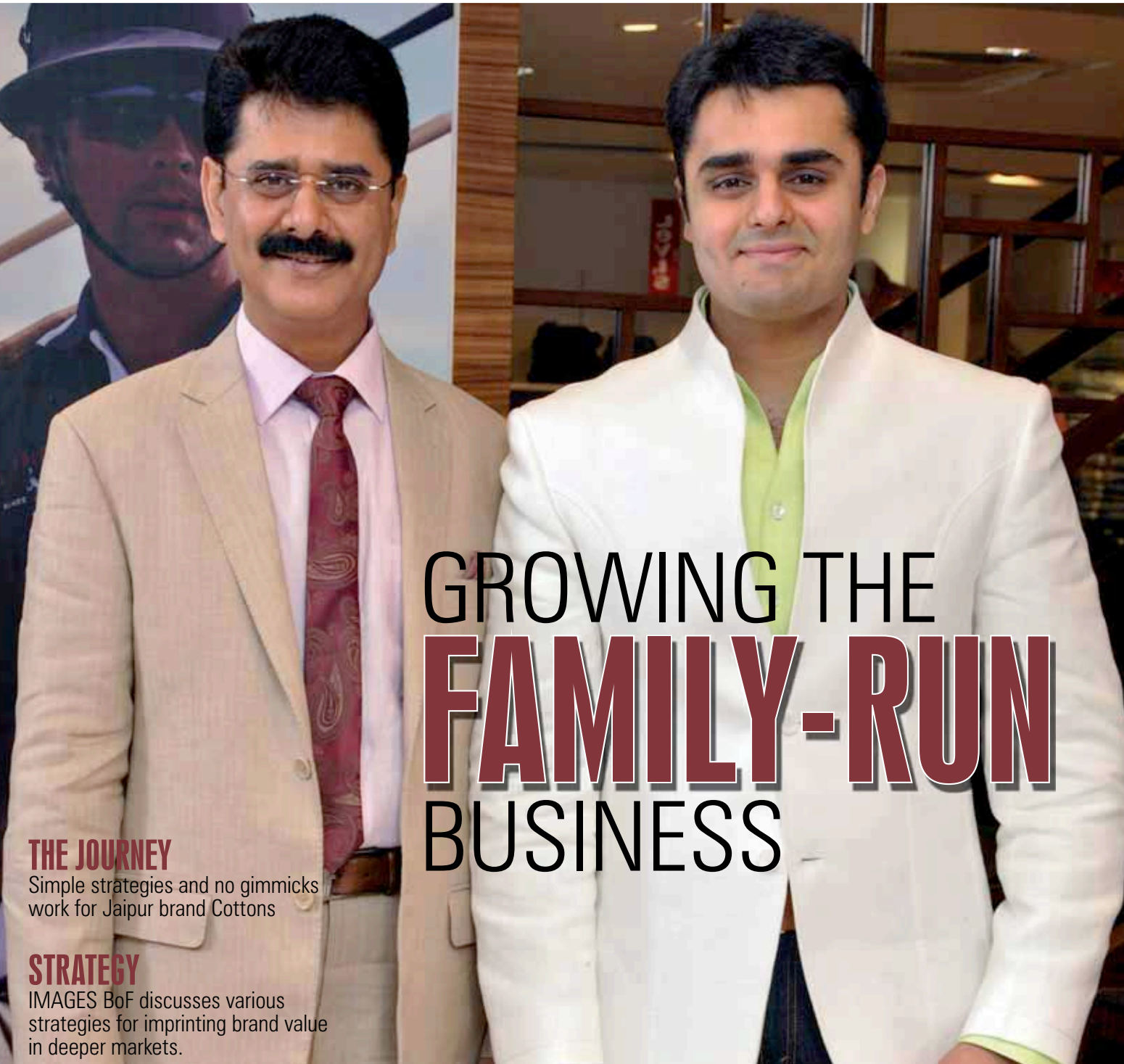


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A N I M A G E S M U L T I M E D I A P U B L I C A T I O N



GROWING THE FAMILY-RUN BUSINESS

THE JOURNEY

Simple strategies and no gimmicks work for Jaipur brand Cottons

STRATEGY

IMAGES BoF discusses various strategies for imprinting brand value in deeper markets.

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Twenty years ago we felt the need to transform the way fashion was sold to consumers. This led us to establish IMAGES as the knowledge platform for fashion brands and retailers to connect, acquire market knowledge and partner, so that we could create the right retail environment for the Indian consumers.

Although during the past two decades fashion brands and retailers have substantially grown, the market and consumption have also increased many folds, but surprisingly, not even a single fashion company could create a billion dollar business.

Today, though the market is abuzz with glitzy malls and stores, India surely needs a lot more action, not just in the 59 cities that have million+ population, but also in hundreds of smaller cities that are likely to emerge as strong consumption pockets in the next few years. SME retailers across India is our core target group and our primary focus will be to help them to modernise and transform their existing multi-brand outlets into localised department stores that can offer consumers the very best in terms of choice, price, value and shopping experience.

Of course, there are other issues such as limited sourcing options of quality merchandise, IT, infrastructure, supply chain, people, et cetera. The need of the hour is to find viable models of partnerships among all stakeholders to maximise the utilisation of available resources and expertise.

To commemorate 20 years of serving to the fashion and retail industry, we plan to bring out three special editions of IMAGES Business of Fashion – carrying insightful experiences and future vision of industry leaders, who have been through the ups and downs in the past two decades. And today they continue to play a vital role in catalysing the growth of the fashion business.

I am sure this series will be of immense value to our readers in India and overseas – presenting the journey till date and sketching a roadmap for the future. If you have been a part of this journey and have made it big in the fashion retailing business, we welcome your contribution to our 20th Anniversary Collectors' Series.



Amitabh Taneja

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Growing the Family-Run Business

ONE OF THE MOST IMPORTANT ISSUES FACED BY FAMILY BUSINESSES IS THEIR SCALABILITY. WHAT IS THE BEST WAY TO REAP THE BENEFITS? INVOLVEMENT OF THE NEXT GENERATION MEMBERS AND TRANSITIONING FROM AN ENTREPRENEURIAL WAY OF FUNCTIONING TO A PROFESSIONAL STYLE OF MANAGEMENT CAN BE AN ANSWER. IMAGES BOF BRINGS FORTH THE VARIOUS ISSUES FACED BY FAMILY-RUN BUSINESS OWNERS AND THE INVOLVEMENT OF THE PRESENT GENERATION MEMBERS.

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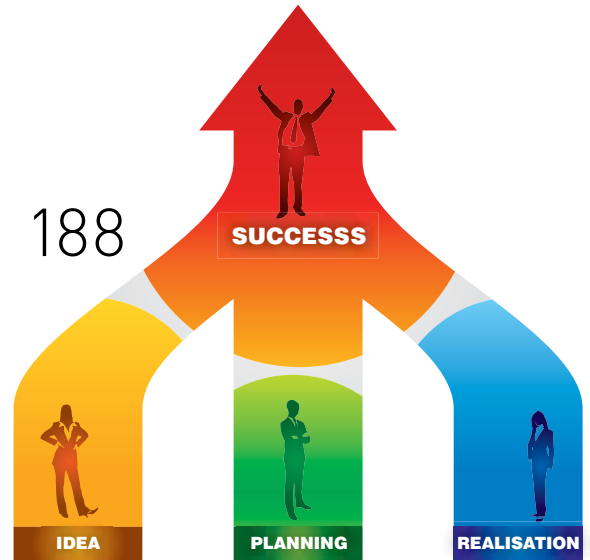
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TALKING ABOUT THE HUGE MARKET SIZE OF THE MENWEAR CATEGORY, **USHA PERIYASAMY**, VP - BRANDS AND OPERATIONS, CLASSIC POLO, TALKS ABOUT THE MASSIVE POTENTIAL THAT THIS SEGMENT OFFERS AND ALSO HOW TO LEVERAGE THE CHANGING CONSUMER PSYCHE.



Usha Periyasamy
VP - Brands and Operations, Classic Polo

Menswear on the Rise

Fundamentally men are not only discreet shoppers but are very experimental; therefore, menswear market is in for a phenomenal growth beyond doubt. This segment was, is and will continue to hold a giant share in the Indian apparel industry because, even today, menswear holds 46 per cent of the market share followed by women with 36 per cent and the remaining shared by kidswear and others. It is clearly identified that the menswear segment has a huge potential not only because the larger male population of India but also because of various external and internal factors. Fashion is transforming into personality expression, urbanisation and increased youth population, consumption pattern with regard to shopping (35 per cent of the male population shop every month and 35 per cent shop once a quarter), experimental nature of the youth, rapidly expanding middle class with high disposable income, changing lifestyle, et cetera vouch for the huge leap in the coming years.

According to the latest population census, India is getting younger and the median age group is less than 35 years contributing 65 per cent of the total population; this is a boon to the apparel industry. With young aged population as the backdrop, apparel companies are launching their younger versions to capture this segment. With the rising income brackets and fast evolving lifestyle, the needs, tastes, inspirations and brand loyalty is fast changing. This phenomenon has created an upward business surge in the domestic fashion retail

■ BRAND DEBUT ■

On May 13 this year, a new gold jewellery brand called Raiara emerged on the retail horizon of India by opening two new stores in Pune. It is India's first retail chain that specialises exclusively in gold bangles. These come in all shapes and sizes and are fully customisable.

The brand, steered by its young Director Piya Pahuja, belongs to the Mumbai-based Motiram Tikamdas Group that has been making gold bangles since 1885. Today, its products are sold at 1,200 jewellers across India. Raiara marks its entry into direct retail for the first time.

Pahuja explains the concept: "Today, there is no opportunity for women at branded stores to design their own bangles the way they like it. Raiara introduces this unique element into the art of jewellery making where customers get to personalise bangles that reflect their personality. It offers them the best value for money on their gold bangles without charging a premium on the craftsmanship involved. We are very product-centric in nature and focussed exclusively on gold bangles. Each Raiara bangle is hallmarked and carries third-party certification from the BIS."

Raiara offers customers gold bangles

in 18kt, 22kt and 23kt, with the option to personalise each item according to their tastes, including the enamel colour, size, weight, rhodium plating, design, and make. "We have completely done away with the idea of limited variety. Every style of bangle worn on any occasion by women – from young to mature, with a look that ranges from heritage to the modern – is available with us. We want to deliver bangles to our customers fresh, complete with the fragrance of the newly polished surface," says Pahuja.

The price range of Raiara bangles starts from ₹35,000, though the product bracket of ₹75,000 to ₹1,00,000 sells the most. The fastest-moving bangles are from the company's "Rain" collection which are design-oriented while retaining classic traditional elements. Says Pahuja: "The Raiara bangles are handed over to the customers factory-packed to offer them a sense of authenticity. This way, they also know that they would be the first ones to wear their purchase,

THE RAIARA BRAND FROM THE MOTIRAM TIKAMDAS GROUP OF MUMBAI OFFERS GOLD BANGLES IN OVER 2,000 DESIGNS, EACH OF WHICH CAN BE FULLY CUSTOMIZED TO REFLECT THE PERSONALITY OF THE CUSTOMER. THE COMPANY PLANS TO OPEN 12 NEW RAIARA STORES THIS YEAR.

Crafting Gold

127-year-old jewellery maker launches India's first gold-bangles brand in Pune

by Sanjay Choudhry



Courting Lady Luck

WITH THE INTRODUCTION OF M-BRAND, MOUSTACHE FORAYS INTO A NEW CATEGORY. IMAGES BOF BRINGS FORTH BUSINESS PLANS BEHIND THE BRAND EXTENSION.

Established in 1984, denim brand Moustache has recently entered the women's denimwear segment with M-Brand which is now available in the market through existing EBOs and MBOs of Moustache. The brand was the brain child of late Hari Narayan Shah when he tumbled upon surplus stone-washed denim when the export house, to which he supplied, was shut. It was during that time he decided to enter the denim retailing business through dealers. Slowly, the business started growing and from 1998 onwards when the concept of department stores started taking shape in the Indian

market with the establishment of stores such as Pantaloons and Shoppers Stop, Moustache associated with both the retailers. With the gradual progression of the Indian retail industry and the boom of mall culture, Moustache created its presence more prominently at various locations. Currently, it is operating through 47 EBOs and 32 LFSs. It is also targeting to reach 100 stores within the next two to three years. The brand does business with almost 300 dealers.

Brand extension is natural to all brands and Pratik Agarwal, Director, Moustache International, said, "After getting a foothold in the men's segment, Moustache is now concentrating on the ladies segment. The change in the fashion trend among the ladies has influenced us to venture into this segment. Jeans has become a must-have for working women and we found that there is a gap between the demand and supply of branded denimwear. We want to bridge this gap." This resulted in the creation of M-Brand.

Talking more about the new label, Agarwal said that introduction of M-Brand and to acquire acceptance among customer was not easy, as the women's segment was crowded by many local brands. As per the market research, the company has found that right fit is the most essential factor for ladies, so Moustache introduced M-Brand with an objective to create good quality jeans with a strong emphasis on fit.

Elaborating on the new foray, Alok Roy, Corporate Manager – Retail, Moustache, said, "As per an East India market survey report, 7.9 per



cent consumers were found loyal to Moustache. After having a foothold in the men's segment, the brand wants to capitalise on the brand image to capture a sizable market share in the ladies segment."

M-Brand jeans are designed by a team of designers based in New York. Apart from India, the product is being simultaneously sold in exclusive boutiques in New York, Chicago and Los Angeles. The price ranges between ₹1,095 and ₹1,595 and the products are being sold from the exclusive stores of Moustache and through selective MBOs. Depending on the response to women's jeans, the company will further add other products in the womenswear category. "We want to create a one-stop shopping destination for women and depending on the response, we will soon come up with exclusive stores with the collection of ladies tops," added Roy. M-Brand plans to expand through large format stores and establish a national presence with increased dealer's network. **BoF**





Carving a path for Future CEOs

THE MOST IMPORTANT PART OF BUILDING ANY INDUSTRY IS THE CREATION OF CAPABILITY AS WELL AS CAPACITY. RETAILERS IN INDIA NEED TO INTRODUCE MANAGEMENT DEVELOPMENT PROGRAMMES TO GROOM ENTRY-LEVEL EMPLOYEES TO RISE THROUGH THE RANKS

by **BS Nagesh** _____

Indian modern retail has remained in its infancy for a long period now. The industry has grown in volume and value sales, but the contribution of modern retail to the overall retail hovers in the 5 per cent range. The hard truth is that modern retail has not surpassed our country's consumption growth in a big way. At the same time, traditional retailers are expanding and modernising themselves. Modern retail has attracted a large share of media space as well as mindspace in the consulting practices – after all, nobody can deny its benefits and positive contribution to the India growth story. Unfortunately, the politicians and the bureaucratic set-up of the country have not understood the impact modern retail can have on the Indian consumers and the economy. For strange reasons,

STEADY GROWTH

JALAN SYNTHETICS HAS GROWN FROM A WHOLESALER TO A RETAILER. BHAGIRATH JALAN, DIRECTOR, JALAN SYNTHETICS TALKES TO IMAGES BOF ABOUT STRATEGIC BUSINESS DEVELOPMENT.

Jalan Synthetics was started 38 years ago by the first generation entrepreneur Deendayal Jalan. He began its journey as a wholesaler in Benaras. With the aid of modern technology and rich experience, the company progressed and in 1999 it forayed into retailing of fabric and ready-made garments. Bhagirath Jalan, Director, Jalan Synthetics, says that wholesale business complements retail ventures. His decision to foray into retailing has resulted in better growth and development. "Our year-on-year growth used to be 5 to 10 per cent. However, after we started our retail venture and incorporated new techniques into the business, we witnessed multiple growth." He further suggests that the retailers and businesses

must adopt and adapt to new technology and use it for the benefit of the business. "All figures and data are just a click away with technology. When information is handy the business runs in the right direction." All their stores are centrally connected and has online connectivity. Jalan Synthetics has recently also installed the SAP software for managing its operations. Though these are primary technologies

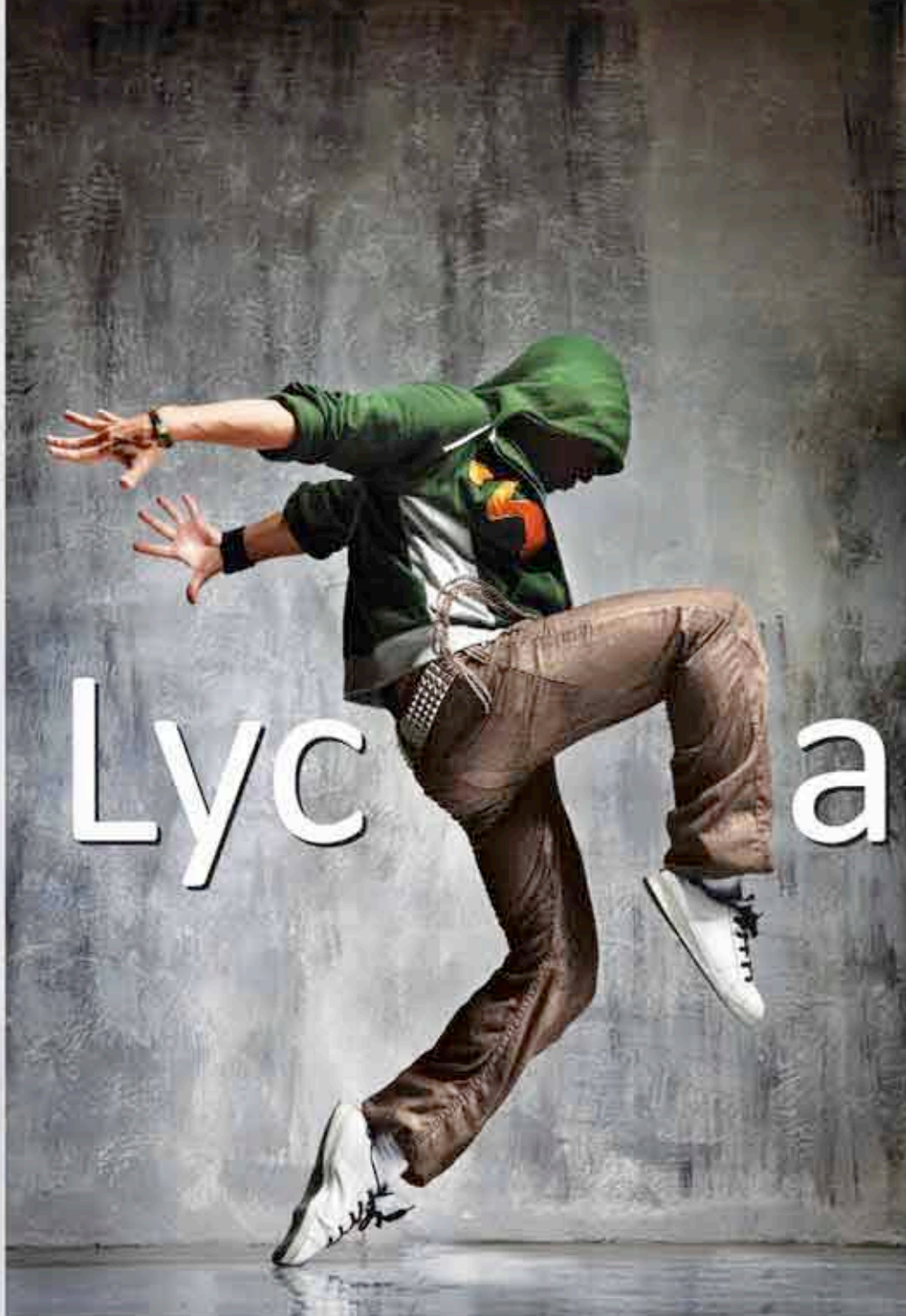
that the retailer has adopted, it has also installed CCTVs across all its stores for monitoring the retail space.

Jalan Synthetics opened its first retail outlet in 1999 which spreads across an area of 3,500 sq. ft. The other three retail stores spread in an average area of 20,000 sq. ft. each are situated in the heart of the city with an average sales of ₹3,000 per sq. ft. every month. There are plans of expanding to other cities such as Allahabad, Ghazipur and Mughalsarai. The retailer is in the process of evaluating retail space in different cities in an area between 10,000 sq. ft. to 35,000 sq. ft.



Jalan says, "We are looking at expanding to one of the big cities near Benaras where there is a consumer base." Recently they launched a shop for their wholesale business spreading across an area of 1.5 lakh sq. ft. Jalan says, "Due to space constraint in Benaras, we opened a big store on the outskirts of the city which is being developed category-wise as per the demand."

The product range offered by the retailer includes womenswear, menswear, kidswear and accessories. It retails ready-made garments and fabric such as sarees, dress materials, shirtings, suitings, et cetera. The retailer houses more than 1,000 brands across all categories and deals with big mills and textile giants such as Raymond, Siyarams and Vimal for its fabric in the menswear category. The business model is based on the concept of catering to a wide consumer base offering products across a vast price range. A sari, for



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