

E-commerce Bound to Grow: Mehta

Modern retail channels to bounce back in small format after the pandemic, says HUL CMD

PTI

New Delhi: The Indian e-commerce sector is bound to grow even after the pandemic and modern retail formats will bounce back but only through small-format stores and not big hypermarkets, Hindustan Unilever Ltd (HUL) chairman and managing director Sanjiv Mehta said on Thursday. The e-commerce sector would grow not only due to the sheer convenience it offers but also for the assortment it provides, Mehta said at a virtual panel discussion at the Amazon Smbhav event.

The pandemic has accelerated the technology adoption for the Indian retail sector, he noted, add-



ing that the general kirana stores (neighbourhood stores) would be more digitised in the next few years. "Traditional Indian shopping is like an expedition. It is something which people go out not just for buying, but for the whole joy of experiencing. So that's bound to come down," said Mehta.

Modern shopping centres like big malls took a beating because many of them were



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closed during the lockdown.

"But going forward, e-commerce is bound to grow for the sheer of convenience that it offers, the assortment it offers. Modern trade will bounce back, but I believe it will be more the small-format stores, not the hypermarkets," he said. According to Mehta, during the pandemic two channels stood out — e-commerce and general trade (kirana stores). It

was actually a "renaissance of the humble grocer" because of their proximity, he said.

India has over 10 million general trade (GT) stores and this is going to remain a dominant channel even 10 years from now, Mehta asserted. "... but it will be not as large as perhaps it is today, but it is going to be a very different GT, it will be connected soon."