

National - Nov 30, 2012

Discounts, wider network help DTDC register 40% growth in Diwali shipments

Mamuni Das

New Delhi, Nov 29

Supported by a discount offer and network expansion, DTDC, one of the key players in the courier market, witnessed a 40-45 per cent surge in traffic volumes in the individual customers segment during the recent festival season.

The company offered a 10 per cent discount in the run-up to Diwali, apart from expanding the network and undertaking a sustained branding exercise.

Abhishek Chakraborty, Ex-

ecutive Director of the Rs 419-crore DTDC Courier & Cargo Ltd said that the company witnessed a 40-45 per cent growth in the October second-half to November first-half period on a year-on-year basis.

Moreover, the average weight of retail Diwali shipments also doubled this year — with the shipments weighing close to 1 kg, from an average of 500 gm last year.

For corporate customers, DTDC witnessed a relatively lower but aggressive growth of 27-30 per cent during the peri-

od. The average weight for shipments went up by 25 per cent — to 2 kg from 1.5 kg last year.

SPIKE FACTOR

Festivals such as Diwali, Rakhi, Christmas provide potential spike opportunities for logistics service providers.

DTDC competes with companies such as Overnight Express, Blue Dart (backed by DHL) and FedEx.

Over the last two years, DTDC has been doing a branding exercise wherein 2,500 outlets have been branded, the

service area has been increased and the variance in number of outlets has been reduced. "We increased our network presence by 10-15 per cent," said Chakraborty. Logistics companies in the business-to-business space registered a 10-15 per cent growth during the period.

Meanwhile, during Diwali, the surge in volumes seen by logistics firms that serve corporate customers was at the 10-15 per cent range. The Rs 2,200 crore Transport Corporation of India (TCI) saw about 10-15 per cent growth in movement of ap-

parel, consumer durables, blankets and automobiles. "We saw the cargo picking up in late October, and early November," said TCI's Joint Managing Director Vineet Agarwal.

Vineet Kanaujia, Vice President—Marketing, Safexpress, a company that serves the organised retail, consumer durables, and lifestyle products sectors, said it witnessed a double-digit growth rate in the Diwali season, which was at the same level as last year's.

mamuni.das
@thehindu.co.in