

The Economic Times



PREMIUM BRANDS 2017

INDIA'S LUXURY MARKET BUSINESS



Redefining the premium brand experience

As India's burgeoning appetite for premium brands continues to rise, **The Economic Times Premium Brands 2017** shines a light on brands of eminence that have their fingers on the pulse of this evolving market.

India's opening economic growth has given a fillip to the purchasing power of the Indian populace, with the average Indian displaying a far greater propensity to flex their financial muscles. Indeed, it is not even a phenomenon restricted to India's bustling metropolitan cities as even Tier II and Tier III cities are driving this growth in demand and ability for all things premium. An ASSOCHAM study shows that the luxury industry is expected to cross a value of 178.1 billion by 2018, growing at a Compounded Annual Growth Rate (CAGR) of about 20%.

A slew of choices now for India's de-

mographic, divided, growing younger by the day (a trend that is projected to continue till 2040), it is imperative that brands move strategically so as to capture critical mind space and market share. With their unswerving focus on quality and increasing the growing aspirations of Indian consumers intelligently, a series of low-cost brands have built stronger brand equity, and efforts by pursuing savvy strategies. These are the brands that will be celebrated at the Economic Times Premium Brands 2017 for their bold, market-shaping moves that have allowed them to reap rewards commensurate with their efforts. India's luxury success story is at an in-

FACTS & FIGURES

- As per the **PREMIUM BRANDS 2017** survey, the **MARKET VALUE OF PREMIUM BRANDS IN INDIA** is estimated to reach **₹ 1.7 TRILLION** by 2017.
- The **LUXURY MARKET** is expected to reach **₹ 178.1 BILLION** by 2018, growing at a **CAGR of about 20%**.
- The **luxury market** is expected to reach **₹ 1.46 TRILLION** by 2020, growing at a **CAGR of about 18%**.

teresting inflection point, fueled by the growing aspirations, tastes and lifestyles of India's affluent population. These pre-eminent brands have paved their own route to success and in doing so have laid out a blueprint for aspirants that is hard to ignore.

Five commandments for the modern day marketer

Heed these commandments, savvy marketer, and watch as your brand charts new highs

ALL ENGAGED HAVE TO BEGIN WITH A MONOLOGUE

A lot is being said about the fact that in today's day and age with communication and technology dovetailing seamlessly in a manner unheard of before, the consumer has the power to immediately respond to a message. There is a lot of focus being put on a dialogue that brands and consumers can have, but for a brand to build you must first hold a position. In a bid to build momentum and valuation, brands are leaping into conversations before a point of view has been established. Marketing gurus can't imagine and show the very importance of brand building, emotion becomes the highest form of brand building. All communications should be based on the right product insights, and the right brand truths, but emotions play a huge role because at the end of the day we react to any piece of communication as a human being. We first react with our hearts then our minds, because our mind comes into play a little later.

To ignore the power of them.

TRADITIONAL ADVERTISING IS NOT ENOUGH TODAY

For a brand to really speak and connect with the audience, it has to have a consistent brand experience along many touchpoints. It seems to be a very obvious thing, but there are so many channels and different opportunities for a brand to leverage. By using all these channels, one can create a special place for itself among consumers.

EMOTION IS THE HIGHEST FORM OF ENGAGEMENT
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DOING THINGS THE RIGHT WAY VS DOING THE RIGHT THING

Many brands do things the right way versus doing the right thing, something that the brand builders, something that goes against the grain, something out of the box. By doing so, you can build a brand that people trust, which is invaluable. If you can gain the right attitude and offers from the beginning, it is easier to follow when the

company experiences high growth, and be easier than trying to enforce it top down at a later date.

IT'S VITAL TO BE INTERESTING

It's important to be right, but it's vital to be interesting. For a brand to have an attitude and to be consistent with that attitude is extremely important for brand building. Every bit of communication you send out into the world should be consistent with your attitude and the tenor of your message should be consistent with that.



A man with digital in his DNA

Allied Digital's ceaseless efforts have seen them stand at the vanguard of the charge that is Digital India, as Nitin Shah (Chairman & Managing Director, Allied Digital) tells us

With Digital India being heavily emphasised, we have received a lot of questions from the government and the industry. The word "Digital" is in our name & our DNA. Allied Digital has been in business for 32 years, a transformed company, rightly positioned to take its journey forward in these exciting times. While the Indian Government has laid out the blueprint for Digital India, we are well ahead of the curve during this paradigm shift to address these new challenges/opportunities. The Indian government has announced initiatives such as "Make in India", "Digital India", "Skill India", "e-governance", "Smart & Safe Cities" and "Start-up India". Such mega initiatives are opening a lot of opportunities in technology where we are fully geared to offer our innovative digital solutions and services. In this new era of digital age, technology is going to bring drastic changes in the way we live, play or work. Disruptive technologies such as Machine Learning, Smart Devices etc. are changing the rules of the game for most enterprises/government agencies. The Digital India initiative is truly a game

changer for us. It has re-affirmed our path towards the transformation journey of the company as we had envisioned. Our gradual tech-change and investment in R&D in emerging technologies has rewarded us. We are excited to say that over one-third of our current revenue is generated from Digital India initiatives and growing rapidly over time.

Including a **comprehensive IT ecosystem** performance in an ever-evolving and ever-changing environment is a daunting task. How does Allied Digital help businesses manage this complexity? India's IT industry has grown by virtue of large staffing based outsourcing centres based from larger global customers. Now these global customers are looking for partners to transform customer business to digital business. Our competence in emerging

technologies like Artificial Intelligence, IoT, Data Analytics, Mobility & Cloud will help them in Digital Transformation.

We had anticipated this changing business environment early on and undergone business model transformation in 2013 with the prospect of short-term pain and long-term gain. Today we are a global Digital Transformation enabler for B2C (Business to Government) and B2B (Business to Enterprise) customers by bringing innovation and transformation in business.

Our goal is to make that IT Simplified. We are a one-stop IT infrastructure services and integrated solutions provider, combining our diverse in-house skills, augmented with our customer-centric IT service management platform, process methodology for global delivery and customer results. We are through the digital looking towards integrated services managing everything end to end. Allied Digital is a Master Systems Integrator who understands customer needs and designs tailor made solutions for seamless ex-

periences. Our depth of offerings cover T&E, Infrastructure, Applications, communications and analytics. Allied Digital delivers IT solutions in three major areas, End user IT (workplace services and solutions), Enterprise IT (Data centres, cloud and remote managed services) and Integrated Solutions (Industry solutions in Smart cities, Innovation driven based IT services) combine diverse infrastructure skills, customizable integrated IT service management platform and proven methodology for global delivery & software integration skills to bring value to our customers.

Having mastered the IT needs of domains like Retail, Banking, Government and Healthcare, Allied Digital provides (ODR) (Integrated Service Delivery Framework). Re-imagined as ADTaaS, the solution's cloud and on-premise models are quickly implementable with customizable features. ADTaaS integration platform enables work delivery of ITIL processes, business workflows, asset management and enterprise IT service assurance with analytics.

On a similar note, the company's HyperCare solution plays a key role to provide high touch services to clients. Our domain driven approach to IT helps deliver accountability and performance every COO looking for. Notably, our global downstream partnerships deliver our IT services across 70 plus countries. Thus, end-to-end service delivery is managed through systems integration using

Smart technology, smart sourcing and strategic partnerships.

Businesses and consumers are becoming increasingly security sensitive. As businesses look to scale up, how can they address these concerns while meeting growth objectives?

Information Security is a foundation of every solution & service offerings of Allied Digital Infrastructure Security, data confidentiality & user privacy are key building blocks of all our solutions. We anticipated the massive growth in Cyber security demand long ago, hence we have setup a state of the art Security Operations Center (SOC) in 2010.

To elaborate, today mobile/web applications allow access to personal information which becomes an easy target for hackers to steal sensitive data. Users are hence required to balance between convenience and security. Allied Digital harnesses its prowess in emerging technologies in security to protect customer privacy and prevent identity theft. Our 24x7 Anti-Cyber Threat Monitoring System (ACTMS) can combat security threats in real time basis. Our security consultants help our customers to evaluate current risk exposure on IT security and devise a roadmap for constant improvement in a holistic way during their transformation process. Allied Digital provides both periodic, as well as operational IT security to its customers.

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At the forefront of all things insurance

Tapan Singhel (MD & CEO of Bajaj Allianz General Insurance Company) chats with us about the steps taken by the company to blaze a trail of excellence

As business and consumer demands have evolved, there has been a paradigm shift in insurance. Bajaj Allianz General Insurance has been able to be increasingly competitive in the market. As Bajaj Allianz GC claims management was the mainstay since its inception. Over the years, the company has created a robust claims management infrastructure. As a result of this, Bajaj Allianz's claims paying ability defines the company and is the key differentiator that sets it apart from its peers. The company now has the only portfolio to have an in-house health administration team ensuring faster and better claim settlement making company's dependency on external TPA and relying on more transparency.

We were the pioneers of the concept of image based documentation which allowed the transfer and online verification of supporting documents during the processing time to 24 hours. In an industry with little product differentiation and similar price ranges, we had long ago realized the

importance of customer centricity. Today we have a network of over 5000 hospitals that offer cashless claim services and over 10,000 medical dealers and agents across India providing insurance claim settlement services.

Also, our product portfolio defines the company offers a wide range of products to its customers, be it either corporate/Under 18 umbrellas, it provides diversified products ranging from motor, health, travel, property and liability along with some unique products like wedding and event insurance, sports insurance, and life insurance. The company offers insurance solutions to its rural customers, like weather based insurance products, health insurance, personal accident insurance. Also, customized products are also offered to the customers, as per their needs and requirements.

With Digital India getting a major push, how has Bajaj Allianz General Insurance adapted this digital wave to ensure a better

experience for the customer? Bajaj Allianz GC has, since its inception, identified technological opportunities and has imbued it into its process and services to enhance customer satisfaction levels. Committed to make innovative changes using digital technology to deliver the best to our customers, the company had launched five years ago, a novel initiative - EXEE talk, through which agents

could instantly issue or renew motor insurance policies for their customers. From there we have today evolved technologically to a stage where we have developed virtual claims, an online interface on tabs and mobiles, where both partners and employees can provide insurance solutions to clients at their doorsteps. The company launched an app - Insurance Walk that has empowered customers to make digital transactions - anytime, anywhere. The company has leveraged on the latest technology of real time data analytics and is the only insurer to provide telematics services to its motor insurance clients through the Insurance Walk App. We have made the process of insurance buying a pleasant experience for our clients by enabling another cashless transaction, offered insurance solutions at their doorstep through our virtual offices and the day is not far when we will also ensure digital claim settlement by the customer himself through self-inspection apps.

Insurers are competing on every front, varying strategies to grow the business. What are the key success factors Bajaj Allianz General Insurance enjoyed as it grows growth objectives? The lack of suitable infrastructure has always been one of the biggest challenges hindering our penetration into Tier 2 and 3 cities. However, digital infrastructure and rise in mobile connectivity in the country has enabled us to directly sell to customers and provide policy or insurance-related information through mobile phones or tabs. Our key strategic initiative - Virtual Offices (VSO or Digital Offices) has set an example in terms of qualitative impact & effectiveness in providing enhanced customer service like instant policy issuance and renewals coupled with ease of transaction. The initiative has helped us not only in facilitating efficiency but taking insurance to customer's doorstep and intrinsically empowered geographies across India.

On the distribution front, we provide general insurance solutions to a wide and varied client base through a strong and growing agency force and extensive bancassurance network for use with various national, cooperative and private banks. Additionally, we also see significant

traction from the online channel including varying strategies to grow the business. What are the key success factors Bajaj Allianz General Insurance enjoyed as it grows growth objectives?

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ET Edge - SPEAK:

DEEPAK LAMBA, President, Bajaj Allianz General Insurance has been instrumental in the role in the age of burgeoning product choices, few brands stand out from the clutter. These brands have understood their sales in customer minds and command a premium for the intangible brand equity they carry. The pride of ownership of these brands is high led by consumer's aspirations to possess them. These brands cut across market segments with their appeal and are positioned at the higher end of the spectrum. The Economic Times Premium Brands seeks to decipher the success stories of these brands.

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