

Parryware banks on loyalty and innovation-led growth

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January 13, 2020

Parryware, the flagship sanitaryware brand of Roca Bathroom Products, is in a comeback mode. From tying up with TVS Logistics for efficient supply chain management to adopting a four-bucket customer group approach, the home-grown brand is setting sights on innovation-led growth, says its MD, KE Ranganathan.



KE Ranganathan, MD, Roca Bathroom Products

Chennai:

After an 18-year stint with Parryware (1990-2008), during which the Murugappa group-owned entity was bought over by Spain's Roca, Ranganathan had moved on. He rejoined the firm in 2016 and since then, his efforts were to revive the recall of Parryware, a Rs 1,000 crore brand today.

Growing at 15 per cent year-on-year, the brand has been showing promise. "Unlike other players, who have registered negative numbers, we have posted a positive growth. We are confident and are looking to make inroads into western India. Our dominance in south (55 per cent share) will continue but we would like to focus on other regions, especially west, where we have a 10 per cent share," he says.

In the south, comprising five states, TN contributes a sizeable chunk of 50 per cent. New constructions and renovations, he opines, are the two key consumption drivers of sanitaryware or bathroom products. While the former (70 per cent of which 25 per cent belong to individual homes category and rest in the builders/apartments space) got severely impacted, the growth came from the renovation segment. While the typical new product development life-cycle is 12 months, Parryware was able to crunch it by half, launching a range of products to cater to various segments. “We divided the customer group into four – kids (upto 15 years), youth (20-30 years), achievers (35-55 years) and the above 60-year population as ‘young at heart’ category,” Ranganathan says.

High net worth individuals, hi-end school nurseries and international schools were quick to buy the ‘kids range of toilets’ while a major portion of business came from the youth, who preferred ‘smart’ or tech driven products (colour – black or greyish black, blue-tooth enabled showers). “We introduced the hand rail or raised bathrooms, anti-skid bars for the elderly customers and hygiene products – anti-bacterial, water conserving toilets for achievers. Last year, we added 200 products across four customer segments. So, the new products will have a blend of customers and this year too, 150 products from Parryware are being launched in 15 cities across India,” he adds. Smart products were priced between Rs 2,000 and Rs 1 lakh.

Striving to remove the ‘commodity’ tag to bathroom products, Parryware banks on experiential aspects to boost growth. A step in this direction is the design studio, that showcases products ‘live.’ Next month, its 7th studio will come up in Bengaluru and subsequently, two of them in Hyderabad and Kolkata. The brand has loyalty programmes like ‘Utsav,’ (25,000 retailers) and ‘Bandhan’ wherein it has enlisted 30,000 plumbing technicians across the country. “We have leveraged technology and are able to add 3,000 plumbers every month, whose services can be availed through our app,” he says.

Ranganathan also highlights the effort to make supply chain management (SCM) robust. “Four of our 14 warehouses are managed by TVS Logistics, to iron out the hindrances and facilitate an easy movement of products from the factory to the depot. Instead of cost-saving, which works out to 10 per cent out of an annual expenditure of Rs 100 crore on SCM, our aim is to improve efficiencies. Within three years, TVS Logistics will help us achieve progress in this direction. About nine months ago, TVS Logistics bought over Nadal Shipping in Barcelona, whose key client is Roca. This adds to the trust quotient immensely,” he points out. Parryware pipes and fittings, launched mid-2019, also has been a fast-growing category.