

'Direct Sellers Continue To Excel In Mini Metros, Smaller Cities': Deepak Chhabra, MD, Tupperware India

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Direct Selling continues to be the major contributor and the core channel for the company, Deepak Chhabra, Managing Director, Tupperware India tells Ashish Sinha of BW Businessworld. Excerpts:



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Despite the initial adverse impact of Covid-19 pandemic on the business ecosystem, Tupperware India is expecting a 10 per cent growth for the year 2020. Direct Selling continues to be the major contributor and the core channel for the company, Deepak Chhabra, Managing Director, Tupperware India tells Ashish Sinha of BW Businessworld. Excerpts:

How has been the business growth of Tupperware India since the Covid-19 pandemic in March? Can you throw some light on the quarterly growth for FY2020-2021?

This was an unprecedented crisis for organisations across the world and for Tupperware India as well. When the Covid-19 outbreak began in March, we were caught off-guard. With businesses shut and the national lockdown in full swing in the month of April, there was a lot of apprehension about business growth wherein we ironically started working overtime to align a strategy that would ensure business continuity for all our stakeholders.

Today, we are revitalizing business operations in line with government guidelines and refashioning the work approach of the direct sellers, retailers, and distributor's network via strategic digital shift; related training and tech-enabled solutions are also being offered.

Also, as the external ecosystem became conducive post COVID, Tupperware went all out to reinstate its retail operations. Unlike many businesses that reduced/retracted retail presence, Tupperware launched new exclusive brand stores across 14 cities, with a national count of Tupperware outlets reaching a figure of 68. To keep the momentum going, Tupperware plans to add 100 additional new brand outlets in 2021.

In terms of business growth and revenue, before the COVID hit us all, for the calendar year 2020 we were achieving an average growth rate of around 15% in Q1 2020, till March. The months of April and May were definitely the most challenging months as the external environment was extremely unsettling and unpredictable, but with the improving situation, we are expecting a 10% growth for the year 2020. Direct Selling continues to be the major contributor and the core channel for the company with 80% revenue coming from it. E-tail and retail contribute to about 12% and 8% respectively. To accelerate business, a multi-channel marketing festival, TupperFEST was strategically launched in August as the demand for dry storage and preparation range went up by 30%. The brand is confident of a continuous uptick in the consumption pattern since the newly debuted chef audience will shop more to experiment and upscale their newfound cooking talents in the future as well.

To manage the surge in orders and timely delivery of products, Tupperware partnered with Swiggy Genie and Dunzo to home deliver products to consumers from stores across 32 cities. As the modern Indian consumer is looking for connected solutions and instant-gratification, Tupperware's presence across retail, e-tail and direct selling further strengthen a consumer's loyalty towards the brand.

Can you provide an analysis of metro vs. non-metro cities in terms of revenue generation and business growth?

At Tupperware, we are tapping e-commerce and physical retail stores to connect with our evolved consumers in Metro cities whereas direct sellers continue to excel in Mini Metros and Tier-2 and 3 cities. While among the non-metros, some of the top-performing cities in terms of revenue are [Pune](#), [Ahmedabad](#), [Ludhiana](#), [Mangalore](#), [Lucknow](#) and [Bhopal](#); and Mumbai, Bangalore and [Delhi](#) among the metros.

The brand adopted a harmonized multi-channel sales and technology approach last year and launched around 68 exclusive brand stores across India. For stronger penetration and meeting the emerging demand of the consumers, we have also expanded our presence across platforms - direct selling, retail stores, social selling and e-commerce both on marketplaces and brand's own webstore, However, direct selling continues to be the Core sales channel.

Have you noticed any new trends among your sellers during the pandemic that you're using to bring in newer innovations at Tupperware India?

Sharing one trend that we have been noticing in our salesforce on how they have embraced the change and using digital tools to interact on social platforms. With COVID-19 came the challenge of restrictions around physical mobility, but owing to the brand's innate agility and innovative bend of mind, we launched Social Selling via newly launched exclusive webstore. Social selling as a concept is gaining immense popularity amongst the consumer and business community alike, and we have designed customized training modules for our direct sellers to adopt this new way of engaging with the consumer. In the absence of physical meetings, social media channels like Facebook, Instagram, WhatsApp, video platforms, and more are replacing traditional meet-and-greets by offering wider reach to engage with existing and potential customers irrespective of where direct sellers are physically stationed.

Every direct seller (DS) gets a customized URL, which they can circulate among their Social circle on social platforms. Once clicked, the URL takes buyers to the company's web store. All the product offerings and promotions are linked to this URL and customers can choose, select and buy. We deliver directly to the customers and the salesforce gets paid based on the sale. This way, our sales force gets continuity of business without going out physically and the decisions made are based on insights generated from the digital platform and analysis.

Tupperware is evolving with the times to offer to its sales force and the consumers, the choice to interact via whatever medium is best suited to them. The Social Selling model is an extension and not a replacement of the physical meet and greets which Tupperware is traditionally known for, yet it will yield similar emotional associations. The added advantage of social selling is its zero-investment initiation model, in-built convenience and efforts being saved in terms of time, supply chain and other similar resources.

The webstore is designed on a 'mobile-first' approach for an optimal experience on smartphone screens, the platform will offer a superlative interface to dynamic, digitally savvy consumers who are always on the move.

How are you integrating new age technology in managing your supply chain today?

Being a global brand with enormous exposure and experience, we understand and appreciate the power of technology and have some very specific interventions planned. We are currently investing our energies in spreading our footprint pan India and are sure that in due course of time, technology will be the biggest enabler for us.

Our company has invested and continues to invest in technologies like warehouse management systems, GPS enabled Tracking solution, modern ERP systems to track our delivery from plant to distributors and also reduce turnaround time and lead time of service. Consumers have evolved today, and they expect a fast delivery with the best product quality as a key factor for customer delight.

Also, all Tupperware products carry a unique QR code which can be easily scanned by the customers through their smartphones. This enables them to access the complete information about the product- its functionality, price, warranty, availability, ratings etc. The product is further self-carted and bought at the outlet immediately.

Talking about technology, what are some of the other areas where Tupperware is experimenting with new-age solutions?

How has it changed since the Covid outbreak, if at all?

Learning, innovation and evolution keeps a brand alive and relevant, and digital strategies are the key to success in today's ever-changing world. Especially in absence of physical meetings in today's times, presence on digital platforms plays an important role for the brand in replacing traditional meet-and-greets and offering wider reach to engage with existing and potential customers irrespective of where our direct sellers are physically stationed, along with offering the choice to interact via whatever medium is best suited to them. We also realized that all consumers buy/interact with our brand's offerings through different channels and we have to give them that choice and digital platform for being familiar with the brand and buying will be the norm due to challenges caused by COVID, hence we did the following:

Social selling: Tupperware India recently added another feather in its cap with the launch of the Social Selling channel via the newly launched exclusive webstore. With launch of social selling as a sales channel, we are bringing our 70,000 direct sellers, on a digital platform. We are giving them the tools to interact digitally on social platforms like Facebook, Instagram, WhatsApp, video platforms, etc. Every direct seller (DS) gets an URL, which they can circulate among their peer group on social platforms. Once clicked, the URL takes buyers to the company's web store. All the product offerings and promotions are linked to this URL and customers can choose, select and buy. We deliver directly to the customers and the salesforce gets paid basis the sale. This way, our sales force gets continuity of business without going out physically.

Launch of webstore: In line with brand's multi-channel sales approach, webstore will enable listing the entire range of Tupperware products, along with product utility and demonstration videos, quick and food recipes, elaborate product information and many such features to add value to customer's product and buying journey. Designed on 'mobile first' approach for an optimal experience on smartphone screens, the platform will offer superlative interface to dynamic, digitally savvy consumers who are always on the move.

Omni-channel retailing – We are also working towards adopting an Omni-channel retailing that will offer our consumers ease of operations with seamless movement and transaction across platforms - the consumer can buy products from any outlet/webstore and exchange/ return them at any outlet present at any location and more. Omnichannel will make the shopping experience seamless, whether they're shopping online from a laptop, desktop or mobile or in an exclusive brand outlet.

Endless Aisle – Tupperware has a massive product range and stocking and showcasing the entire product portfolio under one roof is not possible. Therefore, we will introduce digital kiosks which will enable a consumer to virtually browse, experience and order products at our outlets.

To add to that, these digital kiosks will also ease and enhance demonstrability, while updating on stock-out issues, if any. These easy-to-use kiosks, can be operated by the consumer directly or with the assistance of outlet staff.

The current pandemic has put a lot of burden on India's manufacturing sector. Could you help us understand Tupperware India's manufacturing potential and what percentage of it is being currently utilised?

India holds importance for Tupperware both as a market as well as from a manufacturing standpoint. This year, we at Tupperware India are looking to sell over 4 million units across 400 SKUs in categories like dry storage, bottles and lunch/tiffin boxes. The company exports to around 30 countries in Asia Pacific, Africa and Latin America. Backed by a workforce of around 600 people, the company has a 10-million unit per annum (installed capacity) modern manufacturing facility at [Dehradun](#), Uttarakhand, which is also one of the global manufacturing hubs for the group.