"The Sensitivity of Indian Customers **Towards Modern Kitchens has Grown in** the Last 10 Years..."

taly-based home furnishing manufacturer Scavolini has been around in India for five years now - a considerable amount of time to learn the tricks of the trade here. On an expansion spree, the company is gearing up to foray into major Indian cities Mumbai and Delhi are



on top of the radar. In an exclusive conversation with Kitchen Review, Roberto Gramaccioni (Roberto. Gramaccioni@scavolini. com), manager - Export Sales, talks about the company's business plan and much more...

Scavolini has been around for half a century now. Where does the company stand today in terms of global presence and distribution network?

Scavolini is present throughout the world. In all, we have more than 1,300 showrooms spread across the five continents. Out of these, 1,000 are in Italy, 150 in Europe, over 50 showrooms in Russia, 40 in North America, 20 in Central and South America and 15 in Asia

and Oceania. The company has an industrial plant in Italy, spread over 185,000sqm and relies on an employee count of 550 people. Its presence in almost every nook and corner of the world has attracted a number of industries – linked to the supplies of modular elements for furniture – to set up its unit in and around the plant.

In terms of business, the Scavolini group as a whole achieved a turnover of € 200 million in 2013.

Talking about infrastructure, has there been any recent investment by Scavolini in Italy?

The most recent infrastructure investment has been in our new plant, spread over 13,000sqm. This plant is dedicated to bathroom collection, as well as to a new photo-voltaic system that guarantees the energy autonomy of the group. As a matter of fact, we have never ceased to invest, both in terms of communication and product design. In fact, last April, we also participated at the Salone del Mobile in Milan presenting new proposals, including the "Ki" project designed by Nendo.

Tell us a little about your Indian partner, and the nature of this partnership?

We aim at making our presence in India stronger. Five years back, we started our cooperation with Hyderabad-based distributor Casagranda, and through them we increased our reach in other cities – Chennai, Kochi, Ahmedabad and Kolkata. Further, we have a direct relationship with Benglauru-based distributor Sai Gallerium with whom we just opened a new space dedicated to Scavolini kitchens.

We would soon be opening our first Scavolini store in Mumbai. The store, spread over more than 500sqm, will have on display a range of kitchens, bathroom and living, which have been the prominent launches by Scavolini in the last couple of years.

Have you identified more partners/franchisees in India? How many are to be appointed in 2014?

The big news for Scavolini in 2014 is the opening of the first store in Mumbai. The size of close to 500sqm should position it as one of the biggest high-end kitchen and bath store in the city. While this will accentuate our presence in the Indian market, it goes without saying that our ambition doesn't stop at this point. By the end of the year, we will have a store in Delhi too. More such stores will come up soon.

Which Indian cities are you targeting for expansion, and what is the brand promotion strategy?

We are targeting Pune and Ludhiana as the next prospective cities. Being the biggest manufacturer of kitchens in Italy, we are confident that Scavolini can become an appealing brand. Our target is of course end-consumers who can identify with a renowned brand like ours. As for promotions, we will push for participation at furniture fairs as well as local advertisements in magazines, newspapers, etc. In terms of a national campaign, we will go with magazines like AD, Elle Décor and Casaviva, besides in-flight ones like Jet Wings.

What is your perception of the Indian kitchen market? How big a challenge is it to succeed here for overseas companies like Scavolini?

I feel that the sensitivity of the Indian customers towards modern kitchens has grown in the last 10 years, and I see a constant switch from a merely price-focused approach to more appreciation for design and quality. This situation is inevitably a challenge for any manufacturer. But we are ready for it. Our company for the last 50

years has unfailingly given attention to quality of material, advanced technological features and development of creative design solutions in cooperation with renowned international designers.

How are Scavolini kitchens positioned in the Indian market in terms of price and features/uniqueness?

Scavolini's strength lies in its wide range of offerings, both in terms of style and price. We have always made efforts to distinguish our range in terms of style; for instance our unique projects like Diesel Social Kitchen – the vintage kitchen developed together with the fashion brand Diesel. Another such example is Flux – developed by designer Giugiaro, who introduced the fascinating curves for cars like Ferrari and Alfa Romeo. Such Scavolini offerings are really unique and can't be copied.

In terms of business emanating from India, what are some of the projects you have been associated with? Do you expect sales through only retail or also from projects?

Projects inevitably can influence a lot when it comes to targets a company can fix. In countries like Canada or USA where we are well represented, the sales of Scavolini for high-end big residential towers represent 30% to 50% of the overall turnover. As for India, given the growth of the real estate sector, projects do attract the attention of a number of players. However, it is retail sales that rules the roost even in cities like Mumbai or Delhi. We would like to appeal to such brand-conscious public.

We have already delivered kitchens to projects such as: Ambience – Delhi (96 kitchens in 2011); Bloomfield Ecstasy – Chennai (100 kitchens, most of which delivered); Venetian Villas – Ahmedabad (project 33 villas, in progress). In addition to these, Scavolini mockups are installed at Green Athems – Chennai (40 kitchens); Campus Court – Kochi (project, 368 kitchens); Mandarina – Chennai (project, 64 kitchens); Living Walls – Hyderabad; Joy Allukas – Kochi; Asten Mather – Kochi; Popular Properties – Ahmedabad and TVH – Chennai.

Are you offering the Registering Your Kitchen' project in India?

An Indian buyer, or for that matter anyone in the world, interested in a Scavolini kitchen can register his/her kitchen on the dedicated website, and avail the benefits of a warranty granted by the company.

Some of your Italian counterparts have been present in India for quite some time now. Have you taken leaves out of their books? It is always important to learn from experiences of our competitors, both Italian and German. We need to be able to find the right partners to better exploit the tremendous growth opportunities, as well as our offerings that range from signature kitchens to contract-oriented products – such as new bathroom and living room lines. The partners should ideally be able to position Scavolini as a home furnishing

manufacturer.