

Pioneer retailer

Over 50 years ago, one had to go to a number of shops to buy everything one required. In 1956, with the opening of Central Department Store at Wang Burapa, Samrit Chirathivat, the late founder of Central Group attempted to do away with this. With the first department store in the country, he started a business that gave shoppers the experience of buying all they needed, all under one roof.

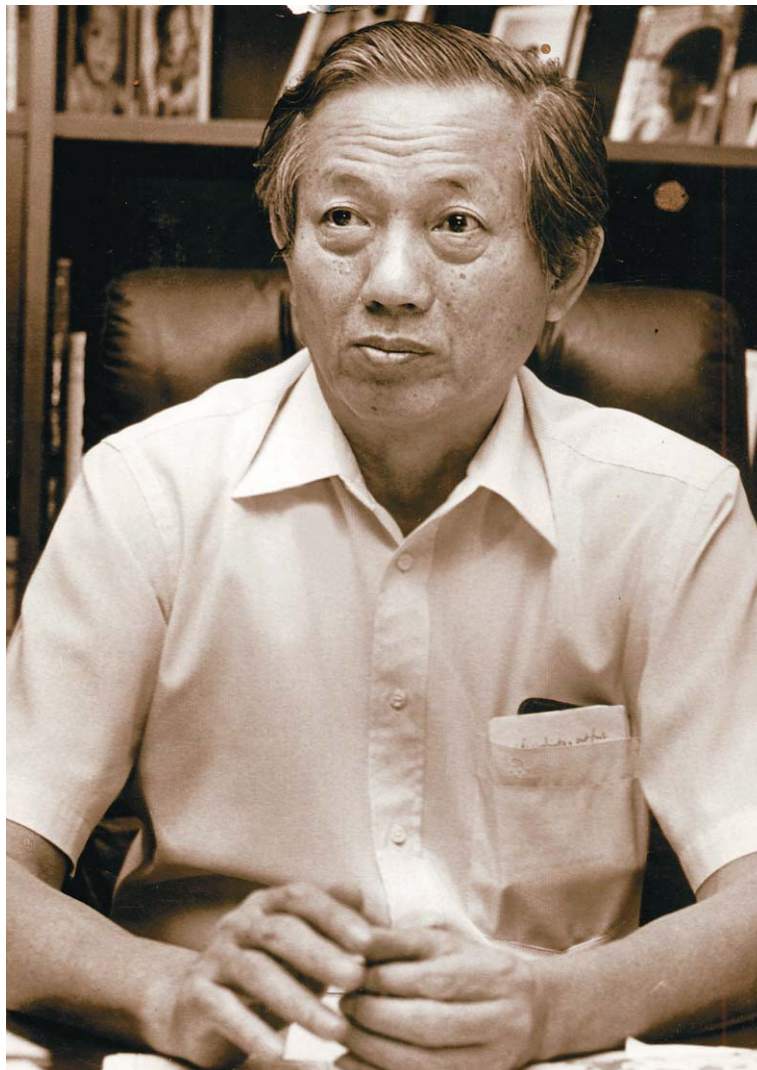
The store marked a new chapter for the family's business in Thailand and introduced a new trend in retailing. To date, under Central Retail Corporation (CRC), retailing has remained the flagship business of the Central Group of Companies, which has expanded into garment manufacturing, fast food and hotel businesses in the past decades.

The history of the Central Group of Companies dates back to 1947, when its founder, Tiang Chirathivat, started a general merchandise store in Surawong importing and distributing quality goods from around the world. As the store prospered, the business evolved and expanded, preparing the foundation needed by Samrit, Tiang's eldest son, to establish the first Central Departmental Store.

Central was one of the few stores in Bangkok that dared to order imported goods for sale and was the first to set up displays. It was the largest and most comprehensive store in Thailand, carrying almost every type of merchandise. Most importantly, the Wang Burapa Central was the first store in Thailand to feature fixed prices for products – introducing a standard price with no bargaining – a strange and innovative practice and unlike retail shops elsewhere.

Since customers had trust in the quality, the ventures were ultimately successful. Samrit then decided to open more branches. Chief among them was the Silom branch. Opened in 1968, this branch was the first to introduce an efficient system to assist the long queues, along with full-fledged event marketing to promote merchandise. Under Samrit, it was also the first to set up mer-

A store keeper put himself at the centre of retailing, as **Kwanchai Rungfapaisarn** reports, by putting a variety of merchandise under one roof



chandising displays, and include the supermarket as part of the department store.

"According to my father, one needs to have common sense to succeed in retailing. One has to be observant and dedicated and know how to apply knowledge. It's fortunate we have that in our blood," Yuwadee Chirathivat Bhicharnchitr, president of Central Department Store, said.

To ensure the success of Central Group, Samrit, as head of the family, sent all his younger siblings for education overseas and his own children later followed. Samrit himself

did not have even a college degree, and people said he was a humble man.

"Sometimes new staff did not know who he was. He was always wearing a short-sleeved white shirt and dark trousers, and the same old wrist watch that he never changed," Yuwadee said. His children were taught to devote themselves to the business. After classes, especially during festive seasons, they had to help sales agents or wrap presents.

Yuwadee also lauded her father for his farsightedness. In 1983, he opened Central Lad Phrao, though the area was

considered far from the city centre. "People said he was insane. Nobody dared to invest that much but he wanted to boost confidence in the Thai economy. We failed nine years in a row, but he never gave up. We had our own stores to fill the space and that drew other merchandisers."

When MK Suki opened a shop at Central Lad Phrao, Samrit recommended it make use of electric pots rather than gas stoves. The business prospered and MK Suki has opened at all Central branches.

"My father always taught us that when doing business, we have to support others so that we can grow together," she said. "Ultimately, the foundation for the modern retail business in Thailand was laid during his reign."

Being a pioneer brings great advantages. Despite fierce competition, the Central retail business has thrived and expanded.

CRC is today the largest retailer in the country. Under the retail business, there are over 10 Central departmental stores, 20 Robinson department stores, and the Zen department store at Central World Plaza. Adding to the empire are six speciality stores – Tops Marketplace, Power Buy, Supersports, B2S, HomeWorks and Office Depot. CRC has also entered into joint ventures to run Big C Supercentre, Watson's and Marks & Spencer.

It recently acquired the World Trade Centre in Bangkok, renaming it Central World Plaza, and through the group's acquisition of the land plot on Wireless Road formerly housing part of the British Embassy, the retail business is tipped to expand further. Now the group is looking beyond borders, set to become a regional operator in Southeast Asia.

Through over 200 stores of various sizes and appearances across the country, and more than 30,000 personnel, the Central retail business anticipates a sales turnover of more than Bt80 billion in 2006.

This success did not occur overnight, and despite Samrit's demise in 1992 when he succumbed to cancer, a number of family members have devoted their efforts to further expanding the business on the strong foundations he laid. ■