

Apple eyes bigger India pie with direct retail foray

Mumbai store opens today, to offer a 'Today at Apple' series through the summer to celebrate local culture

SHIVANI SHINDE
Mumbai, 17 April

Quintessentially Apple, but with an Indian touch — the company's long-awaited first store is finally here, marking the tech giant's foray into the direct retail segment in a country where it is aggressively looking to increase sales.

On Tuesday, Apple fans in India will get the first bite of a company-owned store at the Bandra Kurla Complex (BKC) in Mumbai. On Thursday, Apple will open its second store in India, at New Delhi's Saket.

Spread over 20,000 square feet, the look and feel of Apple's BKC store is like most stores globally, but with some unique features.

In terms of design, special features lend it an India feel. For instance, it has a triangular hand-crafted timber ceiling that extends beyond the glass façade to the underside of the exterior canopy, reflecting the unique geometry of the store.

Each tile is made from 408 pieces of timber, forming 31 modules per tile. A total of 1,000 tiles make up the ceiling. There are over 450,000 individual timber elements, all assembled in Delhi.

Upon entering the store, customers are greeted by two stone walls sourced from Rajasthan and a 14-metre-long stainless steel staircase connecting the ground level and the cantilevered mezzanine.

The store, which will have 100 dedicated Apple professionals who collectively speak 20 languages, is designed to be energy-efficient with a dedicated solar array and zero reliance on fossil fuels. The store is operationally carbon-neutral and will run on 100 per cent renewable energy.

For an Apple aficionado, what really matters is that all Apple products will be available under one roof, with technical help as well as other features that were perhaps not available before.

Visitors can explore the surrounding display tables and avenues featuring the latest iPhone, Mac, iPad, AirPods, Apple Watch and Apple TV line-ups, as well as accessories like AirTag. Apple BKC also offers Apple Pickup, which allows customers to place an order online and pick up products later.



REUTERS

Journalists attend a media preview inside India's first Apple retail store, a day ahead of its launch, at the Bandra Kurla Complex in Mumbai on Monday

Like its global stores, the BKC Apple outlet will also offer a special "Today at Apple" series, "Mumbai Rising", starting from Tuesday through the summer. Bringing visitors, local artists and creative heads together, these free sessions featuring Apple products and services will offer hands-on activities that celebrate local culture.

"At Apple, our customers are at the centre of everything we do, and our teams are excited to celebrate this wonderful moment with them as we open our first retail store in India," said Deirdre O'Brien, Apple's senior vice-president of retail. "Apple BKC is a reflection of Mumbai's vibrant culture and brings together the best of Apple in a beautiful, welcoming space for connection and community."

Expansion into developer ecosystem

As Apple prepares to expand its presence in India by opening its exclusive stores, the company is also gearing up its developer ecosystem. This is part of the expansion plans of the Cupertino-based firm as it completes 25 years in the country.

To reaffirm its commitment to India, Apple CEO Tim Cook is likely to welcome customers to its first store in Mumbai on Tuesday.

The company said that in India it has created close to 1 million jobs around the app economy of its Apple Store. The payouts on the app store to developers in India have trebled since 2018.

Since 2017, Apple has hosted sessions for over 15,000 developers, enabling them to build on ideas and bring apps to the market. At the iOS

App Design and Development Accelerator in Bengaluru, Apple works one-on-one with developers.

Apple also said that in India its total employee base has moved to 2,500. This includes the cohort of 100 dedicated to the first store opening in Mumbai.

Apple has also increased its manufacturing capacity in India. It began manufacturing iPhones in India in 2017, and since then the company has worked with suppliers to assemble iPhone models and produce a growing number of components.

In 2022, Apple launched a \$50-million supplier employee development fund to educate suppliers in skill development, rights awareness and other learning opportunities.

Analysts believe that the Apple store will help the company increase its market share both in the

PC and smartphone segments. Apple has increased its smartphone sales in India, although from a market share perspective it is nowhere near the top five.

Apple, however, has a considerable share in the premium segment. In this slab of over \$500, Apple maintained its lead with 60 per cent share (iPhone 13 being the third most shipped device in 2022), followed by Samsung with 21 per cent share.

In personal computers (PC), Apple entered the top five players only in Q4CY22. According to experts, although the first quarter of CY2023 may have seen a decline in shipments for Apple, the firm can increase its market share from the fifth position to fourth by the year-end. Apple's presence in the PC (it includes laptops and desktops) segment in India is skewed towards MacBooks.

72% of workers in company's India factories are women

SURAJEET DAS GUPTA
New Delhi, 17 April

Women workers in blue-collar jobs account for 72 per cent of the over 1 lakh direct jobs generated by Apple's vendors and their ecosystem in their factories in India. Most of the jobs have been created in the last 20 months, and most of the women workers have entered the job market for the first time.

The gender data is based on details provided to the states and the central government.

The Apple ecosystem — it includes its three vendors that assemble iPhones (Foxconn, Pegatron and Wistron), and component suppliers like Tatas, Salcomp, Avery, and Jabil — has become the largest single-brand hirer of women in the country. Most of the over 70,000 women who have been hired are in the age group of 19-24 years, with an average age that is closer to 21.

When it comes to gender, the Foxconn factory is the best performer among the three vendors, with 30,000 women

GENDER-FRIENDLY

- Most women workers are first-time employees
- Their average age is 21 and most are 19-24 years old
- Nearly 85% of the workforce of Foxconn and 70% of the workforce of Jabil are women

workers out of a total of 35,000 — or as much as 85 per cent. And among its component suppliers, Jabil is the top performer, having employed 4,200 women (70 per cent) out of a total of 6,000.

Most of the young women who have been recruited have passed the Class XII exams or have simple diplomas. Nearly all of them are deployed on the assembly lines. Apple's ecosystem runs a special skill development programme that trains the young women for a couple of weeks. Women empowerment is expected to be discussed in CEO Tim Cook's meeting with Prime Minister Narendra Modi.

India to account for 7% of all iPhones assembled

SURAJEET DAS GUPTA
New Delhi, 17 April

Apple's three vendors in India have assembled iPhones whose free on board (FOB) value hit \$7 billion (₹60,000 crore) for FY23, including both for exports and domestically. The data is based on details provided by the vendors — Foxconn, Wistron and Pegatron — to the government. According to estimates by

experts, in the second year of the production-linked investment (PLI) scheme for mobile devices, India will account for 7 per cent of all iPhones assembled in the world. Its commitment, based on PLI targets, is to shift 12-18 per cent of the global production volume to India by the end of the scheme. In FY22 (for eight months), the vendors (Pegatron had not started yet) had assembled iPhones worth ₹16,500 crore.