

# Hepo hardware fittings: re-defining value proposition in India

There is no denying the fact that the global pandemic has enhanced the importance of home improvement, especially with people spending a lot of time indoors during the lockdown.

An enlightening discussion with the first man of the dynamic new entrant in the Furniture Fitting Industry, Mr. Prashant Khandelwal,

CEO of Hepo India, which is making rapid inroads in the furniture fittings and home improvement space.

The conversation was centred around the path-breaking success story of Hepo India – from being a budding young brand, to being on its way to becoming a formidable

player in the highly competitive organised hardware market.

Prashant also addressed the contributing factors to this towering success and how the same will benefit all associated stakeholders along with Indian customers.

## What can our readers know about Hepo India and its business model?

Hepo India was established with the aim to promote the sale of screws initially. However, the management saw enormous opportunity for the brand in the ever-growing hardware market.

Consequently, the whole vision for Hepo India went into an overdrive and the brand's invigoration picked up pace. The company operates in the mid-priced hardware segment through a robust B2B2C model with a skew towards the B2B segment.

The four wheels of the chariot on which the company is building its business are distribution, OEM customers, exports and online platform.

## How is Hepo India related to Hettich India?

Hepo India is a subsidiary of Hepo Investments NL B.V. of the Netherlands. Hepo Investments is a 50:50 joint venture company between Hettich of Germany and Adventz Group (Zuari Agro-Chambal Fertilizer group) in India.

Hepo's Zinc KA channel.





*Our value proposition: quality goods at reasonable prices, delivered at your doorstep.*

– Mr Prakash Khandelwal,  
CEO, Hepo India.

### So, what differentiates Hepo from Hettich?

These two brands are poles apart. Hettich is a global manufacturer of furniture fittings and is an aspirational brand with over 40,000 SKUs. Hepo operates in the mid-priced segment with a strong 'value for money' proposition and has a limited, but very specific product portfolio, for the mass market.

The key focus of Hepo is to deliver assured quality at good price right at your doorstep. Hepo works on a distributor-driven model, whereas Hettich operates through the dealer channel. As such, there is no direct or indirect comparison between the two brands.

### What is the nature of Hepo's product portfolio?

Hepo majorly operates in two broad categories: furniture fittings and screws and fasteners. The furniture fittings portfolio consists of cabinet hinges, drawer runners, gas pumps (for over-head cabinets), butt hinges, multi-purpose locks, bathroom fittings, wire baskets, bed fittings, aluminium profiles, connecting fittings and much more.

What is more, the product range keeps expanding month after month.

### What are the major sourcing avenues for Hepo?

Hepo is building a global sourcing network in order to ensure that we procure the best of materials. For example, we procure bed fittings from Germany and import screws from Europe.

In order to ensure that the customers get the best quality products, we ensure that we only accept the products which have undergone rigorous quality testing.

### How do you ensure quality at Hepo?

The company adheres to the highest international quality standards. For example, our telescopic runners are tested and certified for 50,000 cycles and 24 hours SST.

Likewise, cabinet hinges are quality certified under EN 15570 Level-1. The quality control largely takes place at our state-of-the-art quality testing lab, helping us deliver an exceptional product at a reasonable price for the consumers.

### What are the focus areas for Hepo?

Hepo wants to put the focus on the four pillars on which Hepo India mounts its success. We have a four-way action plan for the same.

We want to expand our distribution network manifold in order to ensure our presence even in the remotest corner of the country. This will help us to ensure last-mile delivery.

Through these distributors we also want to deliver quality products to retail outlets and hardware counters, and ensure convenient doorstep delivery for them.

We ensure that OEMs and large industrial customers buy our goods directly by offering them value – quality goods at reasonable prices, delivered at their doorsteps. This helps them reduce their inventory carrying cost and sourcing needs.

Simultaneously, we are expanding our global footprint by initially catering to South-East Asian countries and thereafter expanding to West Asia, followed by African regions and also make our presence in European markets as well.

Our digital arm is the latest feather in our cap. We intend to launch more micro e-commerce platforms such as Handlesfor99.com which would ensure quality handles at attractive prices to customers and a B2B online platform on hepoindia.com.



*Bathroom accessories from Hepo.*

This will ensure availability of Hepo products at places where we currently do not have distribution.

### **How does Hepo work to the benefit of its OEM customers?**

In the Indian context, a large number of OEMs seek a healthy value-for-money proposition. We can offer them a price below their current purchase prices without compromising on the quality of our products at all.

Hepo India products are the perfect alternative to the usually preferred Chinese goods, which are low on both price and quality.

We are equipped to provide products in small quantities, as well as eliminating the need to buy container loads and blocking up of precious working capital.

Moreover, we can provide products as and when they are needed, negating lost sale opportunities. All our products come with warranties, providing assurance of quality. The seamless purchase experience we provide

makes purchase and procurement a cakewalk for them.

### **How does it benefit its distributors?**

Being a rapidly growing company and having an ever-expanding product portfolio, Hepo is the best bet for distributors to increase their turnover, thereby making good profits.

Also, more and more retailers and hardware counters want to associate with distributors who can provide them with a one-stop solution.

Competitive pricing also attracts customers to Hepo, which in turn makes retailers want to associate with distributors and consequently Hepo.

We also provide marketing support to our channel partners in the form of pilot salesman to drive secondary sales. When the company takes care of your interests like its own, it is but imperative that you would want to associate with us!

### **How does Hepo guarantee better rates for its customers?**

Hepo ensures good quality products at affordable prices owing to our knowledge of the furniture fittings domain and our

ability to buy economically viable capacities on a global scale and on a long-term basis.

This also allows us to provide goods in smaller quantities to our customers at better rate, without compromising on quality. We also offer different warranties on all our products.

### **Tell us about the global operations of Hepo.**

Hepo has started export operations recently. We are exporting to West Asia and Australia as well. We are appointing local sales team and distributors in other countries. Many large international buyers stand testimony to their value architecture.

### **Where can we expect to see Hepo heading in the next 5-10 years?**

The company has grown at a robust pace during the last 24 months and has built a robust product portfolio and distribution network. We aspire to grow at an ambitious CAGR of 75% over the next 5 years to eventually become the largest furniture fittings brand in India.