

IMAGES

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EXCLUSIVE
DIGITAL
ISSUE



UNLOCK 2.0

Dear everyone,

It has been about a month since stores have opened doors to consumers but market sentiments continue to be gloomy. The consumer is still struggling to cope with the pandemic triggered stupor and this has made retailing extremely challenging. An overwhelming percentage of consumers have cut down on fashion expenditure and a majority of the remainder now prefers to shop online.

Over the month, we have witnessed how consumer expectations are continually escalating. Consumers today are focusing on “safer” modes of product evaluation and consumption, and preferring businesses who prioritize hygiene and buyer convenience. Thus, stores that have opened up are faced with the conundrum of coming up with measures that allay their fears about safety and hygiene. At the same time, fashion businesses are forced to review their core markets and operating model as well as devise innovative engagement strategies that find relevance in the new normal – something that a majority of brands and retailers are struggling to keep up with.

And this is what the July edition of IMAGES Business of Fashion, Unlock 2.0 seeks to help you all out with. This issue has been curated to aid brands and retailers of every size and scale across the country in assimilating to the new normal in fashion retailing. We discuss in details how brands can instill trust and confidence in consumers by creating a safe and healthy shopping environment as well as choosing the right retail technology.

Moreover, the issue also highlight a slew of marketing and communication strategies employed by smart brands to entice consumers and steer ahead amidst these uncertain times. Over all, this issue will help fashion players across India in preparing their contingency plan for the near future.

For FAQs pertaining to shift in market dynamics, consumer sentiments and on all things related to fashion retail, do log on to our website, www.indiaretailing.com.

Cheers !!



Amitabh Taneja

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ROYAL ENFIELD

LAUNCHES WOMEN'S APPAREL, PREDICTS EXCITING, IMPACTFUL YEAR AHEAD

Aimed at enhancing the motorcycling experience for women riders, Royal Enfield's latest collection is a tribute to those resilient spirits, a celebration of those adventurous souls who have been defying conventions, creating their own paths with their deeds making the world a more equal place...

Rosy Sharma



Royal Enfield, a global leader in the mid-size motorcycle segment, launched its first ever apparel and riding gear range, exclusively for women in India. The company's apparel division was started in 2014, with a single aim to create an ecosystem around pure motorcycling and enhance the motorcycling experience. The apparel range consists of lifestyle apparel and protective gear.

Guided by the spirit of being a pure motorcycling brand, it is only natural for Royal Enfield to create a collection of clothing especially for the women riding community. **Puneet Sood, Head – Apparel Business, Royal Enfield** spoke to IMAGES Business of Fashion on how the clothing range has been designed to be aspirational yet accessible and support women in their pursuits of exploration.



What is the attraction behind launching an apparel line for women? How important are women consumers to your business?

The philosophy of pure motorcycling has been the guiding spirit of the Royal Enfield marque. It is reflected in the simple, rugged machines that are inspired by a decorated heritage, infused with a timeless aesthetic and an old-school charm, yet modern and fun to ride. We believe Royal Enfield is more than just about the motorcycles, it is a lifestyle. And therefore, it was a natural step for us to create a collection of clothing for women, inspired by

this motorcycling way of life, designed to be aspirational yet accessible. We believe that the women's apparel range will improve the riding experience for women and help them express their love for the motorcycling way of life.

Just like motorcycles do not differentiate who is riding it, we don't differentiate the rider on the basis of gender. A women rider is as important as any rider. We have always worked closely with our riding community and have acted as an ally. With an increasing number of women now joining the community, some as owners and some

D2C INNERWEAR BRAND **ALMO** LAUNCHED IN INDIA



In the Indian men's innerwear market, comfort is the most oversold yet the least revelled attribute of innerwear. The existing choice of innerwear, for most consumers, is based more on their propensity to pay rather than the product or brand's USP.

Almo Wear was launched in 2020 as an attempt to change this perception by building an innerwear experience. Bringing Italian style and minimalism to the Indian market, Almo Wear puts together timeless designs and innovative fabric. The target customers are those looking for a more aspirational alternative with premium quality and comfort at a reasonable price. Unlike most competitors in the Premium Digital First segment,

Almo Wear offers two different fibre based fabric with unique propositions; GOTS certified Organic Cotton and TENCEL™ Modal Micro.

The Global Organic Textile Standards (GOTS) approved organic cotton range is a sustainable twist on conventional cotton innerwear. Not only has the brand ensured that this fabric is softer than conventional cotton, but Organic Cotton production allows for 88 percent lower water consumption along with a considerable energy-positive impact on the environment.

The second range introduced by Almo Wear has been crafted with Austrian TENCEL™ Modal Micro fibers sourced from European beechwood forests. Adding to this, the revolutionary Siro Spinning method gives the fibers an additional fineness and makes them lighter. The result is a lush, ultra-soft (3 times softer than cotton), stretchable fabric with higher moisture-wicking capabilities allowing comfort and freshness like never before.

In addition to the individual benefits attributed to the fabrics, Almo Wear uses Swiss Textile Innovator, HEIQ's revolutionary technology to incorporate enhanced odour control and an anti-microbial finish. This makes the products perfect for wearing in the Tropical climate in India.

Apart from being available at www.almowear.com, Almo Wear range is also available on all major market places with pan India delivery.





A Brave New World

A look at how the pandemic is shaping our world and the fashion industry

LIVA FROM ADITYA BIRLA GROUP RELEASES CONSUMER STUDY ON FASHION INDUSTRY

Consumer study conducted by Liva reveals that consumer psyche has altered permanently and will witness a paradigm shift post-COVID



Liva, an ingredient fabric brand from the house of Aditya Birla Group, has conducted a consumer study in association with MRM, the digital arm of Mccann World Group and released a research report titled “A Brave New World.” Being a thought leader in the segment of sustainability and natural cellulose based fibres, Liva conducted this study to understand the mindset of consumers and to help its partner brands and other industry stakeholders.

The study, which has a sample size of 440 Indians from across the country, explores findings around how the world has changed given the pandemic scenario and how the fashion industry as a whole is going to evolve. The study breaks assumptions that many might have and gives us a clear picture of what the consumers are thinking and doing.

“The idea behind this consumer study was to understand how to tackle this unforeseen pandemic and get a pulse of what our audience is feeling. Liva has always been an enabler and leader in assisting

AYESHA ACCESSORIES

PROJECTS 300- 400% INCREASE IN SALES THROUGH E-COMMERCE



-Jacqueline Kapur,

Co-Founder and President, Ayesha Accessories.

IMAGES Business of Fashion spoke exclusively to Jacqueline Kapur, Co-Founder and President, Ayesha Accessories to understand the company's focus on e-commerce business and how they are preparing to attend to customers post the lockdown...

IMAGES Fashion Bureau



Although shopping centres are finally reopening after a nationwide lockdown was announced on March 23, 2020, visiting malls is going to be a very different experience from now on keeping in mind new hygiene, sanitization, and social distancing norms. Despite this, fashion brands like Ayesha Accessories are quite elated at the development. The brand, which has a large chunk of its exclusive stores in malls across the country compared to high streets, is working to meet all the necessary SOPs issued by the Government while reopening its stores.

“We have prepared a very detailed SOP handbook, which will help train the front-end staff for interactions with customers,” said Jacqueline Kapur, Co-Founder and President, Ayesha Accessories. “Customers, especially

millennials, who come to the mall will have a positive emotional experience. Shopping is a mood booster. The feel-good factor will kick in whether they buy a pair of earrings for ₹500 or an expensive new handbag. With Ayesha Accessories’ average ticket size being approximately ₹600, we are hoping to make lots of customers smile again,” she said, adding, “Fashion retail is not a necessity-based purchase, it is more recreational and entertainment. I am optimistic that in a short time after the lockdown is lifted and a vaccine for COVID-19 is discovered, customers will come back to their normal shopping patterns.”

Safety Norms

The brand is getting all its EBOs sanitized through a government approved agent. “Our staff is being trained on all procedures - from



TEXTILES: GROWTH HINGES UPON REOPENING OF RETAIL SPACE, FESTIVE DEMAND & POLICY SUPPORT

India Ratings and Research's (Ind-Ra) assessment for the impact of COVID-19 on India's textile sector highlights expected outcomes while presenting Ind-Ra's revenue base case assumptions as well as sub-sector outlook from raw materials to home textiles along with impact on credit metrics.

Abhishek Rathi, Senior Analyst, India Ratings and Research Pvt. Ltd.

The subdued domestic demand and declining export demand due to lockdowns in the global markets on account of COVID-19 come as a double blow for textile companies. While the domestic demand could revive in 3QFY21 with the onset of the festive season and reopening of retail spaces, export demand would be fairly dependent on the recoup of major economies such as the US and UK. Also, there seems to a short-term opportunity

for Indian companies to cater to those markets which were earlier catered by China and Bangladesh. However, the threat of import of lower cost raw materials persists and could hamper the domestic industry in the near term.

These were the findings of India Ratings and Research's (Ind-Ra) assessment for the impact of COVID-19 on India's textile sector highlights expected outcomes while presenting Ind-Ra's

revenue base case assumptions as well as sub-sector outlook from raw materials to home textiles along with impact on credit metrics.

The agency expects a huge revenue downfall for textile companies in 1HFY21 and a moderate recovery only over 2HFY22. With the stoppage of production and shortage of labourers due to the lockdown, revenue is likely to bottom out over 1HFY21; but, the consumption demand is unlikely to revive in FY21. This is likely to result in a fall in EBITDA in the range of 20 percent -50 percent Y-o-Y, depending on the segments, leading to deterioration in credit metrics. Furthermore, players in spinning, readymade garments carry high debts on account of stretched working capital cycles with low cushion to borrow. The agency expects the working capital cycle to stretch for textile players over the next 9 months due to delays in collections and a longer inventory.

The ongoing economic slowdown is likely to contract the demand by 25 percent to 35 percent Y-o-Y across yarn, fabric and apparels in FY21. The demand over 1HFY21 is likely to be muted with the summers lost because of the lockdown. FY21 demand growth would typically depend on discretionary spending, and thus a gradual recovery in household income over 2HFY21. Ind-Ra assumes normalcy in revenue to return by 2HFY22, on back of reopening of the retail space, a normal monsoon, the festive and wedding season. The demand revival will also depend on government measure to incentivize exports.

The agency expects a correction in cotton prices over 2QFY21 from the levels of ₹95-95 per kg as of May 2020 due to a low demand and high holding levels at Cotton Corporation of India. However, holding stocks could only provide a short-term relief. Some of the inventory is expected to be exported,



given the advantage of lower prices and rupee depreciation.

The textile industry is labour intensive in nature, and with most labourers headed to their hometowns, sector companies could face challenges to operate even at low capacities. The agency expects that it would take 3-4 months for operations to stabilise post Unlock 1.0.

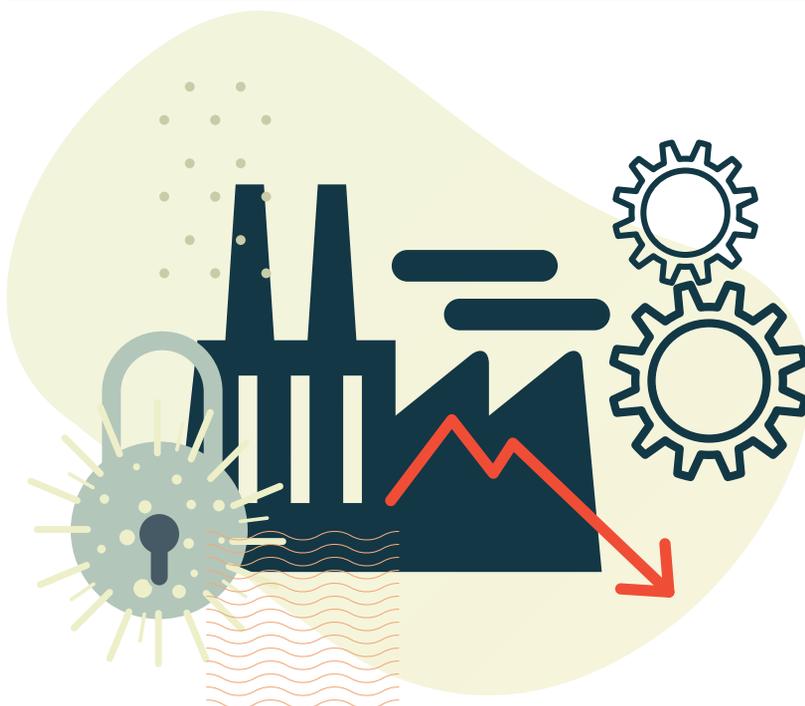
Readymade garments/apparels and cotton yarn exports, which were already facing headwinds prior to the lockdown, is likely to be more impacted than other segments, led by the fragmented nature of industry and a slowdown in Chinese yarn demand. The situation has worsened in the lockdown with consumers delaying discretionary consumption. Amid high competition, the oversupply in the domestic market is likely to postpone demand normalcy until end-1HFY22. Conversely manmade fibres / synthetic players have the advantage of a lower cost compared to cotton players and therefore could see a better demand, as players look to blend synthetics more in the fabrics/apparels.

Key issues such as supply chain disruptions, incentives and labour unavailability need to be addressed to revive the textile sector. Labour retention policies of each state would be critical to ensure minimum disruption of manpower availability.



For the complete report please contact infogrp@indiaratings.co.in.

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THE AUSTRALIAN WOOL INDUSTRY DURING COVID-19

The wool industry will face its own set of unique challenges in the face of COVID-19. Here, **The Woolmark Company Managing Director, Stuart McCullough**, breaks down the ways the Australian wool industry is being affected and how The Woolmark Company is providing support to the industry during this unprecedented time.



Stuart McCullough,
Managing Director, The Woolmark Company

Amidst the temporal cessation of production, manufacturing and retail bricks and mortar activity, there's no denying that the COVID-19 virus has blanketed all levels of the apparel and textiles supply chain in doom and gloom while the industry adapts to escalating containment efforts. While the outlooks does seem bleak, it's also in times of crises like this that we see some brands and companies stepping up positively.

The wool industry will face its own set of unique challenges in the face of COVID-19. Here, The Woolmark Company Managing Director, Stuart

McCullough, breaks down the ways the Australian wool industry is being affected and how The Woolmark Company is providing support to the industry during this unprecedented time.

How big of a challenge is COVID-19 to the wool industry?

It's an ever-changing situation. This is mainly due to price degradation; however we will also witness demand deterioration going forward as stores close and people are staying home. Every event presents its own unique challenges. COVID-19 is unlike



Our highest concern at the moment is the issue of harvesting wool from sheep for those woolgrowers who would normally be performing shearing this time of year. Shearing is essential from both an animal welfare and livelihood point of view. The wool industry is heavily dependent on wool being removed; without wool there are no sales and with no sales there is no fibre available to the supply chain.

anything we have experienced in our lifetime. It presents different challenges to drought and fire.

Our highest concern at the moment is the issue of harvesting wool from sheep for those woolgrowers who would normally be performing shearing this time of year. Shearing is essential from both an animal welfare and livelihood point of view. The wool industry is heavily dependent on wool being removed; without wool there are no sales and with no sales there is no fibre available to the supply chain. At this stage we have been informed shearing remains an essential service and will ensure we communicate best practice regarding hygiene and social distancing in the shearing shed for travelling shearing teams, contractors and woolgrowers.

With many textile factories shut down, will there be an increased demand for wool now that synthetics will be less available?

We assume synthetics will be similarly affected so we shouldn't see a significant increase or decrease in demand for one fibre over the other. What concerns us mostly is the complete shutdown of the Italian mills which are class leaders and top of the fashion triangle and the major brand influencers of wool fashion.

What's the biggest effect that Italy is having on the wool industry right now?

Currently we have less visibility over Italian production due to the uncertainty of the virus. Italian operators generally run a pretty lengthy supply inventory so stock on hand will be immediately available to them once the lockdown in that country ceases. They also tend to manufacture well in advance as design and fashion is often set 6 months prior to sale.

Is this a survivable year, financially, for Australian wool farmers? How are they making it?

Yes - Australian woolgrowers will survive. They are a resilient bunch of business people and good at managing the tough issues that are thrown at them regularly. The drought and the effects of that drought on stock numbers and bank accounts continues to be the main hurdle for recovery of the sheep and wool production. COVID-19 will affect some farmers' incomes for those having to sell into a market that is guideless at present, but prices are relatively okay for the moment. If we get a good rainfall prior to end of Autumn, then wool and sheep meat income should be strong for the second half of this year. This is all given that Coronavirus doesn't shut down our auction markets, which is a possibility and currently being discussed.



**EXCLUSIVE
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**IMAGES
BUSINESS OF FASHION**

E-COMMERCE SURGE

With brick-and-mortar retailers across the world forced to shutter stores as a result of COVID19, a distinct opportunity was born for e-commerce businesses to take over. It's no news that COVID-19 has increased online shopping usage globally, and in India, it has led to a rise in the number of first-time e-commerce users, who had been so far uncomfortable with shopping online. Even after the lockdown restrictions were lifted, online retailers and e-commerce platforms continue to experience drastic growth as consumers try to avoid shopping malls with increasing anxiety over the virus.



HIGHLIGHTS OF THE ISSUE

- >> Are Fashion Retailers In India Turning to E-Commerce?
- >> Expert Tips To Strengthen E-Commerce Strategy
- >> Emerging Online Fashion Retail Trends In India
- >> How E-Tailers are Adapting to Consumer Behaviour Shifts
- >> Challenges & Opportunities for Fashion Retailers
- >> Comprehensive Policies in Sizing, Returns & Exchange
- >> HR Policies

The August Issue of IMAGES Business of Fashion, Handling the E-Commerce Surge, will take a look at the change in dynamics in this sector as heralded by the COVID pandemic. The issue will look at the challenges faced by brands compelled to shift to this direct-to-consumer (D2C) channel as well as the opportunities that the segment has to offer to brands, retailers and all stakeholders of the value chain.



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MARKETING & BRANDING

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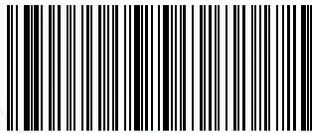
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