

The Indus Bakers: recipe for resilience

Ubedullah Memon, Qamarunnisa Aziz, Nabeela Arain, Maham Zahra and Masroor Ali

Standing on the Lansdowne Bridge during a cold December evening in 2022, Mr Suresh Kumar, the general manager of the Indus Bakers, found himself immersed in deep thoughts. Never in his entrepreneurial journey, he had experienced such a profound sense of uncertainty. Standing beside the Indus River observing the sun's descent into its serene embrace, he could not escape contemplating Charles Dickens' immortal words "It was the best of times, it was the worst of times [1]." Indus Bakers, the enterprise he had co-founded with Ajeet Kumar and Kareem Ahmed, now stood at a crucial juncture. For three consecutive years, the sales figures dwindled, casting a shadow over their venture. Yet, amidst the downturn, the market teemed with unprecedented opportunities, waiting to be seized. The decline in sales stemmed directly from evolving customer preferences, transcending mere taste and quality to encompass broader expectations regarding businesses' engagement with their clientele. The shift was particularly driven by the preferences of Generation Z (Gen Z) and Alpha, acknowledged as tech-savvy digital natives. They demanded businesses to adapt by actively participating on digital platforms, adhering to sustainability protocols and providing personalized products and services, all to elevate the overall customer experience.

Indus Bakers struggled to keep pace with competitors in social media marketing and the rising trend of m-commerce. The industry grappled with notable changes, navigating economic instability, regulatory tightening and the repercussions of climate change on raw material sourcing. Suresh astutely acknowledged these challenges, endeavoring to attain competitive parity by aligning with industry trends and securing a competitive edge through viable growth strategies that outpaced competitors. To triumph through this challenging phase, Suresh needed to showcase his entrepreneurial acumen unequivocally, positioning Indus Bakers as the unrivaled market leader. While driving home, Suresh reflected on recent developments and compiled a list of crucial points to address in the upcoming meeting scheduled for the following week. The meeting, set for the following week, would involve the participation of marketing consultant Zaviya Aziz, as well as co-owners Ajeet and Ahmed. The primary focus of the upcoming meeting was to enhance the marketing strategy to attract and retain customers, alongside formulating growth plans for the forthcoming year. Alongside ramping up marketing endeavors, Suresh grappled with significant challenges in assessing and selecting competitive growth strategies for the business. The options encompassed attracting corporate clients, launching a tea shop, introducing health-conscious menu items like gluten-free and diabetic-friendly options and setting up kiosks at strategic locations such as gas stations or major bus stops in Sukkur city. Suresh's mind was preoccupied with important questions and searching for reasonable solutions. How might the current industry landscape impact Indus Bakers, and what strategies could be used to address these influences effectively? What was the competitive landscape of the bakery industry in the Sukkur market? How to embrace social media marketing and m-commerce strategies to compete in a competitive market? Which growth options were suitable for a sustainable future, ensuring long-term survival?

Ubedullah Memon,
Qamarunnisa Aziz,
Nabeela Arain, Maham
Zahra and Masroor Ali are
all based at the Department
of Business Administration,
Sukkur IBA University,
Sukkur, Pakistan.

Note: For confidentiality purposes, the original name of the organization in this case has been changed.

Disclaimer. This case is written solely for educational purposes and is not intended to represent successful or unsuccessful managerial decision-making. The authors may have disguised names; financial and other recognizable information to protect confidentiality.

Industry snapshot: mapping commercial realities

The bakery market was part of the more significant confectionery industry, which included flour-based bakers' confections, such as cakes, pastries and muffins and sugar confections, such as candies, chewing gum and jellies. Bakeries in Pakistan have mostly been family-owned SMEs operating in a largely fragmented market, with low barriers to entry and high raw material costs; i.e. 61% of the cost of sales included raw material costs [2], and contribution margins averaged 16%–22% during financial year (FY)2019–FY2022 [3].

In Pakistan, most of the population was young, with a significant portion under the age of 30. These demographics form the primary customer base for bakeries, and these young individuals were highly active on popular social media platforms such as Facebook, Twitter, Instagram and TikTok. Recognizing this trend, businesses frequently use these platforms to connect with their target audience. The COVID-19 pandemic further expedited the shift to digital channels, leading businesses to increase investments in social media marketing for enhanced engagement and outreach.

A significant portion of the customer base comprised teenagers and young adults, notably millennials and Gen Z. Millennials, born in 1996 and earlier, demanded an enhanced shopping experience, seeking authenticity and innovation (Exhibit 1). Given their financial stability, with many millennials used amid their professional careers, they were the focal target of many businesses, offering tailored services. The trend among millennials was an increasing preference for online shopping, valuing convenience. Peer influence was high among them, and millennials valued experience over ownership. They tended to do lots of research before buying and were observed as idealistic and open-minded [4].

Gen Z enjoyed shopping through mobile apps and social media platforms. This generation placed a premium on product reviews and followed information before making a purchase. They were particularly attracted to customization options and relished a do-it-yourself shopping experience. Centennials were financially conscious and tended to save money and value economic stability more than millennials. Both millennials and Gen Z emphasized sustainability, environmentalism and social justice. They wanted their brands to stand for a cause; a cause that they would stand for [5].

Generation Alpha, born between 2010 and 2025, were the very first 21st-century children and were not only very well-educated but tech-savvy, social and inclusive. Generation Alpha had more screen time than previous generations and was more open to branded content, such as toy review channels on YouTube. They exhibited a hands-on and experimental learning style and were very comfortable playing with tech toys, smart devices and wearables. They saw technology not only as an essential part of their lives but as an extension of themselves as well. Generation Alpha continued to adopt and use human-mimicking technologies such as artificial intelligence, voice commands and robots.

Accordingly, bakeries consistently update product and business information on social media platforms. Delivery apps like "Food Panda" were readily used to market and sell their offerings. Bakeries also actively engaged with customers and collaborated with influencers to execute marketing campaigns for upcoming deals and menu items. Live streaming was used to showcase various products, the interior and the skills of the staff. Additionally, social media analytics, encompassing metrics such as views, clicks, mentions and impressions, were used to analyze the effectiveness of their social media marketing efforts [6].

Traditional occasions such as religious events and weddings exponentially increased sales where kids and adults lavishly spend. Moreover, growing concerns about obesity and a

healthy diet urged consumers to pay close attention to nutritional labeling, leading bakeries to introduce meals with value-added nutrients and claims, such as fewer preservatives and low fat.

The thriving agricultural sector of the country had consistently breathed vitality into the bakery market, providing abundant supplies of raw materials such as wheat, sugar and dairy items. Pakistan had been the eighth-largest wheat producer [7], the ninth-largest sugar cane producer [8] and the fourth-largest milk producer globally [9]. However, edible oils such as soybean and palm oil were mainly imported [10]. The market outlook had been promising, driven by a higher proportion of the young population, growing brand awareness, urbanization, changing lifestyles and successful product development initiatives involving diverse flavors and enhanced food presentation. Additionally, untapped export markets, the evolution of consumer taste preferences and a rise in per capita income had presented lucrative avenues for growth that many bakeries had actively sought to explore.

Recently, high rates of inflation, increasing utility costs and a general economic slowdown put much strain on the resources and performance of nearly all businesses, including bakeries [11]. Moreover, climate change threatened the prospect of the long-term supply of raw materials as recent devastating floods in the region drastically reduced agricultural and livestock yields [12].

The government authorities have recently made great strides in streamlining business registration processes by leveraging the capacities of virtual platforms, making it a much easier and quicker experience for new entrants in the industry [13]. Moreover, local food authorities, such as the Sindh Food Commission, have implemented stringent regulations to ensure food safety and quality standards.

Furthermore, the State Bank of Pakistan, in collaboration with SMEDA, had initiated various subsidized credit programs for SMEs, such as the “SME Asaan Finance (SAAF) Scheme” and “Refinance Facility for Modernization of SMEs” to assist SMEs in growing their businesses and contribute effectively to boosting the economic prosperity of the country [14].

Sukkur city: a tapestry of culture and commerce

Sukkur was a vibrant, culturally diverse city located on the west bank of the Indus River. This city accommodates around 5 million people (Exhibit 2), growing at a rate of 2.5% annually, with a literacy rate of 60% [15]. Historically this city remained a trade hub, having rail and road connections with major cities of Pakistan such as Quetta, Multan and Karachi. It boasted a rich industrial base with biscuits, oil, lime and cement factories. Cotton and flour mills were also present in and around the city.

Sukkur city features numerous heritage and religious sites, including Masoom Shah Jo Minaro, Sadhu Belo and Satyun-Jo-Astana, reflecting its deep-rooted history and vibrant culture. The city experienced a dry and desert-like climate, characterized by an average temperature of 47°C in summer and a monsoon season bringing an average rainfall of 87.6mm.

Sukkur was also a hub of higher educational institutions including universities and colleges. Universities such as Sukkur IBA University, Arore University, Begum Nusrat Bhutto Women University and Ghulam Muhammad Mahar Medical College led the educational landscape. These institutions offered diverse educational programs with more than 30 faculties. The strategic location and prime features of Sukkur city set a lucrative market and provide potential business opportunities to cater to the needs of diverse customers.

The Indus Bakers: a symbol of quality and taste

The story of the Indus Bakers unfolded in the heart of Larkana city in 1993, with the collaboration of Suresh, Ajeet and Ahmed's geniuses. The bakery was started with a partnership of three friends and was managed and operated by only one partner, Suresh, a seasoned entrepreneur with a solid educational background in business. Ajeet had a medical background and Ahmed acquired a mechanical engineer degree and both were busy in their jobs. Neither Ajeet nor Ahmed were involved in day-to-day operational activities, but they actively participated in strategic decision-making. This involvement typically occurred during instances of substantial business investments or decisions that had a long-term impact, especially those influencing a shift in the business model.

The Indus Bakers swiftly built its reputation as a forerunner in the market with an unwavering commitment to hygiene and quality. It seamlessly blended a premium touch with affordability, setting a new standard in the bakery experience. The Indus Bakers' brand was widely recognized for its quality and taste (Exhibit 4). It gained popularity prematurely, with demand outperforming forecasts. In just six months, the Indus Bakers recovered its costs and touched a break-even point. Right after an extraordinary performance in Larkana, the owners decided to expand their operations in Sukkur, Sindh.

The Indus Bakers offering included cakes, bread, biscuits, sweets, pastries and doughnuts, sandwiches and rolls, nimko [16], salads and local street food items such as samosa [17] (Exhibit 3). The pineapple cake with luscious icing and chopped pineapples had been the bakery's undisputed bestseller and an obvious favorite with all its customers.

With its five outlets in Sukkur, the Indus Bakers operated with a team of 50 skilled bakers in the kitchen, complemented by ten store boys responsible for selling products and daily store maintenance. Suresh, the owner and general manager of the bakery, emphasized on-the-job training, quality assurance and personalized customer service. Store boys received training from their predecessors and the chefs, guaranteeing consistent quality and taste. Salaries ranged from PKR 20,000 to PKR 22,000 for chefs and PKR 8,000 to PKR 10,000 for store boys. The hot and less humid weather of Sukkur city contributed to the bakery's success. The Indus Bakers maintained strong relationships with its suppliers and procured flour from "Ashrafi Traders", sugar from "Kapoor Brothers" and eggs from the local "Sunny Side Poultry Farm".

The Indus Bakers relied on word of mouth and in-store marketing techniques such as point-of-purchase displays, shelf talkers and product sampling to boost sales. It had branches across the Sindh province, with five in Sukkur city alone. The Indus Bakers provided home delivery throughout the city with the support of outsourced Food Panda service – an online food and grocery delivery platform. The Indus Bakers did not offer in-store birthday celebration services like some competitors. However, bakeries with dine-in facilities increasingly hosted small, intimate birthday celebrations and graduation ceremonies.

The Indus Bakers directed its focus toward middle-income families with salaries of PKR 40,000–50,000 and above. Its customer base cut across all age circles; however, its regular consumers invariably included children, teenagers and adults. Millennials, born in 1996 and earlier, showed a strong nostalgic connection to the Indus Bakers, having grown up relishing the bakery's delights. Contrary, Gen Z, grew up in a saturated bakery landscape and exhibited less brand loyalty.

The Indus Bakers, with an average daily sale of PKR 270,000 was a pioneer in refined baking within the city. A substantial proportion of local people loved this bakery which cherished important events of their life. Millennials were nostalgic about the Indus Bakery's items which cherished their life and provided joyous experiences.

The market dynamics changed which set many challenges for the Indus Bakers including the downward trajectory in sales and customers. Under such circumstances, Suresh was making the best possible efforts to attract the new generation, Gen Z and Alpha, whose preferences were quite different. Customers now prefer the comfort of online shopping, and customized solutions, and enthusiastically support businesses with sustainability and ethics consciousness, with social media playing a significant role in shaping their purchasing decisions.

Previously, the Indus Bakers started its operations in a quite different market and quickly secured a good market share with the support of limited products. Over time, customers became more conscious about customer service, ambiance, variety, presentation, online presence and accessibility. Today's customers are more informed and keep high expectations from the businesses they interact with.

Competition chronicles: decoding the competitive landscape

The Sukkur bakery market experienced growing saturation amidst a favorable business environment. Government-led reforms aimed at simplifying business registration and documentation processes and subsidized loan programs for SMEs further contributed to this positive atmosphere. The evolving lifestyle, particularly among the youth, led to an increased demand for baked items, driven by the trend toward celebrations such as birthdays, graduation ceremonies, engagements, promotions and more. The presence of online delivery platforms like Food Panda extended market access to home-based baking enthusiasts. Furthermore, many bakers entered the market with high hopes which aggravated the competition.

Shikarpur Sweets

Shikarpur Sweets came into being in 2003 and had only one outlet in Sukkur. Shikarpur Sweets' offerings included cakes, bread, sandwiches, wraps and rolls, samosa, ice cream and shakes. It recently introduced BBQ and pasta menu options as well. It provided dine-in service in a casual atmosphere with modest décor, casual seating and straightforward ordering. Furthermore, an in-store birthday celebrations option was available as well. Shikarpur Sweets advertised its products via billboards and social media marketing. It had its riders for home delivery, but it also used Food Panda services.

Kiran Bakers

Established in 1985, Kiran Bakers featured two prime locations in the city. One was located at Garibabad near old Sukkur, and the other was near bin Qasim ([Exhibit 5](#)). Its product mix included cakes, rolls, biscuits, sandwich rolls, snacks and kulfi (a local variant of ice cream). Its vast ice cream assortments were unlike any other bakery, including flavors such as vanilla, chocolate chip, pineapple, coffee, tutti-fruity, pistachio kulfi and mango. Moreover, it was a pick of the town when ordering customized, theme-based cakes. It fulfilled the customized cake demand of customers at events such as birthdays, weddings, baby showers and other ceremonies. Kiran Bakers marketed their business through a Facebook page, WhatsApp account and word of mouth. Delivery options included fast or emergency delivery as well. It provided a dine-in facility featuring a family-friendly ambiance and a designated play area for toddlers.

Sukkur Bakers

Sukkur Bakers' menu assortment featured products such as cakes, breads, biscuits, sandwiches, rolls, nimko and samosa. Sukkur Bakers took pride in its quality standards and consistently delivered on its quality promise. They offered customized cakes on different

occasions, such as birthdays and baby showers, but they had created a unique niche for themselves regarding high-quality custom wedding cakes. It offered home delivery, but a dine-in facility was still needed. It had used traditional marketing modes, such as print and in-store marketing and social media platforms to advertise its business and engage with its customers.

Piatto

Unlike other bakeries in the city, Piatto was not a stand-alone business but a subsidiary of the “Royal Taj Conglomerate”. Royal Taj, which had a successful history of establishing businesses and a well-known national restaurant chain. It provided several products such as cakes, cookies, breads, cupcakes, fairy cakes and brownies. They sold the best quality brownies in the Sukkur region, and the coffee cake was the best cake offered by Piatto bakery. They also offered the best chocolate items and doughnuts in their bakery business, such as chocolate chips and doughnuts. This had been the most emerging business because they had delivered their products through Food Panda, which had been the unique quality of this bakery. They offered a wide range of facilities, allowing people/ customers to celebrate birthdays at their place and making suitable arrangements for them. They also offered separate setups for families with their children. They had contracted with the Food Panda service for home delivery, which was only accessible in certain regions. One of the best ways they used was providing free delivery service in the initial stage of the bakery for a few days, where customers could have free food and enjoy the experience. This helped them attract customers who received their feedback.

Home based bakers

In the digital era, individuals at home have picked up hobbies such as baking. Getting well-acquainted with baking techniques from professional chefs around the globe, they showcased and sold their baking items on online platforms. Venturing into the business realm thus has become remarkably accessible. With their unique baking finesse, these home-based bakers, often women, offer premium quality, customized designs and highly personalized customer services. They connected with customers through networking and social media platforms. Their products were showcased with high quality for which customers were willing to pay premium prices that offer an intimate shopping experience.

Pathways to prosperity: exploring growth options

Suresh’s exhaustive exploration of potential growth avenues for the Indus Bakers yielded several options, each with advantages and disadvantages. Consequently, selecting anyone proved challenging, much like navigating a double-edged sword. The key was to determine which option would prove worthwhile.

Diabetic-friendly, gluten-free and vegan offerings

In the global diabetes prevalence ranking, Pakistan has been ranked in the third position [18], and alongside, there has been a rising number of cardiovascular diseases (CAD) in the country. Customers experiencing health issues often require specialized diets, including sugar-free and gluten-free options. Surprisingly, the baking industry in the local market largely overlooked the needs of this segment.

This presented a potentially lucrative niche, especially considering the customers belonging to this group are often middle-aged professionals willing to pay a premium for prioritizing their health. Simultaneously, many Hindu customers in Sukkur and its surrounding regions strictly adhered to a vegan lifestyle, avoiding baked items that contained rich proteins. However, implementing a separate production line for vegan,

diabetic-friendly and gluten-free items may require adjustments to the existing baking process and equipment, potentially impacting operational efficiency. Likewise, finding and sourcing quality raw materials for these offerings might be challenging, and these alternatives could be more expensive, affecting overall production costs. This segment could prove highly profitable, especially during Hindu festivals such as *Diwali* and *Raksha Bandhan*, where cakes are traditionally consumed in celebration.

Kiosks at bus stations, railway stations and gas stations

Suresh had been noticing the emerging trend among bakeries nationwide to set up compact stores and kiosks at bus stops, railway stations and gas stations. This strategy aimed to draw in new customers who might not otherwise visit the bakery's central location in the city center. Although this practice gained popularity in various regions of the country, Sukkur had yet to embrace it. The strategic and financial advantages were evident: these kiosks allowed the bakery to capture the attention of travelers seeking quick and convenient food options, enhancing visibility and brand exposure. Customers at these locations often engaged in impulse buying, reducing the need for extensive marketing efforts and the low operational and installation costs of such compact stores and kiosks further added to the appeal. Suresh pinpointed numerous locations in Sukkur, considering anticipated costs based on whether the space was to be rented or purchased ([Exhibit 6 and 7](#)).

However, this growth strategy presented its own set of challenges. Safely transporting inventory from central locations to these kiosks and stores posed logistical difficulties. Operating extended hours, especially in stations that run 24/7, would necessitate hiring additional staff or having existing staff work overtime. Sales were also subject to seasonality, fluctuating during holidays and off-season. Furthermore, there was competition from marts/convenience stores and street vendors in these high-traffic areas.

Tea shops

The inhabitant of Sukkur spent their leisure time with their friends and chit-chat over a cup of tea. More often, bakery items such as cakes, biscuits and rusks were served with tea. Therefore, the Indus Bakers exploited this untapped opportunity with the opening of tea shops to tap into cultural practice and offer a new channel for customers to enjoy their products. This approach aligned with the local tradition and provided an opportunity for customers to savor bakery items in a cozy, communal setting. However, establishing and maintaining tea shops would require meticulous planning, including choosing suitable locations, designing a welcoming ambiance and curating a menu that complements the tea. Additionally, effective marketing strategies would be crucial to attracting customers to these ventures.

Indus Bakers could leverage this opportunity by opening a tea shop. Most tea shops in Sindh were small hut-like spaces with chairs spread under the open sky in the shop's yard or along pavements. This would require a total investment of PKR 50,000 to PKR 80,000. Products offered at these tea shops would include biscuits, pastries, "rusk" and "cake rusk". People in nearby villages with similar small tea shops could also buy these items in large stock from the bakery. However, if these teashops were located near famous businesses or restaurants, they might lose their brand identity. They were invariably associated with the business with which they were situated.

Corporate clients

The corporate market was yet another lucrative growth opportunity for the Indus Bakers. Corporate premises were a promising business location to operate cafes in and offer bakery delights to employees during lunch breaks, tea breaks and in-office celebrations.

Likewise, educational institutions such as universities, and schools were a potential market, where students often skipped breakfast due to time constraints and preferred healthy food over oily café offerings. Similarly, airports and airlines were yet another growth option to target new customers and boost sales. Because airports have high footfall, diverse customer base and global exposure. Additionally, due to time constraints, travelers often engage in impulse buying. All of this could help the Indus Bakers to increase sales and market its business to a diverse set of customers traveling from across the world. In the same market, the Indus Bakers could partner with airlines to introduce its baked delights as desserts in in-flight meals.

Furthermore, the presence of superstores in the city, like Seven-Eleven and Icon by Ghouris could be considered for a strategic alliance. These stores have a high footfall and a loyal customer base, thus, marketing and sale of the Indus Baker products through these channels would benefit the bakery in achieving its strategic objectives.

At the crossroads: navigating the growth path ahead

While considering growth strategies, Suresh recognized the pressing urgency of the situation, understanding the need to act swiftly and decisively. The start of the new year necessitated a promising growth plan for the Indus Bakers, contingent upon skillfully navigating challenges. Suresh's plan for the Indus Bakers would have to satisfy a twofold objective: attaining competitive parity by adapting to emerging trends and outperforming competitors by identifying and successfully exploiting strategic growth options. Suresh's inquisitive mind was over-occupied with important issues and was trying to respond to some serious questions which helped in setting strategic direction. How do the economic, social, political and technological developments in the external environment impact growth decisions? Which competitors were outperforming in the competitive landscape of the industry and what were their strengths and core competencies? How did customer preferences and changing market needs affect the Indus Bakers? What course of action should be adopted to fulfill the dual objectives of competitive parity and strategic advantage, securing the bakery's long-term survival?

Keywords:

Corporate strategy,
Differentiation,
Added value,
Competitive strategy,
Corporate growth

Notes

1. A line from Novel by "Charles Dickens", called "The Tale of Two Cities."
2. Pakistan Credit Rating Agency (PACRA) Report of Confectionary Industry 2022.
3. Pakistan Credit Rating Agency (PACRA) Report of Confectionary Industry 2022.
4. Book: Marketing 5.0 by Hermawan Kartajaya, Iwan Setiawan and Philip Kotler CITATION Her21 \l 1033 (Hermawan Kartajaya, 2021).
5. Book: Marketing 5.0 by Hermawan Kartajaya, Iwan Setiawan and Philip Kotler CITATION Her21 \l 1033 (Hermawan Kartajaya, 2021).
6. Primary data.
7. Food and Agriculture Organization (FAO) Report 2020.
8. Food and Agriculture Organization (FAO) Report 2020.
9. Trade Development Authority of Pakistan (TDAP) Report 2022.
10. Pakistan Credit Rating Agency (PACRA) Report of Confectionary Industry 2022.
11. Dawn News Article CITATION Kha22 \l 1033 (Khan, 2022).
12. World Bank Report 2021.
13. SECP Website CITATION Ste17 \l 1033 (Step Wise Requirements for Registrations of a New Company, 2017).
14. State Bank of Pakista (Incentive Schemes for SMEs & Other Sectors, 2022).

15. Pakistan Bureau of Statistics.
16. *A type of snack consisting of variable mixture of saltish ingredients, such as peanuts, chickpeas, etc.*
17. *A samosa is a fried South Asian pastry with a savory filling, including ingredients such as spiced potatoes, onions, peas, meat or fish.*
18. National Institute of Health Report 2022.

References

- Ansoff, H. I. (1957). Strategies for diversification. *Harvard Business Review*, 35(5), 113–124.
- Ohmae, K. (1982). The strategic triangle: a new perspective on business unit strategy. *European Management Journal*, 1(1), 38–48. doi: [10.1016/S0263-2373\(82\)80016-9](https://doi.org/10.1016/S0263-2373(82)80016-9).

Exhibit 1. VALS-based psychographic profile of each generation

Table E1			
	Millennials	Gen Z	Gen alpha
VALS segment	Achievers and experiencers	Innovators and experiencers	Innovators
Characteristics	Goal-oriented, success-driven (achievers) and seeking unique experiences, valuing authenticity and innovation (experiencers)	Innovators, seek new experiences and embrace new ideas and experiencers, value excitement and self-expression	Innovators, open to technology, highly receptive to branded content and comfortable with advanced tech toys, smart devices and wearables
Preferences	Enhanced shopping experiences, convenience in online shopping, peer influence and a preference for experiences over ownership	Comfortable with mobile apps and social media for shopping, high value on product reviews, customization options and a preference for do-it-yourself shopping experiences	Extensive screen time, hands-on and experimental learning, viewing technology as an essential part of life and likely to adopt human-mimicking technologies
Lifestyle and values	Emphasis on work-life balance, a desire for experiences over material possessions, and valuing diversity and inclusion	Tech-savvy, diverse and socially conscious. Value experiences and personalization in their lifestyle	Socially inclusive, tech-native and adaptable to emerging technologies. Value educational and interactive experiences
Opinion and concerns	Concerns about environmental sustainability, social justice and a desire for brands to align with meaningful causes	Strong emphasis on sustainability, environmentalism and social justice. Expect brands to align with meaningful causes	Limited empirical data on their direct opinions and concerns due to their young age
Source: Created by authors			

Exhibit 2. Population of Sukkur

Table E2					
Admin-unit	Population	Population density per sq. km	Urban proportion	Average household size	Annual growth rate
Sukkur district	1,488,372	288.16	48.43	5.64	2.42
Rural	767,566			5.67	2.62
Urban	720,806			5.61	2.36
New Sukkur Taluka	320,223	237.83	86.37	5.7	3.73
Rural	43,652			5.76	2.1
Urban	276,571			5.8	4.04
Pano Akil Taluka	436,372	418.78	22.14	5.77	2.5g
Rural	336,263			5.79	2.61
Urban	100,109			5.7	2.53
Rohri Taluka	370,582	455.21	23.14	5.6	2.68
Rural	284,840			5.67	2.86
Urban	85,742			5.41	2.12
Salehpat Taluka	120,736	43.87	20.75	5.33	3.73
Rural	102,811			5.28	2.47
Urban	26,925			5.5	
Sukkur city Taluka	231,450	225.84	100	5.46	0.34
Rural				—	
Urban	231,459			5.46	0.46
Source: Pakistan Bureau of Statistics					

Exhibit 3. Sales mix of the Indus Bakers

Table E3		
Sales from bakery products	75%	
Sales for general items	25%	
Daily sales (general and bakery items)	270,000	
Profit per day	7.4%	
Average number of customers per day	300	
Owner's equity	9 million	
Source: Created by authors		

Exhibit 4. Perceptual mapping of competitors in Sukkur

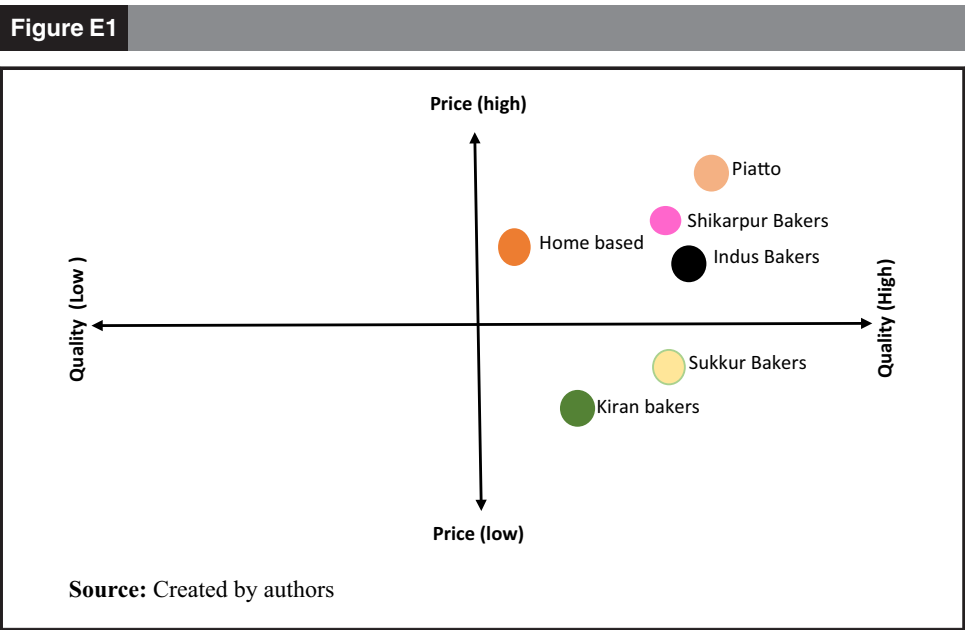


Exhibit 5. Location map of all bakers

Figure E2

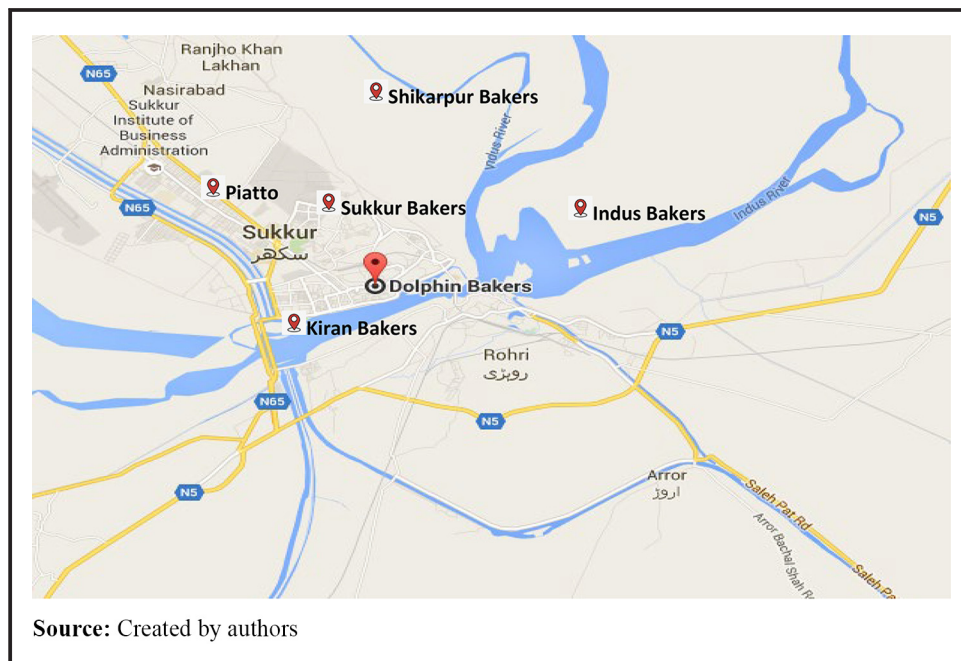


Exhibit 6. Cost structure for kiosk installation

Table E4

Travel points	Address	Products (kiosk) (in PKR)	Rent store (in PKR)	Buy store (in PKR)
Daewoo station	Sukkur bypass	30,000–40,000	20,00,000–30,00,000	50,00,000–70,00,000
Railway station rohri	Rohri	60,000–70,000	30,00,000–40,00,000	80,00,000–90,00,000
Railway station Sukkur	Center of Sukkur	30,000–40,000	Do not want to open a separate store	Do not want to open a separate store
KCS stop	Military road Sukkur	40,000–50,000	Do not want to open a separate store	Do not want to open a separate store

Source: Created by authors

Exhibit 7. Cost structure for kiosk installation

Table E5			
CNG/petrol pumps	Bring products only (in PKR)	Rent a store (in PKR)	Bye a store (in PKR)
Babarlo CNG	30,000–40,000	2,000,000–3,000,000	5,000,000–7,000,000
Shell petrol pump by Taj	60,000–70,000	3,000,000–4,000,000	8,000,000–9,000,000
Admore petrol pump	30,000–40,000	3,000,000–5,000,000	8,000,000–9,000,000
Caltex petrol pump	40,000–50,000	3,000,000–4,000,000	8,000,000–9,000,000
Shah Rukh pump	40,000–50,000	4,000,000–6,000,000	8,000,000–9,000,000
Source: Created by authors			

Corresponding author

Ubedullah Memon can be contacted at: ubedullahsom@gmail.com