

SAMIL going aggressive on customer reach

By S. Anantharaman

Inaugurating its 60th Automall in July 2016, Shriram Automall India Ltd. (SAMIL), on a fast track since inception in 2011, has been a trend-setter in the exchange of pre-owned vehicles & equipment segment. Mr. Sameer Malhotra, Chief Executive Office, SAMIL, talks about the exciting developments ahead in the commercial vehicle (CV) segment and SAMIL's plans to grow in that encouraging environment.



Mr. Sameer Malhotra, CEO, SAMIL

Creating more awareness about the company program is going to be the key priority during the next couple of years, indicates Mr. Malhotra commenting on the plans to address the market requirements in the journey towards 2020. He says: "Despite our presence for over five years, awareness levels about used equipment exchange business, viz., buying and selling facilitated by an organised sector firm is low and it's going to take a lot of concept selling to promote this business model. I agree that we have more than 50% market share in our channel, but against the unorganised sector's share of over 80% in the total business, ours is a small pie, and we have still a long way to go in tapping the business potential of this segment".

According to him, customer awareness and concept selling endeavours are going to be thro' expansion and providing tech-driven

and non-tech driven services. He states: "To get closer to customers, we will be opening 15 more Automalls in the next 1½ years. As for the non-tech driven services, it will be thro' increased touch basis meaning deploying more people to meet customers and create awareness. On the tech-driven solutions, we will be launching Mobile App-based services. Customers will be able to register through the mobile application, view the available inventory, pay the Refundable Security Deposit (RSD) amount through online payment gateway which is required to participate in the bidding event and finally bid on the vehicle or equipment they desire. The above services will be available apart from existing online bidding that too has received favourable response".

Mr. Malhotra explains: "Online bidding is organised in cases where the equipment cannot be transferred to the auction site



due to various reasons like remoteness, legal issues, shifting expenses, etc. - of course inspection of the equipment at site is invariably done by the prospective bidder. He agrees that despite all the technology, physical format viz., bidding at the Automall, following that classic touch and feel route will

continue to be a popular one especially in the used vehicles domain and the business has to be achieved through a mix of all the above routes".

As for the road map and focus areas in the timeline ahead, Mr. Malhotra observes: "Against the main theme of awareness creation, we want to grow in every segment. CV accounts for a major portion of our current business revenue and we want the contribution from other segments like 3-wheelers, passenger cars, commercial passenger

“ We want to create awareness about the presence of an organised and transparent channel like ours to enable customers exchange their used vehicles with ease and keep them informed about the entry and exit routes available down the passage of time.

cars (yellow plate taxis), buses, etc., to account for 40-50% against the current 15-20%. Also, apart from the first truck customers, small fleet owners and corporates, dealers/brokers constitute one of our main business channels – they do the buying on behalf of the customers in remote locations. If we can take our physical presence closer to the customer locations, then our business supported by all other initiatives can register a significant growth. Leveraging futuristic technology to aggressively

expand the services and increasing productivity of the team are also on our radar for boosting growth".

Mr. Malhotra asserts that several positive macro-economic factors are propelling current demand for new buses, heavy vehicles, tractors, etc., and this should also trigger significant business in

the replacement market. He is upbeat about the unfolding business prospects, and with 10 to 15% YoY growth, confident of meeting the ambitious targets. Already recognised as India's leading 'OneStop' destination for exchange of used vehicles, it won't be a surprise if SAMIL further consolidates its position and soon emerges one of the high-profile companies in the Shriram Group.

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