end department store, uses AI to make product discovery simpler for customers. Users of the Snap. Find. Shop app can snap pictures of items they see while out and about, and the app will then search the inventory of Neiman Marcus to find the same or a similar item.



The photos can typically find a very similar match instead of using ambiguous search terms to find an item.

2. Robots are used by Walmart to scan shelves.

One of the biggest retailers in the world, Walmart intends to employ robots to help patrol those lengthy aisles. In dozens of its stores, Walmart is testing robots that can scan shelves. The robots search the shelves

for items that are missing, need to be restocked, or have their price tags adjusted.

3. ThredUp Makes Sense of Customer Preferences Using AI

ThredUp, an online consignment store, recently introduced Goody Boxes, which contain a variety of used clothing items matched to each customer's personal style. Customers return the goods they don't like while keeping and paying for the items they do. Each customer's preferences are remembered by an AI



algorithm so that upcoming boxes can better suit their taste.

4. Amazon uses AI to replace cashiers.

Without mentioning Amazon and its ground-breaking Amazon Go store, no list on retail AI would be complete. Without having to go through a cashier, customers can enter the store, grab what they need from the shelves, and leave. Customers' purchases are tracked by sensors and cameras placed throughout the store, and their Amazon accounts are charged when they leave. To avoid making customers wait in line, AI aids in the creation of a quick and seamless shopping experience.



5. Uniqlo's AI Can Read Minds

Clothing retailer to create a distinctive in-store experience, Uniqlo is a leader in the use of science and AI. A few stores have UMood kiosks powered by AI that display a range of products to customers and monitor their neurotransmitter responses to the colour and style. The kiosk then makes product recommendations based on each person's responses. Customers don't even need to press a button; the system can tell how they feel about each item just from their brain signals.





6. Olay Personalizes Skincare With AI

Olay customers can receive personalised skincare care with the aid of AI without having to visit a dermatologist. Customers can use Olay's Skin Advisor to take a selfie of their unadorned face and have the app use artificial intelligence to determine their true skin age. The app assesses skin health and offers personalised skin care regimen recommendations for problem areas.



7. H&M Utilizes AI To Maintain Stock of Popular Items

To succeed, popular clothing retailer H&M depends on following fashion trends. To evaluate purchases made at each store, the retailer uses AI to examine store receipts and returns. The algorithm enables the store to decide which products to advertise and stock more of in specific areas. If the data reveal that floral skirts are popular in urban stores, the inventory may be adjusted to satisfy consumer demand.



8. Robotic order pickup streamlines by Zara

A common choice for customers is to order online and pick their items up in-store. Recently, the fashion retailer Zara began utilising robots to assist customers who come to pick up their orders. Customers enter a pickup code when they enter the store, and the robot in the warehouse begins to move. The robot then uses a drop box to deliver the order once it has been located.



9. Chain of unmanned stores owned by JD.com.

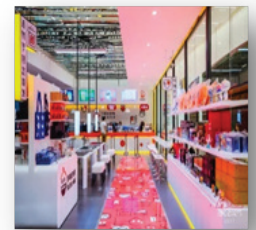
One of the businesses bringing checkoutless shopping to the mainstream is JD.com, the second-largest online retailer in China. The JD stores track retail activity using facial, image, and RFID (radio frequency identification) technology. In-store cameras, for instance,

"recognise customers'

movement and generate heat maps of the activity to monitor traffic flow, product selection, and customer preferences, helping store owners to stock efficiently." Once a person is done shopping, they walk through a billing tunnel to pay. A sensor reads data from items' RFID chips to make a virtual check. A camera identifies the shopper, and their payment account is charged.

Souvenirs, wine, coffee, and snacks at Alibaba stores.

Alibaba, China's leading eCommerce company, sells branded merchandise in Futuremart, its cashierless store. Wine lovers can check out the cashierless store, its concept introduced previously at Vinexpo Hong Kong. In 2017, the eCommerce heavyweight created a buzz with its pop-up Tao Cafe.



10. Chaayos Goes 'Chai-Tech' With Facial Recognition

To suit the distinct tastes of India, Chaayos sought to specialise in customization. Chai Monks are IoT-enabled chai robots. However, customising on a large scale was difficult, which is how the idea for them was developed.

With less human involvement, the product, which was introduced in 2016, takes orders and prepares the tea. The cloud is used to integrate it at the point of sale. When performing all of this manually, a significant amount of training is required, and there is a chance that something will go wrong at every stage. 80 % of the work was done by machines, and 20 % by people. Customers can place an order on the dine-in app up to a few minutes before arriving at their chosen location, and Chai Monk will have their order prepared for them when they enter, making the process much quicker than most alternatives.

Chaayos recently added facial recognition for logging in, including in its Bengaluru cafes, after Chai Monk changed the game for the company. Regular





customers can place repeat orders and pay without having to worry about OTP. The process will take just 20 seconds instead of two minutes thanks to the use of facial recognition.

Future of AI in real-world retail

Future applications of AI may also include the following:

- Instead of using paper price tags, smart shelf tags could include information about promotions and nutritional value.
- Robot store clerks could help in locating the appropriate item in a variety of languages or make product recommendations that would go well with the items one already has in their shopping cart.
- Instead of the usual delivery vehicles driven by humans, items could be delivered by robotic units or drones. **Even though they are not yet commercially available**, Dominos is already using these units. Additionally, the biggest online retailer in the world, Amazon, is developing delivery drones that could deliver your packages anywhere in the world in 30 minutes.
- Using voice and visual search could make in-store shopping easier. Simply upload a photo or ask Alexa to locate the item you want to purchase. These technologies are already being used by companies like Walmart and Costco to boost sales in their physical locations.
- One could choose the ideal outfit or the best couch for your living room without having to go to the store by using virtual fitting rooms that scan your entire body or your apartment.
- AI robots could be used for quality assurance and inventory replenishment, further streamlining back-office operations, and freeing up store managers' time for other, more beneficial tasks.

Bottom Line -

The advent of these cutting-edge technologies has opened a floodgate of enormous opportunities, while traditional forms of analytics were serving the data-enabled retail industry just fine. Data scientists can now gather information from a variety of sources and provide businesses with in-depth insights. As cooperation between retailers and technology firms spurs innovation and growth in the industry, the use of AI in retail will grow in the future.

• The area of AI where machine learning will grow the fastest expanding supply chain digitization observing the novel applications and use cases that the retail sector will produce in the future will be exciting. With the help of actual data, one can replace intuition and make better business decisions.

• In addition, we discussed to successfully integrate AI into your operations and delight your customers, however one must better understand their audience. Building trust with your customers requires being open and transparent about the information gathered and how it is used.

• Maintaining competition in your specific retail niche and being ready for success with your AI tools can be achieved through constant learning and improvement.

• The only thing left to do is use the advice provided here and put it into practise in respective retail malls and stores to enhance customer experience and boost sales. But bear in mind that investing in AI in retail, or any other industry will cost money, and it will take time to see results. Make sure to establish long-term goals that will assist one in defining success and creating benchmarks that one can use to gauge it.



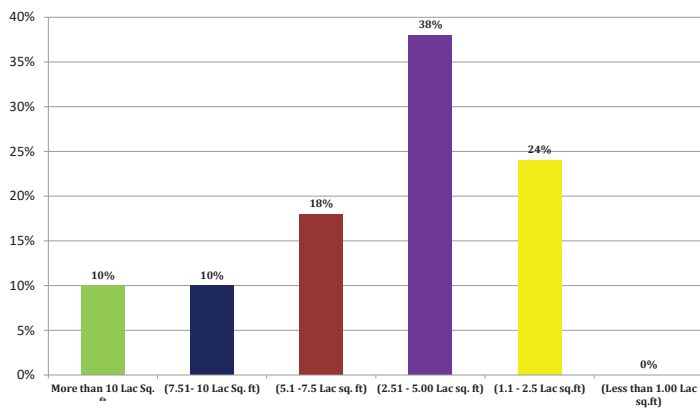
Explicitly stated:



Business Trend Analysis Quarter-1 FY 23-24

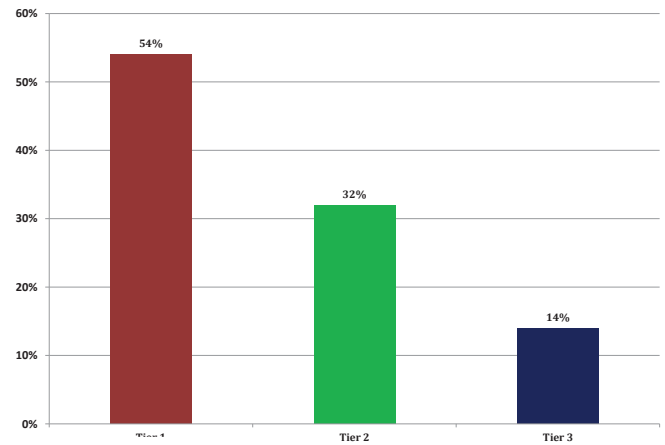


Responses as per Mall sizes



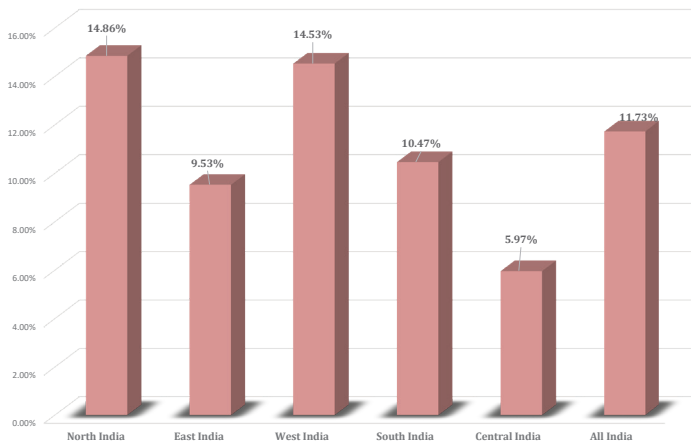
***Percentage of responses as per Mall Size

Tier Wise Responses



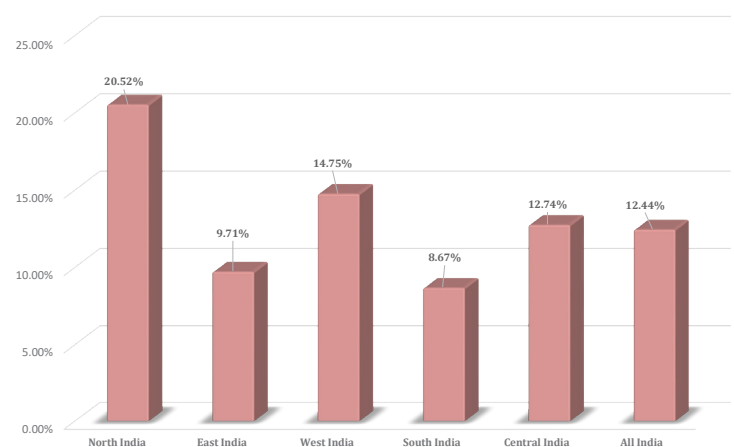
**Percentage of Responses Tier Wise

Mall Consumption (1st Quarter 2023-24 vis-à-vis 1st Quarter 2022-23)



**Calculations are on the basis of Weighted Avg. Method

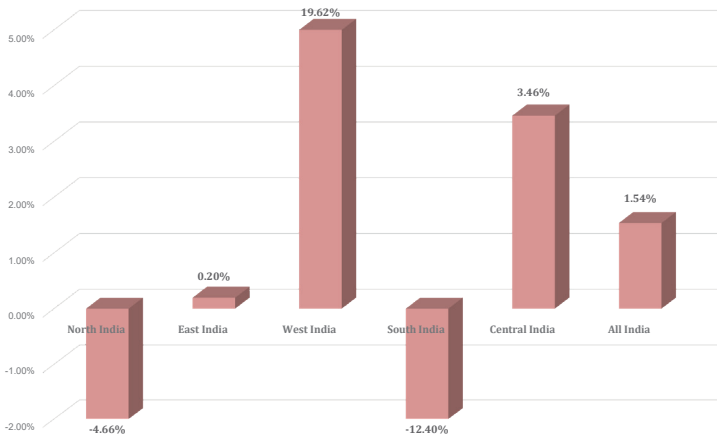
F & B Sales (1st Quarter 2023-24 vis-à-vis 1st Quarter 2022-23)



****Calculations are on the basis of Weighted Avg. Method

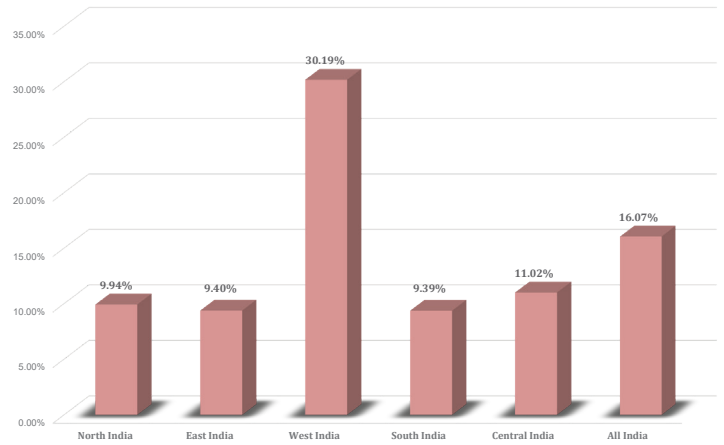


Multiplex Sales (1st Quarter 2023-24 vis-à-vis 1st Quarter 2022-23)



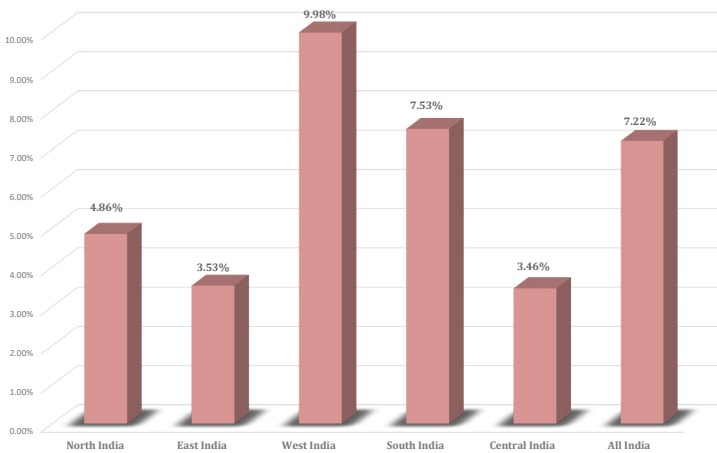
****Calculations are on the basis of Weighted Avg. Method

FEC Sales ((1st Quarter 2023-24 vis-à-vis 1st Quarter 2022-23)



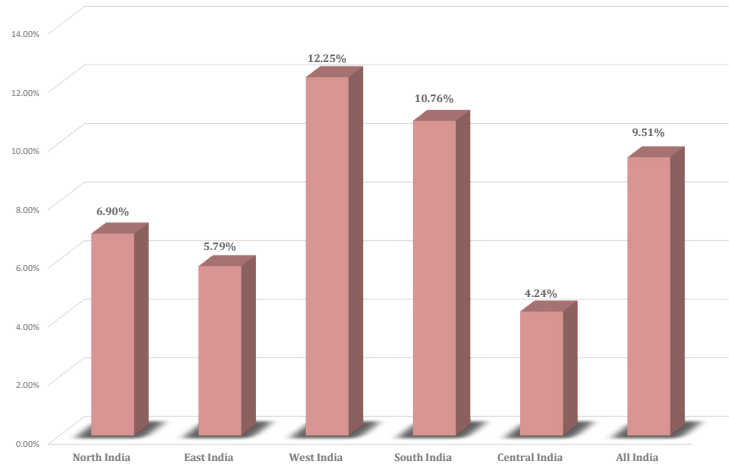
****Calculations are on the basis of Weighted Avg. Method

Mall Occupancy Level (1st Quarter 2023-24 vis-à-vis 1st Quarter 2022-23)



****Calculations are on the basis of Weighted Avg. Method

Rental Per sq. ft. on BUA (1st Quarter 2023-24 vis-à-vis 1st Quarter 2022-23)



****Calculations are on the basis of Weighted Avg. Method



EVENT WATCH



Udaipur's Leading Urban Square Mall Felicitates Young Chess Champions on International Chess Day

Urban Square Mall, Udaipur's premier retail and lifestyle destination, distributed prizes to the winners of the "Battle of The Knights July 2023" Chess Championship on 20th July 2023, International Chess Day. "Urban Square Mall Open Free Age Group Chess Championship 2023" was a remarkable event that catered to young chess talents, focusing on nurturing and promoting their skills. The competition spanned over two days, 15th and 16th July 2023, featuring players across various age groups, including Under 7, 9, 11, 13, 15, 17, and 19.



Hon'ble CM of Andhra Pradesh Jagan Mohan Reddy Lays Foundation Stone for Inorbit Mall in Visakhapatnam

The Hon'ble Chief Minister of Andhra Pradesh Y.S. Jagan Mohan Reddy today laid the foundation stone to flag off the construction of the K Raheja Corp's ambitious Inorbit Mall project in Visakhapatnam in the presence of several dignitaries. Among those that attended the mall's brick-laying ceremony were Neel C Raheja, Group President, K Raheja Corp; Rajneesh Mahajan, CEO, Inorbit Malls; Smt. Vidadala Rajini Garu, Hon'ble Minister For Health, Family Welfare & Medical Education, and District In-charge minister; Shri Gudivada Amarnath Garu, Honourable Minister of Industries, & Commerce, Infrastructure & Investment, Information Technology and other dignitaries. Spread across 17 acres leased from the Visakhapatnam Port Authority (VPA), Inorbit mall will have 6 lakh sq. ft of gross leasable area and will be built at a total investment of ₹600 crore. This will be the fifth Inorbit mall in India. The first-of-its-kind expansive

mega-mall project, located in Kailasapuram, near the Visakhapatnam Port Authority hospital, is set to disrupt the retail landscape of the state and change the face of the local economy by employing thousands of people.

Phase I of the construction, that will see the opening of over 250 national and international brands, a multiplex, food court, terrace garden and family entertainment centre, will be ready by mid-2026. Phase II will add 2.5 lakh sq. ft of office space by 2027 and Phase III will see the development of a 200-room 5-star hotel and banquets that will commence operations by 2029.

On the eve of the ceremony, Rajneesh Mahajan, CEO Inorbit Malls said, "We are thrilled to join Andhra Pradesh's remarkable growth journey through Inorbit Visakhapatnam. This grand mall will be the largest retail project in the state and promises to redefine its retail landscape by presenting its people with an aspirational social space that will create a new benchmark in the country."





WELCOME NEW MEMBER



WARM WELCOME TO SCAI NEW MEMBER LAKE MALL, KOLKATA



Lake mall in Kolkata is located in the eastern part of the city, near Salt Lake City & Howrah. With variety of shops and services. With a GLA of approx., 2,50,000 lakh sq. ft. has a large variety of retail Brands, restaurants and best Food court in the city of Joy.

It also has a 4 screen multiplex and world class gaming zone.

The mall often hosts events and promotions. It is popular among locals, tourists, NRI's and expatriates alike and is a great place to shop, eat and relax.





NEW ON THE BLOCK BUILDING NEW OPPURTUNITIES



Pacific Group is proud to introduce the upcoming Pacific Mall, The Mall Of Faridabad, which is all set to become the latest hub of retail and entertainment in the city and beyond. With a sprawling area of 3.8 lac sq. ft., The Mall strives to offer an unparalleled shopping experience to all its visitors.

Located in the bustling NIT Faridabad area, the Mall is poised to take the lead as the city's premier location for fashion, entertainment, and lifestyle experiences. With its contemporary design and state-of-the-art facilities, the mall promises exceptional customer satisfaction in every aspect of its design and operations.

The Mall is designed to offer an immersive and opulent experience for everyone. The team is excited to bring this world-class destination to the heart of Faridabad and look forward to welcoming customers soon.



CELEBRATE FREEDOM CELEBRATE TOGETHERNESS



India is celebrating 76th year of Independence. Shopping Malls celebrate the independence day with great enthusiasm and gaiety. Please post the independence celebration videos in Instagram and Facebook.

Please do share the 15th August celebration photographs with SCAI. We shall be publishing it in the Mall Talk September 2023 issue.

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