Kiranas Upgrade Their Services, Turn to Tech Solutions in Pandemic

WITH THE ONSET OF THE COVID-19 PANDEMIC, KIRANA STORES HAVE STARTED ENJOYING RENEWED LEVELS OF TRUST FROM NEIGHBOURHOOD COMMUNITIES, WINNING NEW CUSTOMERS – MANY OF WHOM ARE EXPECTED TO PURCHASE FROM THEM EVEN AFTER PANDEMIC IS OVER. WITH THIS NEW BOOM IN BUSINESS, KIRANA STORE OWNERS ARE OFFERING A HOST OF SERVICES TO THEIR NEW CONSUMERS – CREDIT, HOME-DELIVERY, HYPER-LOCAL APPS, HYPER-LOCAL MERCHANDISE – AND BUILDING RELATIONSHIPS.

By Charu Lamba

The onset of the pandemic has changed the way the Indian Retail Industry works and the Indian consumer shops. From researching online and buying in-store, the consumer moved to buying online and picking up in-store. Now with COVID-19 forcing people inside the relative safety of their homes, the customer is buying online and getting every home delivered.

While the consumer wants greater freedom of choice and convenience – from ordering, to delivery, and payments – s/he also wants everything at his doorstep. There is a significant increase in the awareness and adoption of digital commerce and omnichannel buying.

 "Consumers are buying what they need. The biggest trend in the post- COVID world is that people are mostly buying essential items. Staples, flour, and oil categories are growing. Snacks, health drinks and health foods are also doing well. The tea and coffee segment has

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Founder and CEO
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grown 48 percent in 3 months," says **Samarth Agarwal,** Co- Founder & CEO at MaxWholesale. "There is a shift in payment mode behaviour. Pre-COVID, cash on delivery used to contribute 60-70 percent of transactions. This has now reversed as customers and brands are opting for pre-paid options and prefer contactless delivery," adds **Vibhor Sahare,** CEO & Co-founder at ANS Commerce highlighting other changes in consumer behaviour.

Evolving Trends

Social distancing and lockdown have created many opportunities for businesses. Retailers and brands had to innovate and quick. Stores were brought to the consumers' doorsteps and consumers were able to shop anywhere, anytime.

"There is an increase in the adoption of mobiles for store operations. Retailers are using mobiles for automating store operations like stock-counting/ audit, goods inward, and stock-pick for online orders. To improve the experiences of the consumers at the store with minimal contact, stores will see an increase in the adoption of the self-service kiosks or self-checkout counters and endless aisle. Post-pandemic there is a need for businesses to support browse in-store, on mobile, and buy online. Going forward, the rules of omnichannel experience will evolve and it is important for Kiranas to provide a seamless shopping experience to consumers across online and offline channels," states **Kumar Vembu,** CEO and Founder, GOFRUGAL.

"New categories such as sanitizers, surface disinfectants, vegetable cleaners, etc., have been created in the wake of the pandemic. FMCG giants are coming up with new product launches in these categories to tap this change in consumer behaviour.

B2B segment is also picking up and brands are also looking to digitise their distributor network," adds Sahare.

The Kirana Boom

With the onset of the COVID-19 pandemic, kirana stores have started enjoying renewed levels of trust from neighbourhood communities, winning new customers – many of whom are expected to purchase from them even after pandemic is over. With this new boom in business, kirana store owners are offering a host of services to their new consumers – credit, home-delivery, hyper-local apps, hyper-local merchandise – and building relationships.

"FMCG advertising expenses will go down, but the channel and consumer promotions will go up which will bode well for kirana stores. The unknown consumer purchasing trends are emerging and with the increasing relevance of kirana stores, there is an increased focus on data analytics and insights among various FMCG stakeholders to understand the performance of their brands, competition and category and also to understand the consumer purchase behaviour at the Kirana stores," says **Prem Kumar,** Founder and CEO, Snapbizz.

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STRENGTHENING KIRANAS	
MAXWHOLESALE	"We help kiranas procure goods online, discover products, prices and schemes digitally, get free door-step delivery at store the next day, saving them the trouble of going to offline wholesale market the next day. We enable kiranas pay for stock with banking channels using digital means. We help them increase variety in their store without extra capital investment," says **Samarth Agarwal,** Co- Founder & CEO at MaxWholesale.
GOFRUGAL	"In a crisis like COVID-19, we wanted to help kiranas go omnichannel and serve its customers with online ordering and delivery. We decided to help them upgrade their capability quickly with online ordering and contactless deliveries by giving them two apps free for more than 9 months. Added to that, our solutions help kiranas automate most of their operations from stock-taking, stock-pick, GRN, refill by using mobile apps. Mobility brings simplicity, ease of use, and most importantly increases efficiency," states **Kumar Vembu,** CEO and Founder, GOFRUGAL.
SNAPBIZZ	"We have always been a strong advocator of kirana stores – having worked closely with them in the past few years with focus on digitisation to improving their profitability. Recently, we have rolled out three new solutions in open market with minor modifications of its existing product-line for massive adoption by kiranas: SnapOrder: A mobile app that enables Kirana stores of all sizes to go online with their supplies. Consumers can use the app to view available stocks and place orders directly with the Kirana stores – either for pick-up or for home delivery. This enables the kirana store to manage demand efficiently and prevent over-crowding at the store. SnapSupply: A mobile app that enables FMCG brands/ distributors to list their supplies online for their Kirana store network and enables kirana stores to place orders of supplies. This enables FMCG brands/ distributors to avoid going to the store for order- generation and focus on the current supply issues. SnapPulse: This retail analytics solution enables FMCG brands to track performance of the products, competition and that of the category on a weekly and monthly basis. The data is collected from SnapBizz network of stores across the country and the insights are shared by the subject matters experts/ data scientists working with SnapBizz. SnapTek: SnapBizz also launched a new arm – SnapTek which enables accelerated technology migration for all FMCG stakeholders with services likes white-label applications, tech consultation etc.," asserts **Prem Kumar,** Founder and CEO, Snapbizz.

Digitising Kiranas

When all other grocery delivery systems failed during pandemic, kiranas were the only suppliers who proved to be actually dependable source of supply in the most trying circumstances. These kiranas have tied up with various partners to help them boost sales.

"Our technology helps kiranas in their supply side as well as boost their sales. We provide them easy to use mobile app on which they can order any item they want delivered at their store. We provide next day delivery of almost any item they need, free of any delivery cost. The second way we are using technology to help kiranas is by providing them an app called Radius which is a technology based CRM tool for Kirana stores in a neighborhood. Using Radius, kiranas can bring their store on a mobile app, and collect orders from their regular customers," states Agarwal.

"We are a pure technology player with a focus on deploying cutting-edge technology solutions to connect kirana stores/ consumers with the FMCG ecosystem players. We are deploying technology solutions such as AI-based data platforms, high breed modular architectures which are highly scalable and adaptable with great agility, native/ progressive web apps for best UX, optimised APIs for each FMCG player and much more," adds Kumar.

Kirana's lacked expertise in change management and there was a need to upgrade themselves by adopting technology solutions to serve their customers better.

KIRANAS ONBOARD	
MAXWHOLESALE	"Currently, we have 20,000 Kirana stores on our platform in New Delhi, Gurugram, Ghaziabad, Chandigarh, Mohali and Panchkula. We will launch MaxWholesale in more cities soon. There is no city or town in India, which does not have Kirana stores, and we are aiming to be a national company soon," states **Samarth Agarwal,** Co- Founder & CEO at MaxWholesale.
GOFRUGAL	"We have more than 5,000 Kiranas using our solution. We are seeing an increasing need from Kiranas to go omnichannel and they are super excited about having an app for online ordering. The easiness of setting up and getting it live for their favorite consumers quickly was one of the compelling reasons for their adoption. We have onboarded more than 800+ customers for orderEasy and goDelivery omnichannel apps and seeing a 50-60 percent increase in orders every day. We are signing-up channel partners in all Tier-II and III towns to increase and expand our reach," says **Kumar Vembu,** CEO and Founder, GOFRUGAL.
ANS COMMERCE	"While earlier we used to get interest from Tier-I cities primarily, now we are seeing equal degree of interest from neighbourhood chains and local stores in Tier-I and II cities as they are looking for someone to educate them, help make online transition easy and is integrated with partners for smooth functioning," **Vibhor Sahare,** CEO & Co-founder at ANS Commerce says.
SNAPBIZZ	"We are a platform of 10,000 stores that collectively do a business of US$1 billion/ year GMV. We aim to build a network of 2,00,000 stores in the next couple of years and become a US$ 15 billion platform. We plan to work closely with over 200 brands, a large number of distributors/ wholesalers, major e- commerce and financial services players," assrts **Prem Kumar,** Founder and CEO, Snapbizz.

The pandemic has helped Kirana stores upgrade their technology and launch additional services to consumers such as online ordering, delivery, accepting digital payments etc.

"OrderEasy App helped kiranas to quickly set up a branded app from which the consumers can order online. GoDeliver app helped manage their delivery logistics efficiently by streamlining their deliveries, sharing the optimum routes with their delivery staff, tracking, and even conveniently rescheduling/ canceling the deliveries. With both the apps, kiranas can process 40-50 percent more orders, and serve their customers better. Delivery App not only helped them expand their reach to new regions acquiring new customers but also enabled them to double their efficiency by delivering more orders with fewer delivery boys. Real-time monitoring of the order and delivery improved the efficiency of deliveries. Added to that with effective use of CRM, loyalty and GoAlerts, Kiranas can engage their customers and drive repeat purchases." says Vembu highlighting how they are using tech to help Kiranas boost their sales.

The Future of Kiranas
The pandemic has helped Kirana stores upgrade their technology and launch additional services to consumers such as online ordering, delivery, accepting digital payments etc. Most importantly it has increased their engagement and bonding with the consumers in their locality.

"Due to the adoption of technologies in instore operations, the processes of Kirana stores have become efficient. Technology has helped them run their business with minimal staff, least skills, and grow faster as decision making is accurate with right data. So, they seem to be growing at a rapid pace," says Vembu.

"In future, they'll need to adopt more digital tools to be competitive and to improve their margins," adds Sahare. **PG**