Lonavala Square

Area Profile & Market Research Report

About Lonavala

Location

▸ **City:** Lonavala (Tier III town)

Strategically situated between Mumbai & Pune

▸ Lonavala is a **hill station** situated 2,040 ft. above MSL.

Lonavala & Khandala sprawl over an approximate area of 38 km²

▸ **Catchment:** Lonavala municipal area within the Maval taluka of Pune.

✈ Nearest airport is Pune 66 kilometers away

🚆 Nearest railway station is Lonavala, on the Mumbai-Pune line

🚌 By road (Mumbai – Pune Expressway) Mumbai = 96 km, Pune = 66 km.
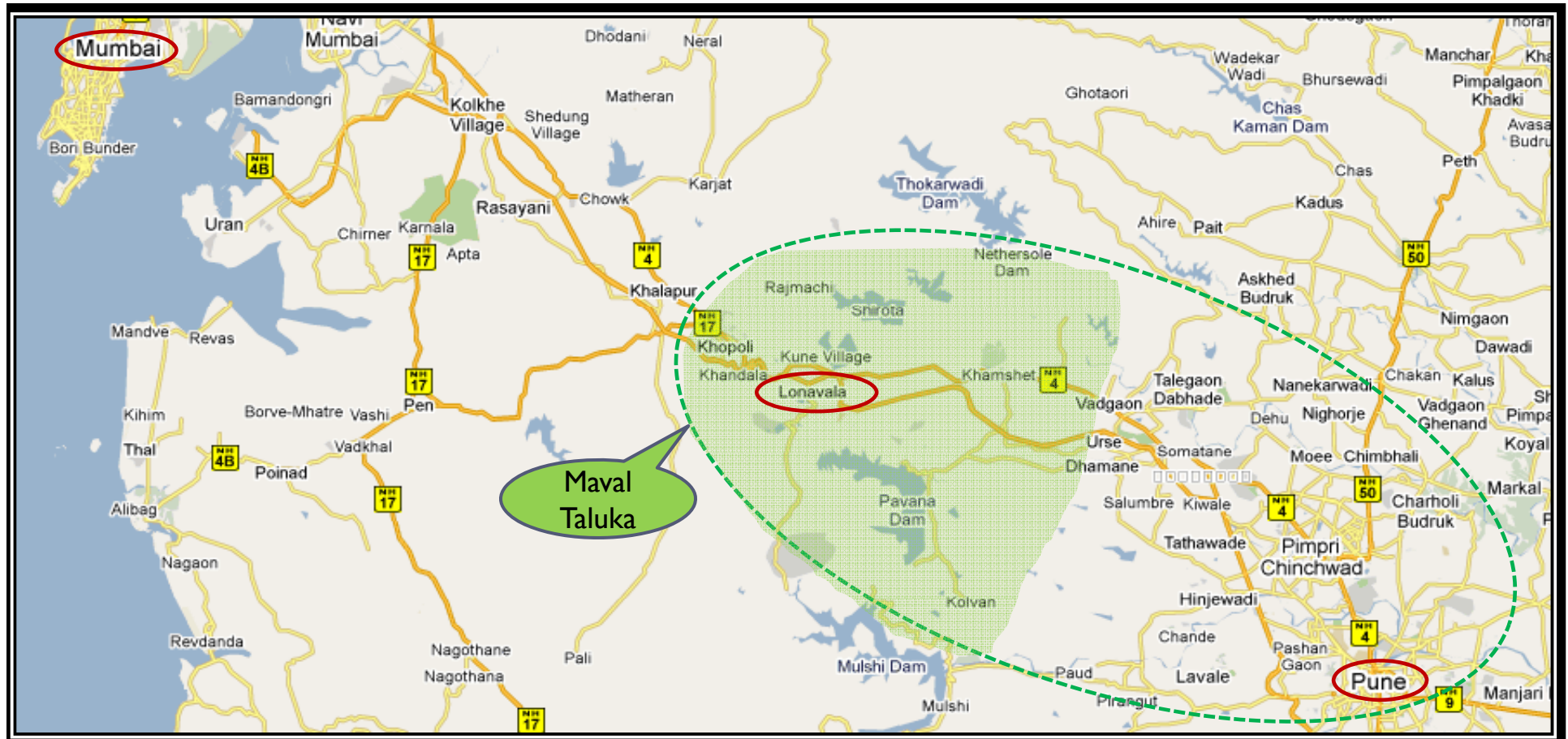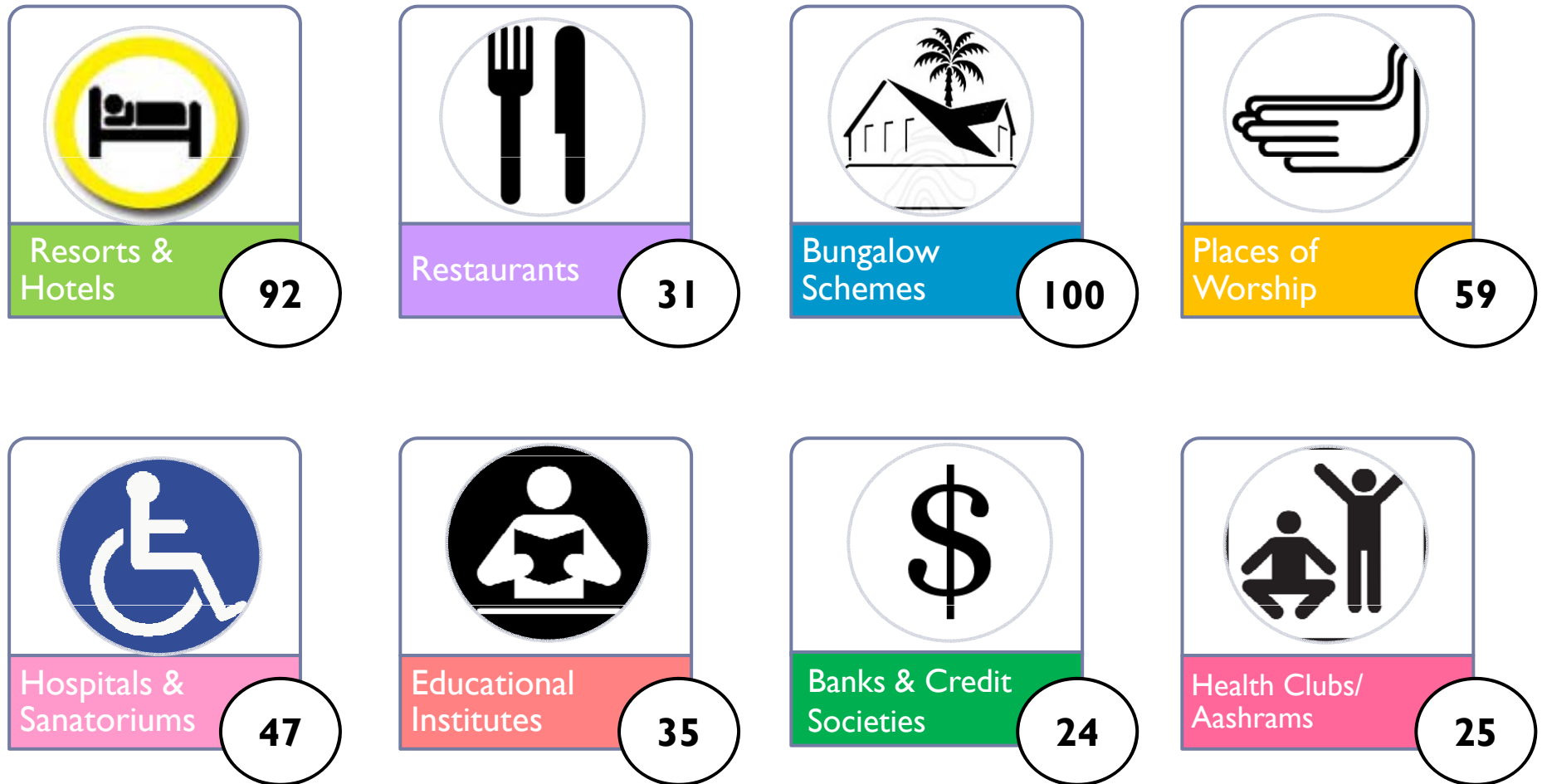
Connectivity

Mumbai – Pune Expressway

- The Mumbai Pune Expressway is India's first six-lane concrete, high-speed, access controlled tolled expressway

- It spans a distance of 93 km (58 miles)

- Lonavala & Khandala being strategically located midway between the two cities, are speedily and conveniently accessible from the expressway.

Catchment: Western Maval District

- Pune's Maval District holds a population of approx. over **6 lakh residents**.

- Target catchment for Lonavala square is the <u>Lonavala Municipal Area</u> comprising of the western half of Maval district.

Infrastructure & Facilities in Lonavala

Resorts & Hotels **92**	Restaurants **31**	Bungalow Schemes **100**	Places of Worship **59**
Hospitals & Sanatoriums **47**	Educational Institutes **35**	Banks & Credit Societies **24**	Health Clubs/ Aashrams **25**

Leisure Options

Tourist Spots 29

Dams 7

Guest Houses 24

Forts 6

Tourist spots & sights

Waterfalls

Karla Caves

Korigad Fort

Duke's Nose

Bhushi Dam

Local Scenery

India's Largest Rail Museum

- The Indian Railways has proposed to build its largest Regional Rail Museum in the cool climes of the Lonavala hill station

- Budgetary allocation of 11.60 crore has been made for this purpose in the railway budget.

- Besides being the first-of-its kind in the Western region, the rail museum will be among the largest in the world sprawling over 17 acres.

Major Developments

Aamby Valley/ Sahara City

Aamby Valley/ Sahara City

- Located about 25 kilometers from Lonavala, (20 mins drive from Lonavala square) **Aamby Valley City** is India's first planned, self-contained aspirational city spread over an area of 10,600 acres.

- Remarkable for its unsurpassed grandeur and plush signature features, in a league of its own Aamby Valley is being developed to be amongst the top five destinations in the world.

- It is positioned as a premium, self-contained city addressing the various socio-physical infrastructure requirements
like school, hospital, shopping facilities, recreational areas and captive utilities (power, water, telecommunications etc.)

Lavasa

Lavasa

Lavasa has the distinction of being the Largest urban infrastructure project in India.

- Set amidst 7 hills and 60 kilometers of lake front
- Spread across 100 sq kms. (almost 1/4th the size of Mumbai)
- 45 minutes from Mumbai & a 3 hour drive from Pune.
- Over 25, 000 lake side apartments and over 50,000 jobs
- This Rs. 1400 billion project led by HCC has state of the art technology and governance
- 3 global awards for the best master plan and landscaping

LOCATION
MUMBAI TO LAVASA

To reach Lavasa

Mumbai - Lavasa

Via Panvel - Lonavala - Chandni Chowk	216 kms.
Via Lonavala - Somatane Exit - Pirangut	197 kms.
Via Lonavala - Nive - Tamhini	169 kms.
Via Hinjewadi Exit	186 kms.
Vie Panvel - Kolad - Tamhini	198 kms.
Road to be developed	

Pune - Lavasa

Via Chandni Chowk - Pirangut	64 kms.
Lavasa - Pune Domestic Airport	72 kms.

Tata PRIVÉ

- Tata Housing has launched a super premium housing complex, Privé at Lonavala.

- This ultra luxury development will offer apartments between Rs 3 crore and Rs 7 crore & is scheduled to be completed within the next two years.

- The 21-acre project is proposed to have 73 units of villas with sizes ranging 4,000-10,000 sq ft a unit, having all means of personalized luxuries including individual swimming pools.
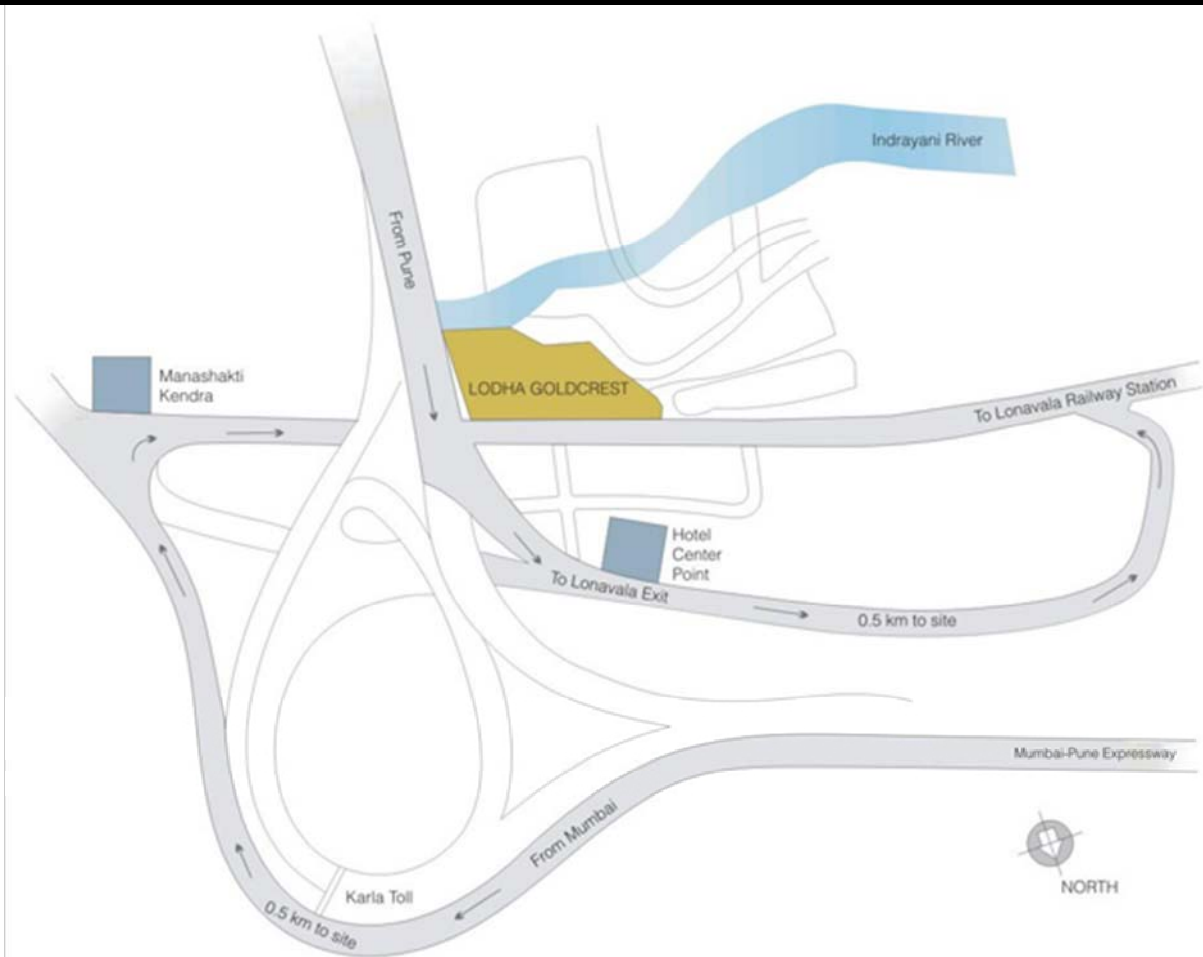
Location Of Tata PRIVÉ
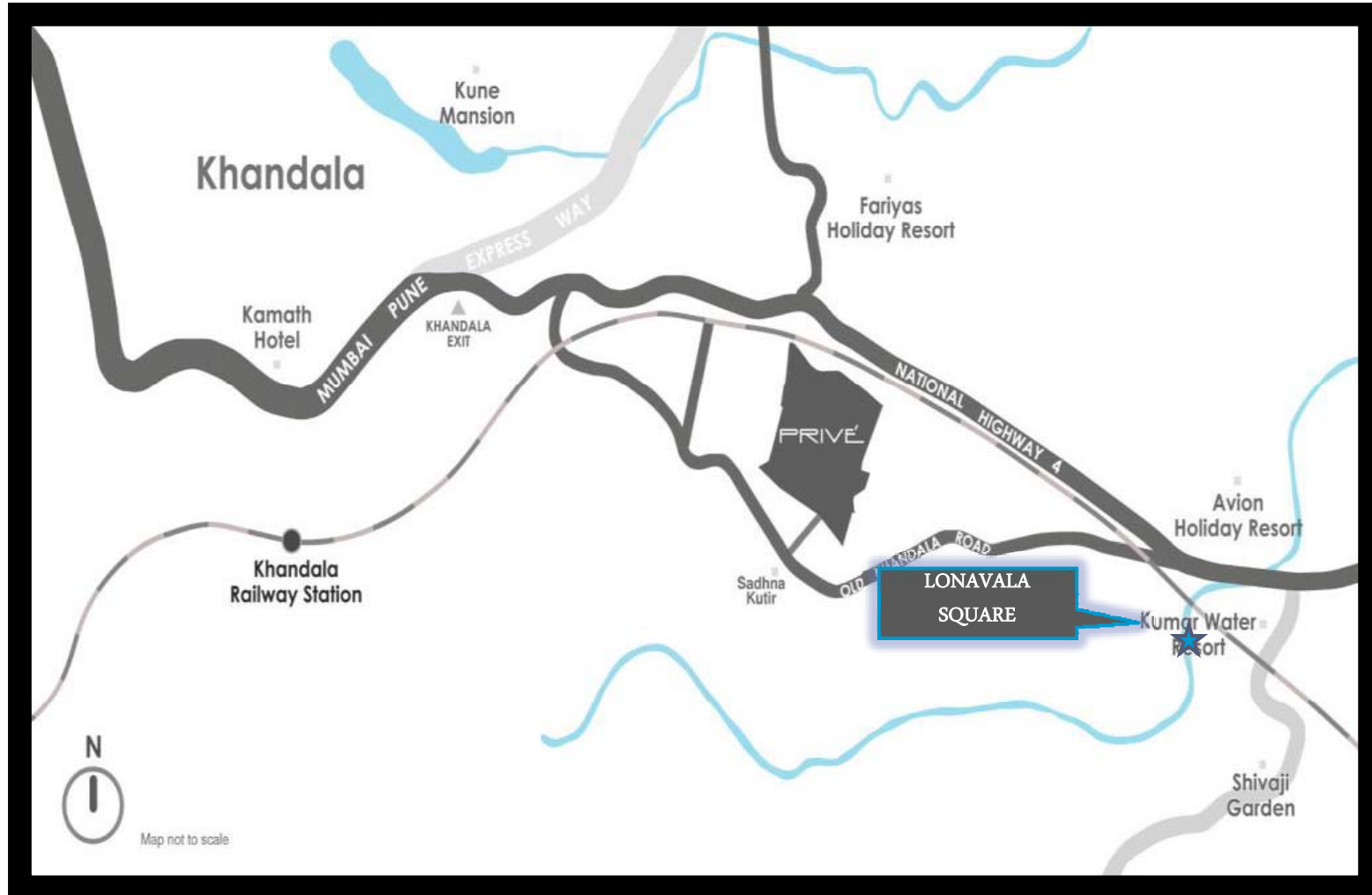
Lodha Goldcrest

▸ A 'by invitation only' villa project in Lonavala, is a two-hour drive from Mumbai. The cost for each villa is Rs 3.5 crore.

▸ Spread across 44,000 square meters, Lodha Goldcrest features lush open landscaped terrain housing a classy neighborhood of 35 independently owned Luxury Villas.
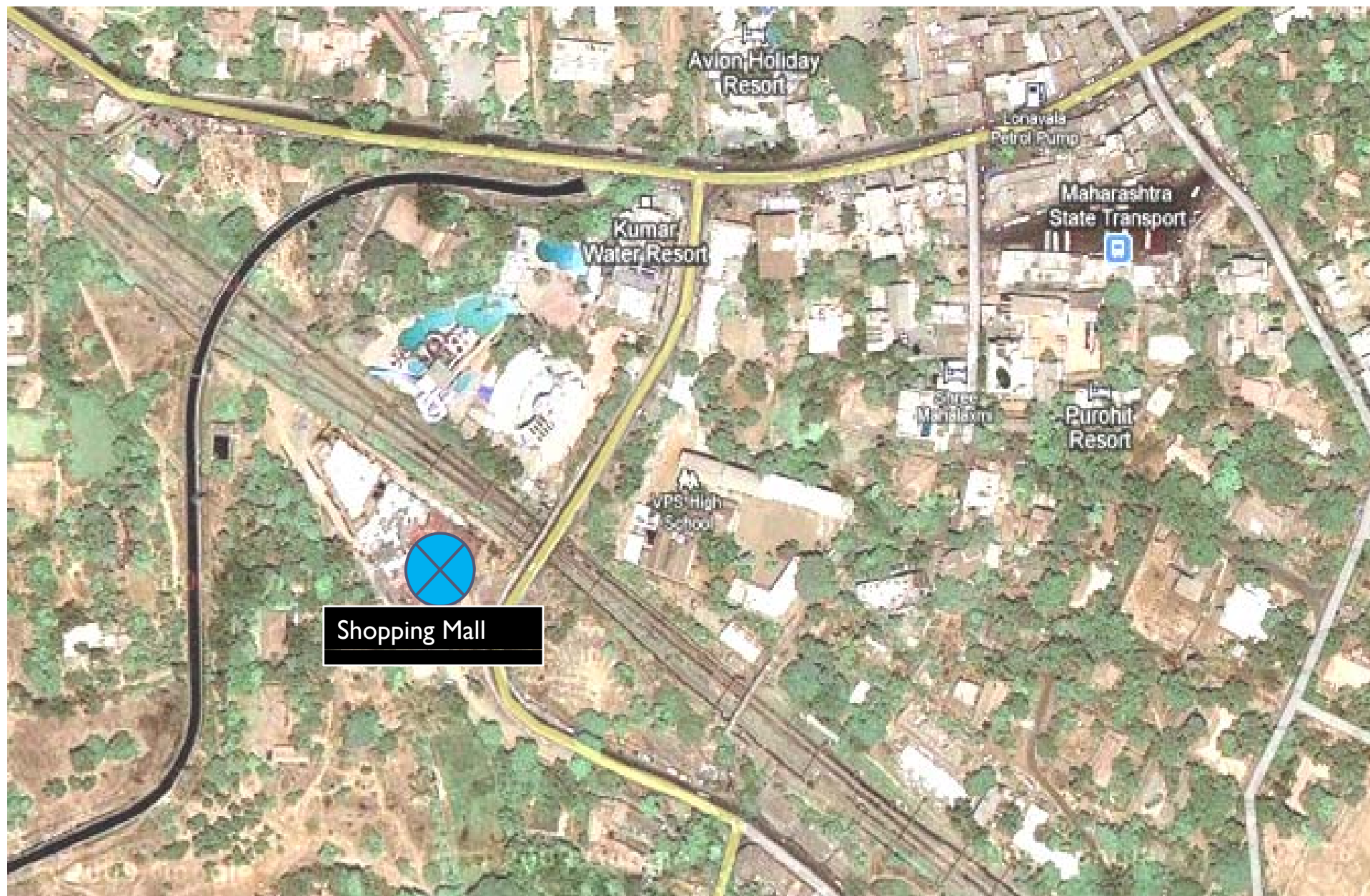
Location Lodha Goldcrest

MR Report – Market Search

Shopping Mall

Research conducted by: Market Search India Pvt. Ltd.

Research Overview

▶ *Business Objectives:*

 ▶ To create an organised retail offering in an underdeveloped retail scenario by offering an excellent shopping environment and experience.

▶ *Research Objectives:*

 ▶ To understand the profile of locals and tourists visiting Lonavala

 ▶ To understand the shopping behaviour, pattern & habits of the customers

 ▶ To assess the needs, requirements and expectations that people have from the local area in terms of shopping and entertainment

 ▶ To evaluate the concept acceptability of a shopping mall in Lonavala

Research design & sample size

Research Design					
Observation Study			Face to Face interviews		
Shivaji Putla Market	Kumar resort/ RK Hotel	Karla Caves	Locals	Tourists	Hotels

- **Observation Study:**
  - Observations at below 3 locations were done for 5 days
  (3 weekdays + 2 weekends):
- **Face-to-Face Interviews: 530 respondents**

Category	Sample Size
Localites	200 Nos
Tourists	300Nos
Hotels	30 Nos

LOCAL RESIDENTS

Key Findings

Catchment Population (Local/Fixed): 1,35,000 approx.

Shopping Habits –
Market areas visited by **Locals**

Category	Typical market areas visited		
Eating out	Shivaji Putla 45%	Highway market 39%	5% Sonar galli
Apparel purchase	Shivaji Putla 78%	Sonar galli 10%	6% Pune
Fruits & vegetables	Shivaji Putla 72%	Near to house 12%	6% Gandhi putla
Entertainment options	Shivaji Putla 49%	Pune 20%	10% Lonavala road
Daily needs	Near to house 43%	Shivaji Putla 40%	9% Khandala
Stationery/ toys/ gifts	Shivaji Putla 66%	Near to house 10%	9% Shetkar road
Consumer durables	Shivaji Putla 76%	Sonar galli 7%	4% Shetkar road
Footwear stores	Shivaji Putla 75%	Gandhi putla 11%	5% Sonar galli
Home decor	Shivaji Putla 84%	Sonar galli 8%	3% Junabazar
Food & Beverages	Shivaji Putla 65%	Near to house 23%	5% Gandhi putla

People go to Shivaji Putla market for most of the categories….or else to near by shops…

Base=200, All fig in %

Shopping Habits – Frequency of Visits by **Locals**

Category	Frequency of Visits						
	1-2 times a week	Once in 15-20 days	Once a month	Once in 2-4 months	Once in 6-8 months	Once a year	Less frequently
Eating out	15%	16%	29%	24%	12%	3%	1%
Apparel purchase	2%	2%	12%	37%	30%	12%	6%
Fruits & vegetables	69%	13%	14%	3%	2%	1%	0%
Entertainment options	6%	22%	15%	17%	8%	4%	15%
Daily needs	71%	14%	13%	1%	1%	1%	0%
Stationery/ toys/ gifts	2%	4%	16%	28%	27%	19%	4%
Consumer durables	1%	3%	12%	9%	11%	39%	24%
Footwear stores	1%	1%	11%	28%	34%	16%	10%
Home decor	1%	1%	3%	10%	24%	28%	33%
Food & Beverages	31%	24%	21%	11%	5%	5%	3%

Shopping Habits – Time Spent

Category	Time spent						
	Less than 15 minutes	15- 30 minutes	31-60 minutes	1-2 Hrs	2-3 Hrs	3-4 Hrs	More than 4 hrs
Eating out	5%	20%	34%	35%	6%	0%	0%
Apparel purchase	8%	25%	37%	23%	6%	1%	0%
Fruits & vegetables	32%	52%	12%	4%	1%	0%	0%
Entertainment options	0%	8%	10%	14%	38%	28%	2%
Daily needs	22%	46%	26%	3%	2%	0%	1%
Stationery/ toys/ gifts	15%	57%	19%	8%	1%	0%	0%
Consumer durables	13%	36%	35%	14%	1%	1%	1%
Footwear stores	19%	44%	29%	5%	3%	1%	0%
Home decor	14%	45%	32%	7%	2%	1%	0%
Food & Beverages	35%	49%	13%	1%	1%	0%	0%

Base=200, All fig in %

Mode of transport used by **locals** to visit the market

Bar chart — Mode of transport used by locals to visit the market:
- 2 Wheeler: 54
- Walking: 45
- Auto Rickshaw: 38
- Personal Car: 5
- Bus: 4
- Train: 1
- Bicycle: 1
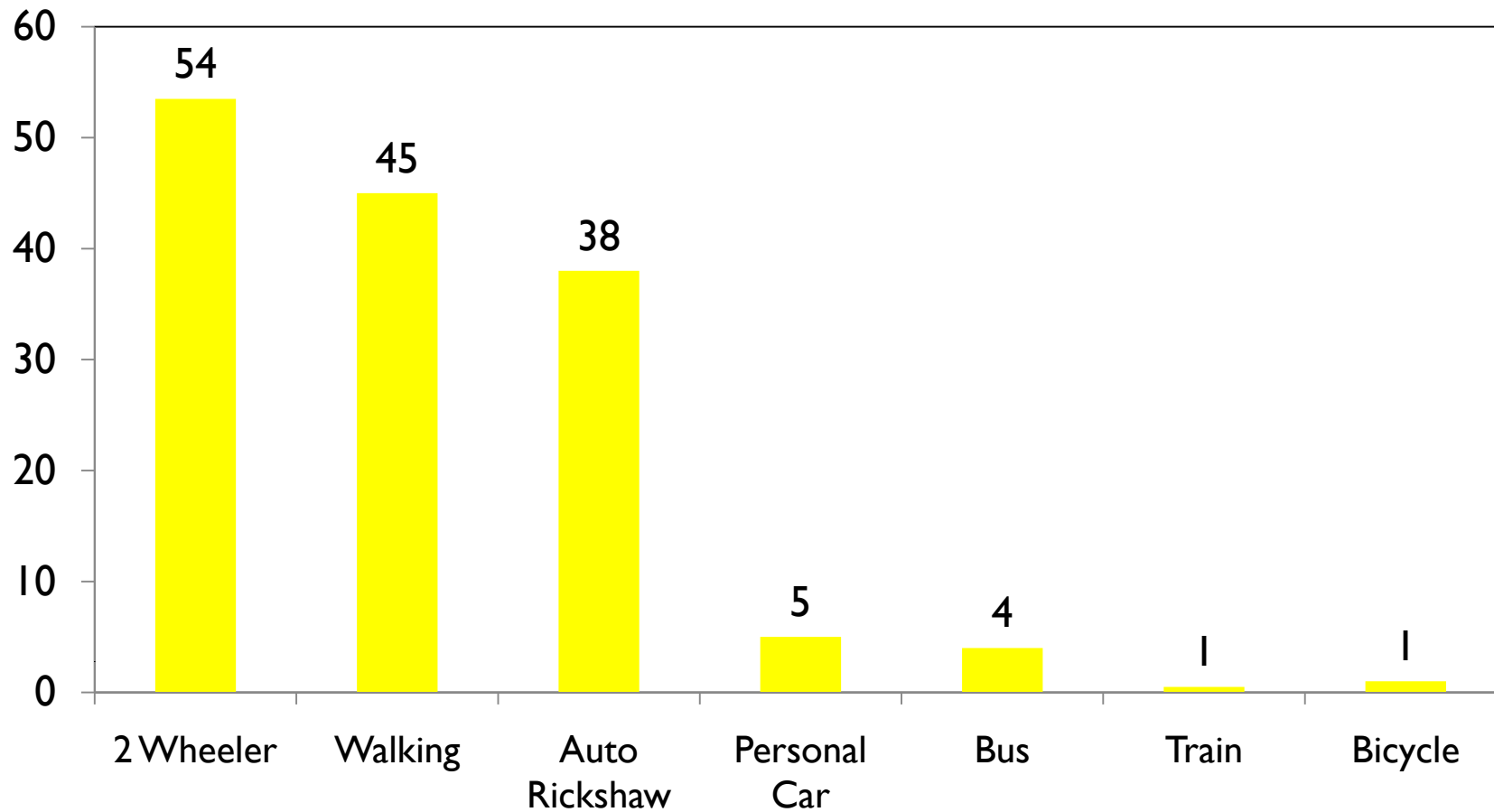
People go by 2 wheeler or just by walking to the market places…market places are near to their houses…

Base=200, All fig in %

TOURISTS

Key Findings

Total Tourist flow to Lonavala every week= 61,846

Tourist Flow

- This popular weekend destination draws in over **61,846** tourists every weekend.

- Also, there are over **1600** tourists visiting more than 5000 privately owned bungalows & holiday homes every week.

- The **92** Hotels & Resorts in Lonavala, with a capacity of over 2, 446 rooms enjoy **59%** occupancy rate through the year.

- About **78%** of these tourists come here by car.

- ……..all of the above are indicative of a robust Tourist Flow

Summary: Hotel Segment Responses

▸ Peak season = June to September

▸ Average number of tourists per year per Hotel= 10,493

▸ Average occupancy per hotel is over 59%

▸ Break up of the Tourists:

- 9%
- 33% Families
- 30% Couples
- 28% Groups of Friends
- Corporate
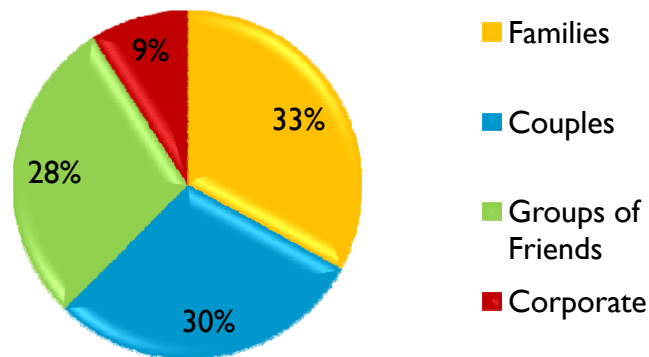
▸ On an average, Couples, families and group of friends stay for 3 days. Corporates and single persons stay for 2 days.

Base= 30 Hotels

Profile of Tourists visiting Lonavala

Predominant characteristics:

▶ Age between 21-35

▶ Middle Management or Entrepreneurs

▶ Graduate or Post Graduate

▶ Belong to SEC A1/A2 or B1/B2

▶ Stated monthly income between 10-35,000

▶ Most of them drive to Lonavala

Socio-economic Classification as stated by **Tourists**
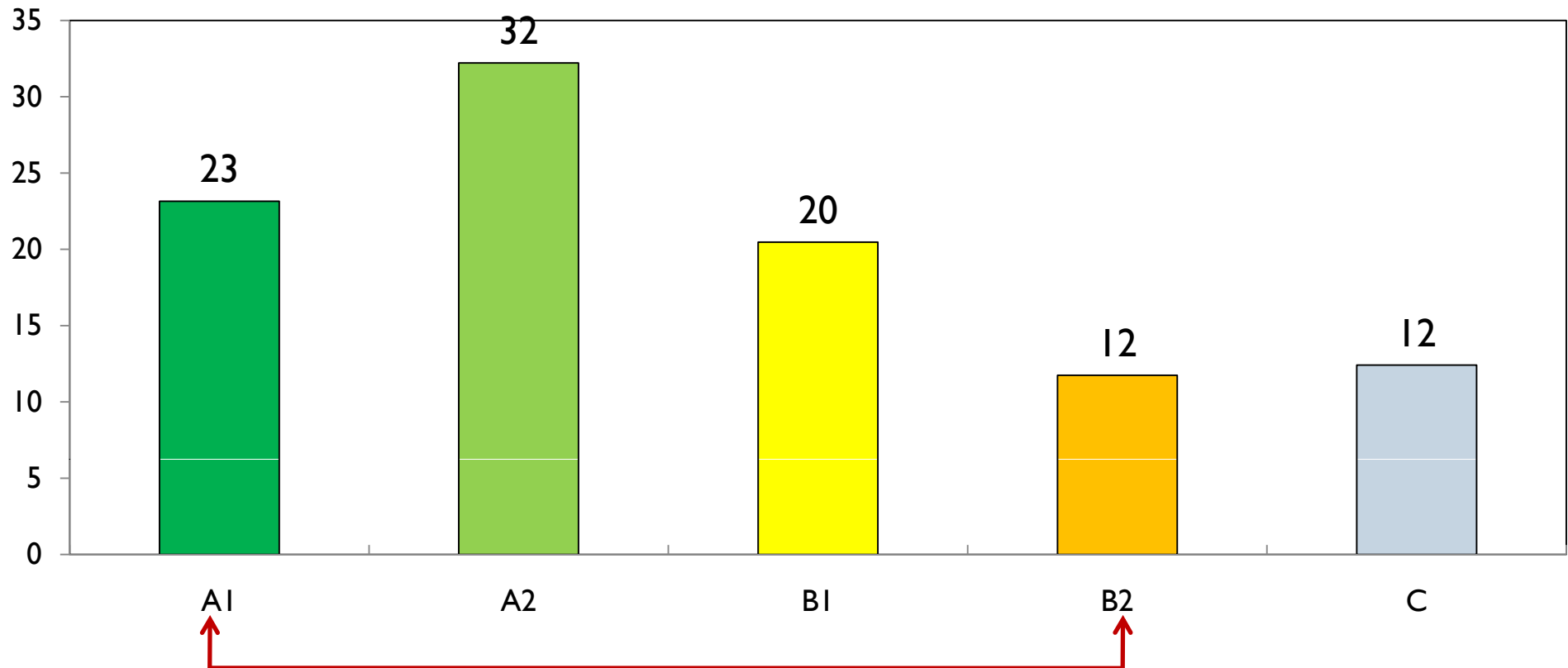
❖ 88% of the tourists belong to SEC A1/A2 or B1/B2…

Base=300, All Figs. In %

Frequency of Visit to Lonavala

Overall

42%
58%

- More than once in 6 months
- Less than once in six months

Couple

36%
64%

- More than once in 6 months
- Less than once in six months

Family

41%
59%

- More than once in 6 months
- Less than once in six months

Groups of Friends

48%
52%
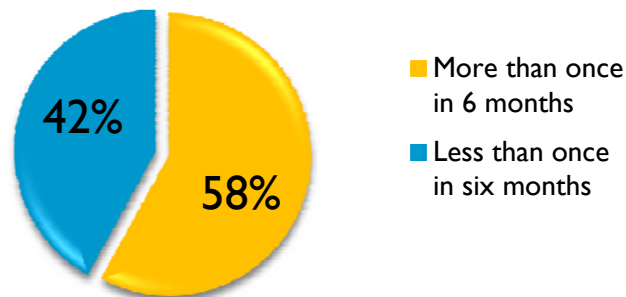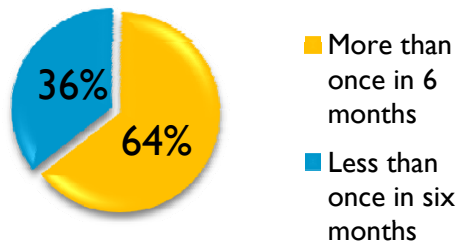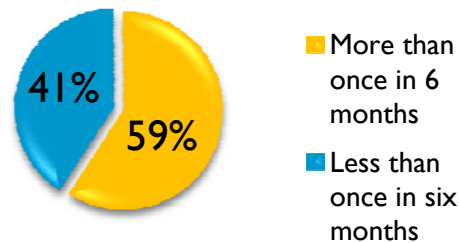
- More than once in 6 months
- Less than once in six months
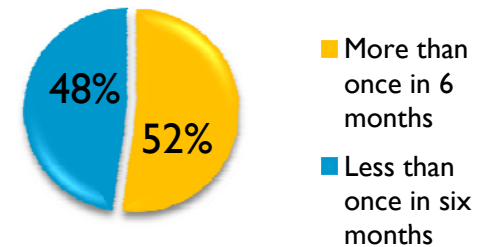
1/3rd respondents from "group of friends" category are first time visitors….

Segment	Overall	Couple	With family	Group of friends
Base	300	82	81	122

All Figs. In %

Purpose and Preferred day to visit Lonavala

Purpose of Visit

- Leisure
- Business
- Training
- Personal-meeting relatives

2% 2%
8%
88%

Preferred day to Visit

- Weekends
- Weekdays
- Festival days
- Public holidays

4% 3%
14%
79%
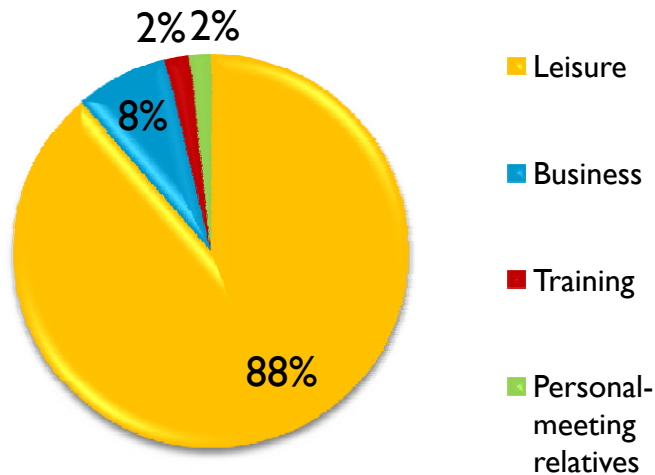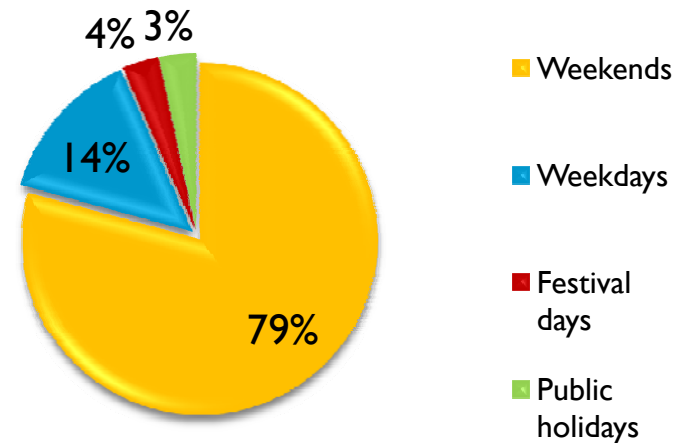
❖Tourists (all segments) visit Lonavala mainly for relaxing purpose.
❖Lonavala has highest footfall on the weekends for all the segments.

Segment	Overall	Couple	With family	Group of friends	All Figs. In %
Base	300	82	81	122	

Duration of trip and Cost per Head

Duration of Lonavala Trip	Per head cost

Legend: Overall | Couple | With Family | Group of friends

Duration of Lonavala Trip:
- Same day return: 51
- Overnight stay: 30
- 2 days: 14
- 3 days: 4

Per head cost:
- Up to Rs 500: 41
- Rs 501-1000: 33
- Rs 1001-1500: 16
- Rs 1501-2000: 6
- Rs 2001-2500: 1
- Rs 2501-3000: 2
- Above rs 3000: 2

Average spent per head = Rs 793
(calculated by weighted average method)
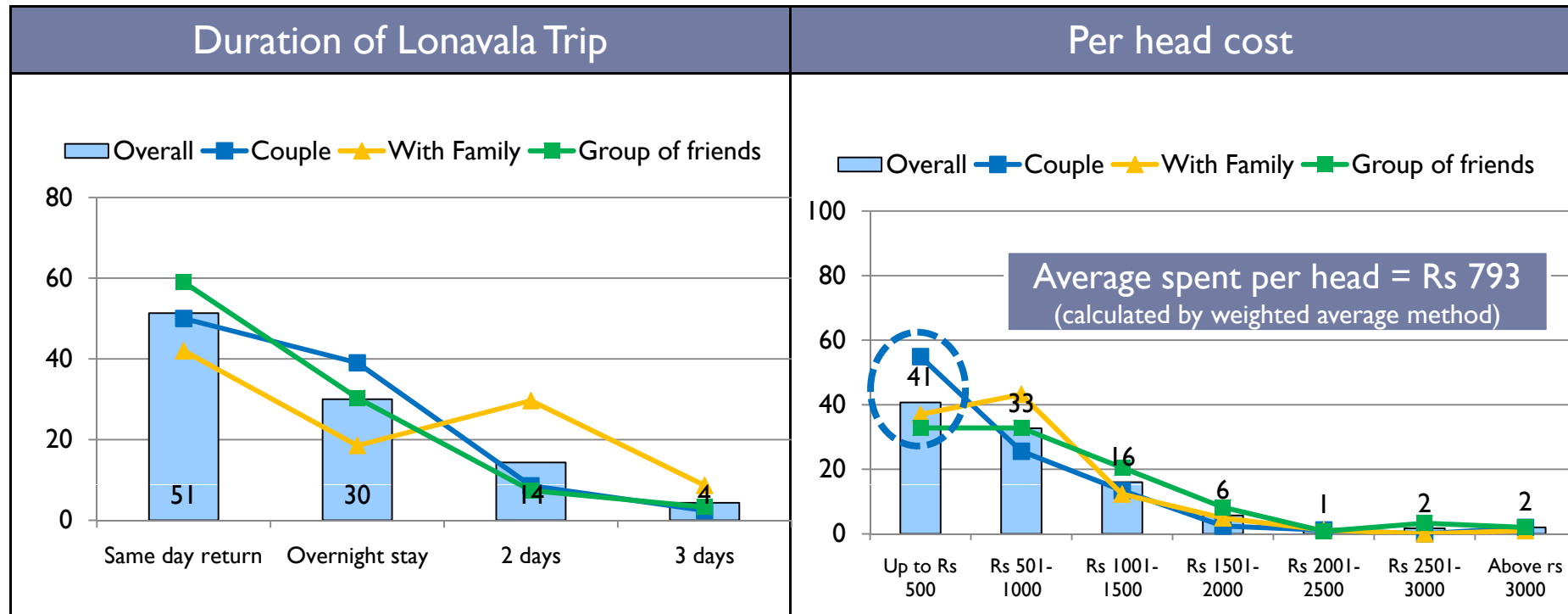
❖Group of friends prefer to return from Lonavala on the same day while families prefer to stay for 2 days...
❖Family tourists spend from Rs 501 to Rs 1000 per person.

Segment	Overall	Couple	With family	Group of friends
Base	300	82	81	122

All Figs. In %

% share of Money spent on activities

Overall

- 13% Food
- 44% Stay
- 25% Entertainment
- 18% Shopping
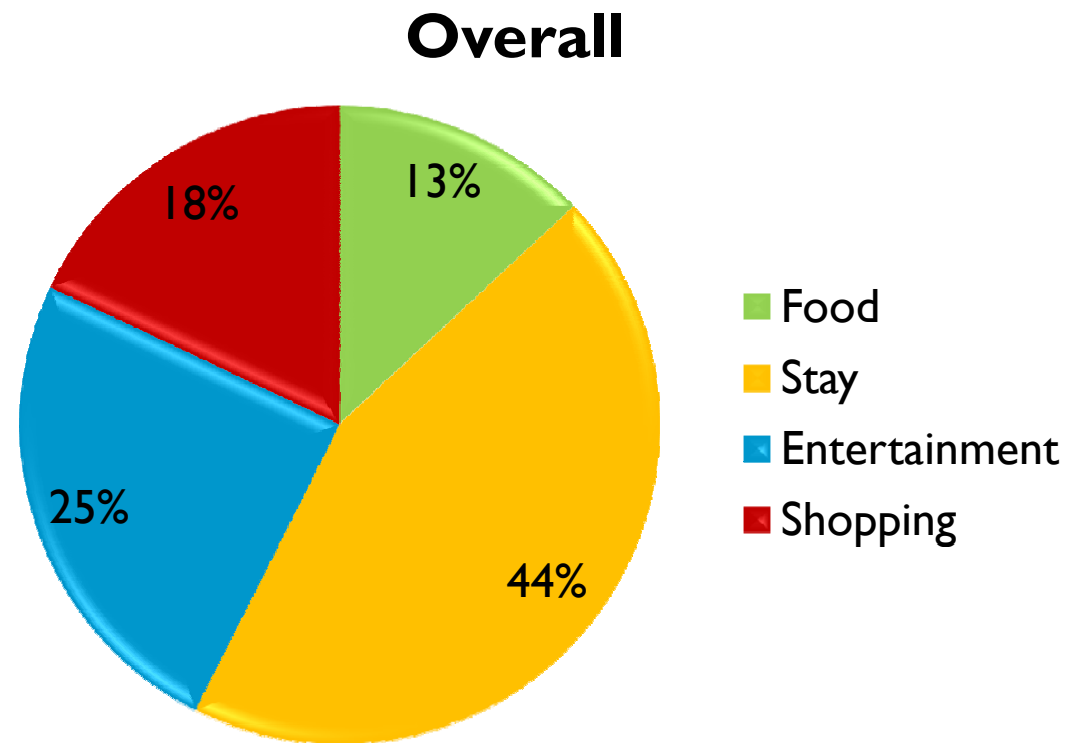
Apart from Stay, tourists spend large chunk of money on entertainment..

Segment	Over all	Couple	With family	Group of friends	All Figs. In %
Base	300	82	81	122	

% share of Time spent on activities

Overall

- Food
- Entertainment
- Shopping
- Sight seeing

14%
31%
14%
41%
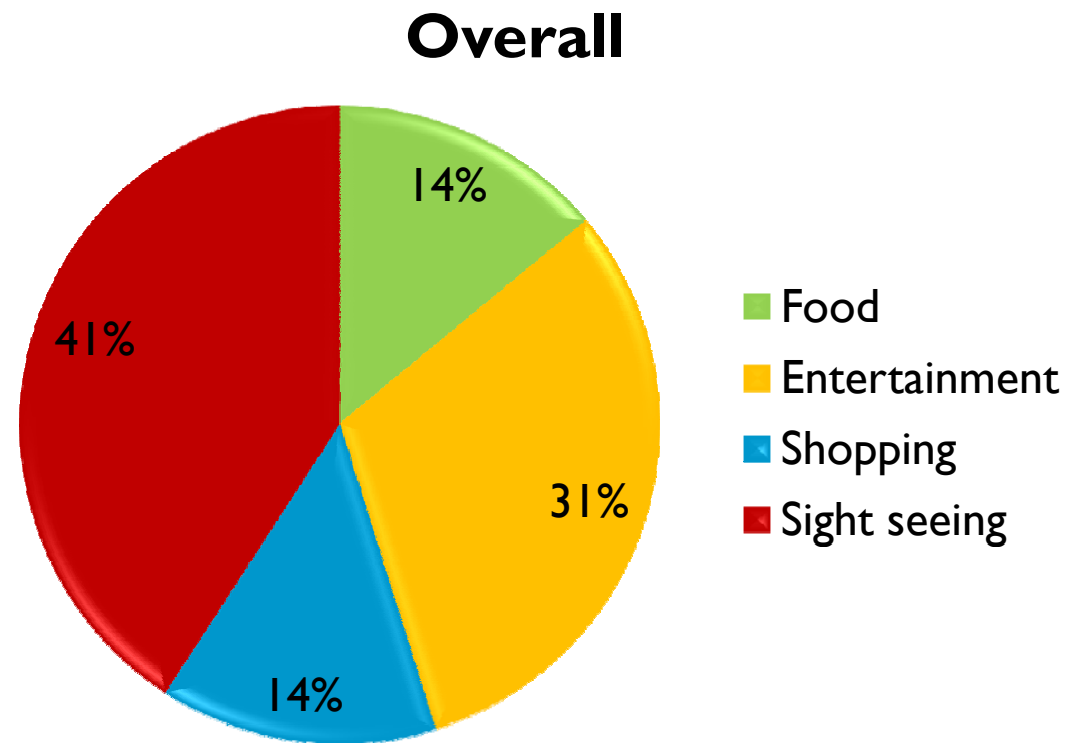
Majority of time spent is on sight seeing and entertainment..

Segment	Overall	Couple	With family	Group of friends
Base	300	82	81	122

All Figs. In %

*Time spent on stay is not considered

Tourist perception about entertainment options in Lonavala

Do you think there are enough entertainment options in Lonavala?

11%

89%

- Yes
- No
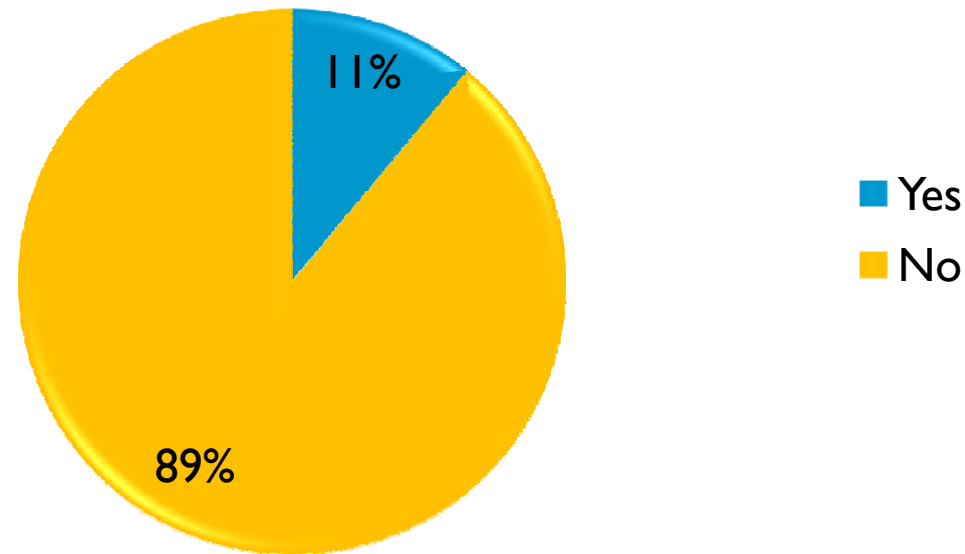
Consumers perceive a lack of entertainment options in lonavala indicating an opportunity to fulfill this unmet demand…..

Products Purchased from Lonavala

Do you purchase any product in Lonavala?

3%

97%

■ Yes
■ No
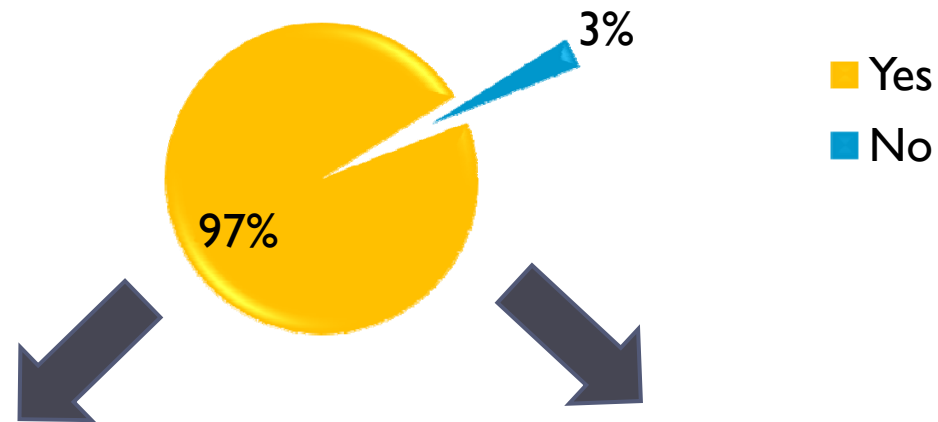
Type of shopping done in Lonavala

40%

60%

■ Impulse purchase
■ Planned purchase
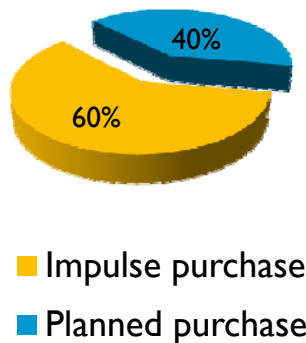
Products purchased from Lonavala	In %
Base	*291*
Chikki	99
Jelly	57
Foods/ hygienic food	30
Bottled water	22
Fruits	20
Chiwada/ farsan	16
Apparel	6
Sweets	5

Base=291

40

Summary- Reaction to Concept

Reaction to Concept – Overall Consumers

Overall Reaction

- Interested
- Not sure
- Not Interested

6 3

91
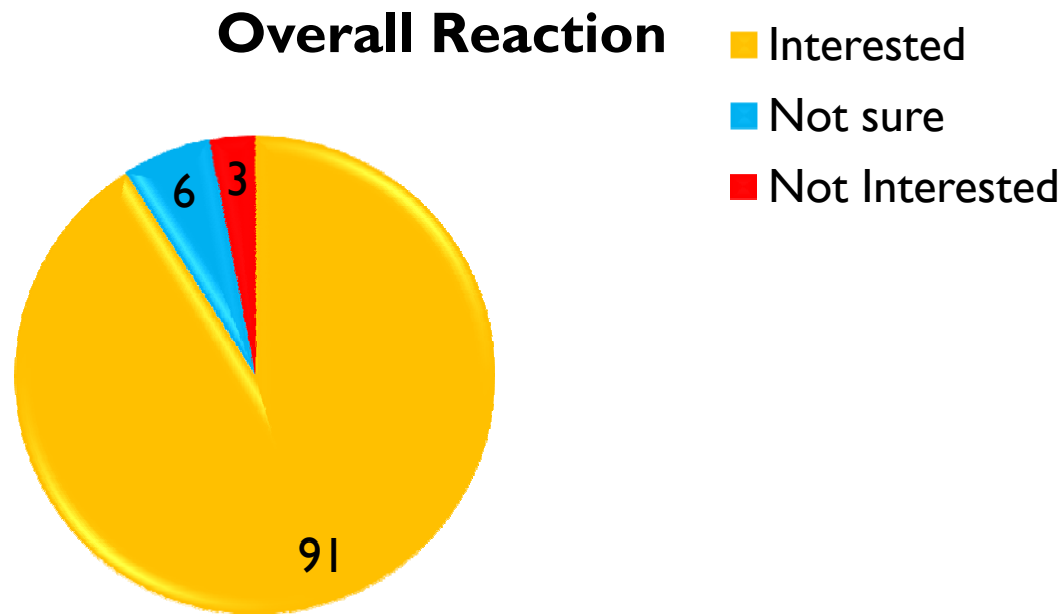
❖ Overall 91% of respondents are interested in visiting the shopping mall in Lonavala.
❖ Both locals & Tourists are **very positive** about visiting such a Mall..….

Segment	Overall	Localites	Tourists
Base	500	200	300

All Figs. In %

Reaction to Concept - Mumbai Retailers

Willingness

No 21%

Not Sure 43%

Yes 36%
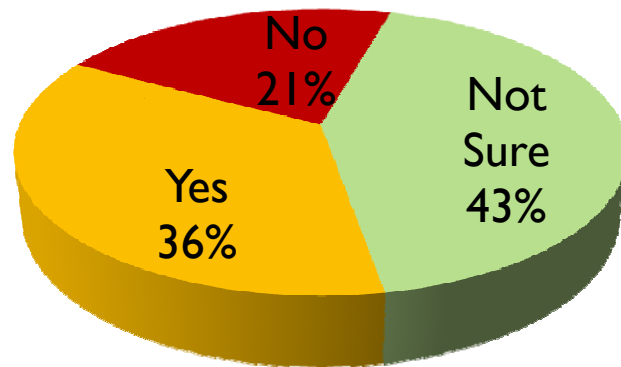
5 out of 14 retailers have shown their willingness to open a store in the Mall in Lonavala.

Industry wise feedback*

Yes   Can't say now   No

Footwear: 3, 1
Apparel: 1, 1, 1
Luggage: 1, 1
Jewellery: 1, 1
Restaurant: 1, 1
Cellphones: 1
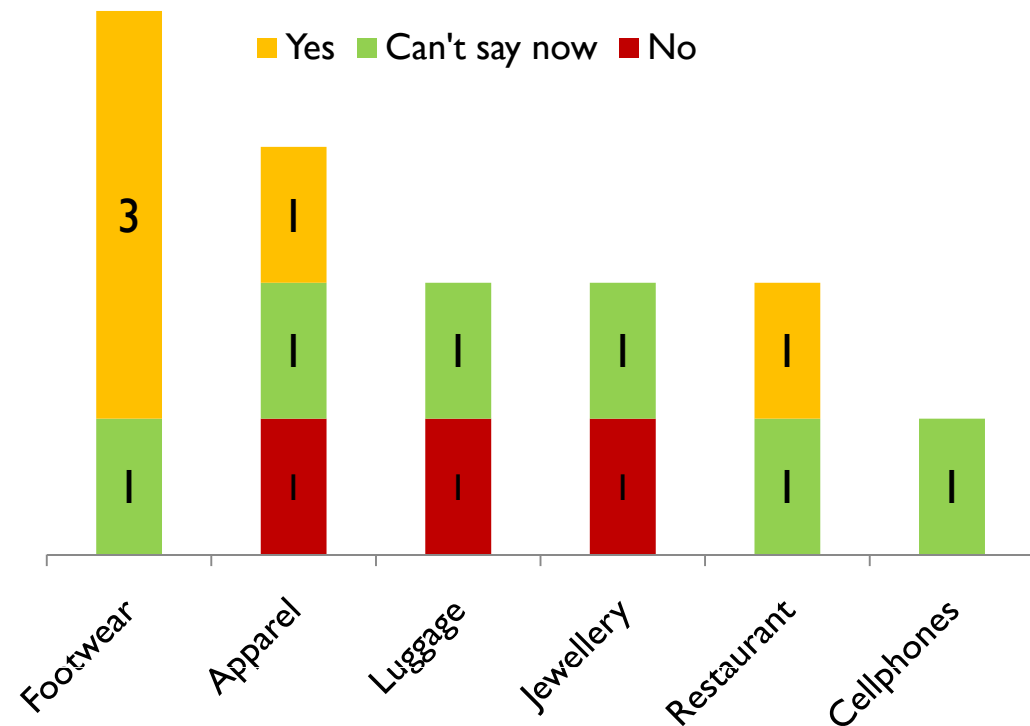
* Random telephonic research. *Base= 14, *Above figures are actual numbers*

What consumers feel is missing Lonavala?

Localites Segment

Item	Value
Apparel	45
Electronic goods	26
Multiplex	25
Shopping mall	18
Sports wear	16
Entertainment hall	11
Pizza hut	10
Play park	8
Latest apparel	6
Multi branded store	6
Foot ware	5

Tourists Segment

Value	Item
69	Apparel
43	Multiplex
29	Internet
27	Pizza
21	Shopping Mall
21	Sports wear
16	Foot wear
13	Branded products
8	Entertainment
6	Pizza hut
6	play park
5	Big bazaar

Apparel, multiplex, electronic goods & internet café's are the offerings that consumers are missing in Lonavala…

Segment	Localites	Tourist
Reduced Base	132	180

All Figs in %

Expectations from the Shopping Mall

Expectations	Localites Segment	Tourists Segment
Reasonable price	54	60
Good product quality	38	30
Good variety	32	37
Good service	24	21
Good offers	14	5
Centrally located	13	22
Spacious store	12	15
Prompt service	9	19
Security	8	4
Parking facility/ free parking	10	16
Multiplex	5	7

Segment	Localites	Tourist
Reduced Base	200	300

All Figs in %

Must Have sections in the Mall

The following categories have emerged as the top 6 categories with above 80% of respondents stating the need for such offerings in the mall.
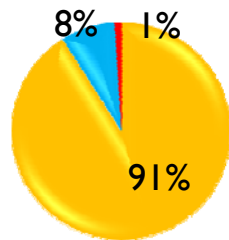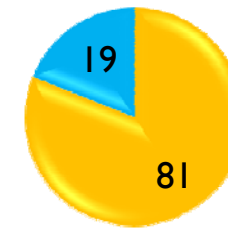
Food stores
- Sweet/ Mithai shops
- Pure veg food store
- Health Food store

→

Electronic goods store

→

Apparels
- Men's /women's/kids wear
- Ethnic wear

↓

Footwear

←

Multiplex

←

Food & Beverages
- Specialty restaurants
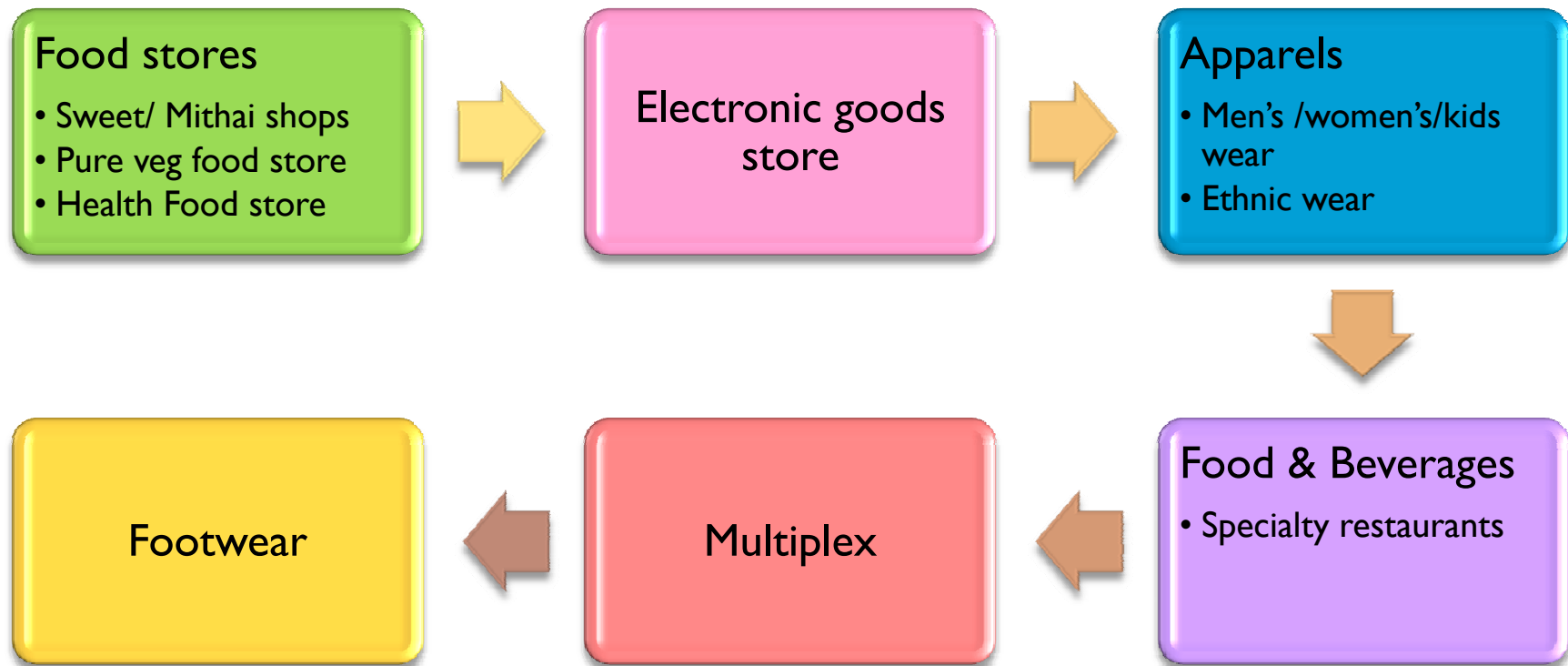
Retail Mix

Importance of Outlets - Overall responses

Food Stores

8% 1%
91%

Apparel

16% 1%
83%

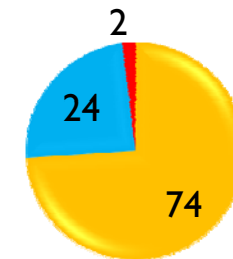### Consumer Durables

19
81

Footwear

14% 1%
85%
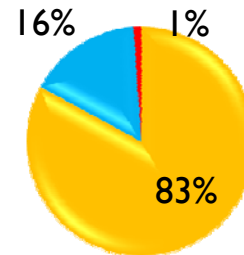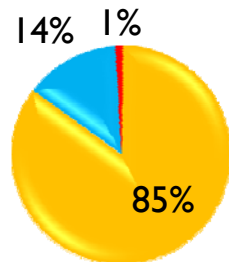
Toys, Gifts & Stationery

2
24
74

- Very Important
- Important
- Not Important

❖ All categories have received highly positive consumer responses, from consumers.
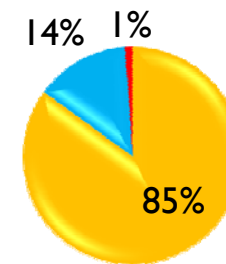
Segment	Overall
Base	500

All Figs. In %

Importance of Outlets - Overall responses

Food & Beverages

16% 1%

83%

Entertainment

14% 1%

85%

Hobbies & Interests

1%

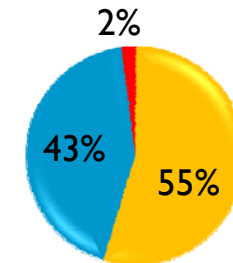35%

64%

Home Decor

1%

41% 58%

Beauty & Wellness

2%

43% 55%

- Very Important
- Important
- Not Important
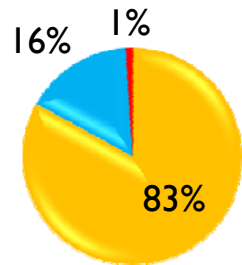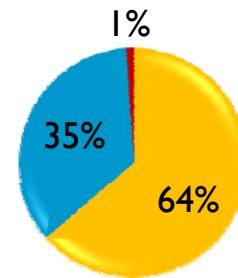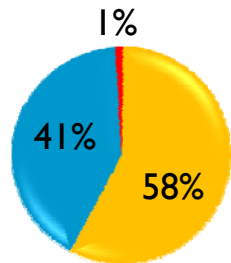
❖Although desirable, Home Décor & beauty categories have emerged as slightly less wanted offerings.

Segment	Overall
Base	500

All Figs. In %

Thank You!!