

imagesfashion.com

IMAGES Business of Fashion™

SEPTEMBER '12
VOL. XIII
No. 9
₹100
US\$20

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

A NEW BEGINNING

Traditional retail expanding to malls

STRATEGY

Guerrilla marketing techniques successfully used by brands

VISION 2020

Three trends that will impact the country's fashion retailing industry

F A S H I O N • M A R K E T I N G • R E T A I L I N G

editor-in-chief amitabh taneja
 editorial director r s roy
 publisher s p taneja

editor-in-charge nivedita j pawar (sr. assoc. editor & chief of bureau, mumbai)
 sr. research correspondent nalini singh
 senior correspondent aakriti agarwal
 correspondent (bangalore) roshna chandran

creatives

art director pawan kumar verma
 asst. art director dinesh devgan
 layout designer rajeev kumar
 sr. photographer vipin kardam

circulation & support

assoc. vp – circulation & subscription anil nagar
 general manager – administration hemant wadhawan
 sr. manager – circulation r p singh
 dy. manager – operations rajesh kumar
 sr. executive – subscriptions kiran rawat

production

general manager manish kadam
 sr. executive ramesh gupta

Advertising

DELHI

rajesh kaul, dy. general manager
 rajeshkaul@imagesgroup.in
 Mob.: +91 9811671547
jayant arora, manager
 jayantarora@imagesgroup.in
 Mob.: +91 9818626724

MUMBAI

bindu pillai, general manager
 bindupillai@imagesgroup.in
 Mob.: +91 9820324063
zankhana mistry, asst. manager-advertising
 zankhanamistry@imagesgroup.in
 Mob.: +91 9967375649

KOLKATA

piyali oheroi, assoc. vice president
 piyaliohero@imagesgroup.in
 Mob.: +91 9831171388
pratik ghosh, sr. executive
 pratikghosh@imagesgroup.in
 Mob.: +91 9330171388

BANGALORE

suvir jaggi, assoc. vice president
 suvirjaggi@imagesgroup.in
 Mob.: +91 961127470
sunil disley, sr. manager
 sunildisley@imagesgroup.in
 Mob.: +91 9480581719

AHMEDABAD

pankaj vyas, manager-advertising,
 pankajvyas@imagesgroup.in
 Mob.: +91 9909977088

LUDHIANA

hemant gupta, associate
 hemantgupta77@gmail.com
 Mob.: +91 9814019745

CHENNAI

s. venkatarahaman, associate
 thulsi53@gmail.com
 Mob.: +91 9444021128

Images Multimedia Pvt. Ltd.

Delhi: S 21, Okhla Industrial Area, Phase II, New Delhi 110020
 Ph: +91-11-40525000, Fax: +91-11-40525001

Mumbai: 1st Floor, Bharat Tin Works, Opp. Borosil Glass Works, Off. Military Road, Marol Maroshi, Andheri(E), Mumbai 400 059
 Ph: +91-22-42567000, 29200043/46, Fax: +91-22-42567022

Bangalore: 523, 7th Cross, 10th Main, (Jeevanbhima Nagar Main Road), HAL 3rd Stage, Bangalore 560 075
 Ph: +91-80-41255172/41750595/96, Fax: +91-80-41255182

Kolkata: 30-B, Anil Roy Road, Ground Floor, Kolkata 700 029
 Ph: +91-33-40080480, Fax: +91-33-40080440

The modern Indian retail, with a potential 1.2 billion consumers waiting to be tapped, is constrained by inadequate and expensive customer connection points (physical stores). Experts feel the answer to this challenge lies in digital channels such as laptops and smart phones. All that is required is the shift of a small percentage of retail businesses to these digital channels. This will not only improve business efficiency but also lead to a significant rise in profitability.

However, there's a word of caution. About 30 per cent of all online traffic is lost in the first 30 seconds of waiting for the webpage to load. Even with overnight delivery, e-commerce is simply not fast enough for customers who want their products right away. The faster and more impatient our world becomes, the more the physical stores would have something to offer in addition to the customer experience.

The big question is, will it be enough? According to a FICCI and TCS report, modern Indian retailers have the potential to reach US\$ 10 billion of sales through digital, mobile and other non-conventional channels by 2020. The penetration in tier II and III cities will play a tremendous role in giving a push to this phenomenon. Thus, multi-channel retailing is an inevitable choice for Indian retailers in their quest for enhanced customer experience and business sustainability.

Talking about consumers, they would love to buy stuff from any channel that they fancy. So there is no reason why retailers can't give them both – physical stores and online convenience. It is a mistake to think that a purely online or offline business model is enough. Businesses that figure out how to straddle both the worlds and offer the best seamless experience to customers will rake in the most profits.

Our cover story in this issue focusses on regional retailers which have transitioned from stand-alone locations to the malls. Which is a better choice? Is it a ripe time to upscale, especially now when the mall rentals are going down vis-a-vis high street rentals? There are no easy answers. A large part of the equation will be driven by the product, the location, the revenue model and, ultimately, the customers.



Amitabh Taneja

All material printed in this publication is the sole property of Images Multimedia Pvt. Ltd. All printed matter contained in the magazine is based on the information from those featured in it. The views, ideas, comments and opinions expressed are solely of those featured and the Editor and Printer & Publisher do not necessarily subscribe to the same.

Printed & published by S P Taneja on behalf of Images Multimedia Pvt. Ltd. Printed at Swan Press of Lahore, B-71, Naraina Industrial Area, Phase – 2, New Delhi 110028 and published by S P Taneja from S-21 Okhla Industrial Area Phase – 2, New Delhi. 110020 Editor : Amitabh Taneja

In relation to any advertisements appearing in this publication, readers are recommended to make appropriate enquiries before entering into any commitments. Images Multimedia Pvt. Ltd. does not vouch for any claims made by the advertisers of products and services. The Printer, Publisher and Editor-in-Chief of the publication shall not be held for any consequences in the event of such claims not being honored by the advertisers.

Copyright Images Multimedia Pvt. Ltd. All rights reserved. Reproduction in any manner is prohibited. All disputes are subject to the jurisdiction of competent courts and forums in Delhi/New Delhi only. Images Business of Fashion does not accept responsibility for returning unsolicited manuscripts and photographs.

For subscription related queries, email to: subscription@imagesgroup.in
 For feedback/editorial queries, email to: letter2editor@imagesgroup.in
 visit us at www.imagesgroup.in

19 MY THOUGHTS

Womenswear going West

Saurabh Pradhan, MD, Bombay High, believes that the womenswear category is the next big thing in India's retail industry.

75 MARKET WATCH

Spreading Across

Shilpa Gupta, Head Retail and FMCG, FICCI, believes that retailing in malls is more economical in tier II and III cities.

77 STRATEGY

Guerrilla Marketing

Successful marketing strategies adopted by some players in the Indian retail industry.

EVERY MONTH

- 11 Editorial
- 16 Letters To The Editor
- 34 August In Brief
- 53 Trade Calendar
- 56 Outlets
- 113 Window Trends
- 118 Season's Offerings



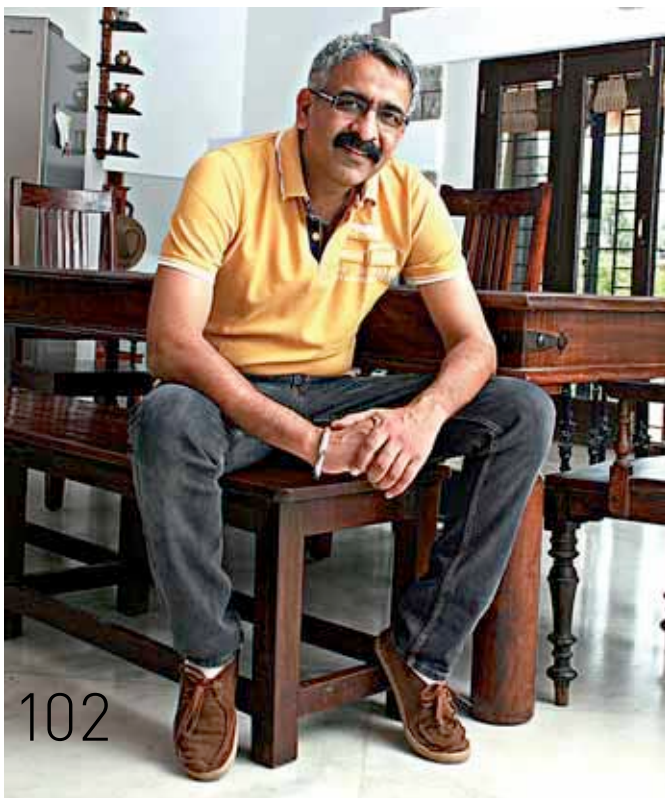
60 COVER STORY

A NEW BEGINNING

FROM A MULTI-BILLION DOLLAR OPENING IN EARLY 2005, TODAY INDIAN RETAIL IS POISED TO BECOME A TRILLION DOLLAR OPPORTUNITY BY 2020. WHILE THE PROSPECT SEEMS BRIGHT AND OPPORTUNE FOR RETAILERS, THE PAST MEMORIES COUPLED WITH BLEAK CURRENT MACROECONOMIC ENVIRONMENT AND REDUCED CUSTOMER SPENDING STILL HAUNT MANY. IN THIS SCENARIO, IS MALL PRESENCE AN INEVITABLE CHOICE FOR INDIAN RETAILERS IN THEIR QUEST FOR ENHANCED CUSTOMER EXPERIENCE AND BUSINESS SUSTAINABILITY? IMAGES BOF SPOKE TO RETAILERS AND EXPERTS ON THE RIGHT MIX OF STAND-ALONE STORES AND MALL PRESENCE THAT WILL ATTRACT EYE BALLS, INCREASE FOOTFALLS AND ULTIMATELY DRIVE THE BUSINESS.

TRADITIONAL RETAIL EXPANDING TO MALLS

- 80 VISION 2020**
Fashion retailing in the next decade
Ankur Bisen, Head of Consumer Products and Retail, Technopak Advisors, discusses the three trends that will significantly impact the country's fashion retailing industry.
- 84 DESIGNER WEAVES**
Top Trends
 Different parts of the garments were taken into consideration by the designers with definite trend directions at the Lakmé Fashion Week Winter/Festive 2012.
- 96 RETAIL WATCH**
Diversifying the Product Portfolio
Kamal Beria, Director, Nagarmal Sheonarayan, runs a more than hundred-years old traditional retail venture in Bihar and is trying to tap the wide consumer base.
- 100 RETAIL EXCELLENCE**
Super Service
 Unique services in Select Citywalk mall in Delhi make customers feel at home thus making it a successful mall.
- 102 IN THE CLOSET**
The Adventure Streak
Vipul Mathur, Head Marketing, Lee, throws open his wardrobe dotted with classic earthy casuals, rough terrain boots and semi formals.



- 107 EVENT**
SIGA 2012: The Fashion Festival
 The SIGA organised its 17th South India Garment Fair which was attended by a good number of potential visitors.
- 108 Garment Fair in Orissa**
 The tenth edition of the Orissa Garment Fair was a success with the participation of 400 retailers.
- 109 Hyderabad Garment Fair**
 Fourteenth edition of Hyderabad Garment Fair showcased some of the popular as well as upcoming brands.
- 110 Trendition 2012**
 Chennai Apparel Association provided a platform for discussion on various issues pertaining to the industry.



WITH WOMEN FORGING AHEAD IN THE CORPORATE SECTOR, SEEKING INDEPENDENCE FROM AN INSULAR DOMESTIC LIFE AND BUILDING THEIR OWN IDENTITY REplete WITH A ROARING SOCIAL EXISTENCE, THE WOMENSWEAR CATEGORY IS THE NEXT BIG THING IN INDIA'S RETAIL INDUSTRY, BELIEVES **SAURABH PRADHAN**, MD, BOMBAY HIGH, A WESTERN APPAREL BRAND.

Womenswear going west

Women across the world have always loved fashion. However, fashion didn't exist on the streets or inside the middle-class Indian home until the beginning of the millennium. But something changed dramatically in the last decade, which forever modified the way Indians, especially Indian women, dress up and accessorise.

The economy opened up after the economic liberalisation in 1991. At the beginning of the millennium, reforms bore fruit for both the export-import and the then-nascent retail industry in India. Local brands manufacturing a gamut of wardrobe offerings, emulating fashion in the West, mushroomed across metros in India and a few foreign brands entered the market offering a premium selection of garments and accessories that were then affordable only by the SEC A consumers.

Today, after a grand retail decade, the womenswear market is worth ₹540 billion and estimated to expand at a compound annual growth rate (CAGR) of more than 11 per cent during 2012-2015, according to a recent research report by RNCOS. This category has immense potential to grow due to rapid urbanisation, higher disposable incomes, increasing fashion consciousness, and especially because of the increasing number of women in the corporate sector across various states as well as small-towns in the country.

Trendy westernwear

At Bombay High, we have recognised this untapped potential. We are one of the first few locally produced brands catering to this new consumer group by designing cutting-edge Western formal- and casualwear in rich and comfortable fabrics. We have come a long way from the 1990s in the Western clothing category. The corporate dressing of women in metros has evidently changed from Indian or ethnic formals to Western formals.

The formalwear offerings for ladies at the Bombay High include basic shirts, fashionable dresses, suits, trousers and waist coats. In tier II cities, the conversion is not apparent but this newness in the market guarantees a lot of scope for growth and demand. Open-mindedness, an overseas education, winning beauty pageants on international platforms and Indian and global cinema -- the biggest influencer of them all -- are various reasons why the Indian woman's wardrobe is brimming with Western influences. In



A NEW BEGINNING

by Nivedita Jayaram Pawar

(With inputs from Roshna Chandran and Anuj Goswami)

FROM A MULTI-BILLION DOLLAR OPENING IN EARLY 2005, TODAY INDIAN RETAIL IS POISED TO BECOME A TRILLION DOLLAR OPPORTUNITY BY 2020. WHILE THE PROSPECT SEEMS BRIGHT AND OPPORTUNE FOR RETAILERS, THE PAST MEMORIES COUPLED WITH BLEAK CURRENT MACROECONOMIC ENVIRONMENT AND REDUCED CUSTOMER SPENDING STILL HAUNTS MANY. IN THIS SCENARIO, IS MALL PRESENCE AN INEVITABLE CHOICE FOR INDIAN RETAILERS IN THEIR QUEST FOR ENHANCED CUSTOMER EXPERIENCE AND BUSINESS SUSTAINABILITY? IMAGES BOF SPOKE TO RETAILERS AND EXPERTS ON THE RIGHT MIX OF STAND-ALONE STORES AND MALL PRESENCE THAT WILL ATTRACT EYE BALLS, INCREASE FOOTFALLS AND ULTIMATELY DRIVE THE BUSINESS.



The popularity of malls can be gauged quite simply from the fact that we visit malls more often than we go shopping. This is what retailers are cashing in on. Visiting a mall is not just restricted to shopping because malls accommodate entertainment and dining as well. For some it's also another way to unwind after a hectic week. But do the extra visits enhance chances of unplanned purchases? Statistics show that it does. Managers at apparel stores reveal that 30-40 per cent people who walk into the store actually make a purchase. This explains why malls are so important in the increasingly harsh retail environment. Retail experts who keep an eye on the changing line-up in shopping centres reveal that small regional brands are increasingly moving off the high streets and into malls. Malls are the new interesting place offering experiences that amuse, delight and entertain.

TO INCREASE FOOTFALLS AND CONSEQUENTLY THE SALES, RETAILERS AND BRAND OWNERS WANT TO BE PRESENT EVERYWHERE. WITH MALLS MUSHROOMING ACROSS INDIA, MANY RETAILERS WANT TO SWITCH FROM HIGH STREETS TO MALLS, WHEREAS OTHERS SEE STAND-ALONE STORES MORE PROFITABLE. **SHILPA GUPTA**, HEAD RETAIL AND FMCG, FICCI, BELIEVES THAT RETAILING IN MALLS IS MORE ECONOMICAL IN TIER II AND III CITIES.

Branding today is all about being beyond product, service, and store! The more I look around, the more I observe; the more I interact with retailers, franchisees and allied, the more I believe in my opening statement. Today is the time when practitioners are moving from customer loyalty to commitment, from trademarks to trustmarks, and from relationships to intimacies. The entire gamut of activities revolves around enhancing customer lives in a way they cannot live without.

India's retail market is expected to cross US\$1.3 trillion by 2020, according to a FICCI report released in August 2012. The customer is, and even more firmly will be, the ultimate king. There are ways and means to reach the king- heads its malls, tails its high streets, and of course this coin has a third side which is beyond

brick and mortar. For China, online is the most lucrative market. One should not be amazed to know that Taobao - the largest player in consumer to consumer online sales - has intentions and capacity to buy whole of Yahoo!

Now the question is which is a better choice? Is it a ripe time to upscale? With the mall rentals going down/ stable vis-a-vis high-street rentals, will it be wise to move ahead? There are no easy answers. The ideal combination varies from location to location, product to product and market to market. In addition, the choice is also a function of demographics, aspirations, convenience, et cetera. Shifting from one location to another is also not easy. Detriments are many such as long gestation involved in customer acclimatisation, high cost of modifying the interiors, cost of redoing publicity, et cetera. Practically, it is like reinventing the wheel.

Spreading Across





Guerrilla Marketing

RETAIL COMPANIES IN INDIA ARE VERY QUICK IN ADOPTING ANY KIND OF SUCCESSFUL MARKETING CAMPAIGNS. GUERRILLA MARKETING, BEING AN UNCONVENTIONAL AND INEXPENSIVE METHOD, IS ONE OF THEM. **IMAGES BOF** DISCUSSES THE MARKETING STRATEGIES ADOPTED BY FEW OF THE PLAYERS IN THE INDIAN RETAIL INDUSTRY.

"I'm referring to the soul and essence of guerrilla marketing which remains as always -- achieving conventional goals, such as profits and joy, with unconventional methods, such as investing energy instead of money."

– Jay Conrad Levinson

by Shilpa Shree

When Jay Conrad Levinson termed the phenomenon known as guerrilla marketing, little did he realise the effect it would have on a world that has been witnessing recession and subsequent cut in ad budgets and campaign spends. The fashion retail chains are quick to adopt this global phenomenon to achieve their targets and make an effective brand presence. For instance, Italy-based Benetton Group came out with an ad campaign titled "Unhate" in November 2011. "In line with the spirit of active participation and concrete action that drives the Unhate project, the pictures of the United Colors of Benetton campaign are central to a billposting operation: A plan of unannounced live actions. Groups of young people posted the manifestos showing kissing leaders on the walls of locations symbolic of the desperately needed peace process: Tel Aviv, New York, Rome, Milan, Paris," states a media release from the Benetton Group.

RETAIL WATCH

REGIONAL RETAILERS ARE TRYING TO TAP THE WIDE CONSUMER BASE BY EXPANDING AND TRANSFORMING THEMSELVES INTO A RETAIL DESTINATION. **IMAGES BOF** SPEAKS TO **KAMAL BERIA**, DIRECTOR, WHO RUNS A MORE THAN HUNDRED-YEARS OLD TRADITIONAL RETAIL VENTURE, **NAGARMAL SHEONARAYAN**, IN BIHAR.



Diversifying the Product Portfolio

by **Anuj Goswami**

Big brands with their retail chains entering in the domestic market is a regular phenomenon that is being witnessed by the Indian retail industry for quite some time. But now some regional retailers are also turning into retail destinations for international brands. Some of these retailers are undergoing a transformation while striking a balance between retailing textile and ready-made garments.

Nearly 110 years ago, a family migrated from Rajasthan to Bihar and started retailing textile and fabric in the small town of Arrah with a current population of about 3,00,000. The family business is run by its fourth generation today and is going great guns. The retailer, Nagarmal Sheonarayan, has grown multifold in different categories while expanding its base in Arrah, Bihar. The company that started with textiles and fabric has now diversified its product range to ready-made garments, tailoring and jewellery. This expansion has proven to be significant as the retailer has managed to aggrandise into new categories on the basis of textile

Trendition 2012



CHENNAI APPAREL ASSOCIATION ORGANISED ITS SEVENTH ANNUAL GARMENT FAIR, TRENDITION 2012 FROM 8 TO 10 AUGUST AT THE CHENNAI TRADE CENTRE, CHENNAI. THE THREE-DAY EVENT PROVIDED A PLATFORM FOR APPAREL MANUFACTURERS, DISTRIBUTORS AND DEALERS FROM ALL OVER THE COUNTRY TO ADDRESS ISSUES OF MUTUAL INTEREST.

Chennai Apparel Association (CAA), the first and foremost apparels association in Tamil Nadu, is a seven-year old affiliation with about 300 members working to bring apparel manufacturers, distributors and dealers from all over India under one roof and help them grow their business in the state. CAA has been formed with a specific vision of taking manufacturers, distributors and dealers of the state to national and international level. The organisation has also requested the Tamil Nadu Government to build an apparel park for the betterment of the garment trade across the state.

Inaugurated by D Jeya Kumar, Speaker of Lok Sabha, CAA's Trendition 2012 received a different response from both brands and retailers this year. The fair in the past six years, saw a greater

participation from menswear which formed 80 per cent of the total number of visitors and womenswear, kidswear and accessories constituted to the rest 20 per cent. But 2012 changed all that. This year menswear saw a participation of 60 per cent, with womenswear and accessories taking up the rest of 40 per cent. The show received a good response from manufacturers, distributors and dealers from all over the state and rest of India. There were 150 participants from all over the country and the year-on-year growth rate was more than 60 per cent with almost 2,200 visitors and delegates.

The event received good feedback by both exhibitors and visitors. The new entrants appreciated the event which helped them in getting a rich exposure and opportunity to grow their business. CAA is optimistic that participation in the next edition will be much higher than the current one. **BoF**



BRITTONWOODS

Style Saga



*The vibrating premium
English wear
for urban youngsters
and corporate executives
by the pioneers of
Indian textile industry.*

PREMIUM SUITS, TROUSERS, TIES & SUITINGS



AJAY SYNTHETICS PVT LTD

Mandpiya Chouraha, Bhilwara - 311 001 (Raj.) INDIA
www.rrsuitings.com E-mail : garments@rrsuitings.com

Follow us on





CLASSIC POLO

AUTUMN WINTER 2012

www.rcg.in | Join us at: 

Mens wear clothing products: T-Shirts | Shirts | Trousers | Denims | Jackets | Sweaters | Loungewear. Accessories: Inner & Under Garments | Handkerchiefs | Socks | Belts | Wallets | Deo Sprays | Caps

Andhra Pradesh: Hyderabad | Secundrabad | Warangal **Bihar:** Patna | Hazipur **Karnataka:** Bangalore | Gulburga | Hospet | Hubli | Raichur **Kerala:** Allephey | Cochin | Ernakulam | Palakkad | Trivandrum | Aluva **Orissa:** Cuttack | Berhampur **West Bengal:** Kolkatta **Tamil Nadu:** Chennai | Coimbatore | Dindigul | Dharapuram | Erode | Karaikudi | Karur | Madurai | Salem | Theni | Tirupur | Trichy **Maharastra:** Aurangabad **Orissa:** Berhampur | Cuttack **Punjab:** Hajipur **Bihar:** Patna **Jharkhand:** Bokaro

Also available at:     & All leading multi-brand outlets.

FOR FRANCHISE AND TRADE ENQUIRIES CONTACT: +91 93415 55582 | E-MAIL: connect@rcg.in