



# BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES SUMMER INTERNSHIP REPORT 2021

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# PROJECT REPORT ON SWAGATAM PROJECT-RETAIL MARKETING AT HOMETOWN,PRAXIS HOME REATIL LIMITED

# BY SHREEYA SAHU UNDER THE GUIDANCE OF DR. BONITA MITRA



# BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT STUDIES

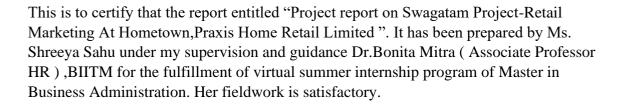
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BHUBANESWAR

#### **PREFACE**

The courses of MBA require one to under a summer internship with the end of the 2<sup>nd</sup> semester, so as to get a practical knowledge and understanding the aspects of all the theories read. It helps us to make the best use of our skills and intelligence so as to make a better research report. It is really the most important thing during the course of our study. The purpose of my research project was "SWAGATAM PROJECT-RETAIL MARKETING AT HOMETOWN,PRAXIS HOME RETAIL LIMITED". It was a continuous learning experience as I got to know the performance appraisal process, how they are conducted and beneficial.

#### **INTERNAL GUIDE CERTIFICATE**



(Signature guide)
Dr.Bonita Mitra
Assistant Professor,HR

## **EXTERNAL GUIDE CERTIFICATE**

This is to certify that project report titled "<u>Swagatam Project-Retail</u>

<u>Marketing</u>" is a Bonafide work of Ms Shreeya Sahu under the guidance and supervision during the session of 2020-2022 and carried out in partial fulfilment for the award of degree of Master Business Administration.

MR. SANTOSH HOTA (Store Manager)

#### **DECLARATION**

I Shreeya Sahu bearing Registration Number-2006258005 do hereby declare that the project entitled "Project study on Swagatam Project-Retail Marketing at Hometown, Praxis Home Retail" is the original work done by me and submitted to Biju Patnaik University of Technology, Odisha in partial fulfillment of requirement for the award of Master in Business Administration is a record of original work done by me under the supervision of Dr. Bonita Mitra.

DATE: SHREEYA SAHU

PLACE: BHUBANESWAR REGD NO:2006258005

#### **ACKNOWLEDGEMENT**

"It is not possible to prepare a project report without the assistance & encouragement of other people. This one is certainly no exception. "On the very outset of this report, I would like to extend my sincere & heartfelt obligation towards all the teachers who have helped me in this endeavor. Without their active guidance, help, cooperation & encouragement. ,I would not have made head way in the project. I am extremely thankful and pay my gratitude to my faculty Dr. Bonita Mitra (Associate Professor,HR) for her valuable guidance and support. I am also thankful towards the company to giving me such a big platform to learn and experience many new things. I extend my Special gratitude to Dr. P. K. Tripathy, Principal of BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES and Prof. Chandra Shekhar, Placement Manager, for giving me this opportunity. I also acknowledge with a deep sense of reverence, my gratitude towards my parents and member of my family, who have always supported me morally as well as economically. At last but not least gratitude goes to all of my friends who directly or indirectly helped me to complete this project report. Any omission in this brief acknowledgement does not mean lack of gratitude.

Thanking You
(SHREEYA SAHU)

# **EXECUTIVE SUMMARY**

We are the pioneers in home retail in India. We started our journey in 2007 with our first store in Noida as a one-stop shop destination for home solutions. We offer a clearly defined home offering with a wide assortment in furniture, homeware, customised solutions in kitchen and wardrobes and home improvement. We strive to add value to our customers by providing personalised interior design consultation and services for homes and offices. We extended our presence online in 2016 with a specially curated assortment of product offering catering to the specific needs of the new-age online customers.

Today we have a strong presence with 49 stores across 29 cities. Our expansion plan is long-term and we plan to grow both online and new stores across in existing and new markets like Nasik and Guwahati. We want to offer great quality home products and services to as many people as possible.

Hometown - our business idea supports our vision and is born out of a passion for design and quality, and the commitment to make beautiful homes and better life for our customers through our stores and online presence.

Our product assortment is wide; wide in function and style. We offer everything needed to furnish a home from furniture, homeware, décor and furnishings, modular kitchen, kitchenware, bathroom accessories and design and build consultation and services.

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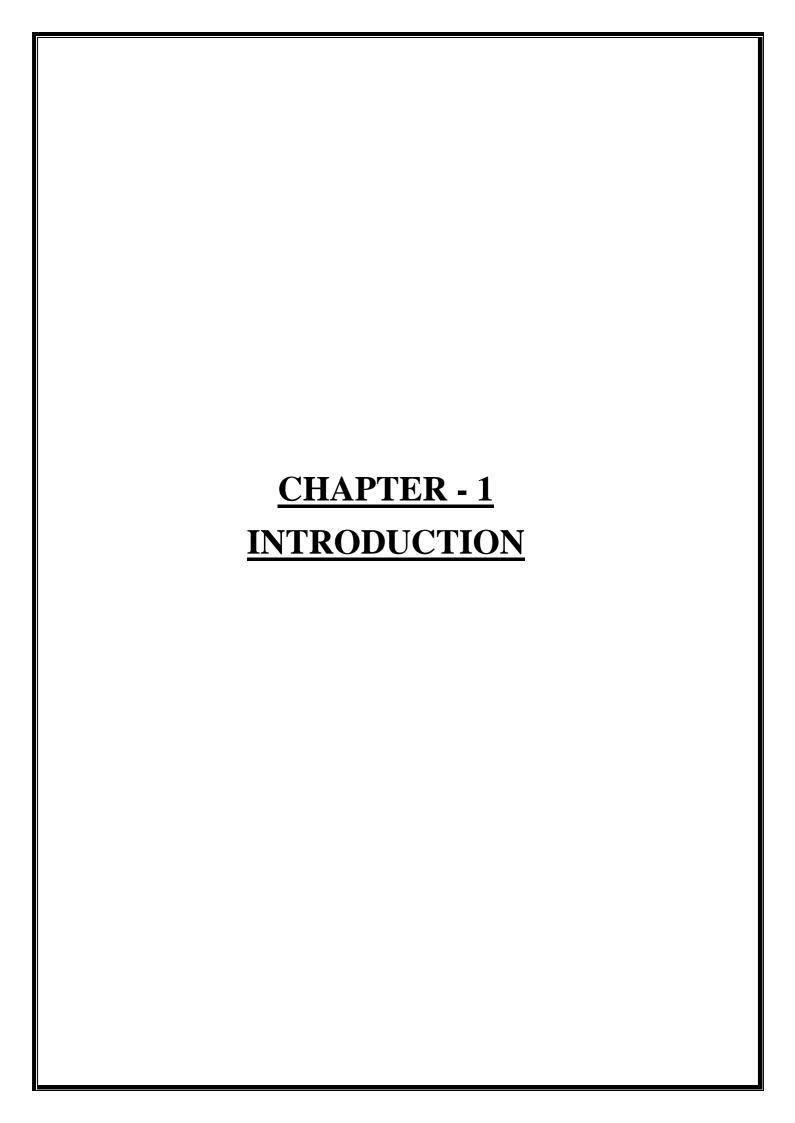
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#### **INTRODUCTION**

"HOMETOWN PRAXIS" internship at the firm's goods and services for analysing and thoughtful the customer's necessities focused. Targeting to the new buying home customer and make aware about the product and services that we are providing to them. Praxis Home Retail Limited operates 44 stores across 28 cities in furniture and home fashion under the brand name HomeTown. HomeTown is a one stop shop destination for all home interior needs. Our product assortment is wide; wide in function and wide in style. They offer everything needed to furnish a home; from furniture, home and kitchenware, décor, furnishings, modular kitchens and wardrobes, bathroom accessories and home improvement products. They also offer a complete home interior consultation and project management services which differentiates us from the other brands. In 2016, they extended our presence online with a specially curated assortment of product offering catering to the specific needs of the new-age online customers.

They believe in creating value beyond profit, putting our customers and stakeholders at the centre of our decision-making. Customer patronage, service and innovation are the key pillars that support our commitment to make every home in India beautiful with our products and services.

In Hometown Praxis I did the Swagatam Project which was a marketing strategy to attract the new home buying customers by providing them with add on offers with the existing offers. Our main motto was to generate the revenue from this new home customers because when a customer buys a new home they need to decorate, design and furnish their new house. And Hometown deals with this all stuffs like Customised Interior design, Modular Kitchen, HomeWare, Furniture. The Swagatam Project mainly dealt with the below the line marketing. There was direct interaction with the customer with promotional events like Newspaper Ads, Hoddings in the busy places, setting up canopy in the residential buildings area, social media marketing, direct mail compaigns .

Below The Line Marketing creates an experience with a high-touch. In this, a salesperson can solve queries directly. They can describe the products in a better way. This marketing strategy focuses on particular groups of people who are of interest. This method is best suited for direct response and conversions. Marketers can design engagement with consumers in a way that increases brand loyalty. These steps will make it look as if the firm is communicating with the audience personally. Below the line Marketing helps improve the relationship between brand and customer. It gives space for a more one-on-one, intimate, personal point of contact. BTL activities are using creative out of the box ideas to attract and engage more target audience.

BTL activation gives your brand the desired exposure and increases its visibility. BTL activities enable direct communication between brands and customers. Direct communication

helps customers to understand the product in a better way, and connect both on a personal level. It helps brands to understand customers buying patterns and behavior. BTL marketing includes brand activation, mall activation, email marketing, telemarketing, exhibitions and more. BTL activities help you in achieving your goal while reaching your target audience easily. BTL activities help marketers to spread awareness about the brand. It helps people to connect with the brand and explain the benefits of a brand. BTL activations help in attracting more customers while increasing the leads of a brand. BTL activities help in creating a stronger impact on the audience. BTL activities make the brand memorable and increase the recall value. BTL activities engage the audience and give them an opportunity to interact.

#### **OBJECTIVE OF THE STUDY**

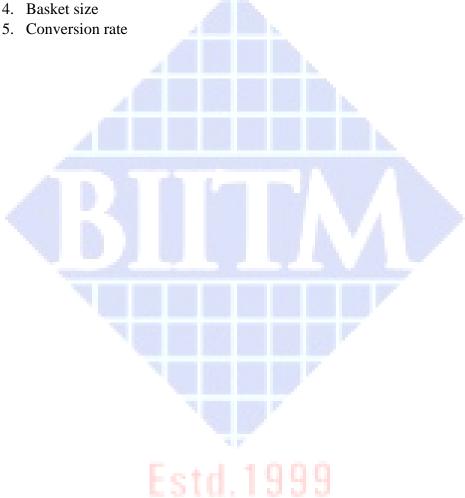
The final and foremost objective of this study is the partial fulfilment of the master degree in business administration.

- a. To generate the lead for Swagatam project.
- b. To enhance the communication skill
- c. To identify Target Customer
- d. To Drive the Sales Force
- e. To create Awareness and promote Brand Value of Hometown Among Target Customer
- f. To convert the visitors into buyers.
- g. To study the customer mind and understand whether the customer is a warm customer or hot customer.
- h. To have gross knowledge of the products and services provided.

Estd. 1999

### **SCOPE OF THE STUDY**

- The main scope of the study of Swagatam Project is to learn about different retail parameters. Which are on the following
  - 1. Up selling
  - 2. Cross selling
  - 3. Ticket size



### **RESEARCH METHODOLOGY**

Information is collected from following sources:-

# Primary data

- Questionnaire
- Observation
- Interaction

# Secondary data

- Builders





**PROFILE OF THE COMPANY** 

Estd.1999



Hometown - our business idea supports our vision and is born out of a passion for design and quality, and the commitment to make beautiful homes and better life for our customers through our stores and online presence.

Over the past 10 years, Hometown has been bringing the latest designs & fashion to Indian homes. Hometown offers the widest and best in class range in furniture, home furnishings & accessories, modular kitchens, home improvement and more. Part of the Future Group, Hometown brings an enjoyable and hassle-free homemaking experience to all its valuable customers with varying lifestyles and preferences. With a great spread that appeals to the globe-trotting, trendy yet very much Indian homemaker, Hometown is known to attract an array of lifestyle seeking customers. Being recognized as India's biggest store in homemaking, renovation and accessories, their products are exclusively designed while keeping durability and comfort at priority. The key differentiator between Home Town and others is the Design and Build offering of end-to-end interior decoration services, to customers who are interested in renovating & upgrading their homes. One of the popular and leading furniture, appliances and home accessories company in the world, home town it is known for its unique design and because of its portable installations. They make ready to assemble furniture, which you can order and assemble it yourself. HomeTown brings to the

customer a wide home furnishing range that is designed specially, keeping in mind the customer needs. These include:

- Bedding—Bedsheets, Blankets, Dohars, Bed Covers.
- Pillows— Fiber Pillows, Memory Foam Pillows, Pillow covers.
- Curtains Window Curtains, Door Curtains.
- Mats & Rugs— Door Mats, Rugs & Carpets.
- Bath Linen Bath Towels, Hand Towels, Face Towels, Towel Sets, Bath Mats.

Our product assortment is wide; wide in function and style. We offer everything needed to furnish a home from furniture, homeware, décor and furnishings, modular kitchen, kitchenware, bathroom accessories and design and build consultation and services.



#### **Furniture:**

Perfect blend of design and function with furniture that suits every customer's individual taste and needs. Whatever the style—modern, rustic or traditional, at Hometown we have an product for everyone.



#### **Homeware:**

Inspired from the global trends to suit your taste and best reflect your mood at home. Be it creating a perfect corner with our eclectic decor or spotlight to your dining room with our home ware products, we have it all.



#### **Customised Solutions:**

Great design, unparalleled quality, and elegant forms for kitchens and wardrobes that are stylish functional and state of art.



## **Home Improvement:**

Create stylish and functional bathroom, with our range of bath vanity, shower multi function and enclosures to wall mirrors.



#### **Design and Build:**

Perfect interiors for your home and office. Designed by experts and delivered through rigorous quality checks and transparent prices.

#### Marketing Mix (the four P's) adopted by HomeTown:

- 1. **Promotion:** The company uses many promotional activities like advertisement, offers and discounts for sales improvement some of the major strategies used by hometown are as follows:
  - Exchange offers: Exchange Promo code can be applied during the checkout while purchasing select Furniture. Hometown team contact customer for pickup of old products once the order is placed successfully. Ordered product using Exchange voucher code will only be delivered post successful pick up of Old furniture products 21 from customer's location. For Exchange offer to be valid, customer will have to exchange old product of same category. (For example- If a customer wants to buy a SOFA using Exchange offer then old exchanged product should also be Sofa. Additional 500 shipping charges applicable on Exchange furniture for pickup of Old Product.
  - Discount offers :All users who are NOT participating in Exchange offer by replacing old products are eligible for Flat 10% Discount on order value on select Furniture. Upto 40% off on Entire Range & Flat 10% off on select Furnitures.
- Mano Ya Na Mano Sale :Flat 60% Off on Combo Furniture Products. Get Additional 5%, 10% and 15% off on applicable Furniture products. Upto 60% + Additional 10% Off on electronics. Free gifts on Purchase of Electronics worth Rs. 25,000/- and above.
- **2. Products & Services**: Home town provides a wide variety of product & services starting from the range 200, one can get everything thing related to their home front the store It brings you a wide home furnishing range that is designed specially, keeping in mind the customer needs.

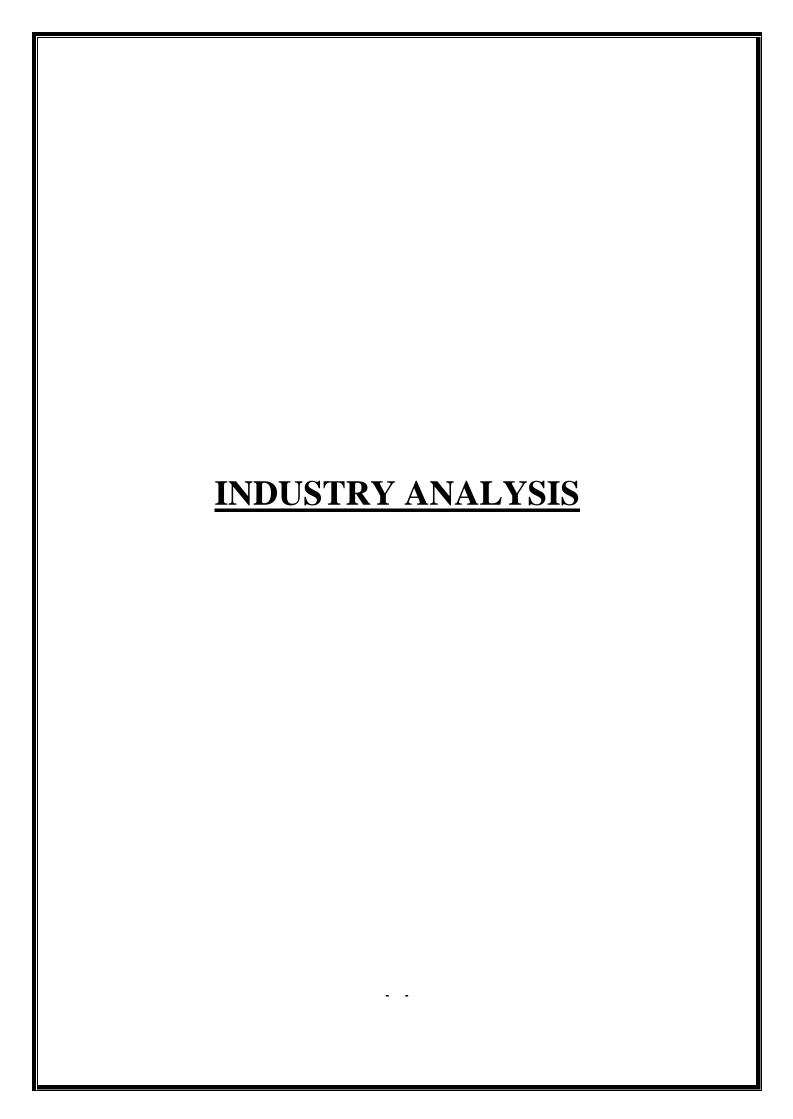
These include: • Bedding—Bedsheets, Comforters, Blankets, Dohars, Bed Covers.

• Pillows— Fiber Pillows, Memory Foam Pillows, Pillow Covers, Chair Padsa.

- Covers & Inserts Cushion Covers, Cushion Fillers, Cushion Cover Sets.
- Curtains Window Curtains, Door Curtains, Sheer Curtains.
- Mats & Rugs— Door Mats, Rugs & Carpets.
- Bath Linen Bath Towels, Hand Towels, Face Towels, Towel Sets.
- Bath Accessories—Bathroom Sets, Soap Dispensers.

#### They also provide services like:

- •Space Planning for all rooms
- •Site Measurement
- •Personal Design Consultant
- •Design concept and mood boards
- •Budget Planning
- •Wall Paint and Design
- •False Ceiling and Design
- •Flooring and tiling
- •Furniture for all rooms
- •Modular Kitchens
- Modular Wardrobes
- •Customised Bathrooms
- •Décor and Lighting
- •Sofa Furnishings
- •Complete Project Management
- **3. Price**-All though focusing has been bringing the latest designs & fashion to Indian homes but the price of the products available at hometown are quite expensive when compared to other furnishing stores in the market.
- **4. Place**-From classy sofas to chic dining sets to kitchen essentials and artifacts, hometown offers everything to beautify living space. Since 2006, we've grown to over 42 stores across 22 cities. Keeping pace with the dynamic world, we have maintained a strong web presence with prompt online services also. It has 42 stores at present and plans to add more.



#### SWOT ANALYSIS OF THE COMPANY

SWOT analysis lists down the Strengths, Weaknesses, Opportunities & Threats of a company – hence the acronym SWOT.

#### Strength

#### **Strengths of Praxis Home Retail:**

Strengths are the firm's capabilities and resources that it can use to design, develop, and sustain competitive advantage in the marketplace

- Success of new product mix Praxis Home Retail provides exhaustive product mix options to its customers. It helps the company in catering to various customers segments in the Furniture & Fixtures industry.
- Brands catering to different customers segments within Furniture & Fixtures segment Praxis Home Retail extensive product offerings have helped the company to penetrate different customer segments in Furniture & Fixtures segment. It has also helped the organization to diversify revenue streams.
- **Market Leadership Position** Praxis Home Retail has a strong market leadership position in the Furniture & Fixtures industry. It has helped the company to rapidly scale new products successes.
- **Talent management** at Praxis Home Retail and skill development of the employees Human resources are integral to the success of Praxis Home Retail in Furniture & Fixtures industry.
- **Track record of innovation** Even though most players in the Consumer Cyclical strive to innovate, Praxis Home Retail has successful record at consumer driven innovation.
- **Strong brand recognition** Praxis Home Retail products have strong brand recognition in the Furniture & Fixtures industry. This has enabled the company to charge a premium compare to its competitors in Furniture & Fixtures industry.

#### **Weakness OF Hometown**

Weaknesses of Praxis Home Retail can either be absence of strengths or resources of capabilities that are required but at present the organization doesn't have. Leaders have to be certain if the weakness is present because of lack of strategic planning or as a result of strategic choice.

- Niche markets and local monopolies that company's like Praxis Home Retail able to exploit are fast disappearing. The customer network that Praxis Home Retail has promoted is proving less and less effective.
- **Business Model** of Praxis Home Retail can be easily imitated by the competitors in the industryname industry. To overcome these challenges companyname needs to build a platform model that can integrate suppliers, vendors and end users.
- **High turnover of employees** at the lower levels is also a concern for the Praxis Home Retail . It can lead to higher salaries to maintain the talent within the firm.
- Extra cost of building new supply chain and logistics network Internet and Artificial Intelligence has significantly altered the business model in the Consumer Cyclical industry and given the decreasing significance of the dealer network Praxis Home Retail has to build a new robust supply chain network. That can be extremely expensive.
- Low investments into Praxis Home Retail's customer oriented services This can lead to competitors gaining advantage in near future. Praxis Home Retail needs to increase investment into research and development especially in customer services oriented applications.
- **Gross Margins and Operating Margins** which could be improved and going forward may put pressure on the Praxis Home Retail financial statement.

#### **Opportunities Of Hometown**

Opportunities are potential areas where the firm can identify potential for - growth, profits, and market share.

- Increasing customer base in lower segments As customers have to migrate from unorganized operators in the Consumer Cyclical industry to licensed players. It will provide Praxis Home Retail an opportunity to penetrate entry level market with a no-frill offering.
- **Rapid Expansion of Economy** As the US economy is improving faster than any other developed economy, it will provide Praxis Home Retail an opportunity to expand into the US market. Praxis Home Retail already have know-how to operate into the competitive US market.
- **Lowering of the cost of new product launches** through third party retail partners and dedicated social network. Praxis Home Retail can use the emerging trend to start small before scaling up after initial success of a new product.
- Accelerated technological innovations and advances are improving industrial productivity, allowing suppliers to manufacture vast array of products and services. This can help Praxis Home Retail to significantly venture into adjacent products.
- **Lower inflation rate** The low inflation rate bring more stability in the market, enable credit at lower interest rate to the customers of Praxis Home Retail. This will increase the consumption of Praxis Home Retail products.
- Trend of customers migrating to higher end products It represents great opportunity for Praxis Home Retail, as the firm has strong brand recognition in the premium segment, customers have experience with excellent customer services provided by Praxis Home Retail brands in the lower segment. It can be a win-win for the company and provides an opportunity to increase the profitability.

#### **Threats Of Hometown**

Threats are factors that can be potential dangers to the firm's business models because of changes in macro economic factors and changing consumer perceptions. Threats can be managed but not controlled.

- **Growing technological expertise** of local players in the export market One of the biggest threat of tie-up with the local players in the export market for Praxis Home Retail is threat of losing IPR. The intellectual property rights framework is not very strong in emerging markets especially in China.
- **Changing demographics** As the baby boomers are retiring and new generation finding hard to replace their purchasing power. This can lead to higher profits in the short run for

Praxis Home Retail but reducing margins over the long run as young people are less brand loyal and more open to experimentation.

- Competitors catching up with the product development Even though at present the Praxis Home Retail is still leader in product innovation in the Furniture & Fixtures segment. It is facing stiff challenges from international and local competitors.
- **Trade Relation between US and China** can affect Praxis Home Retail growth plans This can lead to full scale trade war which can hamper the potential of Praxis Home Retail to expand operations in China.
- **Saturation in urban market and stagnation in the rural markets** For Praxis Home Retail this trend is an ongoing challenge in the Furniture & Fixtures segment. One of the reasons is that the adoption of products is slow in rural market. Secondly it is more costly for Praxis Home Retail to serve the rural customers than urban customers given the vast distances and lack of infrastructure.
- **Distrust of institutions** and increasing threat of legal actions for Praxis Home Retail As the WTO regulations and laws are difficult to enforce in various markets. Legal procedures have become expensive and long drawn process. It can lead to less investment into emerging markets by Praxis Home Retail thus resulting in slower growth.



#### PORTER MODEL ANALYSIS OF HOMETOWN PRAXIS

Porter Five Forces Model was proposed by Michael E. Porter in 1979. The purpose was to assess and evaluate the competitive positioning and strengths of business organisations. The model has three horizontal competitive forces (Threat of Substitute) Products or services, the threat of new entrants and rivalry among existing firms) and two vertical forces (Bargaining power of buyers and bargaining power of suppliers).

These forces shape the competition within any industry. The overall industry competitiveness declines when these forces reduce profitability. Porter found SWOT analysis lacking in rigour. Many new companies use the Porter Five Forces Model to decide whether it is profitable to enter in a particular industry.

Here is the pictorial presentation of the Porter Five Forces Model:

#### **HOMETOWN PRAXIS Porter Five Forces Analysis**

#### What is Porter Five Forces? How Praxis Home Retail can use it?

Managers at Praxis Home Retail (India) can use Porter Five Forces as a strategic management tool to do industry analysis. It will help Managers at Praxis Home Retail in mapping the various competitive forces that are prevalent in Consumer Cyclical industry in both local markets and international markets.

#### How Praxis Home Retail (India) can use Porter Five Forces

Rigorous application of Porter 5 Forces can help managers at Praxis Home Retail to understand -

Rivalry among existing players in the Furniture & Fixtures,

Bargaining power of buyers of Praxis Home Retail,

Bargaining power of suppliers of Praxis Home Retail,

Threat of new entrants in the Furniture & Fixtures industry,

Threat of substitute products and services in the Furniture & Fixtures industry.

Porter Five Forces that Determine Furniture & Fixtures Industry Structure

# The Porter Five Forces that determine the industry structure in Furniture & Fixtures are -

- 1. Bargaining power of buyers of Praxis Home Retail and Consumer Cyclical sector If the buyers have strong bargaining power then they usually tend to drive price down thus limiting the potential of the Praxis Home Retail to earn sustainable profits
- 2. Threat of substitute products and services in Furniture & Fixtures sector If the threat of substitute is high then Praxis Home Retail has to either continuously invest into R&D or it risks losing out to disruptors in the industry.
- 3. Bargaining power of suppliers in Furniture & Fixtures If suppliers have strong bargaining power then they will extract higher price from the Praxis Home Retail. It will impact the potential of Praxis Home Retail to maintain above average profits in Furniture & Fixtures industry.
- 4. Rivalry among existing players in Furniture & Fixtures industry If competition is intense then it becomes difficult for existing players such as Praxis Home Retail to earn sustainable profits.

5. Threat of new entrants in Furniture & Fixtures industry – if there is strong threat of new entrants in the Furniture & Fixtures industry then current players will be willing to earn lower profits to reduce the threats from new players

#### Why Porter Five Forces analysis is important for Praxis Home Retail?

Managers can use Porter Five Forces model to analyze the competitiveness faced by Praxis Home Retail in Furniture & Fixtures industry. Porter five forces analysis of Praxis Home Retail will help in understanding and providing solution to – nature & level of competition, and how Praxis Home Retail can cope with competition.

Even though from outside various industries seem extremely different but analyzed closely these five forces determines the drivers of profitability in each industry. (Managers can use Porter Five Forces to understand key drivers of profitability of Praxis Home Retail in Furniture & Fixtures industry.

#### Porter 5 Forces, Competitive Forces & Industry Analysis

The core objective of strategists and leaders at Praxis Home Retail is to help the organization to build a sustainable competitive advantage and thwart competitive challenges from other players in the Furniture & Fixtures industry.

- Step 1 Defining relevant industry for Praxis Home Retail. For the purpose of this paper Praxis Home Retail does mostly its business in Furniture & Fixtures industry.
- Step 2 Identify the competitors of Praxis Home Retail and group them based on the segments within the Consumer Cyclical industry.
- Step 3- Assess the Porter Five Forces in relation to the Furniture & Fixtures industry and assess which forces are strong in Furniture & Fixtures and which forces are weak.
- Step 4 Determine overall Consumer Cyclical industry structure and test analysis for consistency

Step 5 – Analyze recent and future changes in each of the forces in the Furniture & Fixtures industry. This can help in predicting the trend in overall Consumer Cyclical sector. Step 6 – Identify aspects of industry structure based on Porter Five Forces that might be influenced by Praxis Home Retail competitors and new entrants in Furniture & Fixtures industry.

# How Porter Five Forces framework can be used for developing strategies for Praxis Home Retail ?

To achieve above average profits compare to other players in Furniture & Fixtures industry in the long run, Praxis Home Retail needs to develop a sustainable competitive advantage. Furniture & Fixtures industry analysis using Porter Five Forces can help Praxis Home Retail to map the various forces and identify spaces where Praxis Home Retail can position itself.

#### PESTLE ANALYSIS OF HOMETOWN PRAXIS

#### Political Factors that Impact Praxis Home Retail

- Governance System The present governance system in India has served its purpose for the long time and I don't think much will change in the process even though it may throw up leaders that can lead divergent policy making from the historical norm. Praxis Home Retail has to keep a close eye on the industry wide government priorities to predict trends.
- Armed Conflict There are no imminent threats to India from the disruption in the business environment because of military policies, terrorist threats and other political instability. Praxis Home Retail has experience of handling operations in difficult circumstances.
- Government of India has come under increasing global pressures to adhere to World Trade Organization's regulations on Furniture & Fixtures industry.
- Government resource allocation and time scale The India new government policies can improve the investment sentiment in the Consumer Cyclical sector. Given the wider acceptance of the suggested policies among population, it is safe to assume that the time scale of these policies will be longer the mandated term of the present India government.

#### **Economic Factors that Impact Praxis Home Retail**

- Government intervention in the Consumer Cyclical sector and in particular Furniture & Fixtures industry can impact the fortunes of the Praxis Home Retail in the India.
- Economic Performance of India I believe the economic performance of India in the near future 5-10 years will remain stable given government expenditure, stable demand because of disposable income, and increasing investment into new industries.
- Economic Cycles The performance of Praxis Home Retail in India is closely correlated to the economic performance of the India's economy. The growth in last two decades is built upon increasing globalization and utilizing local resources to cater to global markets.
- Inflation rate The easy liquidity in the market post the great recession of 2018 will lead to increasing inflation in the India economy.
- Exchange rate The volatile exchange rate of India can impact Praxis Home Retail investment plans not only in the short term but also in the long run.

#### **Social Factors that Impact Praxis Home Retail**

- Power structure There is an increasing trend of income inequality in India. This has altered the power structure that has been persistent in the society for over last 6-7 decades.
- Societal norms and hierarchy the society of India is different from the home market of Praxis Home Retail. It should strive to build a local team that understands the societal norms and attitudes better to serve the customers in India.
- Gender roles The gender roles are evolving in India. Praxis Home Retail can test various concepts to cater to and support these evolving gender roles in India society.
- Demographics For the Consumer Cyclical products, Praxis Home Retail has demographics on its side. India is a young country and growing. Praxis Home Retail can use this trend to cater to various segments of the population.
- Media outlets play a critical role in influencing the public opinion India. Both traditional media and social media are rapidly growing in India. Praxis Home Retail can leverage this trend to better market and position its products.

#### **Technological Factors that Impact Praxis Home Retail**

- Maturity of technology The technology in the Furniture & Fixtures sector is still not reached maturity and most players are vying for new innovations that can enable them to garner higher market share in India.
- Latest technology based innovations implemented by competitors of Praxis Home Retail This can provide a good insight into what the competitors are thinking and where Furniture & Fixtures business model future is.
- Lowering cost of production The latest technology is fast lowering production and servicing cost in the Consumer Cyclical sector. Praxis Home Retail has to restructure its supply chain to bring in more flexibility to meet both customer needs and cost structures.
- Empowerment of supply chain partners Technology has shortened the product life cycle and it has enabled suppliers to quickly develop new products. This has put pressure on Praxis Home Retail marketing department to keep the suppliers happy by promoting diverse range of products. It has added to the cost of operations of the Praxis Home Retail.

#### **Environmental Factors that Impact Praxis Home Retail**

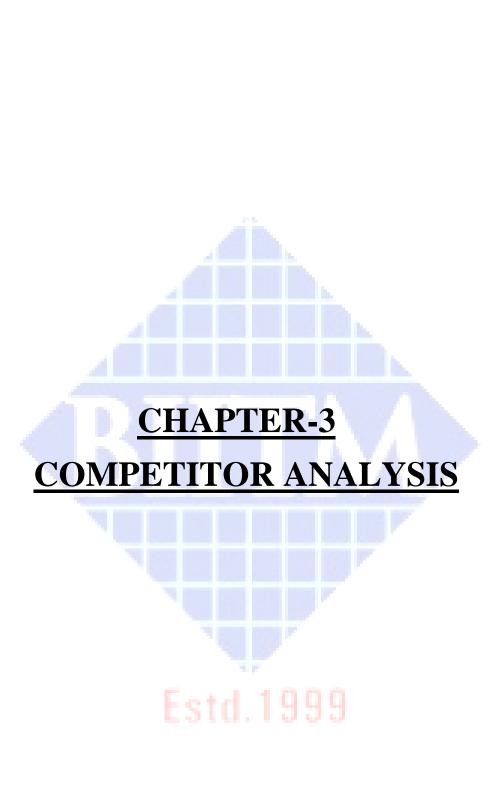
- Recycling is fast emerging as a norm rather than a good thing to do in India economy. Praxis Home Retail has to make plans to adhere to regulations and expectations in the Consumer Cyclical sector.

- Waste management especially for units close to the urban cities has taken increasing importance for players such as Praxis Home Retail. India government has come up with strict norms for waste management in the urban areas.
- Environmental norms are also altering the priorities of product innovation. In many cases products are designed based on environmental standards and expectations rather than catering to traditional value propositions.
- Extreme weather is also adding to the cost of operations of the Praxis Home Retail as it has to invest in making its supply chain more flexible.
- Customer activism Greater awareness among customers have also put environmental factors at the center of Praxis Home Retail strategy.

#### **Legal Factors that Impact Praxis Home Retail**

- Employment law in the India and how they are impacting the business model of the Furniture & Fixtures. Can these conditions be replicated or bettered in international market?
- Health and safety norms in the India and what Praxis Home Retail needs to do to meet those norms and what will be the cost of meeting those norms.

Estd.1999



## PEPPERFRY:

Pepperfry competes with other online furniture and lifestyle stores such as Urban ladder, Hometown, Housefull, Durian, etc. Leading e-commerce companies such as Flipkart, Amazon, Snapdeal, and Shopclues have also started offering furniture online, which is a new challenge for Pepperfry.

Pepperfry is a leading online home and lifestyle store, offering a wide range of furniture and home decor products. Pepperfry was founded in 2011 by two friends, AmbareeshMurty and Ashish Shah. Pepperfry is headquartered in Mumbai and has offices, studio stores and warehouses in various cities in India such as Delhi, Gurgaon, Chandigarh, Ghaziabad, Jodhpur, Lucknow, Kolkata, Bhopal, Ahmedabad, Vadodara, Mumbai, Pune, Hyderabad, Goa, Bengaluru, Kochi, and Chennai. Pepperfry offers more than 1.2 lakh products to choose from across various categories such as furniture, decor, lamps & lighting, furnishings, kitchen, dining, housekeeping, and hardware & electrical. Pepperfry has also launched its furniture rentals service, which is available in top 8 cities in India.

#### **Funding:**

Pepperfry is a well-funded startup and has received around \$158 million through five rounds of funding. Top investors include Goldman Sachs, Norwest Venture Partners, Bertelsmann Investments, and Zodius Capital. The company is looking for more funds to improve its product and service offerings and to expand its presence in new towns and cities.

#### **Acquisitions:**

Pepperfry has not acquired any businesses till date. However, it is open to any bankable opportunities that may come along.

## **HOMECENTER:**

Since 1995, Home Centre has brought the joy of homemaking to millions of customers. Starting off with a single store in Sharjah, UAE, today the brand has over 100 stores worldwide. Over the years, Home Centre has earned a reputation for delivering outstanding value, continuous innovation and exceptional customer experience. Home Centre offers an extensive and impressive range of furniture, modular furniture, home furnishings, home accessories, bed and bath products and kitchenware. Home Centre's in-house team of stylists and buyers draw inspiration from global trends to bring stylish and affordable furniture and homeware to a wide spectrum of homes ranging from the traditional to the modern. Home Centre India has been awarded as the most admired retailer in the home and office improvement category for 3 consecutive years from 2014 to 2016. In 2010, Home Centre unveiled a reinvented brand identity to commemorate 15 years of retail experience. The Home Centre store in Mirdif City Centre, Dubai was the first to inaugurate the new customerfriendly format, with a more contemporary ambience. Despite undergoing a major overhaul to its brand identity, Home Centre remains committed to providing exceptional value to its customers. With a wide network of close to 90 stores across the Middle East and India, Home Centre occupies 4 million sq. ft. of retail space. In 2015-16 the business is foraying into newer markets and expanding in North Africa and CIS countries. Home Centre has consistently ranked among the top 50 brands in the Middle East Global Brand Simplicity Index. Home Centre has also been conferred the Superbrand status for three years in a row in the UAE (2010-12), Kuwait (2010) and in Jordan (2012) as well. Home Centre India won the Global Innovation Awards for 2014-2015 and has also been awarded the IMAGES Most Admired Retailer of the Year: for the Home & Office Improvement category at the 11th Images Retail Awards in 2014. Home Centre is part of the Landmark Group of companies, an international, diversified retail conglomerate that encourages entrepreneurship to consistently deliver exceptional value since 1973. Home Centre's in-house team of stylists and buyers draw inspiration from global trends to bring stylish and affordable furniture and home furnishing to a wide spectrum of homes from traditional to modern.

- 10+Million happy customers shop with Home Centre
- 1+Million great products sold annually across India.
- 30+Stores with products from hundreds of leading brands.
- •63% of all Home Centre sales are online or influenced by online.
- Home Centre customers who conducted online research before visiting an offline store had a 39% higher Average Order compared to customers who didn't.
- Landmark Group, in partnership with digital marketing agency and Google, discovered at least 63% of its Home Centre sales are online or influenced by digital.
- Landmark, which holds a portfolio of 12 retail brands including Homecentre, Babyshop and Splash, enjoys an online and offline presence through its websites and stores. By focusing on its Home Centre brand, using its program and Google Analytics, Landmark was able to connect the number of online visits to its website and the number of offline purchase.

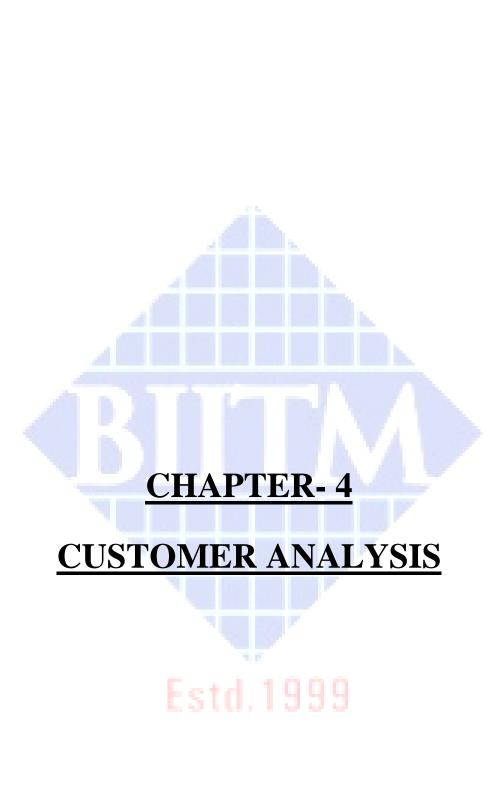
## **IKEA:**

IKEA is a furniture company that designs and sells many kinds of ready to assemble furniture, home accessories and kitchen appliances. It is headquartered in the Netherlands. It is considered as the world's largest furniture designer. It is a company which is value-driven and has a desire for the life at home. Ikea focuses on products design that makes home a better place and that fits to the requirements of the residents. IKEA is seen across 48 countries across the world in about 390 stores. For the IKEA furniture products to be reachable among many people, the products of Ikea are affordable and are of good quality. IKEA produces about 9,500 products and they have about 172,000 employees working for the company. Reason behind the name IKEA: IKEA is named after the initials of its founder, Ingvar Kamprad, Elmtaryd, the farm on huvwhich grew up and Agunnaryd, the nearby village. It is owned by INGKA Holding B.V., a Dutch corporation that is controlled by a non-profit Dutch foundation known as the Stichting Ingka Foundation, which was founded by Kamprad in

1982.Apr 22, 2011. IKEA provides products that are differentiated from its competitors and that too at an affordable cost.IKEA rules the market because of its low cost products, as it supplies products that cost less than the products supplied by its competitors.Plus IKEA has strong brand image around the globe and also well known for quality, stylish furniture at every cost. It has indepth knowledge of customers taste and demands therefore; they are able to design the stylish furniture at low cost which attracts the market. IKEA's Strategy and Competitive Advantage:

- Offering the lowest prices. Cost effectiveness is one of the solid bases of IKEA competitive advantage. The global furniture retailer is able to offer low prices, for that thanks to a combination of economies of scale and technological processes.
- Uniqueness- Ikea try to establish a brand image that represent gentle, stylish, environmentally friendly furniture. Their good design does attract many people. Ikea does really well in value proposition and customer relationships, making it unique and successful.

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## **Consumer Attitudes and Buying Behavior for Home Furnishings:**

Many changes have occurred in society over the past decade that either directly or indirectly impact the home furniture industry. Technological changes, the rise of social media, evolving demographics, and the increasing purchasing power of women are just a few factors that furniture manufacturers and retailers must consider in their marketing efforts .As the economy continues to show signs of modest recovery, furniture makers are trying to determine the best ways to adjust to these changing consumer demands. In order to implement a successful marketing strategy, a keen understanding of consumers is needed, particularly with respect to how they shop for and purchase home furniture.

Consumers move through five stages before makings purchase decision:

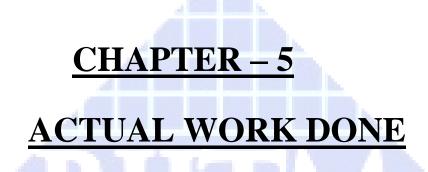
- (1) Problem or need recognition, here it may be in the need of new trend or shifting to a new home may be reason.
- (2) Information search, (here searching over their online stores or asking some suggestions from their friends or family.
- (3) Alternative evaluation, (online offline or local)
- (4) outlet selection and purchase, (final purchaser)
- (5) Post-purchase evaluation. (After sale services like delivery or big furniture at home, assembling the furniture) For routine products that are purchased often (i.e., grocery or toiletry items), the entire decision process is quite short, however, for home furniture it is a very big term. Furniture is a product that requires extensive problem solving, as it is expensive, durable, and not purchased with great frequency. Further, many consumers view their homes and the furniture in them as an extension of themselves, so it can be considered an emotional purchase.

Thus, as consumers do not necessarily have a lot of furniture buying experience to rely on, they typically move through these stages of the decision process slowly, methodologically, and purposefully, to try to ensure that the right piece(s) of furniture will be purchased.

## FURNITURE PURCHASING DECISION PROCESS:

Similar to general consumer decision-making process as mentioned in the previous section, furniture purchasing decision process can be divided in to four steps which are planning and 32 research, shopping, item selection, and store experience. By understanding key drivers of consumers' furniture purchasing decision, companies are able to build market share and enhance revenue through marketing, advertising, and promotion. The first stage, planning and research, can be referred to need recognition and information search stage in general decision-making process towards furniture purchasing, the findings shown that most furniture purchases are planned. The main reasons for purchasing are to replace worn out furniture, followed by moved to a new residence recently, and wanted a new model or style. They also presented that consumers conducted research when they decided to purchase. Store is the place that consumers gather information from. The second stage is shopping which includes searching for information and to see alternative options. The third stage includes final selection and purchase and final stages considers the post purchase evaluation.



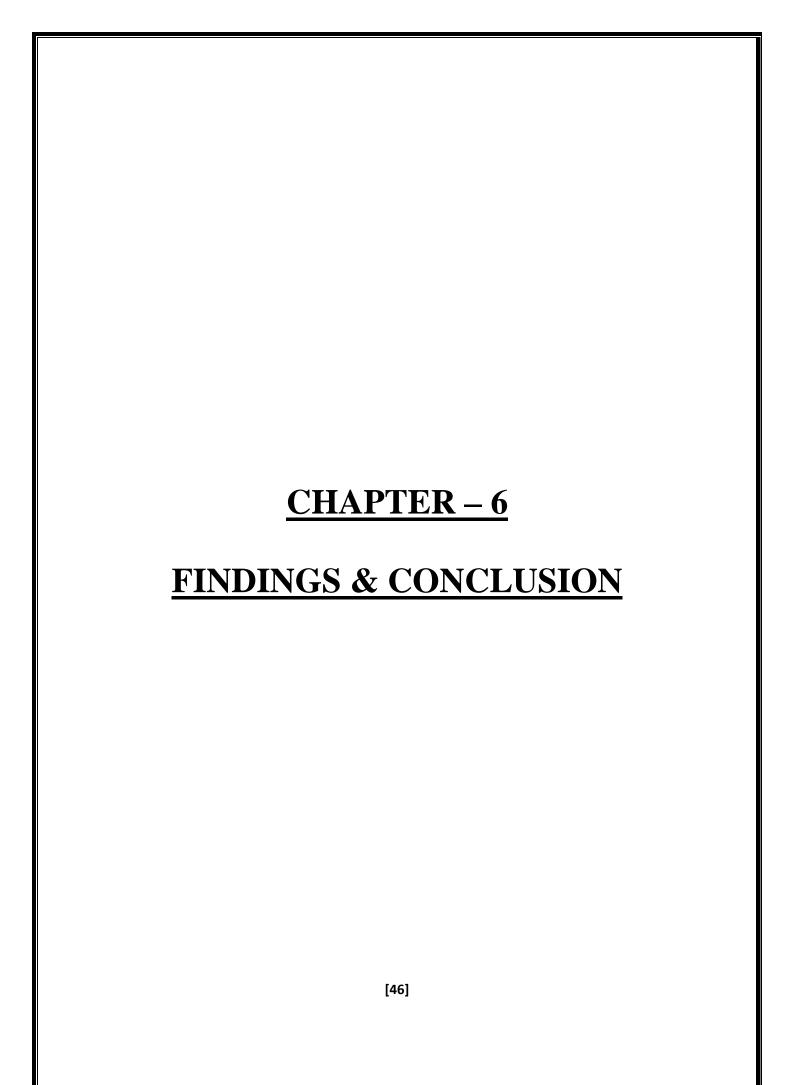


## **ACTUAL WORK DONE**

My tittle of the project was "SWAGATAM PROJECT" where our targeted customer was new home buying customer. So, Swagatam Project was basically a strategy to attract the new home buying customers. The reason to target them was as Hometown deals with all the furnishing items required for a home like Furniture, Home Decors, Home Furnishing, Customised Interior Design & Customised Modular Kitchen. So as it was a new strategy announced by the Hometown we have to do a lot of research work that is both Primary Research & Secondary Research. Secondary Research was based on surfing the sites, checking the records of existing customers. Primary Research was visiting a particular place or area where the construction work is over and handover of the homes has been started. The place of interest was the area where more number of houses are constructed and is of high demand of residential buildings. We had to go outside and finding the lead for the customer. We had to do a below the line marketing like we had to do a small canopy activities infront of the apartment to generate the leads for the swagatam project just to get the order in bulk. We had tying up with the builders with a monetary benefit to get the contact details of the customer. Also we had to do a direct survey by interacting with the customer and builders for stand alone home, duplex, and apartment. Even we were doing cold calling to the customers from the data being provided by the company. Within a period of three to four days a follow up must be taken for the customers who has shown some interest or requires some more motivation to buy the product. The main captivating point for the customers regarding Swagatam Project was the offer avail to them .It was an add on offer with the existing offer which was been currently available in the store. Even we were generating leads for in store as well as from outside. Even we were converting the walk-in customers as Swagatam Customers. Even regular follow up was done to convert the warm leads to hot leads, cold leads to warm leads and insisting the hot leads to visit our store and buy our product. Even we were reaching to the customer's house to provide them with the kit and make them understand our product and offer. Even we were targeting the builders of the residential buildings for the Swagatam Project. We were doing cold calling to the builders and explaining them our product, offer and services being availed. If they were showing any

interest we were planning to fix up an appointment and meet them personally. We were creating a awareness in the minds of the customer that in our store we are dealing with all the products that is required for a consumer when he/she buys a new home. It is a single platform where they will get all the products in one store. There is also a department in hometown which deals with homedecors, homefurnishings, bathroom furnishing, kitchenware, dinnerware.

So in this department Gifting facilities was available for bulk order. So were targeting to the offices, existing customers and new customers who were interested in gifting gifts. So for this also were doing cold calling and visting to the offices to generate our leads and also our revenue. Even we were converting the visitors to buyers if they are the potential customers by upselling and cross selling. We had push the customer to buy the different product and upgrade of that product. We had to put a reminder call to the existing customer and tell all the offer available for the customer during festive season. Also we had to receive the complain of the customer and solve as soon as possible. Even we were working on SAP Software to check the stocks & price. Even we were handling the customer query and were resolving them. This was the actual work done.



## **FINDINGS:**

- . Disposable income, better education and also the growing trend of individuals opting for professional services to do their interiors have together led to a rise in this industry.
- Indians are well travelled now and have an exposure to lifestyles in other countries, This inspires them to have a similar lifestyle for themselves too.
- Indian market is moving beyond the classic segmentation of Metros, mini Metros, capitals of large states, and then tiered definition of cities
- Purchasing power is rapidly spreading pan-India
- With universal reach of media, consumer and market trends getting advertised across India almost in real time, with little lag between all the states in India, and then between Metros and rest of India.
- Gone are the days when the people placed orders for the furniture of their choice. The present trend has been preference to readymade furniture. The customers now use the occasion to go out with their families to see for themselves and buy the furniture which meets their desires. (It was found that some per cent of the public still have their furniture made by local carpenters.)
- One more reason for the choice of readymade furniture is that there is no guarantee of after sales service when one is local carpenter.

# **CONCLUSION:**

People have started taking their home as the reflection of themselves and so, a lot of people are now spending more on both furniture and fixtures and on home decor. Working women are spending a lot on home fashion. In the Swagatam project below the line marketing was a best strategy to acquire customers, reach the target audience and generate revenue out of it. Thus I can conclude that Swagatam Project was quite successful and was able to drive out enough revenue for the company. From the Below the line marketing it was able maintain the relationship between the brand and the customer which would be fruitful in the upcoming future.

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