



The Indian home furniture industry, pegged by recognised *pundits* in the business at about ₹100,000 crore, is divided between simplistic users, experimental users and evolved users. Each is a divergent body of people with different demands and vastly different lifestyles – even different criteria of what constitutes acceptable quality. It is also an industry where more than 90% of the business is controlled by the unorganised sector. In this complex, difficult and highly competitive segment Godrej Interio holds 18% share of the organised market, comprising 72 companies. This outstanding organisation has received 28 national and international awards for brand development and, in the last three years alone, has to its credit 150 registered design innovations.

Market

Most people will be hard-pressed to estimate the size of the Indian furniture and fixtures market, as well as of the number of people who ply the trade. The closest would be thousands of crore in annual revenue and, at least, a couple of million or more, carpenters. Clearly, the industry is disorganised, fragmented and run mostly by individuals who exert influence within the confines of a very small radius. The organised part of this business is a few score companies who essentially take up large corporate assignments or contractual jobs in gated residential complexes or run a national or a regional retail and distribution presence that are increasingly gaining favour.

It is safe to assume that what these companies achieve is high levels of automation, standardisation, speed and competent execution of the assignment. They also bring professionalism to an industry flagrantly unprofessional and one that offers no guarantees.

The organised segment owes its rise to the development of massive projects in India involving residential, commercial, office and business spaces; as also to some extent to home-owners, now hugely influenced by exposure to the west, increasing disposable incomes and the urge to live in modern, stylish houses or work in contemporary offices.

People in the trade hazard a deduction. They estimate that despite the massive growth witnessed in the last twenty years, the organised market comprises no more than 12% of the home furniture and fixtures market and 18% of the institutional. *Pundits* peg the total business at about ₹100,000 crore, growing at an impressive 11% per annum. This growth is in stark contrast to western markets, many of which display a sub-5% growth, although some, especially in the Middle East, South America, South East Asia



and the Francophone countries of Africa attain higher figures.

The Indian furniture industry is divided between simplistic users, experimental users and evolved users. The simplistic user resides in small towns and, without exception, in India's huge rural and semi-urban belts. People here are happy to accept serious compromises and are unlikely to migrate their business to the organised segment any time even in the distant future. The experimental user is the emerging middle class. Many of his ilk have travelled, many have been exposed to western concepts and many want to compete for style with their neighbours. Perhaps, not today, but soon enough some of this huge audience base will move up in life and seek professional help. The evolved customer has arrived. He favours standardisation, uncompromising quality, on-schedule completion of jobs and very high levels of professional competence.

This then is the complex, difficulty, competitive,

littered-with-opportunities market Godrej Interio operates in.

Achievements

One would imagine that for a business just completing ten years, its achievements would be unpretentious, if not insignificant. Godrej Interio has turned this norm on its head. Its brief history is crammed with several industry-leading highlights starting with the fact that in a segment comprising 72 companies Godrej Interio commands an impressive 18% market share – several times more, if the distribution amongst them had been equitable. To add to this highlight is the other fact: Godrej Interio is growing at 23% per annum against the industry growth estimated at 11%.

Through its remarkable run this outstanding company has received 28 national and international awards for brand development as well as design innovation; in fact, over the last three years alone, Godrej Interio has registered more than 150 of them.

After the flying start and suffused with confidence, the company launched into an expansion drive. In quick succession it opened 350 exclusive brand outlets in the retail segment and 1900 distribution outlets across the country. This has helped bring high levels of professional competence to vast swathes of the nation. Its largest engagement programme – *Upload and Transform* – has now run successfully for four consecutive years. *Upload and Transform* is an initiative where users upload current images of their homes, explaining how they actually wish



their homes to be. From the inflow it receives from thousands of users Godrej Interio selects a few, transforming them in sync with the aspirations of their owners and returning it to them with its compliments.

Many companies are simply about business. Shunning this approach for a more needed one, Godrej Interio has become the only Indian furniture company to undertake sustainability reporting including GRI – the Global Reporting Initiative. GRI is a sustainability report published by a company about the economic, environmental and social impact caused by its everyday activities. This understanding helps mitigate the effects of climate change – amongst other critical benefits.

History

The history of Godrej Interio goes back to 1923 when Godrej began manufacturing steel cupboards and filing cabinets. Their military green products were so successful that for the next 40 years the company continued to turn them out by the thousands, without the need for any major change.

In 1963, Godrej introduced its Storwels brand. The Indian business environment was slowly changing and open plan office systems were being increasingly asked for. Godrej entered this market bringing to it 61 years of expertise. Fifteen years later, it forayed into modular accommodation systems pressing them into service for the Indian Navy.

The turn of the century saw Godrej enter the home furniture business and a year later into laboratory solutions. The rapid expansion of the market and the increasing sophistication of the solutions forced Godrej to rethink its business structure. A new group, within the company, was formed by amalgamating the Storwels and office furniture businesses. This allowed the company to focus more sharply on the rapidly changing furniture and interiors market. This group was eventually spun off into a separate entity called Godrej Interio.

Godrej Interio consolidated all furniture brands – and furrowed its own destiny. Today, Godrej Interio is involved with the sleep comfort business, home furnishings, accessories and in the highly specialised space of the health care industry.

In 2010, Godrej Interio acquired the Anchorlam plant at Shirwal adding to the muscle that already existed at its works in Mumbai, Bhagwanpur, Guwahati and Haridwar.

Product

Cynics call a chair, a chair. But as science has progressed and the world finds itself ensnared in the unsound world of environmental degradation, a chair is no longer just a chair – ergonomics has come into play. Ergonomics is the result of several other sciences – psychology, engineering, industrial design, physiology and anthropometry – coming together to develop products that a body fatigued by the demands of modern living needs.

Godrej Interio has taken this a step further by adding consumer insights as another factor to be considered. The company collaborates with many renowned international designers to come up with products that are superior on the style quotient, high on comfort and developed using sustainable materials. There is another feature



Godrej Interio considers closely: the optimisation of space. As land becomes scarcer and living and working space more expensive, space optimisation will become a necessity. Godrej Interio is already in this exacting science.

In the business-



to-consumer sphere Godrej Interio offers a vast range of home furniture and interior solutions. These include inventive solutions for bedrooms, living rooms, dining rooms, storage spaces, children's furniture, furniture for study rooms, solutions for kitchens, accessories, mattresses and customised hardwood furniture.

For institutional areas, Godrej Interio is a highly evolved solutions provider. It offers exceptional and novel ideas for desk, seating, storage, modular offices, laboratory furniture, marine furniture, specialised paraphernalia for the health care industry and 360-degree turnkey projects.

Recent Developments

In its most recent advance, Godrej Interio has entered the high-end, lifestyle kitchen space. Ignored for long, the Indian kitchen has now come alive with modular fixtures and every form of convenience and automation.

The brand has separated the business-to-business and business-to-consumer areas as two independent business verticals to bring in greater focus across the value chain. Conceptualisation and execution of omni-channel strategy and the integration of technologies to provide the company with sustained leadership is an integral part of its forward thinking. It has introduced manufacturing robotics so that consistent and high standards of quality are maintained even as speed is injected into the process.

Most recently, Godrej Interio purchased a mattress-manufacturing unit in Haridwar to press home its advantage of a one-stop solutions provider.

Promotion

Furniture in India is seen as a long-term investment and is usually retained for anywhere between ten and twenty years before it is trashed. India's young – and growing – population, however, has a different perspective. They are happy to change, alter, modify, discard or simply replace furniture to match the emerging stages of their lives. The challenge for Godrej Interio, thus,

is two-fold: to cater to both the markets with equal élan and professionalism and to be able to sustain it over an infinite period of time.

The company focuses on the experimental customer, creating awareness through television, print and web. It engages with them combining digital and virtual to real-life experiences with engagement programmes like *Upload and Transfer*.

In the business-to-business segment, however, the company reaches out directly to corporates through promotions, personalised to each

industry vertical. This customised effort helps Godrej Interio to build a special bond with each institution and from this generate funnel width.

Brand Values

Godrej Interio is a company steeped in tradition and the

principles enshrined in the Godrej code of ethics.

Three core values, motivated by consumer insights and enveloped by the Godrej tradition, drive the company forward: a sharp focus on usage experience; a constant evaluation of the ecosystem with relatively irreproducible products and sustainability in business.

These values have actually shaped the company. Indeed, Godrej Interio's marketing and communications platform – *transform your life* – is a direct spin-off of this.

Things you didn't know about GODREJ INTERIO

- ▶ Godrej Interio commands 18% of the organised sector furniture market
- ▶ In the last three years alone, Godrej Interio has registered more than 150 design innovations
- ▶ All products developed by Godrej Interio are ergonomically designed
- ▶ Godrej Interio powers accommodation for Indian naval ships
- ▶ Godrej Interio drives design-to-implementation of all interior projects in both B2C and B2B categories
- ▶ Steel kitchens from Godrej Interio are termite- and cockroach-free
- ▶ Godrej Interio offers more than 7000 colour options for offices
- ▶ Godrej Interio is the most sustainable company in furniture manufacturing and marketing
- ▶ Godrej Interio employs 200 designers – the largest set in the industry