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TL;DR #02

Bulletin reports on hyprlocl ideas worth watching



PEOPLE SEE VALUE IN 'UNBRANDED' - DO YOU?

NB: Unbranded is not about getting things 'cheap' for people, it is about extracting 'value'

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Image credit: hyprlocl

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Viewing unbranded markets as just 'cheaper' is myopic if you look at them from a people's POV

In all the work that we do on 'consumer journeys', the one thing that stands out is that deal-seeking is integral to the shopping process - but 'good-deals' are about a lot more than just price! People go to unbranded markets because they know that they are most likely to find something uniquely suited to their requirements there. **This makes all the difference between looking for 'cheap stuff' and 'maximizing value' for them - because in the unbranded market, the sale is never complete until the customer is satisfied with the value, as he / she chooses to *extract* it.** Embracing this idea is what makes South Korea's beauty market so leading edge today, for example. It focuses on the 'beauty experience' being offered - over and above the deals and problem-solutions on offer - and this has suitably been termed [skin-ertainment](#).

2

More importantly, people's notion of 'value' is not only monetary

Viewing unbranded markets as just value-for-money / VFM (in the way these terms are popularly understood and used for now), reduces their experience to a mere haggling for better prices. [Value is a composite concept for unbranded shoppers](#) – it includes everything from the range of options available, to the responsiveness of the seller, to their actual expertise and advice, to the negotiation process, to the personalized service / design customization, to the dealer's personal warranty...and of course, to the final delivery of the product AND service.



3

One crucial watch-out: the term ‘unbranded’ is a misnomer that misguides brand thinking these days

The problem is, that the very term ‘unbranded’ comes from the POV of brands. Whereas the truth is that trade and markets came first and brands were born out of them. We work in a variety of categories where the ‘unbranded’ market still continues to hold people’s interest and favour – and we find, time and again, that [this is because these markets offer something that brands are as yet unable to](#). Try replacing the local fashion street / mattress maker / furniture-gully in India, for example, and you will have a monumental task on your hand!

4

It makes more sense to think of unbranded markets as *fluid markets that are designed for chaos*

Looking at these markets as FLUID, rather than ‘unbranded’ can give the right perspective for brands to truly learn from. This is because these markets specialize in being prepared for any manner of specifications – varying prices, qualities, designs, sizes, and many other customisability aspects – [a real challenge for global players like IKEA](#). Rather than defining systems and structures, fluid markets define relationships between parties – the buyer and the seller, the wholesaler and street-shop. It is all of this that adds up to the ‘value’ of each product or service being determined ‘during’ the moment of purchase, and not independently of it.



5

Why? Because fluid markets are hyper-responsive and do not pretend that information or craft is finite

Shopping in fluid markets typically begins by finding out what is available, rather than with a clear idea of 'this is what I need'. And this is usually the most joyful part of the process! Walk into any 'unbranded' store in India and you will be amazed by the [sheer range of options available](#). And what's more, the shop keeper will eagerly offer to tweak the designs, offer alternative colours, add elements, remove elements, even create a completely customized design for the customer.

6

Fluid markets are open source, in that they don't prescribe products / services - instead they offer options

Have you noticed that fast fashion isn't fast enough most of the times? A walk through markets like Linking Road in Mumbai or Sarojini Nagar in Delhi acts as a better marker for 'what's in' than most of the branded retail chains standing right beside the thriving street stalls. This is a common pattern across categories that are trend forward. In the work that we do in the beauty and personal grooming category for example, we have always found that some of the most innovative and inspiring beauty solutions turn up in the friendly, neighbourhood 'Beauty Centers', well before major brands are able to offer them. This is precisely how ['New Beauty Center'](#) has become a formidable retail brand in its own right in India today.



7

Fluid markets give you a chance to ‘direct-it-yourself’, without charging you a premium

Furniture and mattress makers are loved because they begin by asking ‘*what are your specifications?*’ This is a key question, because in transitioning markets like India and SEA, living room spaces and bed-sizes are not standardised, they vary from home to home making [standardized solutions irrelevant to their requirements](#). Fluid markets are more effective here because they exemplify a no-assumptions approach when it comes to offering solutions to customers. Thanks to this, they are able to craft solutions to suit people’s needs, in most cases, visiting their homes and designing for the space available – rather than vice-versa.

8

This is why people’s sense of gratification can be exponential for these ‘unbranded’ purchases

There is no doubt that the very act of purchase in fluid markets is more of an art than a skill. It is an involved process that requires creativity and alertness on both sides – the buyer pushing for more customizations and design for his money vs. the seller pushing back with his most feasible options, services, guarantees and overall deals. This is a process that works on making [people feel smarter](#) by giving them a greater sense of control, and indeed, by helping them get to what they want faster than the typical ‘branded customer journey’. So much so, that typical customers in unbranded markets should literally be viewed as ‘pro shoppers’, given that they are constantly honing their buying skills with time and experience!



9

Today's trend of 'small batch' brands is a response to the rigidity of large-scale brands today

There are 'home-grown' and 'boutique' brands that have cropped up in almost every category today, and these are finding favour because they marry the [benefits of 'branded-ness' with the fluidity of the 'unbranded' market](#). They pilot new inventions, ask for feedback, offer to customise and indeed regularly offer customer delights in the form of freebies, thank-yous and personalised relationships with their customers. Their approach helps multiply the notion of value for customers, giving them the gratification of unique products and solutions that established brands are quite often not able to – thanks to unfavourable economies of scale AND thanks to their tendency to think that they have nothing to learn from 'unbranded'!

10

Brands that are able to mimic the experience of such fluid markets are often the ones that find greater success these days

The success of e-commerce aggregators like Amazon in India lies in their ability to mimic the infinite experiences of the real-world fluid market – offering endless options and indeed, inviting the fluid market seller to participate as well. Even in the world of furniture or mattresses in India, 'unbranded' still rules and brands are being pushed into offering the kind of fluidity and responsiveness that 'unbranded' does, just to stay in the game. But perhaps the most famous example of a brand that has learnt from unbranded in India is Big Bazaar, [with Mr. Biyani going on record to say that 'chaos was part of the design' \(including throwing in a rotten vegetable or two into the pile to make the experience feel authentic and most VFM\)!](#)



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reports, but you don't
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