

5th January 2016

Testimonial

7Cs group believe that the true worth of success is measured by the way it is paid forward. Backed by several decades of cumulative industry experience and fueled by principles like value creation, teamwork and community enrichment, we are committed to the idea of enabling growth – both for businesses as well as the community. Founded in 2003 by Mr. Harshad Mehta, the 7Cs Group began as a company focused on the luxury industry. Today, we are not only the leading diamond supplier in the Middle-East region but also have a robust portfolio that spans 14 business verticals. Headquartered in Dubai, UAE, the 7Cs Group employs more than 1,800 personnel of over 23 different nationalities.

Our Vision: We aim to facilitate growth for all stakeholders and continue building mutually beneficial, lasting partnerships. Our ambitious and visionary leadership ensures that we keep exploring new frontiers and achieving new victories, thereby facilitating growth for the entire 7Cs family and its partners.

Our Purpose: We are dedicated to offering a reliable platform that nurtures innovation, rewards excellence and creates value for the stakeholders as well as the community.

One of our strategy is to enter into a retail jewelry market. There are major players in the market but we need to be different than others. So we acquired a small time retail company - Jewel Corner which was selling gold and Diamond jewelry products through major hyper markets. We decided to have a brand name and created the name Jewel corner and positioned ourselves in the gifting segment. We established all the retail systems and controls. We also opened a stand-alone kiosk in all the important malls apart from our SIS inside the hypermarkets.

We spent our time to strengthen

- Hiring and retaining right talents
- Retail distribution to various stores on time
- Introduced new ERP to get the real time information of sales and GP
- Training Department
- Established a marketing department to promote the brand

We spent almost three years to strengthen all our basics of retailing. We used to compare the industry parameters with our results. Most of the times we do better based on the position of the brand. However, the sales numbers and the overall business results are not encouraging for the investors. That is the time, we thought we should do something different to propel the sales and hence the business results.

Following are the questions we asked ourselves,

- Have we exhausted all our ideas?
- What else should we do?



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We decided to bring an outside perspective. That is the time, we contacted Mr. LR Natarajan, who has much experience in the field of Innovation specifically with respect to Retail management. He made his first visit on May 2015 and spent 2 full days in understanding the business and related issues. We took him through the activities done for the last 3 years. He also spent time with various stores and met various sales team members. He appreciated about what has been done and suggested to bring innovative ideas compared with the competition. He proposed a workshop on innovation.

The same was conducted between 23rd to 25th June 2015 involving more than 20 executives who are directly involved with the business. The team is from various disciplines of Advertising and marketing agencies, merchandisers, supply chain senior executives, factory, finance, HR, IT, sales team, area managers, CEO and Chairman. The team debated for two days and more than 150 plus ideas have been generated. It was really a surprise for the team itself, as some of ideas generated during the workshop were really simple but great. Mr. LRN brought different perspectives during his workshop through which the team was able to generate excellent ideas, which are easy to implement but can create larger impact in the business. We narrowed down close to 30 ideas and clubbed all these 30 to focus areas into five broad categories,

- ✓ Brand building awareness
- ✓ Convenience to Purchase
- ✓ Shopping experience
- ✓ Design and Trendy
- ✓ Packaging

After the workshop, based on his suggestion to convert all these ideas into set of actions, we formed a separate function called "Innovation Cell" with two members by end of August.

Top 30 ideas, based on the budget and the potential impact it shall create, have been short-listed for implementation. A calendar has been prepared for implementing these ideas over a period of one year. I myself reviewing the implementation process. We have just concluded one quarter – September to December 2015.

I am really happy to say that the like-to-like sales number has grown. We have achieved around 25% growth in sales when the market itself de-grown more than 20%. We need a ignite and this was done by LRN.

We feel that the full potential of the impactful ideas is still to be realized and we are confident that we can look forward to a continued better growth in the near future.

I appreciate Mr. LRN's contribution to our brand Jewelcorner and his passion for innovation. We will continue to keep such workshops in future to keep ourselves always new in the market.

Regards,

BS Vadivelu

Chief Executive Officer