

## **FARM TO FORK: DINE FRESH**

Mrs. Sharma was busy preparing weekly list of vegetables and fruits to be purchased by Mr Sharma.

“I should go to Dine Fresh Store and get all the stuff within a very short span of time.” said Mr Sharma looking at the long list.

Mrs. Sharma exclaimed “Why will you go to Dine fresh only?

Mr. Sharma “It will take a lot of time in buying these vegetables from different places. Instead, I will prefer to buy vegetables, pulses, breads and dairy products from only one air conditioned store which is opened from 9a.m to 9p.m. Besides, they also allow hand-picking of these products from a well organized display (Exhibit 1).

“Whatever it is, but I am not satisfied with the prices which are higher than the local fruit and vegetable vendors. I will prefer to buy from these local vendors at negotiable prices” said Mrs. Sharma.

Look what their CEO (Food) Mr. Satvinder Kapoor has quoted on the pricing strategy, “For basic offerings, we will offer various price points. Pricing strategy will be market-driven and will be uniform across our 11 stores in the city.” said Mr. Sharma showing the newspaper clipping to Mrs. Sharma.

“Besides this they offer 40 percent discount on leafy vegetables after 7:30 P.M.” added Mr. Sharma.

“But, you remember last time; mushroom and broccoli were out of stock. I am really not satisfied with these services.” said Mrs. Sharma in a tone of dissatisfaction.

“OK! That’s fine but if we see the other side, the local vendors try to cheat us on weight of the product” replied Mr. Sharma defending himself.

Mrs. Sharma said though you prefer to buy from Dine Fresh I have seen that vegetables and fruits are not as fresh as we get from local vendors.

Mr. Sharma answered “This is not the case with all the vegetables and fruits. Have you ever seen quality of banana and mango available outside? Do you know that they are carbide processed, which is really very harmful to the health? Banana and Mango available at the Dine Fresh are processed by natural gas.”

Mrs. Sharma exclaimed “Oh! I forgot. Please add 100 gms KIWI fruit to the list”

“Other than Dine Fresh nowhere else you will get kiwi fruit and that too of 100 gms” said Mr. Sharma overwhelmingly.

“For these 100 gms you have to wait at least half an hour for billing.” Mrs. Sharma uttered sarcastically.

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This case was developed by Manish Joshi, Bharti Motwani, Sharda Haryani (Prestige Institute of Management and Research, Indore) and SK. Shahid Saheb (Lakkireddy Balireddy College of Engineering, Vijayawada) during the Twenty-Fifth National Case Writing Workshop organized by Prestige Institute of Management and Research, Indore in collaboration with Association of Indian Management schools(AIMS), New Delhi on May 5-7,2011

So what! At least I will never get any expiry product as they are automatically rejected in billing.” said Mr. Sharma.

Mrs. Sharma voiced angrily “Why you are supporting Dine Fresh so much as if it is your company”.

Mr. Sharma said “You seem to be unaware of the latest updates in the retail market. Dine Fresh Ltd. is the first and only private sector from India to feature in 2005 Fortune Global 500 list of 'World's Largest Corporations' and ranks amongst the world's Top 200 companies in terms of profits. The grossly inefficient food supply chain provided a well resourced and well managed organization like DFL with an opportunity to think of amending the flaws and make business sense also (Exhibit 2). Many people are switching from traditional to organized food market (Exhibit 3). Besides Dine Fresh, the company also plans to launch larger format stores called “Feel Fresh Plus” which will be spread over 10,000-15,000 sq ft. The Feel Fresh Plus store will stock fruit and vegetables as well as apparel, consumer electronics, FMCG items and even medicines.

Mr. Sharma left the place when he realized that Mrs. Sharma was still not satisfied.

## **References**

India Retail Report, 2007

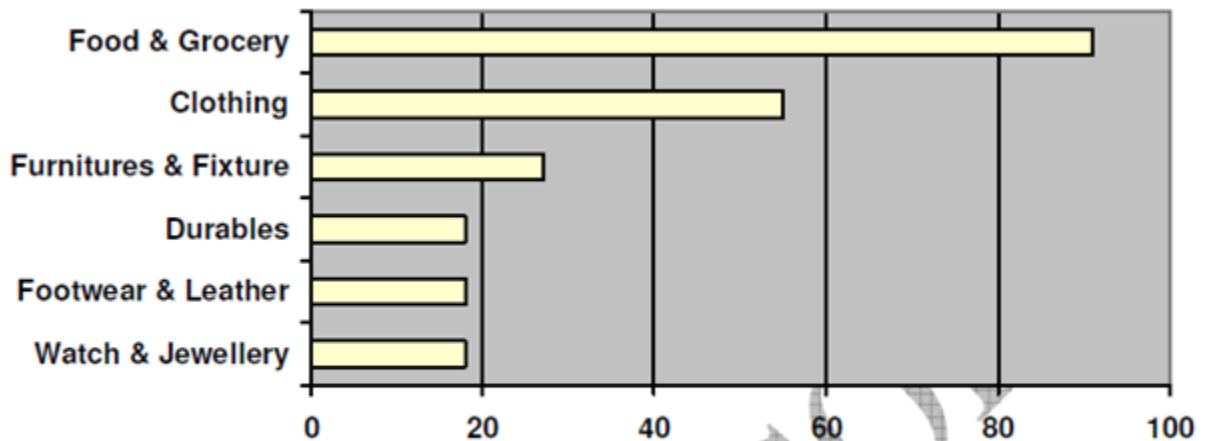
India Retail Report, an Images KSA Technopak Study, 2005

### **Exhibit 1: Display of organized retail outlets**



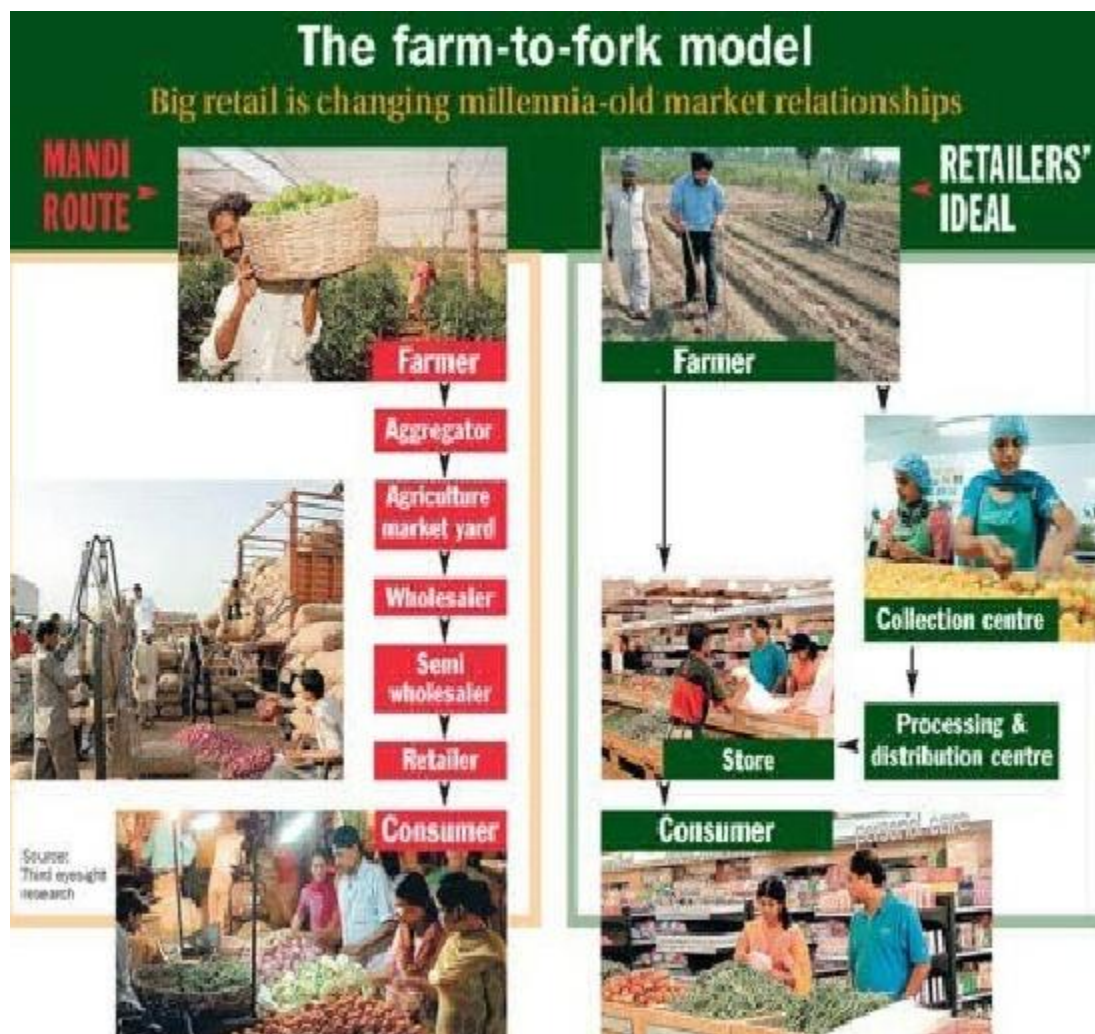
Layout and Ambience – Well-lit, Neat, Bright, Easy To Read Signage

### **Exhibit 2: Fastest growing retails segments in India**



Source: KMPG in India Retail Survey 2005.

### Exhibit 3: Comparative study of traditional and organized supply-chain



#### Questions:

1. What are the reasons for Mrs. Sharma's dissatisfaction? What can be the possible strategies to reduce this dissatisfaction?
2. Do a comparative analysis of unorganized and organized retail market sector in India.

#### Teaching Notes:

1. The purpose of the case is to make students understand the difference between unorganized and organized retail sectors.
2. The following issues are involved in the case:

- a) Reasons behind dissatisfaction of the customer
- b) Reasons behind satisfaction of the customer.
3. The case highlights various issues of customer satisfaction and marketing management of organized retail sectors.
4. The participants should have knowledge of working of unorganized and organized retail markets.
5. Students should go and visit organized retail sectors before analyzing this case.
6. The case should be presented through role play and discussed in a group of four to six students.
7. The case needs to be analyzed in stages at individual and group level.
8. The students need to refer to similar cases for having a better perspective of organized retail markets.

**Additional Readings:**

Marketing Management by Philip Kotler