

# A GROCERY STORE'S TECH ADOPTION PUTS IT ON THE SUPER-FAST TRACK

It is remarkable to note how Equitas Dhanya Kosha has grown from a single outlet to a chain comprising 15 stores in a span of less than one-and-a-half years, courtesy its smart adoption of the right technologies.

Ankit Tuteja  
BenefIT Bureau

In a bid to help people buy basic staple foods like flour, dal, rice, etc, at affordable rates, H K N Raghavan and K P Venkatesh started a 'food security programme' in Chennai called Equitas Dhanya Kosha (EDK) in July 2009. Under the programme, the firm issues credit cards to its members with a maximum credit limit of ₹ 1,000 to buy groceries and food grain from its stores. Thus, even when there's a shortage of ready cash, a family can manage their food requirements at least for a period of two to three weeks, thereby providing significant relief to household members.

The firm that started with one store, currently, operates 15 stores in Chennai and serves close to 12,000 active customers, generating a monthly revenue of ₹ 1 crore. Growing rapidly, the firm owes its success to its smartly formulated strategies, consistent efforts and the use of state-of-the-art technology.

## Meeting business challenges with IT

The firm believes that in today's competitive scenario, it is important for organisations to adopt technology tools to suit its business requirements

and run its management functions and other operations, smoothly.

At the retail stores, the firm uses credit card swipe devices and barcode scanners to provide faster, better customer service and increase operational efficiency.

## Taking the plunge with TruePOS

The EDK team firmly believes that technology can help a firm to integrate its business functions—ranging from production to marketing, pricing and finance. No wonder when the business and operations complexities began to increase, it began to look around to address this challenge via some appropriate technology tools. EDK then identified the need to deploy a retail point of sales solution that also incorporated the credit facility option. It wanted to integrate its back-end and front-end retail operations and facilitate credit transactions to its customers through the point of sales solution. Hence, began the search for a solution that could address its requirements. "We conducted a market survey and evaluated different point-of-sale solutions like eRetail Cybertech POS, 3eV2 and GoFrugal's TruePOS. After surveying many solutions, we finally opted for the TruePOS, a SaaS (software as a service) based solution, as the provider understood our requirements, customised the solution according to our needs and offered it at an affordable price," says Raghavan, co-founder, EDK.

"We wanted a card swipe facility incorporated into the point of sales solution, a feature which is unique and probably the first of its kind for micro finance members. This requirement pushed us to opt for GoFrugal's point of sales solution as



HKN Raghavan,  
co-founder, EDK

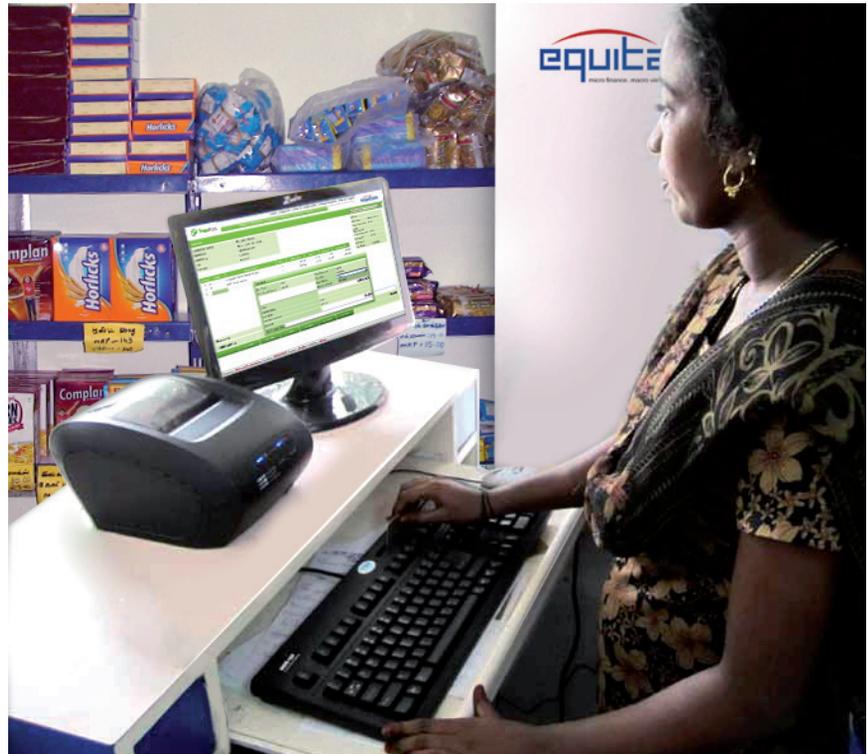
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the company offered to integrate the required features and customise the solution to suit the requirements of our operations. In addition, GoFrugal deputed a team to train our workforce and also provides 24X7 online support,” he adds.

### A point of sales solution tuned to serve EDK’s requirements

Considering EDK’s requirements, GoFrugal fine-tuned the solution to its needs and it took one month to complete the implementation process. “EDK’s core business included integrated-offers, accounts, pick-lists, stock-audits and credit-controls along with the swipe card facility for customer ID validation.

“We customised the solution based on these requirements and it took us one month to complete the deployment process. Providing the latest and best technology solution, which enables EDK to serve the economically challenged section of



An EDK employee working on the TruePOS system

the society in a cost-effective manner, was challenging and fulfilling,” says Kumar Vembu, CEO, GoFrugal.

Since the TruePOS solution works mainly in the offline-mode, the major enhancement was to bring all the functionalities offline and sync back the entire data when users went online, he adds.

### Measuring the ROI

After implementing the TruePOS solution, the firm has been enjoying both tangible and intangible benefits. Raghavan enumerates some of these: “The tangible benefits include an error-free transaction system, generating the right reports for the right reviews to define certain business decisions. The intangible benefits include our members’ satisfaction (which has been reported as being close to 80 per cent) with the plastic money and the savings made possible.” Besides, the integration of offline and online transactions at the billing counter and its alignment to

the server is very unique in GoFrugal’s TruePOS, he adds.

Raghavan finds the solution effective enough as it also helps prepare customised reports according to the needs of the business. “Its flexibility is remarkable and the Management Information System (MIS) has been a very useful tool for taking certain business decisions,” he affirms.

Going forward, the firm is planning to scale up and open 50 stores by December 2011 in Chennai alone. It also is mulling over increasing its customers base to a lakh with an estimated revenue of ₹ 7 crore per month, by the end of this year. As far as technology is concerned, it is considering introducing CCTV cameras, biometric devices and mobile phone technology in the near future to secure its locations and make the organisation data available to its employees and management, when on-the-move. ■