

In a Nutshell

Zydus Buys Select Animal Health Brands of Zoetis

NEW DELHI Zydus Cadila has expanded its animal health business with the acquisition of some select brands and a Haridwar-based manufacturing facility of Zoetis, a global animal health company, for an undisclosed amount. "The Ahmedabad-based group has acquired select brands and the manufacturing operations in Haridwar of Zoetis," Zydus Cadila today said in a statement. The acquisition will help Zydus expand its animal health business in India and gain access to manufacturing operations that cater to global markets, it said.

UPS Ties Up with First Flight for India Business

MUMBAI International express delivery major UPS has tied up with homegrown logistics player First Flight Courier (FFCL) to act as its domestic shipping outlet. Indian customers will be able to book international shipments with FFCL, which will in turn make use of UPS's global shipping network, UPS said in a statement. "Demand for international express delivery service is on an upswing in India, with increasing penetration in cities and towns... First Flight Couriers is a valuable ally (for us)," UPS India's managing director Mark Martyn-Fisher said.

K Raheja Group to Invest ₹525 crore in Next 3 Years

NEW DELHI Homegrown retail major K Raheja Group, which runs Shoppers Stop and Hypercity chain of stores, will invest around ₹525 crore over the next three years to expand network and integration of online and offline sales channels. The group plans to add up to three stores of its mega store format Hypercity and 6-7 of Shoppers Stop every year. "The biggest expansion is happening in Shoppers Stop and Hypercity. We are adding 8 to 10 stores combined... We are adding 6 to 7 stores in Shoppers Stop and 2-3 Hypercity stores every year," Shoppers Stop MD and customer care associate Govind Shrikhande told PTI.

TCIF Invests \$5 m in Alef Mobitech Solutions

MUMBAI Tata Capital Innovations Fund (TCIF), a private equity fund managed by Tata Capital, has invested around \$5 million in Alef Mobitech Solutions. The investment by TCIF will help Alef Mobitech Solutions strengthen its business development, marketing, research and development initiatives to establish a leadership position in the mobile internet space, TCIF said in a statement. "The consumption of data in general and videos in particular is increasing exponentially. While smart phones have become ubiquitous, the current mobile technologies available are unable to handle the enormous growth in mobile data," Tata Capital Innovations Fund Partner Vineet Chadha said.

BOARD GAMES CONTINUE While entities like Aditya Birla Group and Kuoni have decided to make some changes at the top, Reliance Jio has seen another senior-level exit and Paytm has roped in an exec for its payments bank foray

Vishal Suri is New MD of Kuoni India

Rajeev Wagle steps down as MD in the first top-level change at the company after its takeover by Thomas Cook India

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Mumbai: The first top-level change at Kuoni India after its acquisition by rival Thomas Cook (India) is the replacement of managing director Rajeev Wagle, who has stepped down following a rejig. Vishal Suri, Kuoni's chief executive officer for four operating, has taken over as the new managing director, Thomas Cook (India) said in a statement. Suri is a former Thomas Cook hand and

was chief operating officer for its leisure business since 2005 before moving to Kuoni India as deputy chief operating officer for four operating in 2012.

Wagle, who resigned effective January 4, has decided to "pursue his interests outside the organisation," the company said in the statement.

Wagle joined Kuoni India as MD in 2012 after a stint as group chief financial officer at UTV Software Communications. Wagle had previously worked with Kuoni as CFO from 2000 to 2008. He was involved in the integration of inbound travel brand

Change of Guard

Suri is ex-Thomas Cook hand & was CEO for its leisure biz since 2005 before moving to Kuoni India in 2012

According to co, Wagle resigned effective January 4 to "pursue his interests outside the organisation"



SITA, setting up of visa and passport services company VFS and expanding its service to over 40 countries.

Thomas Cook (India), backed by billionaire investor Prem Watsa's Fairfax Financial Holdings, acquired Zurich-headquartered Kuoni's travel business in India and Hong Kong for ₹535 crore in August. Within a week of closing the acquisition in December, Thomas Cook (India) planned to rebrand it as SOTC India. While both brands will remain independent, the companies are integrating their back-end operations to achieve synergies.

Aditya Birla Group Reshuffles Top Deck, Names Sushil Agarwal CFO

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Mumbai: Aditya Birla Group has elevated chief financial officer of Grasim Industries Sushil Agarwal as group CFO as part of a reshuffle of its management team that includes appointment of Ashish Adukia as deputy CFO of its telecom firm Idea Cellular.

Both Agarwal and Adukia are expected to take on their new roles from April 1.

Agarwal, 52, was the CFO of Aditya Birla Nuvo before becoming the CFO and whole-time director of Grasim Industries. He is credited with several acquisitions and fundraising at the Kumar Mangalam Birla-owned conglomerate. Adukia, who was working with the chairman's office, joined the group from investment bank Mor-

ON NEW STRUCTURE

We created a post of CFO to handle business complexities, harness assets and needed someone who has been with the group for a long time

SANRUPT MISRA
Group HR Head

gan Stanley in 2014 and was heading its corporate finance. He earlier worked with Citigroup Global Markets and global con-

sultant PricewaterhouseCoopers. The term said the appointments were part of its career development process.

"We created a post of CFO to handle business complexities, harness assets and needed someone who has been with the group for a long time," said Sanrupt Misra, group human resources head. Agarwal has been with the group for more than two decades. "Adukia's new role was given to provide him with stronger experience in operations," said Misra. As deputy CFO of Idea Cellular, India's third largest mobile telephony company by subscribers, Adukia will report to the CFO Akshaya Moondra.

On Monday, the group had announced the completion of the merger of its company Aditya Birla Chemicals with Grasim Industries.

Paytm Ropes in Former ITC Exec Khullar

Varun Khullar will head partnerships division at company's payments bank

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New Delhi: Mobile payments and commerce firm Paytm has appointed former Boston Scientific Corporation and ITC executive Varun Khullar as the head of partnerships division at its proposed payments bank, for which it has started building the leadership team.

Prior to joining Paytm, Khullar, an alumnus of IIT Madras and Indian School of Business, Hyderabad, worked with

medical devices firm Boston Scientific Corporation for about three years, besides having stints with consulting firm McKinsey and Co and tobacco-to-hotels conglomerate ITC.

Prior to joining Paytm, Khullar worked with Boston Scientific Corp, McKinsey and ITC

"Varun Khullar will be part of Paytm's proposed payments bank and will be leading the relationship with our potential partners, including insurance companies, banks and non-banking financial institutions," said Amit Sinha, vice-president—business and people at Paytm.

Khullar's appointment comes about three weeks after the largest mobile payments and services company in the co-

untry, which is backed by Alibaba Group and Ant Financial, named former Amazon India executive Vikas Purohit to lead the proposed payment bank's offline expansion of its agent network.

Both Khullar and Purohit, who till recently headed the fashion and lifestyle category at Amazon India, hold the position of vice-president in the organisation. "We're hoping to have most of the major positions covered in the next 3-4 months," Sinha said.

In August 2015, Paytm, along with 10 other entities, received in-principle approval from the Reserve Bank of India to start payment banks in the country, as part of the central bank's efforts to enhance financial inclusion and promote cashless payment services.

According to Paytm's Sinha, the company is currently in discussions to recruit the CEO of the payments bank unit.

Rel Jio's Optic Fibre Unit Chief Puts in Papers

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New Delhi: The president and chief operating officer of Reliance Jio Infocomm's optic-fibre operations, Ralph Steffens, has left the company and joined London-based global mobile network firm Truphone as its chief executive.

Steffens confirmed his resignation from Reliance Jio's FTTX Business. "Ralph Steffens was working on the technology aspect of FTTX. He has relocated after successful completion of his 2-year contract," a Reliance Jio spokesperson said.

The FTTX business involves laying lakhs of kilometres of optic fibre to take broadband to subscribers, be it retail or enterprise.

Steffens is the latest of senior-level executives who have over the past year left the Mukesh Ambani-owned company, which is preparing to commercially launch high-speed broadband services. In 2015, managing director Sandeep Das, president-enterprises Sumit D Chowdhury and chief financial officer R Srikanth left the company. Das recently joined Analysys Mason in a senior advisory role, while Chowdhury started his own venture, called GAIA Smart Cities. Srikanth joined Chennai-based TVS Logistics as group CFO.

Jio last month test launched 4G service for group employees. The complimentary offer for staff will continue until it launches services commercially, widely expected in March-April. In addition to 4G wireless services, Jio is rolling out high-speed internet services via FTTX in over 900 cities and towns. High-speed fibre connectivity is expected to help it provide a wide range of digital services.

Steffens is the latest among a few senior-level execs who have left the company over the past one year

Oyo Rooms Founder Makes it to Forbes '30 Under 30' List



Ritesh Agarwal FILE PHOTO

Press Trust of India

New York: 22-year-old Ritesh Agarwal, founder, Oyo Rooms, is among the 45 Indians or Indian-origin people who have made it to Forbes' annual list of achievers under the age of 30.

The Forbes fifth annual '30 Under 30' list features 600 women and men, who are America's "most important young entrepreneurs, creative leaders and brightest stars" and are "changing the world" across 20 varied sectors such as consumer technology, social entrepreneurship and industry.

"In the past, you was a handicap to professional success. Getting older meant more resources, more knowledge, more money. No more," Forbes said. "Those who grew up in the tech age have way bigger ambitions—perfectly suited to the dynamic, entrepreneurial and impatient digital world they grew up in. If you want to change the world, being under 30 is now an advantage."

Ritesh Agarwal of Oyo Rooms featured in the consumer tech segment. "In a country that lacks a steady supply of budget hotel chains, Oyo has developed a network of 2,200 small hotels in 100 cities across India," Forbes said.

28-year old Gagan Biyani and Neeraj Berry who co-founded Sprig, a mobile app that lets one find and order healthy meals and have them delivered quickly, are among others included in the list.

THE ECONOMIC TIMES Rural Marketing STRATEGY MASTERCLASS UNLOCKING MINDS

Reaching Rural Consumers Better

AN ET EDGE INITIATIVE

EXPERTS SPEAK

ARVIND SONMALE, MD & CEO, SAFL



In my experience, while the demand is there, one of the major challenges in delivering finance is the cost of distribution. Villages are thinly populated and it is not very easy to set up an establishment. This is why we need a proper distribution network to ensure the cost is effective.

VEERENDRA JAMDADE, CEO, Vritti Media



The cost of reaching the rural consumers through popular mediums are very high. Even BTL activities done on a national level are high. We have to thus strike a balance between communicating in some localized manner and using popular mass media when talking to rural audiences.

DR. ARUNA SHARMA, Addl Chief Secretary, Panchayati Raj & Rural Development, Govt of Madhya Pradesh



The aspirations of rural consumers are very, very clear and they know what possibilities are available to them. Now are we catering to that kind of a market and the kind of services they want is the challenge we have to face.

PROF. PRAKASH BAGRI, Founder & Principal of PRB Partners, Visiting Faculty IIM (Ahmedabad, Bangalore & Kolkata)



We used to think that there are two classical hierarchies of adoption; the first was selling to large metros and go smaller. However, it is a sense of déjà vu today when we are still talking about rural consumers, but the kind of products and services we want to take out to them have certainly expanded. Post 2005, technology has surprised us as the push was coming from the rural end of the spectrum.

UNDERSTANDING THE RURAL CONSUMER

The Economic Times Strategy Masterclass on Rural Marketing saw experts shed light on the psyche of the rural consumer

India is witnessing a monumental change with regard to the practices, behavior and attitude that its rural populace cherishes. With 850 million consumers in rural India comprising about 70% of the population and contributing around half of the country's GDP, India's per capita GDP in rural regions has grown at a Compound Growth Rate of 6.2% since 2000. It is fair to say that rural India is grabbing the attention of companies large and small.

The evolution of rural markets in India has opened up innumerable marketing opportunities. Rural is no longer a large homogenous mass of



> From left to right: Nilesh Mazumdar (CEO Consumer Brand Division, Ruchi Soya Industries), Dr. Aruna Sharma (Additional Chief Secretary, Panchayati Raj & Rural Development, Govt of Madhya Pradesh), Panel Chair - Ratna Viswanathan (CEO, MFIN), R Amalorpavanathan (Deputy MD, NABARD), Arvind Sonmale (MD & CEO, SAFL) and Veerendra JAMDAD (CEO, Vritti Media)

conventional assumptions. There is a need to identify prospective customers, discover new customer seg-

ments, extend the distribution networks and build relationships with channel partners in the countryside.

Marketers should devise customized marketing solutions since one size doesn't fit all.

Over the last few years, business houses have been plagued with unverified myths about the rural markets. These myths make it difficult to gauge the consumers' interest. They need to be tackled with good data so that the reality can be brought forth. Companies need transformational strategies to thrive in the competitive rural markets.

This can be done by eradicating the myths about the rural markets, which the Economic Times Strategy Masterclass on Rural Marketing looked to do. By highlighting the current best practices and the way forward, the Masterclass was a learning experience that helped brand mavens tap a segment that is catching the attention of companies up and down the country.

Rural marketing myths debunked

Even in today's evolved market, there are several myths that abound about rural marketing. We debunk some of them

Rural markets are homogeneous

This might have been true half a century ago, but with the changing times this no longer holds true. With over 6,25,000 villages in India, one can even argue that it is urban India that is more homogenous. While most of these villages would appear similar on the face of it, that is where any similarities end. There can be a world of difference from one village to the next in terms of income levels, education, facilities, healthcare etc.

There are multiple demographics that a rural marketer must keep in mind, such as caste-specific requirements that one might forget to bake into a marketing plan. Different segments of the rural market respond differently to specific stimuli or in-

puts, so one must be very particular about how their needs are being catered to.

Rural consumers are simple folk

To say that the rural consumer is a bit simpler is to do them and your brand a disservice. Don't make the mistake of dumbing down your communication, for they are often savvier than their urban counterparts since their money is more limited and they won't spend it without being absolutely sure they're getting exactly what they need. Being simple is not the same as being a simpleton, so don't make the mistake of talking down to them. They are far more evolved than they are often given credit for, with the same aspirations as their urban counterparts.

Village elders decide the actions of the village

While this still exists in pockets, the time of the Thakur, Sarpanch and Mukhiya ruling the roost across the board is no more the case. While the village elders do have a say in things, the average rural consumer makes his own decisions these days. It is the emergence of the mobile phone that has democratized information and helped create a flatter world. The rural society we know is undergoing a silent social change that will have far-reaching ramifications for marketers.

One marketing strategy is all you need

Different rural regions have different dynamics, and this calls for

unique product demands, including how it's positioned, promoted and even packaged. By putting a great deal of strategic attention towards fulfilling these demands, a marketer will have a much greater chance of succeeding in the rural market.

Value for money is a must for rural consumers

Rural consumers today are far more evolved thanks to greater access than ever to information, and this also re-

fects in their purchases. While there is a lower incidence of premium product purchases, this is only because of a lack of premium products that resonate with their needs. Rural consumers do spend big when they find a brand that has brand values they believe in, all in keeping with their own aspirations and quality needs. There is a need to offer a premium product in the specific context of rural demand, and only then will we see a real take-off of demand.

ET Edge - SPEAK:

DEEPAK LAMBA, PRESIDENT, TIMES CONFERENCES LIMITED



>>> With its sheer size and the possibilities that abound, India's rural markets are to be ignored by brands at their own peril. With different forms of media today reaching out to the remotest of villages, there is a shift in cultural, educational and attitudinal paradigms. The 850 million consumers in rural India comprise about 70% of the population and contribute around half of the country's GDP. The Economic Times Strategy Masterclass on Rural Marketing endeavored to help communication professionals brainstorm and exchange thought-provoking ideas on the state of rural marketing. Through it, marketers managed to understand the transformational strategies required to thrive in increasingly competitive rural markets.