



DHAKA THURSDAY APRIL 16, 2020, BAISHAKH 3, 1427 BS 🧿 starbusiness@thedailystar.net 🔤 🔤

### **TAMING CORONAVIRUS RAMPAGE**

At a time when cleanliness and social distance have become a must, the seldom-used supermarkets are coming in handy in acquiring essentials and cleaning items. And next to healthcare providers, no workforce has proved more essential than their 12,000-odd employees.

# Supermarkets turn knights in shining armour

#### SOHEL PARVEZ

Supermarkets are registering surging sales amid people's quest to find a more sanitised place than kitchen markets to buy foodstuffs and household products in these times of coronavirus

With more than 250 outlets scattered across Dhaka, Chattogram and other big cities, supermarkets have posted 50 per cent spike in sales since Bangladesh reported the first confirmed cases of coronavirus on March 8, according to operators.

"Customers are feeling more comfortable coming to supermarkets," said Kazi Inam Ahmed, president of the Bangladesh Supermarket Owners' Association (BSOA), adding that there has been an upsurge in orders via phone and internet too.

The sector's sales figure, representing about 40 brands including Shwapno, Meena Bazar and Agora, is not available as the association does not maintain any such data, said Ahmed, a director of Gemcon Group, the parent company of Meena Bazar.

This was an extraordinary month for the country's supermarkets as many of them have been struggling for years to remain afloat in the high volume but low margin business by competing with tens of thousands of small retails that have less operational expenses than superstores and usually do not have to collect 5 percent value-added tax (VAT) from customers' shopping bills.

The soaring sales come as supermarkets owners decided to keep their stores open to serve people after the government declared a general holiday and started enforcing a stay-athome order all across the country to slow the spread of the deadly disease and shop owners in malls and markets decided to shutter.

"As a service industry, we decided to remain open to stand beside the people so that they can get essentials without the hassle of going to the kitchen market," said BSOA General Secretary Md Zakir Hossain.

we decided to stay open. But it is good to see that the customers' presence has increased. It appears that the whole industry is turning towards the direction of profitability," Hossain added.

Sabbir Hasan Nasir, executive director of ACI Logistics, the parent company of Shwapno, the country's biggest supermarket chain, echoed the same as others.

Citing preliminary sales data, he said Shwapno's gross sales stood at Tk 131 crore in March, which is 50 per cent more than normal.

items, hand sanitisers, soaps, detergents, cleaning items and frozen food products since the outbreak of the lethal pathogen in Bangladesh, said operators.

"We see new customers coming to us because of health concerns. It shows that overall confidence on supermarkets has increased," said Murtoza Zaman, chief executive of Unimart, which posted 40 per cent month-on-month higher sales in March.

And the average customer purchase has also

uncertainty, the anticipation of an extension of shutdown and fear of unavailability of the required products.

Previously, the average customer purchase was nearly Tk 2,500.

"It has become almost double that now," Zaman said, adding that they are now seeing a supply crunch of baby food and cleaning items

And in the face of soaring demand and a section of customers' effort to stockpile

Consumers mainly bought basic necessary increased significantly during this period on groceries, Unimart started rationing items such as masks, hand sanitisers early on, so that it could provide the items to all customers.

With four outlets in Dhaka, Unimart is relatively a newer entrant in Bangladesh's organised grocery sector that started budding from 2001 thanks to Rahimafrooz, which provided an hygienic alternative to the hullabaloo and grime of the traditional kitchen markets.

Since then, customers' turnout increased gradually alongside the number of stores.

In 2019, the annual turnover in the organised grocery retail sector rose 19 per cent year-on-year to Tk 2,300 crore, said operators, adding that the compound annual growth has been 24 per cent over the years.

Yet, the organised grocery sector accounts for 2 per cent of wholesale and retail trade as 5 per cent VAT on sales keeps many customers away from superstores and is holding back the sector from expanding at a brisk pace, they said.

The coronavirus crisis has diverted a good number of shoppers to supermarkets from wet markets, which can pose health risks.

At this point when the economy is plummeting and the income of many people is drying up, the exemption of VAT will reduce the pressure on the wallets of customers, especially the budget buyers.

"In this critical time, the government should exempt VAT. It will be very much helpful for customers," Nasir said.

There is a perception among a section of revenue officials that only the well-off come to the supermarkets, Zaman said.

"Not all customers who shop at supermarkets are affluent. And this section of buyers is under more financial strain as almost all economic activities are on pause," he said.

The government gets maximum Tk 60 crore as VAT from supermarkets, according to BSOA President Ahmed. "For us, it is very unfair as

small retails do not have to pay the VAT." Ahmed also urged the government to



By keeping stores open with safety measures such as the scope of sanitising hands at the entry, ensuring safety gears for salespersons on the shop floor and demarcating areas to ensure social distancing among customer, supermarkets could win the confidence of customers beyond their regular ones.

"Sales increase was our main goal when

exempt VAT on their commercial space rent. Both the moves would increase the supermarkets' foot traffic and help the nation to flatten the curve on coronavirus.

'Supermarkets could have expanded a lot over the years and served more people in these days of crisis, had the government waived the VAT on supermarkets.

## And their workers join the frontline

#### MAHMUDUL HASAN

Much of the workplace in Bangladesh has shut down, sending millions of employees home to wait out the coronavirus pandemic.

But the 12,000-odd supermarket staff are not so lucky, who have to report to work each day to sell food and other household staples to a country in the midst of a potentially catastrophic outbreak of the novel virus.

At a time when social distancing is highly advised, people are thronging to the supermarkets to stockpile essentials.

"At first, I was properly panic-stricken," said Md Ibrahim Hossain, who works on the shop floor in Meena Bazar on Dhanmondi-27.

His parents, who live in Jashore, were concerned, and some of his colleague too left the job fearing contagion of the lethal pathogen.

"After cogitating for a while, I decided to stay put. Because, I have to protect my company's reputation. Besides, if my work helps people in this crisis period, I feel honoured," the 20-year-old added.

Like Hossain, a horde of salespersons, whose average age would be 20, have dared to join the army of doctors, nurses, health professionals, food producers, law enforcing agencies, bankers, customs officials and people in various other professions to fight and defeat the coronavirus, even though their salaries, perk and benefits are not attractive enough.

Regarded as minor jobs in the current social setting, service provided by superstore workers have turned to be an essential and esteemed one in Bangladesh during these days of the pandemic.

"When I see them serving customers on the floor, one thing comes to my mind repeatedly. They have not fled the battleground when many doctors here have fled. They stayed to serve us. They are the real soldiers," said a top executive of one of the popular supermarkets, seeking to remain unnamed.

And they are risking their health -- as they come in close contact with large groups of people at a time -- such that the supply of essentials to the city dwellers remains steady and hassle-free.

Whereas salespersons at neighboourhood convenience stores can give products to customers keeping a distance by staying behind the shop counters, the supermarket workers have no such choice: they must help shoppers find their desired products, weigh, pack and hand over to the customers strolling around the shop.

The more people are crowding into stores, the greater the chance that employees will be exposed to the virus.

And at grocery stores, the surge in buying has shown no signs of slowing.

While all supermarkets have taken safety measures to protect its employees and customers, providing them with masks, gloves and hand sanitizers and even personal protective equipment, one can never be 100 per cent sure of immunity from the highly contagious virus.

Some stores check their employees' temperature upon arrival, and some like Unimart has introduced thermal scanners at the entry of its stores to check the temperature of its customers to too not only to protect

other shoppers from the risk of contagion So, now we are providing an incentive to our are remaining in despite the risk because they but also to shield its employees from the staff to keep up their mental strength," he said, just cannot afford to lose the job, he said. but also to shield its employees from the dangerous virus.

Apart from them, some introduced pick and drop services for its employees.

"We have also created accommodation arrangements for our staff and offered incentive equal to one month's salary," said Murtoza Zaman, chief executive of Unimart.

The superstore, which began its journey in July 2013, has 450 employees across four outlets and is providing food for its sales and service staffs.

To encourage the workers, Shwapno, the country's largest supermarket chain with nearly 130 outlets across Dhaka and other major cities, is also providing a monetary incentive to its employees.

When everything is closed and most of the people are staying home, they are providing services to customers taking the risk, said Sabbir Hasan Nasir, executive director of ACI Logistics, the parent company of Shwapno that has 3,300 staffs

"This is something that calls for recognition.



adding that maintaining a social distance is so difficult in the context of Bangladesh.

Shwapno has also created accommodation facilities for its sales and other support persons so that it can keep stores open and provide services to customers during the shutdown and stay-at-home days.

"Safety of our staff is most important to us," said Kazi Inam Ahmed, a director of Gemcon Group, which owns Meena Bazar, one of the oldest supermarket chains in the country.

Operating through 17 outlets in Dhaka and one in Chattagram, Meena Bazar has arranged pick-up and drop-off services for those who live far.

Meena Bazar has introduced a morning briefing on coronavirus for all its employees. Hand-washing every two hours has been made mandatory for all, too.

The retail supermarket checks the temperature of each employee on entry and asked them to inform if they are unwell so that the company can support them for home quarantine, testing and treatment, Ahmed said

Despite all the measures taken by operators, the risk and fear do not go away.

The Daily Star on yesterday visited 6 outlets of Agora, Meena Bazar and Shwapno.

Some of the outlets were overcrowded and customers were violating tape-marked social distancing squares.

"My job is more difficult as I work in cash counter. Although I wear gloves and mask but someone told me that the virus can be transported by air," said an employee of Shwapno wishing anonymity.

"My family is worried -- but I am determined to continue my job," he added. Farhad Ahmad, chief executive of Agora,

the first retail chain in Bangladesh that opened in 2001, said it has sent most of its female employees on leave out of safety concerns.

Agora now has 14 outlets in Dhaka, one in Chattogram and two in Sylhet, and pick-up and drop-off services have been introduced in all its stores.

Some of the superstore workers said they

"I am the only earning member of my family. I cannot jeopardise my job by asking for a leave," said an employee of a superstore. However, Ahmed said providing a safe environment and job safety for their workers

is their priority. "We advise and encourage all supermarkets to ensure job safety if employees are unable to work in such difficult times," he added.

Meanwhile, despite their valiant services, supermarket staff and delivery personnel are facing harassment from police and other authorities, according to the Bangladesh Supermarket Owners' Association (BSOA).

'We have been informed that some of our delivery personnel were beaten up by police even after showing their ID cards," said an official of a superstore.

"This is very unfortunate for those frontline workers, who are taking great risk to help us stay at home by taking necessary items to doorsteps. They are now facing obstacles from law enforcing agencies," said Ahmed, president of BSOA.

Dhaka Metropolitan Police (DMP) has recently issued a circular allowing e-commerce delivery person movement across Dhaka without restriction.

The association is writing a letter to the DMP seeking such free movement for their staff too.

"We urged the authorities immediately to take steps to stop such incidents and state that the superstore workers name as frontline workers at the Coronavirus press briefing," he added.

Andrew Cuomo, the governor of New York, is always thanking superstore worker at his Coronavirus press briefing. Not only him, around the world superstore staff has garnered the status of frontline workers.

But here in Bangladesh, services rendered by Hossain and thousands of his colleagues in the modern supermarkets and informal neighbourhood stops, which are helping to flatten the curve on coronavirus that has so far 1,231 and killed 50 here, still remain unnoticed to the authorities.