



# Exploring the Dynamics of India's Pro AV market with Renkus-Heinz

*Renkus-Heinz is a professional loud-speaker company known for its innovative technology that redefines sound to empower its audience. PALM+AV-ICN got in touch with **Karan Kathuria**, Renkus-Heinz's Director of Sales and Business Development, Asia, Oceania and SAARC, to learn more about the company's plans for India and its strategy to stimulate growth across different verticals.*

## Can you elaborate on Renkus-Heinz operations in India?

Renkus-Heinz has been in India for more than a decade, but our presence was limited to certain projects and customers. Currently, we are a very boutique and niche brand, and we are representing very selective markets, but this might change in the future. When I got this opportunity to represent Renkus-Heinz for Asia and Oceania, India was of course one of the major focus markets. My knowledge and presence in the market for more than 15 years, probably assured the company that we could get the product closer to the customer than ever before. Renkus-Heinz strongly believes in post-sales service, and we wanted to consider how we can best serve the customer rather than simply selling the product. The best model for Renkus-Heinz in India, we reckoned would be a on a platform which is already established with a strong post-sales solution and a coun-

try-wise presence, so we approached some unique influencers in India to seek their opinion. Basis of our research, we concluded that the best partner for us, would be Mumbai-based **Alphatec**, one of the most recognized distribution entities in India. Alphatec's presence geographically in India through regional distribution makes them very strong in the business. Companies like Gigatronics, Premier, MRH and others are regional distributors for Alphatec across India. My relationship with the company goes back to more than six years, so I fully trust their business model and structure. Alphatec has an amazing technical, sales and service team and almost 15 service centers across India and this was one of the most convincing reasons for me to consider Alphatec. We are in the process of helping Alphatec establish Renkus-Heinz in the market, and we will be supporting them through our teams in US and Singapore.

**What is the strategy that you're adopt-**

## ing to penetrate the market?

We have a unique approach, not only for India but for Asia and across the world. We are analysing our data deeply because we want to understand how Renkus-Heinz is being perceived as a brand by customers from different sectors in the last ten years. We also understand that rather than launching a product and approaching every market, we need to start focusing on specific vertical market. As an organization, we agree that the best way to approach the market is by verticals. When you start understanding your brand and bifurcating the markets into verticals like hospitality, education, transportation, and enterprise, for instance, you realize that all these markets have their own unique set of requirements. Hence, we are now analyzing each vertical deeply and structuring our sales accordingly. Finally, every vertical has key influencers - consultants, integrators, and customers who drive the market's demands. Once we understand these verticals, our next aim would be to collaborate with these influencers and understand what they, as customers, expect from Renkus-Heinz to deliver. The review from these influencers helps the company analyze the need to improve, learn or scale up operations.

**According to you, how developed is the Indian distribution for pro-audio per se and what kind of challenges are you facing (if any)?**

India is for sure one of the most inspiring markets in Asia after China, not only because it is a big-scale market but also because most of the companies across US or Europe are investing heavily into India. Distribution of pro audio in India has been quite unorganized for a long time. But lately, with lot of brands directly present in India this sector is more organized than what it was. We now know the customers and the market, and we really understand how to reach them in the right way, and I believe now, India is much more evolved. The technology demand that the customer has in India, is at par with the US or Europe. The spending power has gone up considerably now and I personally feel that the pro audio industry in India is doing quite well.

In terms of challenges, I believe the Indian customers rarely believe in POCs i.e. Proof of Consent, which means they will not simply buy a brand or solution because it is selling in the US. They want to understand and be a part of the technology. When you see them taking that kind of an interest, it's important and imperative for us as a company to give them that opportunity. The challenge till recently has been that most brands have been operating through satellite offices without a direct presence, in terms of a professional team.

The other challenge is the learning; so, while a lot of brands are present in India, not every brand puts a lot of focus on learning and education,

training, and demos etc. Customers today want to be very technologically adept, and they do not want to pick up the phone every time they have a problem with an equipment. Customers want to have a complete self-sustained team who can address an issue at any hour. Hence, we as manufacturers must take the onus and teach them about all the solutions and ensure that they're comfortable using it.

**Do you think that India is still a price sensitive market? And what is the demand for international brands like Renkus-Heinz vis-a-vis the local brands?**

One thing is for sure, it's not just India, the entire world is price sensitive, whether it is America or Europe, India, Vietnam, Thailand, Japan or Korea. I have been managing Asia for six years now and have worked closely with the European and American markets and I haven't seen a customer, barring a very few, who will say, I have an open cheque book. Every customer has constraints because every investment you make, especially in pro AV, is all about ROI. Yes, India is price sensitive compared to other markets, but it is awakening to the fact that we cannot be penny wise and pound foolish. What are they saving money for? Is it for short term or do they have to look at the big picture, is something customers are weighing carefully now. If they really see a unique USP in a particular technology, that will enhance their employee's experience or the customer experience, they are happy to go a step further and pay for it, but expense must be justified. No one wants to bear more costs just because I am an American brand. They want to know what I bring in terms of technology. Renkus-Heinz is a company known for its beam-steering technology and we take a lot of pride in it. We are into our sixth generation of products, unlike our healthy competitors who still have the same product that they started with, maybe five years ago or ten and fifteen years ago. At Renkus-Heinz, beam-steering is an important technology solution, and it generates 90% of the revenue. So, beam-steering is a technology that needs to be properly communicated to the customers. They know about this technology, but they need to know what Renkus-Heinz is doing very differently. We are in our 6th generation when we could have simply given the 1st generation. Also, we have different beam steering products for lifestyle and different ones for corporates, and large venues etc. Educating the customer on the need for different speakers and different solutions for different applications is what is going



**Karan Kathuria with the team at Renkus-Heinz headquarters**

to make a difference for us. Through our partners we will be explaining what value as a company we have added to beam steering and once we have done that, I'm very confident customers will understand the value and quality of the products that Renkus-Heinz offers.

**What is the product portfolio you have for the pro AV market?**

We have a range of loudspeakers and we also have selected amplifiers and subwoofers range. To put it plainly, we are a loudspeaker company, and aside from loudspeakers we don't have many other products. We don't till today have the entire range of loudspeakers as well, for example we don't have ceiling speakers and a lot of the passive modules and that is what we as a company are now deep-diving into. We are analysing what is the need of the hour and what is expected from Renkus-Heinz in terms of different applications. Do we add value if we come out with ceiling speakers and passive modules, is something we are considering now.

**What is the most popular loudspeaker from Renkus-Heinz in India today?**

Renkus-Heinz is globally known for Iconyx, which has been a flagship product since 2006. In India also we are known primarily for Iconyx, which is good, but Iconyx itself in the last ten years has evolved tremendously. In the last ten years, the Iconyx family has emerged and grown horizontally and vertically, and we have enhanced the value of the family with our live sound range of speakers which is the ICLive and we launched the compact version of ICLive called Iconyx Compact. These are new to the Indian markets. It is our endeavour now to mainly understand where and how have we grown in terms of new markets and applications

**In which segment do you see maxi-**

**mum growth going forward?**

I believe that basically every market has its own potential. If I must answer in terms of GDP, I'd say Vietnam is the biggest market. If I talk in terms of infrastructure growth, I will say China and India are one of the biggest markets for us. With regards to sectors, our early analysis indicates that the biggest of the verticals for us right now would be large venues, house of worship, education, followed by transportation, enterprise and retail. We are in the world's largest airport in Istanbul, we are in Bangalore International Airport, we are in Los Angeles, we are in Qatar and Dubai as well. Renkus Heinz has a strong presence in the cruise market as well and we have a huge presence in train stations in Europe and even some in India.

**Do you feel the Indian market understands quality Now?**

Yes, big time! A prime example is the Jio Convention Centre in Mumbai, which has some of the best technologies in the world, that many of the convention centres in Europe also may not have. With globalization, lots of data is available on social media and the end user has become very intelligent today. It takes a minute for them to go and understand on Google what DSP is all about for instance. Customers today are wise in terms of investments and are very proactive before they go out and spend. They have become very research-oriented and they're intelligent in terms of how they can get more learning and evolve. Customers now have exposure to shows like ISE, PALM, KOBA, InfoComm and all this make them very well informed. A lot of Corporates, IT companies and customers from the Education sector can be seen networking on these national and global forums.

**You have a huge legacy with Music Group, are you leveraging that legacy**

**here?**

I think irrespective of what brands you're representing, it's eventually the confidence and the trust you bring as a person to the customer, integrator, and consultant which counts. Whichever brand you represent, you must ensure that you are giving the best, and the relationship is not for the short term. I have a lot of regards for Uli and I'm very proud of the scale that Music Group has achieved with all its brands. In the process of establishing Music Group in India, the relationships that I was able to nurture (which of course started with my connections in HARMAN), helped me because the customers or integrator or the consultant that I went to, believed me and they already knew that I would deliver what I committed to, irrespective of which brand or company I am representing. I strongly feel that if you have established a certain level of knowledge, clients will trust you more and that is the kind of leverage I have. I try to strive towards committing and delivering and people are understanding and try to accommodate.

**What is your vision for the Indian market? The short term and long-term goals?**

We're not here for the short term, we are not here for few months or just few years. We are here for a long term. The number one vision for India would be learning and education, followed by investments into the market.

**When you say learning and education, it will be through Alphatec?**

We are not a company that believes that it's our partner's responsibility to educate. Renkus-Heinz believes in teamwork. I have tech-savvy colleagues in Singapore and Portugal who are keen to travel and are always on the roads with me. I know there isn't a lot of travel happening now, but normally you'll see all of us travelling and conducting demos.

**Any notes for your customers?**

I want to let our customers know that you will see us much closer, approachable and much more easily understandable than ever before. For us India is top priority and we have taken some giant steps in one year and you will start seeing a lot of good quality products in the near future. We will be executing some mega projects and we have full trust in our partners Alphatec and together I believe we will do whatever is required for Indian customers. We will focus on education and training and roadshows, and we will come a lot more closer to our Indian customers.