



**Webinar
Series**

Summary

04th November, 2020

ROAD TO RECOVERY - **RETHINKING YOUR BUSINESS MODEL**

Knowing when to change your business model is as important as knowing what to change it to and how to manage that change. An organisation needs to be agile and resilient to be able to quickly respond and adapt to disruptions or changes in its market, industry or the economy. This was the key theme that emerged from the fourth panel in the Road to Recovery series. Chaired by Deepak Kapoor, Former Chairman and CEO, PwC India, the panel for the discussion on “Rethinking Your Business Model” comprised Venu Nair, International Retail Leader; Sanjay Bhutani, MD, India and SAARC, Bausch and Lomb India; Preet Dhupar, CFO, IKEA India, and Sandeep Khanna, Director, Strategy, ASA & Associates LLP.

Deepak opened the discussion with his views of how the last few months have shaken the foundations of existing business models and have paved the way for the entry of newer models in tune with the patterns evolving from the current global crisis. He emphasized on the need for organizations across industries to strike the right balance between physical and digital meetings. This was followed by Preet who spoke about the need for being observant of how the environment is continuing to change; and drew attention to the key trends in the industry viz., acceleration of the virtual economy, the prevalent economic distress and value being the primary drive of consumers. She also illustrated how themes such as environmental care, sustainability and health and safety have taken on prime positions across industries worldwide. Unlikely alliances of different businesses were another point in discussion, where she spoke about the world seeing more collaboration between businesses and governments.

Talking about customer loyalty, Sanjay threw light upon the changing purchasing trends that saw customers move from brick and mortar to digital platforms that allowed customers to quickly assess rival brands of products they wished to purchase. Different sectors will see different rates of recovery for example, India is now a major exporter of medical material like masks and other surgical equipment. Companies need to be vigilant to

changing market requirements and consumption trends and adapt accordingly. Sanjay also spoke of the necessity of building a resilient supply chain and spoke of how Bausch and Lomb had done this by working closely with their distributors, managing payments and freight costs among others, and finally using technology to connect and transfer information in real time across the supply chain.

Venu brought forth the aspects of lifestyle changes and changing consumer behavioural patterns triggered by work from home norms; in his view, we will eventually move to a hybrid combination of work from home and working from the office. He went on further to state that with digitalization and ecommerce, strategies and plans have become more dynamic – 5year plans have contracted to 1year plans; omni-channels are taking prominence in the retail industry with a ‘lightning-like’ pace of change. Venu also stated that the balance between ‘digital’ and ‘physical’ will be upset when the current scenario eases off, and predicted that it will probably stop at ‘phygital’ with the digital impact starting to drop with the gradual return of normalcy. He concluded by sharing three points that are here to stay: CDR. Casual, Digital and Remote.

Sandeep was of the view that it is important to introduce new ERPs and SKUs to suit the current situation. He likened the transformation in technology to the one that happened during the first industrial revolution. As strategies that may be adopted by management teams across industries to stay ahead in the race, Sandeep underlined the importance of reinvention of business models to suit changes like commoditization; being in touch with top customers; product innovation and finally pilot testing product innovations.

In conclusion, Deepak summarized the discussion with five points to remember during these times – 1. Business models need hard tweaking and fundamental changes. 2. Read at least two years into the future of this scenario and strategize remodeling. 3. Technology, when used well, will help us sail through. 4. Employee empathy is very important. 5. Personal evaluation is essential for us to have a sense of fulfillment.