CHAPTER 7
A CHANGING PERSPECTIVE OF THE FASHION INDUSTRY IN THE CONTEXT OF READYMADE MENSWEAR SECTOR

Introduction:
Apparel and within that Menswear ready to wear products forms a very important constituent of overall fashion industry and as a result of which it has become very important to make an indepth study about the various perspectives of the fashion industry to have a more clear cut picture of the menswear market. Fashion is a lifestyle industry and when we talk of consumer trends and tendencies in fashion, we must consider all aspects of the industry. Trend cycles seem to be emerging more rapidly as a result of technology accelerated social diffusion, instantaneous communication, and more willingness to accept or inability to escape new ideas. When everything is accessible instantaneously, the ability to assimilate, to differentiate and to choose becomes more difficult. Under such circumstances, a culture can suffer from a feeling of mental and emotional paralysis, a kind of frozen framework. It becomes increasingly difficult to discern the truth – to sort out what’s best. When such a condition exists, counter trends swirl like undertow beneath the surface of society. Here analyses of some consumer trends and counter trends offer some business insights for the retailers.

1. Rather than money time is the main constraint for certain shoppers:
Materialism, though still in full swing, is losing its momentum and Indians are spending more and more time working spending less time in living. The acquisition of status symbols, a bulging portfolio and all the personal perfection that money can buy has become a treadmill that many are jumping off because there is no time to enjoy those things and they are exhausted in the busyness of their day-to-day work schedule. So the market is becoming less price sensitive and the shoppers are ready to pay money for the right type of merchandise. Advantages and disadvantages of these trends have led to fashion brands getting either corporate or funky; no in-betweens. Clubwear is seen not just on the high street but also with conventional brands. So marketing a brand that deals with the young, trendy workaholic makes the right business sense. It’s the youth of today that are the overworked and also the high-end consumer. The BPO sector jobs have opened a whole new avenue for retailers and brands where the youth of today and future of tomorrow’s consumer market want to be corporate as well as funky and have the money power to do so. This is the target market for the retailers, funky yet corporate. Recent trend has been seen that today’s young generation is spending a
chunk of their leisure in the internet for social networking and other purpose as a result although they becomes more updated, aware and educated but at the same time it eats away their time kept for other purpose.

2. Morphing culture can be noticed:
A revolution is in full swing via a cultural splintering that erases lines between "shoulds" and "should nots." The desire for "home" continues, but what home is may change many times for individuals during their lives. A rapid evolution in the way families take shape and new communities take root and thrive, possibly resulting in dramatic effects on social, political, medical, and economic infrastructures can be observed. Depending upon the satisfaction and success of a morphing culture, traditional marriage or family views could lead to polarisation. The old tradition of getting married will never change but the concept of living alone has. This opens great avenues for business of the entire lifestyle industry – interior decorators, jewellery brands, fashion brand manufacturers. The traditional old concept is almost out. Each one wants a new self-identity a new makeover for him or her. As a result of which in the recent times a new segment of customers has been identified who want to create an identity of their own through their brands they wear. As a result of which the consumption of various types of categories all across the merchandise has increased and the variety in the wardrobe of an average individual has also increased considerately.

3. Increasing optimism of life among the young generation can be observed:
A renewed sense of optimism to translate into choices impacting lifestyle as well, including automotive and product design, interiors and fashion can be observed through an upbeat approach to colour and lively new colour combinations. This trend and counter trend opens huge avenues for business. We live in a world of extremes and no in-between. The craze for attention and importance creates great business avenues not just for fashion retailers and brands but also for others industries. Changes in fashion brands is essential to meet this change in the lifestyle – more vibrancy, more distantness in terms of colour – brand identity has become essential, rather a must. This is giving rise to a new segment of streetwears in the apparel fashion industry and the mostly the young generation from the age group of eighteen to twenty-five years fall into this group.

4. Increasing demand of Luxury brands and items:
Affordable luxury, pseudo luxury, the real thing – as long as it reflects opulence, luscious fabrics – silks, satin, velvets, laces, faux fur, real fur, jewels precious and faux,
embellishments, embroidery, beading, patterns, glamorous looks in make-up, perhaps reflecting a longing for the past where coy moves, manners, behaviours and tastes in music and attitudes reflected a society with expectations of unhurried appropriateness. For the home, imported items – carved, gilded, beaded, painted adornments – perhaps from castles and mansions in the "old world," or maybe cheap knock-off looks from the “third world." Fashions designed to reveal and showcase newly enhanced body parts, body piercing, body sculpting are out there with no pretense at coyness.

A lot of businesses and fashion and lifestyle brands have adapted these trends – brands catering to the traditional Indian look and those that cater to the new hippy Indian generation. But for those consumers who are not interested in all these new ideas and want something that is more classy and more to do with the brand and its identity tattooing, body art and trance music influences have been around for a long time and will continue to stay and is an excellent influence for fashion brands, but a brand as mentioned earlier needs a line catering to both the consumers and most of all needs a brand identity.

5. Polarisation among the mass and forming of clusters
An increased polarisation or strengthening trend can be observed in the population – whether political, economic, religious or philosophical. Regardless of age, ethnicity or affiliation, individuals long for the security of alignment with those “like us.” Ethnic tribes within countries and cities; elite social clubs, virtual social networking sites in the internet of loyal brand devotees, as well as group identities created via fashion, language or symbols. Increasing gravitation toward communities of like-minded people whose interests, worldview or values reinforce our own is rising. These implies acceptance of global brands in the Indian subcontinent and the Indian consumers have started to identify themselves with their projected image at the same time a very fragmented market has been created with the consumers specific preferences and tastes. And most of the fashion brands are trying to create a niche for themselves.

6. Consumers are addicted to more and more shopping habits:
Retailers and consumers are engaged in a fiercer bargaining in the market place regarding price, variety and value added service and where the consumer is leading. As the quest intensifies for the bargain, the deal, the best price, shopping has taken on the tone and activity of a hunt. The sport of shopping appears to be an addiction to the shoppers as an over-retailed society continues to provide fertile ground for possession-heavy consumers. Every customer
want a bargain – people at all points on the economic scale scan the marketplace for the best deal. Hypermarkets and discount stores abound as department and specialty stores offer more enticing offerings to the negotiation – consumer reward programmes, special products, special promotions, new products (knowing they quickly will become knock-offs at rock-bottom prices.) Consumers wait for high priced items to go on sale; resistance to paying “retail” or “list” price for the goods or services continue and the challenge of getting the merchandise at the cheapest price continues for the shoppers.

On the other hand, although this phenomenon is very less but still shopping via catalogues or on the internet is increasingly appealing to consumers who feel they have shopped till they dropped. Another innovative marketing policy is the gift card, which could be seen as pseudo-shopping as it feels like a gift and includes two-step process of buying and selling. Transactions are left in limbo as recipients’ delay “spending” their gift cards and merchandise remains in stores. Yet, intangibles matter – it’s not how much the consumer pay for neither an item, nor the material value it holds, but it’s the meaning, what it is worth to the purchaser (the chase, bargain, special find, one-of-a-kind item) or recipient. Purchases, objects, and gifts simultaneously exist in the realm of the material and the intangible. The intangible realm is the zone of symbolism and authenticity, which is gaining in significance for maxed-out, over-shopped consumers.

E-shopping is a boom but also at the same time bargaining even at high street shops makes brands competitive like never before. Again there is a big advantage for business here. Fashion brands, designer brands need to get more price conscious where the common consumer is concerned. Once a brand has a brand image and then they launch a collection that is reasonably priced, the consumer does not mind spending on the brand. So once again brand management and identity is essential and then reaching the consumer is important not just for brand image but consumer marketing. While e-shopping might be a boom, on the other hand extreme people who also want a closer, more interactive feeling to garments and lifestyle products, will not prefer the mode. Private previews and business fashion shows, late night shopping, and thematic nights at stores makes shopping a whole family affair and give consumers a personal feeling.

Brands and lifestyle products can become more eco-friendly and can be projected to be so. The consumers can have now biodegradable and more eco-friendly clothing. Promoting and helping raise money for an ecological concern can fulfill the corporate social responsibility of
the brands and it can be an innovative policy to raise the turnover. The consumer is more aware now and wants to spend money, but also wants a feeling of satisfaction that they have done something noble for the society through their expenditure and helped the future environment for their children. Spirituality is the mantra and everyone is doing it but the reasons can vary. We live in a country of extremes where some are in it to make a fashion statement while others are in it just because they like it.

Influenced by the US, most things are mega in sizes nowadays from shopping arcades to eating-houses. But in India we have a very diverse consumer market. Again here India has two types of consumers – one that loves mega things (malls, meals, watches) and the other who is simple yet love good things in small packages. So the best way to get around this trend is to focus on what consumer the retailers are targeting and either has an exclusive mall catering to a selected clientele or a mega mall. This even implies for brands, if the marketers cater to a few clienteles it become a niche brand but if the marketer caters to a large segment it becomes a mega brand catering to all.

Once again the diverse trend cycle has to be encashed by the retailers so that it can be turned into business opportunities. Technology has always played a very important role in fashion and consumer buying cycles. Latest and everything different is the mantra for the consumer. However, the consumer is now aware of old trends, handwoven, personalised garments and household accessories but again at cost effective prices. The best business today is using the consumers’ psychological influences as the marketing and business model.

**Fashion Retailers in India:**

It was fashion that revolutionised the way merchandise was retailed in this country. Brands in clothing and textiles, jewellery, footwear, fashion accessories, beautycare and salons make up for a business of over Rs 45,000 crore, and fill up the maximum space in upcoming malls and prime markets.

We all know that the Indian retail market is growing by leap and bounds and it is so obvious now. What is just as obvious is that Indian retail also needs more of fashion in the organised retailing. We also know that fashion is a big component of both the branded as well as the total readymade garment retail market. Fashion has driven the retail boom in India and it continues to mark its prominence in all kinds of markets, malls and stores. As the mall sprawl continues, the macro issue will be how to fashion the future of retail that has the potential of bringing Rs 40,000 crore business in the organised fold by the year 2006-07.
Consider this; Indian retail by 2006-07 would have over 50 million sq ft of quality space across the country and about 50 per cent of this space earmarked for fashion lifestyle retailing. As already stated an estimated Rs 20,000 crore retail sales shall come in the fold of organised retail business from the fashion sector alone. In the Indian context, if we discuss retail as a business and fashion as a segment, it is very hard to predict, who will be these brands and retailers that will occupy this upcoming premium space. With each mall beginning to look like the other with the same set of anchors and brands, the challenge will be for brands, retailers and malls to differentiate their offering. We have to take into consideration of no less than 35 hypermarkets, 325 large department stores, 1,500 supermarkets and over 10,000 exclusive retail showrooms that need to lease or buy space in over 300 malls, shopping centres that are under construction and hundreds of markets that are being renovated all over the country within the next three years to make retail really happening. (Source: Images-KSA Technopak Study, 2005)

But then, it is a very important question to answer that does the Indian market have enough brands or retail companies that can fill the kind of space that is coming up and if its so where are the opportunities and avenues for expansion for existing players and new organisations. As Indian retail clamours for more fashion but how do the Indian retailers and brands fulfill this need. A population of more than a billion – a huge consuming class – India is considered to be one of the preferred destinations for investments in the world. Clothing and textiles constitute the largest block of organised retailing and if we consider all fashion and lifestyle segments like apparel, jewellery, watches, health & beauty care services, and also mobile handsets into one common grouping, then fashion as such would constitute about 60 per cent of the organised retailing pie.

Of all the retail segments, watches are the most organised with almost 40 per cent of the market being controlled by branded and organised players. The next most organised segment is that of footwear (25 per cent) followed by clothing (13.6 per cent). If we look at the growth areas, then the top 15 cities cater to 33 per cent of total urban population, but as high as 38 per cent of the population of Section A and B, the top two socio-economic consumer strata, falls in urban population. The next 15 cities only add to another 7 per cent of Sec A and B population. So, the focus will be restricted only to the top 15 cities. About 96 per cent of total organised retail is in the top 10 cities, of which the top six cater to 82 per cent. However, the rate of growth will be higher in the bottom four of the top 10, which have a 20 per cent share in
2008 against the present share of 15 per cent. With evolving fashion and changing face of Indian retail, Indian consumers are in for a rapid transformation. The positive aspect is that consumer spending has been on the rise. Most organised retail businesses have not only reported increase on their sales but have also witnessed increasing profits quarter after quarter in last two years.

A welcome spurt in domestic tourism is expected to further boost sales of malls and department stores, which have become a sort of destination points for consumers. With the onslaught of malls, traditional shopping centres are innovating new ways to push sales. Shopping festivals in association with brands and services by those who want to connect with consumers have reaped rich dividends. While in the department stores the share of the fashion wares will be over 95 per cent, in hypermarkets like Big Bazaar the share could be as high as 70 per cent. It will be again fashion that will see maximum growth in terms of organised retail expansion with over 1,000 branded exclusive showrooms and over 50 large department stores came up by the end of 2005.

Fashion brands from the house of Bata, Liberty, Raymond, Titan, Tanishq, Arvind and Madura set the pace for organising retail in India. These companies could take on aggressive retail expansion drives as their backend is in order. With more and more corporates like Lakme, Reliance, Bharti, Lever and ITC getting into the fray, the fashion retail market is likely to look a lot better structured in times to come.

Clothing has been the most important segment in the context of retail evolution in India, not because of its size but the way it has effected lifestyle changes in the lives of the people. It was clothing that drew international brands into the Indian market, which in turn set the ball rolling for organising the retail sector. Multinational brands with innovative concepts in retailing injected the necessary desire to change among all. This was what fuelled the growth of real retailing in the country.

With rising income levels and growing 'look good, feel good' attitude, fashion offers immense potential for deeper penetration into the Indian markets. Clothing is also the segment that sells the most across most MBOs.

**Apparel chains**

The ready-to-wear revolution did not usher in the retail revolution in the first decade of awakening. The multibrand stores, which sold all types of products, were the prime distribution channels for clothing. The early Nineties saw the setting up of solo shops focused on 'one
brand' and in this context the effort at Madura Garments and Zodiac helped the evolution of fashion retailing. There was for the first time a serious attempt in retail positioning as the brands started to compliment the retailing format or the other way round, and the product and retail stores together began to strengthen the 'retail positioning.' Modern retailing is all about satisfying consumer needs and in fact giving them more than what they need. The concept of shopping as an experience came to India only in the early Nineties with the launch of international brands like Allen Solly, Benetton, Lacoste and Arrow. Educating consumers about their shopping rights, these brands pushed others to fall in line.

Raymond, the only successfully growing textile chain, reacted positively to this change and went on an aggressive retail expansion drive by modernising its showrooms and making Raymond stores, a one-stop-shop for all men's clothing needs. Today, it is the largest chain in the country selling clothing and textiles with more than 300 stores across the country.

The growth in the brands' exclusive and speciality outlets, whether self-owned or franchised has been phenomenal in recent times. The fact that in past twelve months over a thousand brand stores opened in fashionwares alone, speaks of the value of exclusive store formats in the emerging scenario. Among the old players expanding through this format are Raymond, Zodiac, Benetton, Lacoste, Colorplus, Reebok, Adidas, Nike, Woodland, and the brands of Madura Garments and Arvind etc.

Among the new entrants, Wills Sports, which is subsequently renamed as Wills Lifestyle emerged as the leading fashion forward chain opening 42 stores across the country within the first two years of its operation, but held on to its expansion plans for some time. It is now again planning a further expansion of this format. Simultaneously, it is also now going aggressive on its mass brand John Players.

Others in the league are Pepe, Levi's, Dockers, Gini & Jony, Blackberries, Scullers, Freelook, Ruff Kids, Egana and Oxemberg. Indian Terrain, Classic Polo, USI are some brands that have started opening their exclusive brand stores. The space requirement for this format, which mostly fell in the range of 400-1,500 sq. ft. of space shot up to 5,000 sq ft with Madura Garments opening a series of its large concept stores named Planet Fashion. For Lee Cooper the market has evolved rapidly, especially in terms of distribution. Originally the distribution was very conventional type, through multibrand jeans stores, and that has evolved towards shopping malls, towards Lee Cooper exclusive stores or store corners. The company distributes their products through department stores, exclusive stores and multi-brand stores.
The entry of Marks & Spencer, Mango, Tommy Hilfiger, etc saw yet larger space going for single brand outlets.

**Impact of Fashion Retailing on department stores and malls:**

It was fashion again that enthused investors and retailers to think of large format stores in mid-Nineties. With the advent of Shoppers' Stop in Mumbai, Kemp Fort at Bangalore, Big Jo's, Ebony etc in New Delhi and the value retailing chains of Pantaloons in several cities across India, the market started changing with a difference. Large Indian retail stores of yesteryears began to look smaller in comparison to the new mega stores of 30,000-70,000 sq ft that started attracting more customer traffic, thus ushering in the period of retail concentration.

The entry of large corporate houses and MNCs into the fashion retail businesses added more life to the happenings at the marketplace. While the Tatas launched the fashion retail brand stores called Westside, the Dubai-based Landmark Group came to India with Lifestyle Stores and Rahejas came up with Globus. As the competition for consumer loyalty grew stiffer, exercise in consumer relation management and loyalty programmes acquired considerable importance.

Large space requirements by department stores encouraged real estate developers to build international styled malls. Crossroads in Mumbai, Spencer Plaza in Chennai and Ansal Plaza in Delhi, City Centre in Kolkata marked the beginning of international retailing in India.

**Some Fashion Retailers:**

**Shoppers' Stop**

Thus offering all that goes into the making of a fashionable shopper, be it he or his home, these swank shopping chains are now growing like never before, more often than not finding space in malls. Shoppers' Stop, with a loyalty membership programme called 'First Citizens' with a 3.00 lakh member base, has 18 stores with two more expected to come up shortly. From 4,000 sq ft in the early Nineties to 7,39,903 sq ft, it has been a long journey with its dynamic CEO BS Nagesh at the helm of affairs. Adjudged the Images Retail Destination of the Year earlier in September,2005, this award was chosen on the basis of how a shopping centre or a store, favoured by locals, tourists and travelers alike for shopping, emerged as a retail destination for consumers and for brands as the most profitable avenue for retailing. Selling at Rs 6,700 per annum per sq ft, the revenue of Rs 404 crore that it accrued in the last fiscal saw a net profit of Rs 14 crore i.e. 3.46 per cent. Sales grew by 35 per cent in 2005.
**Westside**

Westside with 17 outlets in 11 cities had sales of Rs 120.1 cr and Rs 166.39 cr in 2003 and 2004 respectively. The gross leased area (GLA) of Westside is 3.25 lakh sq ft, and has four outlets in Mumbai, three in New Delhi, two each in Bangalore and Ahmedabad, and one each in Kolkata, Chennai, Pune, Hyderabad, Nagpur, and Indore. The company added another six or even more outlets especially in the cities of Bangalore, Delhi Kolkata and Baroda with a cumulative GLA of 170,000 sq ft by 2007.

Westside’s allocation of staff is equally proportional to the sales generated by the different categories of products. The highest share of sales comes in from the clothing category: 90 per cent. Likewise, 90 per cent of the staff strength is allocated to look after this segment. The other segments like footwear, cosmetics, jewellery, etc, yield only 10 per cent of the total sales, and are hence allocated 10 per cent of the staff strength. A number of promotional campaigns are organised by Westside through the year, as many as seven were organised in 2004 with sales increasing by 25-30 per cent over the normal figure during the promotional periods. The year kicked off with a January Sale and ended with the Christmas Sale. There were a month-long Summer Carnival, a September Spree and a Diwali sale among other events in between.

One of the mainstays of the Westside chain is its instore labels: SRC, 2Fast4U, Gia Richmond, Urban Angels, and Street Blues.

**Piramyd:**

Piramyd is on a major expansion mode. With three operational stores in 2003, Piramyd Megastore made its presence felt across India by adding five to six new stores every year. With 11 properties already signed and more in the pipeline, the total tally is expected to be beyond 30 stores by 2008. Phase 1 will see opening of stores in west and north India – New Delhi (5), NCR (2), Ludhiana and Ahmedabad (1), Pune (2) and Mumbai (3). Carpet bombing the East and South India is scheduled during the phase 2 roll out, which will see stores opening in Hyderabad (1), Bangalore (2), Chennai (2) and Kolkata (2). Of these, 2005 has seen five stores come up with one each in New Delhi, Ludhiana and Ahmedabad and two in Pune.

With a growth that will engender 30 department stores, 16 entertainment centres and 125 large, medium and small format supermarkets in the next five years, the Retail Business Group is slated to become a Rs 1,500 crore turnover entity by the year 2008.
**Globus**

The Globus chain of MBOs has seven outlets in five cities – two each in Chennai and Bangalore, and one each in Mumbai, Indore, and New Delhi. The first of these was launched at MG Road in Indore spread over a GLA of 22,500 sq ft. The largest in terms of GLA is the one at T Nagar in Chennai with 31,000 sq ft. The others are relatively smaller. The Bandra outlet in Mumbai has the largest staff strength of 163, and is expected to grow by 20 per cent in 2005. The New Delhi outlet is expected to grow most (21 per cent), with the T Nagar outlet in Chennai following close behind (20 per cent). In fact, all outlets project sales growths of at least 18 per cent.

Globus expanded further in 2005 with two outlets in Mumbai, three in the NCR, and one each in Kanpur, Pune and Hyderabad. The largest of these were set up in Noida with a GLA of 25,000 sq ft. The focus of all these new outlets would be fashion apparel for the youth. The focus on apparel is not surprising since the clothing category generated sales to the tune of 80 per cent of total sales in 2004. Cosmetics/perfumes and jewellery had a share of 10 per cent each. In terms of floor area, 90 per cent is allocated to clothing and 5 per cent each to cosmetics/perfumes and jewellery. The floor allocation is proportional to the share of profits that these categories generate for Globus. Globus organises promotional packages regularly as well. The most rewarding in 2004 was the Spring Summer 2004 bonanza that was spread over three-and-half months. The sales generated were 45 per cent more than usual and required expenditure of Rs 68 lakh. The most ambitious promotion was during the Diwali festival which entailed a promotional expenditure of Rs 95 lakh, and generated 35 per cent more sales during the period. The most optimum was the X-Masti promotion which required an expenditure of only Rs 1 lakh, but was able to generate sales of more than 20 per cent than usual. Globus has its own two instore labels: Globus (all categories) and F21 (partywear), both of which are expected to grow at the rate of 30-40 per cent in 2007.

**Lifestyle**

The Lifestyle chain of MBOs has seven with the largest being at the Inorbit Mall in Malad sprawling over a GLA of 55,000 sq ft. From two outlets in 1999-2000 with a sales turnover of Rs 22 cr, this chain has expanded to seven outlets in 2004-05 with an estimated sales figure of Rs 320 cr. The other four outlets are in Hyderabad, Bangalore, Mulund and Phoenix. Four more are planned for the next year in Noida, Chennai, West Delhi and Mumbai apart from
Kolkata. Lifestyle usually plans four promotional offerings through the year: Great Toonage Fest, Style Vroom, Shop for a Surprise, and Well O Fortune.

**Ebony**
Ebony currently operates eight stores in a retail space that adds up to 1.5 lakh sq ft. The last addition in the stores was in 1999. The retail revenue in the last year was Rs 80 crore. Profitability stood at 1 per cent i.e. Rs 80 lakh. The retail chain totes up Rs 5,300 p a sq ft of sales. Studio Ivory is a recent addition that sells designerwear targeted at the middle income category. Offering its entire range of merchandise at its online shopping portal www.ebonyclick.com, private Label Etc contributes 22 per cent of the apparel sales. Ebony’s offerings include apparel for men, women and children, books, music, personal care and cosmetics, jewellery, luggage. The books and music are sold through its concept book store called Wordsworth. Its loyalty programme, Ebony Elite Club, has a base of 40,000 customers.

**Pantaloons**
Pantaloon Retail (India) Ltd sells fashion through various formats. It has 22 Pantaloons stores, 10 Big Bazaar’s where the fashion component is in majority and two Central Malls. Big Bazaar promises a wide range of products at 6-60 per cent lower than the corresponding market price, coupled with an international shopping experience with the catchline “Is Se Sasta Aur Accha Kahin Nahin”.

**Regional chains, independent stores**
Some retailers in New Delhi, Mumbai, Bangalore, Hyderabad and Chennai have triggered cross border movements as well. Popular for wedding outfits, Diwan Saheb, and Snow White in New Delhi, Roopam of Mumbai, Kapsons of Chandigarh and Naidu Hall of Mumbai have seen some successful expansion.

The entry of large chains pushed independent retailers to modernise and expand in space, products and services and the result is livening up the whole retail activity in the Indian marketplace. Some of the old clothing retailers like Jainsons or Big Jo’s in New Delhi, Jade Blue in Ahmedabad have not only added more attraction to their existing stores but also have added/planned more and much larger stores in different locations in and around their cities.

**Sohum Shoppe**
Sohum Shoppe in Guwahati’s prime Fancy Bazar area with a GLA of 14,850 sq ft, registered sales of Rs 12.32 cr and Rs 14.58 cr in 2003 and 2004 respectively. The expected growth in
Sales for 2007 has been put at 26 per cent. It has store-specific staff strength of 83. Sohum expanded in 2005 with another outlet in the city’s GS Road area with a GLA of 34,680 sq ft. The bulk of Sohum’s sales come from the clothing category with sales of Rs 5.62 cr in 2004. Understandably, this is also the MBOs focus areas with as many as 41 staff allocated to this segment alone and covering 5,750 per cent of the GLA. Sales figures for other segments like footwear, cosmetics, and jewellery lag far behind. Most of these other segments have a staff strength that varies from four to eight, and generates sales slightly more than Rs 1 cr each.

Sohum spends the most on its “Matka Jhatka” offer in the month of May. Last year, it spent Rs 8.25 lakh on its promotion, but generated sales to the tune of Rs 1.42 cr. On the other hand, its sales for the “Bihu Hungama” were close behind with Rs 1.28 cr though Sohum had to spend only Rs 1.90 lakh for the promotion. The Great Monsoon Sale needed Rs 6.52 lakh for promotion, and yielded Rs 1.17 cr in sales. Sales, however, are the highest during the Puja season with a figure of Rs 2.63 cr and entailing a promotional spends of Rs 4.64 lakh. The other promotional time is during Christmas.

There are three shop-in-shops in Sohum Shoppe – Gili, Provogue and Watches & More. While all three have been growing steadily, Watches & More is expected to grow at a pace of 62 per cent in 2005, with Provogue behind at 35 per cent and Gili at 25 per cent. Gili, however, contributed the most to Sohum’s sales in 2004. Watches & More has the least floor space (153 sq ft) while Provogue has the most at 220 sq ft.

**Dhiraj Sons**

Dhiraj Sons Fashion World in the the Gujarat textile city of Surat had sales of Rs 9.45 cr in 2003 and Rs 10.5 cr in 2004. Dhiraj Sons, which has store-specific staff strength of 100 and a GLA of 42,000 sq ft, expects sales to climb by 20 per cent in 2007. The MBO opened three more outlets in 2005 in Surat, Navsari and Kamrej, but with a cumulative GLA of 40,000 sq ft. The clothing category does best in Dhiraj Sons as well with sales of more than Rs 7 cr. naturally; the store focuses more on this segment. All other segments contribute a minuscule percentage to the sales and are allocated a proportionate number of staff. Profits, surprisingly, are not the much in the clothing segment: only Rs 22.88 lakh in 2004. The highest profits came from footwear (Rs 34.41 lakh), gifts and toys (Rs 33.57 lakh) and jewellery (Rs 33.44 lakh).

The MBO organised three promotional offers in 2004: a watch mela, a Diwali offer, and a family special offer. About Rs 13 lakh were spent for promotion of the month-long Diwali sale but yielded sales of Rs 2.5 cr. The fortnight-long watch mela returned sales figures of Rs 9
lakh or so only, but had needed only Rs 18,000 for promotions. On the other hand, the grand family sale (of 60 per cent off) spread over five weeks generated sales of more than Rs 2.8 cr and had needed a promotional investment of Rs 9 lakh.

There are as many as ten shop-in-shops in Dhiraj Sons Fashion World: Ruff, Napoleon, Blackberries, Sunny, BKK, Tiny Girl, Zeal, CHN, Allen Solly, and Gini & Jony. The space allocated ranges from 150 sq ft for Zeal to 300 sq ft for Sunny. The highest sales from these shops come from Ruff which sells bermudas, belts and briefs, among other things.

Expansions and cross border movement by brands and retail chains that are lending their names with retail expertise transfer for expansion beyond their existing boundaries of operations, have opened up attractive franchise options for real estate owners and investors. Franchising has created a great opportunity for Indian entrepreneurs to become business associates of the contemporary world-class brands, products and services at lowest possible investment.

**The market of Fashion – a passion in retailing**

Emergence of fashion designers in the Eighties saw thousands of small and large boutiques and designer studios mushrooming all over the country. There also emerged niche markets to sell designer fashion and craftwares. Stores like Ffolio, Sheetal Design Studio in Mumbai and the two stores of Study by Janak in New Delhi added some more margins to the growth of fashion retailing in India.

Featuring a mix of designer, diffusion and prêt, over the years, these stores have established themselves as retailers of repute. Designers like JJ Valaya, Ritu Beri, Ravi Bajaj and Rohit Bal are also expanding their respective networks, opening private label studios, mostly under franchise arrangements.

It is quite an encouraging sign that now corporate majors like Raymond have forayed into the business of designer fashion retailing – opening its Be: stores across the country and one in Dubai too. It will continue to add more and more branches and designers as a part of its expansion. Saga and C I E have also started retailing designer labels now adding more and more signature labels to their stock.

Fashion goes beyond just clothing that has been responsible for the building excitement in Indian retail. Having invested in large infrastructure and systems, retail companies today have no choice but to move forward. Learning from each other's experiences, they are continuously working towards modelling a structure that is flexible and allows them to work with not only
product companies and brands that they sell but also with other retailers and chains across different product categories with an arrangement of sharing space, promotion and profits.

**Growth opportunities in fashion retailing**

Indian retail, needless to say, is undergoing a metamorphosis from traditional to modern; all retailing formats are donning the retail face. Fashion that takes the major share in all real estate developments in the retail sector will continue to bear the torch for others. As proved by examples from the rest of the world, multiple supply chains and multi-format retailing would continue to coexist and evolve together for a long time. There is tremendous scope for specialty stores, department stores, discounters, as well as a wide range of non-store retailing formats. With the opening of over 1,000 branded exclusive showrooms and over 50 large department stores that came up by the end of 2005 in clothing, footwear & accessories, beautycare, jewellery and watches, fashion is going to make a stronger impact on the overall retail scene.

Customers can pick a complete wardrobe, with the assistance of fashion-literate staff, trained to be unobtrusive yet helpful. A customer can exchange a garment bought at any of the stores at an outlet anywhere in India, without the need of a cash memo or a price tag. Just walk in and rediscover the pleasure of shopping --- This is the new mantra of the Indian retailers.

Such assurances that came from fashion retailers like Wills Lifestyle, Shoppers’ Stop and alike will go a long way in creating benchmarks in customer servicing not only in the fashion sector but also in various other sectors.

The formats that are expected to emerge in the retailscape are hypermarkets, department stores, supermarkets and specialty stores. A lot more players are needed in the market.

A huge laboratory for free will and enterprise, the Indian market beckons innovators at an exciting stage in the economic development of the country in a niche segment that could in the years to come emerge as a chief factor fuelling growth. No other country in the world, perhaps has witnessed this kind of rapid churn and experimentation. Indian market is on a learning curve. The malls that are emerging with the right kind of planning and understanding of the market dynamics are better than the good we already have. Those who have just stepped into the whirligig of the times are teaching themselves too. A process of consolidation has now begun and it is far off before it becomes stagnant.

While it would be still a while before the dust settles, the learning curve means that more focus is needed on the consumer, as habits and lifestyles undergo a rapid and continual change.
The onslaught of advancements in technology and science continue to revolutionise life and living. Thus, the key to success for any retailer lies in understanding their evolving needs, aspirations and lifestyle by meeting two basic demands of the new consumer: accessibility, experience and service and secondly product and price. A land as diverse as not many, it is imperative that the enterprising develop customised solutions and services, more so in the semi-urban and rural areas where the masses still wait to be tapped.

**Increased brand consciousness among the consumers:**
A brand is essentially a covenant of faith. It is a promise that includes both tangible and intangible attributes. Brand consciousness is intimately connected with people's desire to differentiate and seek different identities. Studies on brand consciousness point to a distinct trend towards its increase. The entire perception of a brand has changed in some ways. A brand is no more a mere statement of financial status of a person but is more a reflection of a mindset. Today's consumers want better and innovative offerings that are customised to their needs. With increasing variety of brands to choose from, consumers have grown finicky. Brands that do not offer differentiating or competitive edges are becoming mediocre. In other words, increased brand consciousness is a concomitant of a more individualised consumer. Consumers are rarely sticking to a particular brand if they do not get a perceived value proposition from it.

On the other hand, wake-up calls to brand managers are ringing loud. A significant number of consumers don't recall brands. This is especially true in the menswear segment. Though youngsters are becoming more fashionable, they are also creating their own identities – often ignoring the brand in the process. The capriciousness of the youth has frequently rejected set brand appeals.

**Some successful brands:**

**Benetton**
The United Colours of Benetton sees a huge potential in the Indian market and on the anvil are high street megastores across the country, some 20 more by 2007-end through the franchisee route. Benetton recently bought out the stake owned by the DCM group in a 10-year-old 50:50 joint venture companies to set up a 100 per cent subsidiary. Benetton currently operates 61 stores across India. Those that do not conform to the brand's international stature will be closed down or renovated. With a turnover of Rs 65 cr (Rs 10 crore growth over 2003), 80 per cent was from company owned (14) stores, 20 per cent from franchised (17) stores. With no
plans in MBOs, it will go in for space expansion in shop-in-shop formats, large flagship stores and women’s exclusives.

**Raymond**

The Rs 1,500 crore Raymond Group retail expansion plans within the Raymond format include 22 exclusive stores for both fabrics and apparel, four each for Park Avenue, Parx and Be:, and two for Manzoni. Manzoni will, however, be available also across 7 shop-in-shops. Park Avenue and Parx will be available across 950 more MBOs. The brands are already available across 310 exclusive Raymond outlets notching Rs 500 crore sales at retail shelves in 2004, making it the largest fashion retail company of India.

**Colourplus**

A brand that revolutionised menswear and had them donning all hues of the rainbow and manfully too – Colorplus, in which Raymond has a stake, saw its total MRP sales increase by over 20 per cent – up from Rs 80 cr in 2003 to Rs 98 cr in 2004. In 2005, the company expects a further growth with sales projected to increase by slightly less than 20 per cent to reach a figure of Rs 115 cr. Increased sales are expected to come from more outlets in more cities, but the average floor area in all formats will be kept frozen. The company operates through both company-owned and franchised SBEs. The total number of SBEs through which Colorplus sold its products decreased from 21 in ten cities in 2003 to 20 in 11 cities in 2004. In 2005, the company extended its presence in SBEs to 33 outlets spread over 14 cities. While sales increased by only Rs 1 cr in 2004 from Rs 24 cr, in 2003 in this format, ColorPlus expects sales from SBEs to register a 20 per cent plus growth to reach Rs 30 cr in 2005. The average floor area in this format remains constant at 800 sq ft.

Not much is expected on the MBC front, with all such outlets being franchised. The number of outlets, in fact, will be brought down to two from three in 2003 and 2004. Sales figures are projected to increase marginally to Rs 10 cr. The figures for 2003 and 2004 were Rs 8 cr and Rs 9 cr respectively.

Though Colorplus does not operate through either department stores or MBOs, the total number of shop-in-shops increased from 125 in 50 cities in 2003 to 162 in 52 cities in 2004. The company will be extending its presence in such stores to 170 outlets spread over 55 cities in 2005. While sales increased by a quarter in 2004 from Rs 48 cr in 2003, Colorplus expects sales from department stores to register a 10 per cent plus growth to reach Rs 75 cr in 2005. The average floor area remains constant at 200 sq ft.
**Wills lifestyle**

Wills Lifestyle, on the other hand, operates through both company-owned and franchised SBEs as well. The company had curtailed operations through SBEs in 2004 by selling its products from 42 outlets (26 company-owned and 16 franchised) in 33 cities in 2004, down from 48 outlets (25 company-owned and 23 franchised) in 38 cities in 2003. Wills Lifestyle plans to operate through 36 company-owned SBEs and 16 franchised SBEs – 52 in all – in the same number of 33 cities in 2005. The average floor area, however, will be increased from 1,190 sq ft in 2003 and 1,290 sq ft in 2004 to 1,400 sq ft in 2005. Wills Lifestyle does not retail through MBCs.

As far as department stores are concerned, Wills Lifestyle extended its presence from 16 (eight cities) in 2003 and 30 (nine cities) in 2004 to 35 (nine cities) in 2005. The average floor space, however, have seen a much larger expansion: up from 100 sq ft in 2003 and 150 sq ft in 2004 to 175 sq ft in 2005. The company’s presence in MBOs will remain confined to 60 outlets, and the average floor area, which was increased from 75 sq ft in 2003 to 100 sq ft in 2004, will remain unchanged. The overall thrust of Wills Lifestyle apparently is not so much through more outlets, as it is through increased floor areas.

**John Players**

Wills’ mass market brand, John Players plans to increase its number of franchised SBEs from 19 in 11 cities in 2004 to 40 in 28 cities in 2005. The average floor area will remain unchanged at 500 sq ft. The number of department stores through which John Players products are available will remain unchanged in 2005 at four outlets in four cities with an average floor area of 120 sq ft. Those for MBOs and shop-in-shops too would remain unchanged: 2,400 outlets in 427 cities with an average floor area of 50 sq ft and two outlets in two cities with an average floor area of 300 sq ft respectively.

A largely formalwear brand, the total MRP sales for John Player jumped by 40 per cent – up from Rs 25 cr in 2003 to Rs 35 cr in 2004. In 2005, the company saw increase by more than 40 per cent to reach a figure of Rs 50 cr. Most of this growth is expected from more outlets in more cities; the average floor areas would not be undergoing drastic changes. Givo will also not be launching its own company-owned SBEs or MBCs.

**Givo**

Among company-managed outlets, Givo operates through franchised SBEs and franchised MBCs. The total number of SBEs remained constant at three in three cities in 2003 and 2004.
The company extended its presence in SBEs to seven outlets spread over seven cities in 2005. While sales increased by almost one-thirds in 2004 from Rs 2.25 cr in 2003, Givo expects sales from these SBEs to register an identical growth in 2005 to reach Rs 4 cr. The total number of MBCs increased from 18 in 11 cities in 2003 to 23 in 16 cities in 2004. The company extended its presence in MBCs to 30 outlets spread over 20 cities in 2005. While sales increased by almost one-thirds in 2004 from Rs 2.25 cr in 2003, Givo expects sales from these MBCs to register a much larger two-thirds growth to reach Rs 5 cr in 2005.

Givo has a much larger presence in MBOs. The total number of MBOs through which Givo operated increased from 133 in 47 cities in 2003 to 145 in 58 cities in 2004. The company will be extending its presence in MBOs to 175 outlets spread over 70 cities in 2005. While sales increased by 45 per cent in 2004 from Rs 20 cr in 2003, Givo expects sales from MBOs to register a 40 per cent plus growth to reach Rs 41 cr in 2005. The average floor area remained constant at 100 sq ft in 2003 and 2004, but increased to 125 sq ft in 2005.

The total MRP sales for Allen Solly Menswear increased by a close to 20 per cent – up from Rs 90 cr in 2003 to Rs 107 cr in 2004. In 2005, the company saw a steady growth to reach a figure of Rs 128 cr.

**Allen Solly Menswear**

Allen Solly Menswear sells through both company-owned and franchised SBEs. The total number of SBEs through which the company sold products increased marginally from 29 in 26 cities in 2003 to 30 in 26 cities in 2004. The company expanded its presence in SBEs to 39 outlets spread over 28 cities in 2005. While sales increased by Rs 2 cr in 2004 from Rs 13 cr in 2003, Allen Solly Menswear sales from SBEs increased to Rs 21 cr in 2005. The average floor area remains constant throughout at 1,000 sq ft.

In case of MBCs, the total number of Allen Solly Womenswear outlets increased marginally from 50 in 12 cities in 2003 to 59 in 16 cities in 2004. The company expanded its presence in these MBCs to 77 outlets spread over 28 cities in 2005. While sales increased by Rs 5 cr in 2004 from Rs 17 cr in 2003, Allen Solly Menswear saw sales from SBEs growing by more than 40 per cent to be Rs 32 cr in 2005. The average floor area remains constant throughout at 500 sq ft.

As far as department stores are concerned, the total number of these outlets increased marginally from 23 in eight cities in 2003 to 25 in the same number of cities in 2004. The company expanded its presence in these stores to 38 outlets spread over 11 cities in 2005.
Sales went up from Rs 13 cr in 2003 and Rs 16 cr in 2004 to Rs 19 cr in 2005. In case of shop-in-shops, the total number of these outlets increased from 165 in 75 cities in 2003 to 182 in 82 cities in 2004. The company expanded its presence in these shops to 200 outlets spread over 87 cities in 2005. Sales grew up from Rs 40 cr in 2003 and Rs 47 cr in 2004 to Rs 50 cr in 2005.

Allen Solly Menswear does not, however, expect much from MBOs, and will be curtailing operations in this format. The number of these outlets will, in fact, be brought down from 42 in 18 cities in both 2003 and 2004 to just 24 in 10 cities in 2005. Sales from this format are dipping from Rs 7 cr in 2003 and 2004 to Rs 6 cr in 2005.

The total MRP sales for Allen Solly increased by more than one-third – up from Rs 103 cr in 2003 to Rs 139 cr in 2004. In 2005, the company saw a steady growth to reach a figure of Rs 160 cr.

**Van Héusen**

Van Heusen sells through both company-owned and franchised SBEs. The total number of SBEs through which the company sold products increased marginally from 15 in 15 cities in 2003 to 18 in the same number of cities in 2004. The company expanded its presence in SBEs to 20 outlets spread over 16 cities in 2005. While sales increased by Rs 4 cr in 2004 from Rs 14 cr in 2003, Van Heusen saw sales from SBEs growing by almost 40 per cent to be Rs 25 cr in 2005. The average floor area also increased from 900 sq ft in 2003 and 1,200 sq ft in 2004 up to 1,400 sq ft in 2005. In case of MBCs, the total number of Van Heusen outlets increased marginally from 50 in 20 cities in 2003 to 59 in 24 cities in 2004. The company expanded its presence in these MBCs to 77 outlets spread over 28 cities in 2005. While sales increased by Rs 10 cr in 2004 from Rs 18 cr in 2003, Van Heusen saw sales growth from SBEs to Rs 32 cr in 2005. The average floor area also increased from 500 sq ft in 2003 and 2004 up to 550 sq ft in 2005.

As far as department stores are concerned, the total number of these outlets increased marginally from 20 in seven cities in 2003 to 27 in nine cities in 2004. The company will be expanding its presence in these stores to 40 outlets spread over 12 cities in 2005. Sales grew up from Rs 10 cr in 2003 and Rs 17 cr in 2004 to Rs 19 cr in 2005. In case of shop-in-shops, the total number of these outlets increased from 148 in 68 cities in 2003 to 167 in 78 cities in 2004. The company expanded its presence in these shops to 180 outlets spread over 86 cities in 2005. Sales grew up from Rs 37 cr in 2003 and Rs 47 cr in 2004 to Rs 52 cr in 2005.
Van Heusen, however, expects less from the MBO format. The number of these outlets increased from 300 in 160 cities in 2003 and 316 in 168 cities in 2004 to the same number but in 35 cities in 2005. Sales from this format increased from Rs 24 cr in 2003 and Rs 30 cr in 2004 to just Rs 31 cr in 2005. The average floor area remains constant throughout at 100 sq ft.

**Louis Philippe**
The total MRP sales for Louis Philippe increased by a little more than a quarter – up from Rs 120 cr in 2003 to Rs 153 cr in 2004. In 2005, the company expects a lesser growth rate of around 20 per cent but will reach Rs 184 cr.

Louis Philippe also sells through both company-owned and franchised SBEs. The total number of SBEs increased marginally from 13 in 13 cities in 2003 to 15 in 14 cities in 2004. The company will be expanding its presence in SBEs to 20 outlets spread over 17 cities in 2005. While sales increased by as much as 50 per cent in 2004 from Rs 20 cr in 2003, Louis Philippe expects sales from SBEs to grow by almost two-third to be Rs 48 cr in 2005. The average floor area will also be seeing a marginal increase from 2,000 sq ft in 2003 and 2,100 sq ft in 2004 up to 2,200 sq ft in 2005.

In case of MBCs, the total number of Louis Philippe outlets increased from 50 in 21 cities in 2003 to 59 in 28 cities in 2004. The company will be expanding its presence in these MBCs to 77 outlets spread over 38 cities in 2005. While sales increased by Rs 10 cr in 2004 from Rs 25 cr in 2003, Louis Philippe expects sales from SBEs to grow by more than 70 per cent to Rs 60 cr in 2005. The average floor area, which was increased from 800 sq ft in 2003 to 850 sq ft in 2004, will be restored to the 2003 area.

As far as department stores are concerned, the total number of these outlets increased marginally from 23 in seven cities in 2003 to 28 in eight cities in 2004. The company will be expanding its presence in these stores to 35 outlets spread over nine cities in 2005. Sales are expected to go up from Rs 12 cr in 2003 and Rs 14 cr in 2004 to Rs 18 cr in 2005. In case of shop-in-shops, the total number of these outlets increased from 97 in 42 cities in 2003 to 111 in the same number of cities in 2004. The company will be expanding its presence in these shops to 125 outlets spread over 50 cities in 2005. Sales are expected to go up from Rs 30 cr in 2003 and Rs 43 cr in 2004 to Rs 48 cr in 2005.

Louis Philippe, however, expects less from the MBO format and will be curtailing operations drastically on this front. The number of these outlets, which were brought down from 155 in 55 cities in 2003 to 135 in the same number of cities in 2004, will be reduced further to 130 outlets...
in the same cities in 2005. Sales will be plummeting from Rs 33 cr in 2003 and Rs 31 cr in 2004 to just Rs 10 cr in 2005.

**Peter England**

The total MRP sales for Peter England increased by a little more than a quarter – up from Rs 120 cr in 2003 to Rs 150 cr in 2004. In 2005, the company expects a marginally higher growth to reach Rs 190 cr. The total MRP sales for Peter England increased by a little more than half – up from Rs 7 cr in 2003 to Rs 11 cr in 2004. In 2005, the company expects a much higher growth rate of around two-third to reach Rs 18 cr.

**Blackberrys**

Blackberrys, with total sales at Rs 60 crore in 2003, Rs 80 crore in 2004 and grew to Rs 105 crore in 2005, saw 33.33 per cent growth in 2004 over 2003, 31.25 per cent in 2005 over 2004. It increased its number of exclusive outlets from 7 in 2003 to 10 in 2004 and opened five more by 2005. It has increased its presence in department stores from 21 across 8 cities in 2003 to 33 across 12 cities and plans to be available at a total of 45 such stores across 17 cities by 2005. Its presence in MBOs has gone up from 510 in 2003 across 191 cities to 580 (225 cities) in 2004 to 650 across 250 cities in 2005. In shop-in-shops it maintained a number of 10 across six cities during 2002-03. 2005 it plans to move to two more cities across 14 points.

**Fast Fashion**

If we try to define funwear we can define it by as neither sportswear nor activewear. We would like to call it so, as just to cut into the high stress that marks modern day living, brands are forging out newer territories in the mindscape of consumers. Also called informalwear, it features jeans, casual shirts, t-shirts, and the hot emerging niche categories like clubwear and partywear too can be incorporated here. There are brands that deal with both formalwear and also bring out lines in informalwear. These are the brands that are faring rather well.

**Provoke**

Take for instance Provogue, best endorsed by Fardeen Khan, the Bollywood heartthrob. The total MRP sales for Provogue grew by as much as 45 per cent – from Rs 41.03 cr in 2003 to Rs 59.79 cr in 2004. The company’s sales increased by almost a quarter in 2005 to reach Rs 73.69 cr. Provogue’s growth will be coming from more outlets, more cities and marginal increase in the average floor area.

Operating through company-owned exclusive stores, its number of outlets increased from 46 in 17 cities in 2003 and 60 in 19 cities in 2004 and projected to go up to 81 in 21 cities in 2005.
The average floor area, which was 1,050 sq ft in 2003 and 2004, will be increased marginally to 1,100 sq ft in 2005. As far as MBCs are concerned, all such outlets are franchised. The number of MBCs will be increased from 35 in 14 cities in 2003 and 40 in 15 cities in 2004 to 77 in 16 cities in 2005. The average floor area, which was 1,070 sq ft in 2003 and 2004, will be increased marginally to 1,150 sq ft in 2005.

**Tuscan Verve**

Yet another relatively young brand, Tuscan Verve, all of three years old in the market, saw total MRP sales increase by a mammoth 150 per cent – from Rs 6 cr in 2003 to Rs 15 cr in 2004. The company now expects sales to increase by double in 2005 to reach a figure of Rs 30 cr. The growth out be coming from more outlets, more cities and marginal increase in the average floor area is most formats.

Among company-managed outlets, Tuscan Verve operates only through franchised exclusive stores. The company has increased their presence to eight outlets in five cities in 2005. These would be up from five in three cities in 2004 and just one outlet in one city in 2003. Sales turnover was Rs 3.5 cr in 2005, an increase of about one-third over 2004. Sales in 2003 were Rs 0.6 cr. The average shelf space/floor area, which was 800 sq ft in 2003 and 2004, will be increased to 1,200 sq ft in 2005.

As far as department stores are concerned, the number of outlets increased from 13 in eight cities in 2003 to 22 in ten cities in 2004. The company increased its presence in these stores to 40 outlets spread over 14 cities in 2005. While sales increased by almost 90 per cent in 2004 from Rs 1.7 cr in 2003, Tuscan Verve expects sales from these stores shooted up three times to Rs 9 cr in 2005. The floor area was increased by 50 sq ft to 250 sq ft in 2004, but will be kept at the same level in 2005.

Among MBOs, the number of outlets increased from 30 in five cities in 2003 to 85 in ten cities in 2004. The company increased its presence phenomenally in these stores to 150 outlets spread over 13 cities in 2005. While sales increased by a little more than 100 per cent in 2004 from Rs 3.2 cr in 2003, Tuscan Verve expects sales from these MBOs to be Rs 12 cr in 2005. The floor area was increased by 50 sq ft to 100 sq ft in 2004, and will be increased further to 125 sq ft in 2005.

In case of shop-in-shops, the number of outlets increased from two in two cities in 2003 to ten in four cities in 2004. The company increased its presence in these shops to 20 outlets spread over six cities in 2005. While sales increased by five times in 2004 from Rs 0.5 cr in 2003,
Tuscan Verve expects sales from these shops to more than double to Rs 5.5 cr in 2005. The floor area was increased by 50 sq ft to 250 sq ft in 2004, but will be kept at the same level in 2005.

**Classic Polo**

Classic Polo, on an expansionist mode, saw total MRP sales increase by over 45 per cent – up from Rs 10.98 cr in 2003 to Rs 16 cr in 2004. In 2005, the company saw a big growth with sales increasing by close to 90 per cent to reach a figure of Rs 30 cr. The company plans to increase its SBEs (both company-owned and franchised) from nine in six cities in 2004 to 20 in 2005. Classic Polo also extended its presence in department stores from 40 in 12 cities in 2003 and 60 in 20 cities in 2004 to 80 in 2005. It plans to enlarge operations through MBOs in a big way. The number of outlets increased from 800 in 2003 and 1,000 in 2004 to 1,500 in 2005. In case of shop-in-shops, the number of outlets increased from 20 in 20 cities in 2003 and 40 in 28 cities in 2004 to as many as 100 in 30 cities in 2005.

**Pepe**

Pepe, with a strong denim component claiming a 30 per cent market share in the premium segment, too saw handsome increases in its total MRP sales – more than 60 per cent – from Rs 81 cr in 2003 to Rs 131 cr in 2004 and the company’s sales increased by almost two-thirds in 2005 to reach a figure of Rs 217 cr.

Pepe operates through both company-owned and franchised SBEs. The total number of SBEs increased from 13 in nine cities in 2003 to 25 in the same number of cities in 2004. The company increased its presence in these SBEs to 45 outlets spread over 13 cities in 2005. While sales increased by almost three times in 2004 from Rs 7 cr in 2003, Pepe sales from SBEs registered a 150 per cent growth to Rs 50 cr in 2005. The average floor area was increased from 600 sq ft in 2003 to 800 sq ft in 2004, and will be further increased to 950 sq ft in 2005.

Pepe is not much active in department stores. The total number of stores through which Pepe sold increased from 41 in 14 cities in 2003 to 54 in 20 cities in 2004. The company increased its presence in these stores to 66 outlets spread over 24 cities in 2005. While sales increased by 50 per cent in 2004 from Rs 20 cr in 2003, Pepe sales from these stores registered another 50 per cent increase to be Rs 45 cr in 2005. The average floor area was increased from 180 sq ft in 2003 to 260 sq ft in 2004, and was further increased to 320 sq ft in 2005.
Pepe has a much larger presence in MBOs. The brand obviously sells well, stands out among other brands and is quite sought after by the young and the old alike. The brand positioning is casual. The total number of MBOs through which the company operated increased from 280 outlets in 48 cities in 2003 to 320 in 53 cities in 2004. The company increased its presence in MBOs to 400 outlets spread over 57 cities in 2005 and while sales increased by 50 per cent in 2004 from Rs 22 cr in 2003, Pepe sales from these stores increased by a shade more than 50 per cent to Rs 50 cr in 2005. As far as shop-in-shops are concerned, Pepe has an equally large presence. The total number of such shops through which Pepe operated increased from 420 in 72 cities in 2003 to 480 in 80 cities in 2004. The company increased its presence in these stores to as many as 600 outlets in 85 cities in 2005. While sales increased by 50 per cent in 2004 from Rs 32 cr in 2003, Pepe’s sales from these shops maintained a steady growth of 50 per cent to reach a figure of Rs 72 cr in 2005.

Spykar

Yet another fun brand, Spykar has been seeing great jumps. Its exclusive stores increased from five in four cities in 2003 to 13 in seven cities in 2004. The company increased its presence in these SBEs to 30 outlets spread over 15 cities in 2005. While sales increased by 225 per cent in 2004 from Rs 2 cr in 2003, Spykar’s sales from SBEs remained around Rs 15 cr in 2005. The average floor area was increased from 500 sq ft in 2003 to 750 sq ft in 2004, but was kept constant in 2005.

The total MRP sales for Spykar increased by more than one-thirds – from Rs 24 cr in 2003 to Rs 35 cr in 2004. The company now expects sales to increase by more than 40 per cent in 2005 to reach a figure of Rs 50 cr. Good going.

Projections from department stores are not much different. The total number of stores through which Spykar sold increased from 31 in 12 cities in 2003 to 38 in 15 cities in 2004. The company will be increasing its presence in these stores to 50 outlets spread over 18 cities in 2005.

Spykar has a big presence in MBOs, but over a fewer number of cities. The total number of MBOs through which the company sold increased from 315 outlets in just 22 cities in 2003 to 357 in 30 cities in 2004. The company increased its presence in MBOs to 395 outlets spread over 41 cities in 2005. As far as shop-in-shops are concerned, projections are not much different either. The total number of such shops through which Spykar operated increased from
35 in ten cities in 2003 to 43 in 15 cities in 2004. The company increased its presence in these stores to 50 outlets across the same number of cities in 2005.

**Levi's**

Multinational brand Levi's has expansion plans on all fronts. The number of franchised SBEs increased to 56 in 2005, up from 49 in 25 cities in 2004. There were 36 of these outlets in 2003. The number of department stores through which Levi's sold increased to 51 in 2005, up from 40 in 11 cities in 2004. There were 32 of these outlets in 2003. The number of MBOs through which Levis also operated increased to 450 in 2005, up from 354 in 142 cities in 2004. There were 260 of these outlets in 2003. The number of shop-in-shops through which Levi's sold its products is increased to 105 in 2005, up from 80 in 32 cities in 2004. There were 65 of these outlets in 2003.

**Sportswear and activewear**

This is one segment that’s growing by leaps and bounds. Health and fitness are a big prerogative with the modern metrosexual, retrosexual males, females, Dinks (double income no kids) and will soon be with kids too.

**Nike**

Tapping into this market, Nike increased its presence through company-managed outlets from 95 in 2004 to 140 in 2005. It plans to increase its presence in 124 such SBEs; up from 70 in 2004. The average floor area will remain constant at 1000 sq ft, but these would be over 28 cities in 2005 – three more than in 2004. It also plans to increase its presence in 35 MBCs; up from 25 in 2004. The average floor area will increase marginally from 350 sq ft to 375 sq ft. Not much change is expected as far as department stores are concerned. The number increased from 15 in 2003 to 23 in 2005 over the same seven cities. The average floor area will, however, rise by 80 per cent to 360 sq ft. Nike, however, does not have company-owned SBEs or MBCs: all such outlets are franchised.

**Reebok**

Reebok has cashed in on both the growing market for its core USP and also recognised the new breed of woman. It is perhaps the only brand to open an exclusive outlet for women in 2004. The total MRP sales for Reebok shot up by almost 40 per cent – from Rs 185 cr in 2003 to Rs 258 cr in 2004. The company's sales jumped by more than 50 per cent in 2005 to clock a figure of Rs 400 cr.
Reebok's expansion plans do not include increase in the average floor area which remains constant at 1,000 sq ft over the three years considered. The number of outlets, however, increased from 102 in 47 cities in 2003 to 136 in 52 cities in 2004. This number expanded to 200 outlets in 56 cities in 2005. As far as department stores are concerned, the number of outlets increased from 120 in 20 cities in 2003 to 142 in 2004. Reebok did not expand to more cities. However, in 2005, the company expanded to as many as 40 cities and doubled up operations to as many as 290 such stores. The total sales from department stores in 2004 were Rs 20 cr – an increase of 25 per cent over 2003. This is increased by little more than double to Rs 43 cr in 2005 but surprisingly, the average floor area, which saw no change in 2004 over the previous year lessened by 50 sq ft to 250 sq ft in 2005.

On the MBO front, the number of outlets increased from 1150 in 80 cities in 2003 to 1258 in 100 cities in 2004. Reebok increasing its presence in such MBOs to 1500 outlets spread over 120 cities in 2005. Reebok does not sell either through MBCs or shop-in-shops, and all its SBEs are franchised.

**Influence of Bollywood (Hindi film industry) on the fashion industry:**

A nation almost hysterical about its film stars a nation that hums the same ditties whenever a film is set to hit the box-office. A nation where Bollywood could well is synonymous with a ramp that entertains the Indian mass with a song-music-dance and a story where fashion seduces in a riot of wispy chiffons, luxurious silks, casual skirts or natty shirts and trousers.

Fardeen 'Provogue' Khan gave the shirt brand an aspirational quality, the magic of Amitabh Bachchan bonded better than Pierce Brosnan in the desi market for Reid and Taylor.

The Dilip Kumar lock of floppy hair on the forehead, Raj Kapoor's tuft of moustache on the upper lip, the Sadhana cut, Asha Parekh styled body-hugging kurtas, flower powered Zeenat Aman, the bell bottoms of Amitabh Bachchan, Rishi Kapoor, Neelam Kothari's khajuri choti or Rati Agnihotri boogy - woogeing to a disco beat nose stud et al – across the eras they have been followed with élan.

In recent times, men, young and old, revelled in a goatee a la Aamir Khan in *Dil Chahta Hai*. A little later the tattoo, bindi and kajal got artistically bold as Kareena Kapoor brandished it wherever possible on her body in the historical *Asoka*. Nothing governs a people across any part of the globe as much as their film stars – be it Hollywood or Bollywood. When the talk is on why Indian retail wants more fashion, is it not time then to work out ideas that can propel this segment further?
And this is where Bollywood comes in. Earlier, before perestroika (restructuring) or glasnost (openness) or the advent of liberalisation, before cable channels exposed the masses to a Gucci, Versace, Louis Vuitton or before fashion shows were read of in newspapers or magazines, it was only when a film hit the box-office that a fashion trend established itself. Clothes and accessories used by film stars raise the biggest amount at any auction show. When film stars wield the gavel at an auction, or even a mere participation by them, rakes in a lot more moolah than what any other star from any other stream could ever fetch.

Cricketers come second best. It’s a different story that theirs is the only breed that could overtake film stars as style icons if only they won games as readily as they endorse products.

The Hrithik Roshan and Esha Deol starrer Na Tum Jaano Na Hum by Pantaloon Retail merchandised the soft toys in the film and apparel through Pantaloons and Shoppers’ Stop, Koi Mil Gaya’s stuffed and soft Jadoo was a hit with the kids and in the recent times Pantaloons strategised the same concept with the film “Krish”. Mumbai-based Biba had tied up with Pantaloons in this and thereafter Biba also associated itself with Baghban and got Neeta Lulla to tweak the saris worn in Devdas into salwar suits. Bollywood is in this unique position of influencing fashion trends and can easily become the primary driver of fashion industry. Each film needs to be not just a film but a brand advocating like its music, also the apparel and other merchandise used in it.

A boulevard with not just merchandise like soft toys, CDs, DVDs, but also apparel, footwear, accessories, jewellery, home furnishing, film posters and the like. Mumbai is the place to launch this.

Each time that a film releases it showcases, apart from caps, stuffed toys, etc also the styles and range of wear – be it accessories, footwear, jewellery that the stars sport in the film. Each film is a brand in itself, and as each film releases we have a fresh new brand of fashion and lifestyle products pushing fashion among the masses. Unity in diversity is what India has been representative of, and if there is one common factor that binds the nation across geographical boundaries, language, religion, caste or creed it is Bollywood and what better than Bollywood to serve as the vehicle to promote fashion? A group of people or a corporate house or an independent organisation could work as the umbrella organisation that could be the interface with designers and a Pantaloon or Raymond or Shoppers’ Stop or any other such corporate body could form a division or a company to launch this venture. After all, selling fashion products is a perception game. While the product needs to be inherently good and wearable,
the aspiration value comes from its association with a leading personality who the masses idolise and look up to.

This model could be similar to Zara's model in Europe where they are able to bring out products in very short lead time, from concept to retail. The only difference would be that the concepts would be communicated to the masses through films and then based on the audience response, the concepts would have to be converted into merchandise and made available at retail shelves in a short period of time. The critical success factors for such a venture would be wide linkages with film production houses, integration of marketing into the film promotion plans and a lean supply chain that works on very short lead times. However, unleashing the Bollywood Boulevard potential requires significant and sustained efforts in developing the back end supply chain and then making the products available in short period of time through organised retail chains.

This kind of system cannot be organised by a few designers or film production houses, since they would only be interested in products designed by them or merchandise for their films. Such a venture could only be initiated by organised retail chains which have significant number of retail points across the country to ensure minimum sales volumes and back end linkages with suppliers who could produce the merchandise in rapid quick time.

The fashion merchandise should be made available not at the Boulevard alone, but on the Net, television and mobile platform too, but only as so far as they are just another platform on which the products are readily available. The tweens and homemakers make good target here. Women get drawn to good bargains – cost, high or low, label Pantaloons or Gucci is not a factor, as long the price justifies the quality.

This could be a concept mall, or a filmi high street worked out like a film set with props and characters from several films and have a retail mix of food, apparel, jewellery, footwear, other accessories, home and office furnishings, and perhaps even provide a platform for aspiring talent to showcase their wares in rotation – but all related to the film world. There could be competitions for fashion designers, prop makers, choreographers, lighting guys, chefs, playwrights, and lyricists. The list is endless. Some of the joints or a space could also be leased out to focus on any one film, which could be the rage of the times to sell specific merchandise.
Consumer aspects observed in the Apparel Sector:

Increasing disloyal young customers:

It is a conflict that spells a substantial challenge for apparel marketers, because branding and loyalty need to go hand in hand if an apparel label is to thrive in the long run. It is being revealed that the percent of contribution logos make to the customer's loyalty to one brand or another has decreased dramatically for the last two years in a row. Traditionally, international apparel brands have thrived on making consumers buy every season. In India, however fashion forward the consumers may be, changing the wardrobe every season may be marketers' fantasy but is far removed from reality. The Indian fashion market in that sense today is actually reflecting the international trend towards value versus logo. Consumers own many different brands of clothing and show a proclivity to consider style, fabric, and price over brand name. In a market, which was earlier starved of “foreign goods”, the Indian consumer has never had it so good. Consumers are constantly switching to the newest and latest brands. However, even if the consumers do not belong to the trendy fashion forward set, but most of them are likely to have several brands of shirts and trousers in their wardrobe. This is especially true in the officewear segment, relaxed and partywear segments for all adult consumers. The only segments that seem to have a highly loyalty index is that of men's underwear and sportswear. The men's intimate wear has a high loyalty factor mainly because for many consumers – particularly men, underwear is not a fashion apparel item, and thus contains less potential for self-expression or aspirational purchasing although the scenario is changing now and more and more men are likely to expose their underwears as a part of fashion statement. While brand loyalty in the sector is high, this loyalty seems to be built around issues of perceived comfort and value, rather than perceived fashion and status. But this trend is also gradually changing as even underwear segment is also becoming a fashion statement to b expressed. Frequently, the brand loyalty is as much to the store as it is to the apparel.

Sportswear as a category is huge both nationally and internationally and has a highly loyal customer base of customers who participate in sports and fitness activities. Here, price is not a driver. People who are active sports participants are much less motivated by price than by the quality of a product. However, this segment is much smaller in India and most Indians are sporadic buyers of sportswear.
Increasing loyalty among the children:
As opposed to the adult apparel market, the children's segment depicts a high loyalty index. It has been seen that children begin to recognise product brands at about twenty four months. As a result, companies have pushed up the starting line of product promotion in order to make their mark before competitors do. A growing number of companies are looking at children as potential adult customers. Companies such as banks, car manufacturers, and hotels are hoping to build relationships with children that will continue throughout adulthood. Many companies are aiming even younger. Several media groups publish kids' editions of their mainline magazines. In the apparel market also most of the brands are expanding their merchandise into the kidswear and most of the retail chains are also expanding their assortments to the mentioned segment just to build up the loyalty status from very beginning. Some companies, such as McDonalds, have for decades sought to turn kids into life-long customers. New aspects about brand consciousness among preschoolers have prompted other firms across the spectrum of businesses to follow suit. The realities of retail economics make it difficult for marketers to hold back. Spending power among “tweens” (8-12-year-olds) has surged, as have the volume and variety of products being offered. With dozens of brands of jeans to choose from, for example, the peddlers of teen fashion are now directing their products to kids in middle school. So it has become important for the adult retailers also to give a look into the buying pattern of the children as because today's children are tomorrow's adults and they will be the shaping the market after some year span of time.

Building the relationship between customers and brands
People trust brands and specialised branding builds people's confidence. The customers know what to expect from the brands. Customers want to believe in a brand and in the company behind a brand. However, most apparel retailers seem to build brands through mass media, forgetting that the customer touchpoint is equally important in building the brand. Today, customers buy experiences and not brands or products. Most branded apparel retailers are trying to contact customers in whichever way possible and are spending vast amounts of money on developing the brand and yet they are not ensuring that the actual customer experience is aligned to the brand promise. Most apparel brands actually seem to have moved from a relationship strategy towards a discount strategy, while at the same time they are projecting as brands, which are not available. The message constantly tried to be given is that the brand is not being discounted
but it is the store that is doing the discounting. But the question comes here is that will it really help in the long run when the value of the brand gets diminished by such regular discounting. Loyalty cards have been tried with, but have had mostly disappointing results. There may be schemes but ultimately very few customers really avail it at the end of the year.

Most apparel retailers seem to have given up on trying to develop relationships and have left it to the MBOs to build footfalls and conversions. There is a danger in this because MBOs are trying to build loyalty towards their retail store and do not really care about the brand in that sense. They also seem to be going the discounting route. An important question again which comes here is that do the relationship programmes truly build loyalty or are they being used by consumers to get discounts. Most of the valuable customers of one store are equally valuable to the competition. Therefore, competition will invariably be trying to woo the customers away from one another. If the competitors succeed then again the retailer have to spend money to acquire them. It's no secret but not said often enough: The lion's share of all the billions spent on marketing is spent teaching and encouraging consumers to be disloyal.

If a brand is forced to compete simply on the basis of price, its price will decline towards the “market centre,” or average retail price. In other words, brands that engage in price competition to gain market share will almost inevitably lose their brand premium advantage over time. Once lost, a premium appears to be difficult, if not impossible, to regain, a pattern refer to as the black hole theory of brands. How can brands avoid losing premium and falling victim to the black hole has become an important question to the retailers.

**Creating Great Shopping Experience for the consumers**

Product quality, price and distribution will become mere satisfiers and customer experiences the true differential. The benefits of creating great experiences are already being seen by some retailers like Shoppers' Stop – who have created a great shopping experience whereas some retailers like Pantaloons have successfully explored mass customisation and web-based customer service initiatives to wow customers. But more than the shopping experience, most of the brands are trying to give customers a unified service experience irrespective of touchpoint. Customers get communication that is relevant to them, store staffs are trained to recognise customers and track preferences and most importantly each time the customers interact with them they are made to feel special. Great customer experiences are truly becoming the driving force behind great brands and great retail store. Indian customers need to see companies that identify themselves with their needs. Companies need to move beyond
capturing customer information to creating unique experiences that are based on customer needs. The format of these experiences could be based on collaborative partnerships between customers, various companies, their franchisees or partners.

In a competitive product market that has achieved product parity, where almost all apparel manufacturers more or less produce similar products, customers have a cornucopia of choices. In addition, loyalty cards, discount schemes, promotional offers and pricing are all too similar.

At a recent European customer management conference Professor Michael Porter, Harvard Business School, said: "When everything in the marketplace is equal, customers will decide on price" – a scary thought indeed for any retailer. The challenge in these circumstances is to create a zone where the retailer and the customers exist as one and no one else can enter it. It is the experience in the zone that keeps making customers come back again and again, and the company always matches up to customer expectations. This is the ultimate frontier.

The benefits of using customer experience as a differentiator are definitely there. But, most retailers appear to be running just to stand still and doing very less to capitalise this. Unfortunately, poor customer experiences are more common than good ones. Globalisation, technology, and competition are forcibly reducing to a matter of weeks the time from innovation to imitation and a good retailer see that a new differentiator has to be found, and that differentiator is customer experience.

Mass media advertising delivers the brand promise to consumers and they start evaluating the products as a viable purchase option. It is during this evaluation stage that the marketer can convert or lose customers depending on whether one were able to meet or exceed, or fail expectations, which were in any case set by the company when it propagated the brand promise.

Most retailers perceive customer experience to be the ability to create a great environment. Although this is superficially true, it is not so entirely. Great experiences are a summation of the quality of people, the processes and the enabling technologies that ensure consistent and regular delivery.

Companies that have created great experiences have one thing in common. They have departments that work seamlessly. Words and slogans are not there merely for great advertising. They impart a new meaning to each and every department, which needs to deliver that experience.
Creating a compelling brand is the first step to creating compelling experiences. Customers appreciate a brand identity that makes them feel good about themselves as users of the products or services. Making the brand promise credible will gain importance in an increasingly cluttered marketplace. A slogan should translate into actual services, making the brand trustworthy and reliable.

Customers are not just looking for a good deal or convenience. Both ordinary consumers and business customers choose to continue doing business with companies that care about them as people and businesses.

Today's customers are increasingly demanding convenience and freedom of choice. They want a seamless and good customer experience, no matter how they choose to interact through any channel or touch point. The website, the customer care and the store need to act as one. Or else, customers may today receive a promotional offer from the marketing department, two days later the call centre may tell them something different. Customers today are not at the centre of the organisation; bureaucracy is at the heart of everything. The service differential comes about when a company starts looking at things from the customers' points of view.

Most companies measure and monitor the significant factors affecting their businesses. But companies that will pull ahead of the pack are those that take the quality of their customer experiences seriously and measure what matters to them. This is different from measuring satisfaction. Measuring customer experiences is the new mantra of customer insight. This is because customer experiences are dynamic; they are affected by competition, by region and most importantly by the type of people hired.

Customer satisfaction studies worked in the product economy where one could ask customers whether they were satisfied or dissatisfied by the products they had purchased. But today, economy companies must believe that the customer experiences need to be measured everywhere all the time and interventions decided. Research is not the answer, but research leading to fast moving interventions can give results that may exceed one's own expectations.

Customers notice consistent execution. For this, companies need to design back-end processes, avoid any black holes in the process that cannot be looked into, execute and proactively monitor end-to-end performance.

The retailers must gather customer inputs and pilot the offers but one should not annoy customers by bombarding them with offers that they have not indicated any interest in.
The marketers must change the experience model four times a year. Today's business needs to be highly adaptable to changes in the competitive environment. Everywhere new competition is cropping up. Just to keep a watch on the corporate office is not sufficient, the retail executives have to go where the customers are and need to see how employees are relating to them, and change the customer handling behaviour to exceed customer expectations regularly. But, what frustrates customers the most is when the retailer waste their time. To avoid doing this, decision-making should be streamlined. Customers should be offered ubiquitous and convenient access, and processes should be designed using customer scenarios.

Today customers buy experiences and not brands or products. Most branded apparel retailers are trying to contact customers in whichever way possible and are spending vast amounts of money on developing the brand. Yet they are not ensuring that the actual customer experience is reflective of the brand promise. Organisations have been developed as departments, sales, service, marketing, HR and so on, and each department seems to be talking differently to customers.

**Having a proper check on Discount Sale**

Today more and more retailers should realise that a mere announcement of sales would not convert leftover stocks into cash easily and that even heavy discount sales need embellishing and accessorisation. Clearance sales don't entice to customers as much as they used to. There was a time when a 'sale' meant customers would throng the stores, frantically queue up outside for stores to open, fight their way through hordes of shoppers, grasp whatever meets their needs, and then wait patiently to make the payments.

What could be more disconcerting than these sales or discounts are round the year phenomena, so there is nothing special about the occasional sale. Discounting is a useful marketing tool which helps to create a demand for the brand at a lower price, create greater value at the same price, grab market share and create excitement at retail, in addition to clearing old and excess stock and releasing cash. However, if used excessively, it will dilute brand equity, create uncertainty among consumers and the trade and create churn in the market place.

Indian retailing is characterised by a greater percentage of sales at marked down rates. Retailers' projections do not seem to mesh entirely with their projections. Particularly, in merchandise like apparel where fashion changes every season, it's a challenge for brands and
retailers to anticipate what their customer would buy, long before the customer has perceived that want. And subsequently the retailers must find innovative ways to dramatise their 'End of season' sales that will compel customers to come in and buy the leftovers.

In India retailers and brand makers are perhaps little bit privileged in that unlike in the developed markets Indians still are not so fashion savvy and continue to buy and wear the same styles or colours season after season. This is good for the retailers that the retailers need not write off unsold merchandise as complete debt; bad that consumers, this way, will never learn to go for a complete wardrobe change by season. But the younger generations have started liking for disposable fashions and streetwears are flooding the market gradually.

The retailers should try to extract the maximum advantage from “Sale”

With discounts offered round the year, a sale does not mean much to a customer unless and until the merchandise on sale is something special to him, which otherwise he can't afford. So if sales have to serve their purpose they also need to be targeted at a new class of customers – the aspirational class. Retailers need to master strategies that will restrict regular or full price shoppers during their sales period. It is important that shoppers who buy at full price must feel that they are the customers who are fashionable and comes from a separate stratum of the society and not the segment of the clearance sales. Sometime what happens, the full price shoppers purchases some merchandise just few days back than the date when the sale starts and they are unaware that the sale is going to start may be tomorrow itself and when they find out that the same merchandise is being sold at a discount of may be even 30% they feel cheated and dissatisfied. As a result a new phenomenon have been observed in the Indian market that there is a certain segment of customer who waits for the sale to start, as they know very well that the retailer will run the discount for at least three to four times a year and they will get the same merchandise at a far less price. To defend it, the retailers should start the scheme that if any full price shopper has purchased some product may be within fifteen days from the starting of the sale, he will also be extended the sale facility and if he wishes he can get the same amount of discount on the purchased merchandise.

Another way to make sure sale events produce the results the retailer want, is to change the focus, message, and marketing method. If the retailer holds the same kind of clearance or sale event every year, maybe it's time to do something different. Instead of the usual annual two-week clearance on every category of merchandise, holding two or three shorter sale events focused on specific merchandise categories might be more effective. This is being followed by
Pantaloons as it runs four discounts in a year, which are known as after season discount. In response to customer apathy, some stores should begin to hold "Today only" or "Only for few hours" sales and some times "Only for Loyal Members". Since such short interval events cannot justify media publicity expenses, stores should inform their customers by sending messages on cell phones or calling homes. Though a novel idea, for large stores such gimmicks do not work as logistics do not allow such short duration sales. However, they can create corners for clearances time to time. But again if it is done too frequently it creates customer apathy. Holding such sales at other locations or nearby towns and enticing them with some gift vouchers may even get the retailers some new customers in the main stores during the normal sale period.

The marketers can also change the way the event is marketed by using different media. If one has relied on a combination of newspaper ads and direct mail in the past, consider combining radio with direct mail this time. Embellishing the sale with visits of celebrities or inviting a local radio station doing a remote broadcast from the store can certainly do some magic. Many stores announce fabulous schemes offering trips to some exciting locations or even a cruise that attract more customers into their store.

**The bigger challenge is of inducing customers to buy fresh stocks:**

Having done away with season sales the bigger challenge is how to excite the consumer to buy fresh, more so when the concept of trends is yet to catch on. Still in the Indian middle class segment all styles and colours are worn in all seasons and over that the consumer is getting used to discount offers. In today's dynamic and hotly competitive retail environment, there is aggressive posturing to get a larger share of the consumer's wallet. The methodology seems to be to get the customer to buy the brand at any cost. Discounting by brands and retailers is rampant across all segments including the premium segment in the apparel industry. This occurs directly through a straight markdown or disguised discounting. For example, buy 2 and get 1 free, "factory seconds sales" where majority of the garments are fresh quality, etc.

Retailing is cyclical and there are peak selling periods like October-December, as well as numerous moderate to slow selling cycles. When the marketers are experimenting with all kinds of strategies to charge up the sales during off-season, it's still acceptable as because it adds on to the revenue and gives greater sustainability but if the retailers are going for discounting even during the peak seasons it's obviously not a good policy to adopt and the
marketers should rethink about their implementation. According to the statistics of many retail organisations, the October-December quarter, with festivals like Durga Puja, Diwali and Christmas, contribute to almost 60-70 per cent of the total year's sales. And that makes it all the more important to form strategies not to suffer at least during this time. It's a question that most of the retailers have to address convincingly for their survival and growth. If it is festival time the marketers can offer 'more for the same' i.e. extended assortments at the same price zone and not the 'same for less' i.e. not the same merchandise at lower price zone . Some retail stores have started differentiating their new offerings for festivals by not offering any schemes. Footfalls happen for the sheer sake of the new collections and varieties. Some stores believe in providing extended shopping hours in the guise of 'Happy Hours', inviting customers to avail of a special discount of 5-10 per cent on merchandise purchased during these specified hours. A few other department stores like Lifestyle, for instance, believe in a sweepstake offer.

Some retailers are transaction-oriented and they always have discount on their mind. But they need to remember that communication of discounts should not devalue their store and they should not slide down from the general perceive level of the consumers. If the retailer can't get away from discounting merchandise at the store, it is better to be a discount store or might as well work on the concept of 'Every Day Low Price (EDLP) – an emerging trend catching consumers worldwide. Retailers like Walmart in the US and Asda in the UK and Big Bazar in India have been key exponents of the EDLP strategy for a number of years. In its purest form, EDLP is as it sounds: exactly the same low price every time the customer visits the store. In other words, no more price promotions, which mean a re-think on how suppliers attract consumers to their brands and maintain brand equity. EDLP is also associated with Everyday Low Cost (EDLC) which can have positive benefits if jointly vendor and store identifies cost saving initiatives. But, it can also create further challenges if EDLC manifests itself in areas such as range rationalisation.

The idea is to have a clear positioning both in the market and in the consumers' choice set. Many companies have different formats but again the positioning for each format is very clear. Take for instance, Pantaloons. It has opened a chain of Pantaloons Factory Outlets in major cities to clear stocks. But these stores do not clash with the Pantaloons Retail Chain as it all provides discounts on some defective merchandise or on those merchandise which are two to three seasons old. Future Group has positioned them accordingly. And again instead of
discounts Pantaloons mostly comes up with schemes and exchange offers and that too only to clear oddments.

In a scenario where a major segment of consumers have got used to discounts, retailers may not be able to go against the discounts but surely they can do some strategic thinking to shift consumer focus from cash discounts to value additions.

Instead of discounts, gift vouchers or discount coupons can be offered to stores' loyalty club members, like Wills Lifestyle and Westside, to get them in for fresh buys. The company can also reward achievers in schools, colleges or various functions with similar vouchers or tie up with large companies to reward their staff with the gift vouchers. Corporate gifts, bonus for managers and above level executives can be in the form of gift vouchers. In-store promotions (with offering of special discounts/ gifts) can include:

Discount Clubs: Special promotion for customers, who would like to buy their assortments only during discount offers, can be given.

Bring a Friend Club: Special promotion for customers who send or bring new customers to the retail store can also be given.

Celebration Club: Special promotion for customers who would like to celebrate their anniversaries or birthdays at retail stores. The retailer can enroll members with a fee. The retailer will invite all their guests and the invite will be accompanied with a gift voucher of certain rupees, which can be redeemed only at the concerned store, and no guests will be allowed to bring in any gifts from outside.

Wish List Club: Special promotion for customers who register their “wish list” of items they like, with specifications. Anyone wishing to gift their near and dear ones can check with the retailer's registry kiosks and if the name with his or her wish list features in the store programme they can buy gifts that will be useful.

Children's Club: Special promotion for parents and their kids when they come in groups can be provided. Together they will certainly buy more from the store.

Country Club: Special promotion for groups coming from nearby towns i.e. from the outskirts of the cities can also be provided. The retailer can send buses to bring them to Kolkata and can show them around the store. Still the upscale large retail formats is not a very common concept in urban or semi urban region of the country although there can be a necessary amount of purchasing power among some of them.
Collaboration with Brands to add value to the offerings

Instead of offering direct discounts it is always advisable to collaborate with complementary brands and services to offer more value to customers. There have been successful tie-ups like Wills Lifestyle and Titan. Shopping festivals offer enormous opportunities for collaborations. Strategies can be adopted from the Big CP Sale, Gurgaon sale or Times Mumbai Shopping festival where a number of stores, malls or markets get together to announce a mega sale holding various cultural activities alongside. Even if the retailers are running discount sale in their store they should try to negotiate to the maxim and share the cost of discounting with the national brands which can increase their profitability.

The applecart is upset because the fact is that consumers have walked the extra mile and they have changed the market place by shopping elsewhere, where they are getting better deals, may be better merchandise, better comfort even if it means extra effort to go to some far of place. The local markets may have lost the sheen, which triggers impulse to purchase. Mutual co-existence and collaborative opportunities exist here to woo the consumers back, to make the market a preferred destination. The tasks are not about just making a value plus offer but creating the right environment for driving consumer traffic. A very good example of the same is the 'The Dubai Shopping Festival' or other similar activities. Why not create an India shopping festival, to begin with test market 'A Kolkata Shopping Festival', which attracts consumers not just from within the country but even internationally. But to implement such type of policy the retailers need a whole hearted cooperation from the Brand owners. The success of such activities drives and whets up the appetite of even the local consumer thus giving a fillip to the consumption. Such activities provide maximum collaborative opportunities and reason for executing them for mutual co-existence. Mutual co-existence and collaborative opportunities is thus not just about the revenue sharing pattern or an issue of margins for the entire chain. It is where all the links in the chain get together to simply increase the size of the market, rather than try to just carve a bigger market share for themselves. Although now a trend of holding small fair has been noticed in the lower segment of the market in Kolkata but those are more famous for consumer durables and home furnishings.

The marketer can tie the sale event with a local charity donating some portion of the proceeds of every sale. The concept of 'Wardrobe Exchange' offer, which was effectively implemented by Shoppers' Stop and later by Pantaloons is a new policy adopted. But again this is the policy which can be implemented in the upper scale of the market who can afford the same.
What we are trying to communicate here is that without cutting on prices, festivals should offer schemes and prizes that mostly come from outside the fashion portfolio of products and that helps to push fashion sales in volumes as well as quantities. The concept needs to be promoted at an all India level – Plan India Shopping Festival involving not only major markets, malls and brands but also the hotel and tourism industry, airlines, cinema, theatre, entertainment, etc.

The bottom line is to get more customers to spend more money more often through offers and promotions implemented on a regular basis. By meeting the primary market’s needs, establishing new selling cycles, offering existing customers a wider assortment of items and developing promotional strategies to move inventory, your business can grow and maintain consistent sales cycles year-round. Also establishing new selling cycles that complement or augment the retailers’ existing selling cycles would offset any peaks and troughs in the business that might occur during the year.

**Forecasting Apparel Market in India**

Fashion forecasting is an integral requirement for any successful business in the apparel industry. With long lead times in processing a piece of clothing from fibre to a finished product, it is important for a business to be able to anticipate the needs of the consumers. Whether instinctively or through extensive research, every apparel or textile manufacturer, designer and brand in India tries to understand the requirement of their customers well in advance before planning their next season’s range. All segments of the Indian fashion and textile industry today are in some way involved in forecasting — either by working on an individualised forecast after researching with their consumers or by adapting these from international counterparts. But the most important aspect is to go for more regular and scientific mode of forecasting. It is better to anticipate the customer preferences than to thrust something else on them. There are some Indian attempts to impart forecasting information. The business media plays an important role in this regard. Magazines, either individually owned or those belonging to councils, cooperatives of various segments in the industry, take out seasonal forecasts related to their readers. Individual efforts from magazines research the markets and interpret the trends observed in a conclusive forecast.

Then there are various apparels and textile related trade fairs which display trends in their specific industries. For example, Tex Style India held in New Delhi by the Ministry of Textiles. It
forecasts trends in yarns, fabrics, blends, furnishings, trims, and accessories (all inclusive in textiles). Some of its activities:

- Trend Forum – Season's forecast and trends of top designers.
- Fabric Folio - The innovations, concepts, and developments culled from the participating companies and other production centres

Conferences and seminars held by associations like the Textile Association, CII, CMAI, etc give a strong indication on the latest innovations, technologies, and marketing strategies. Individual companies have their own marketing and consumer research teams who analyse the market in depth to predict the future needs. But most of these sources are somewhat limited in their scope — geographically, specific parts of the supply chain, special projects, specific company or clients. There is no cohesiveness or coordination among any for a complete forecast. Most of the forecasts have a Western outlook and rarely explore Indian developments in terms of consumer trends, Indian wear, latest technologies, latest fabrics, and latest retail trends. Every segment of the supply chain in the industry has specific requirement. The information gaps are vividly seen once one explores the industry part-by-part in segments. Most of the textile units based in India are small, so they are dependent for direction on their clients. Textile industry develops fabrics only on manufacturer's demand. Manufacturers include brands, people who produce garments for other brands and retailer's in-house. In this way, they indirectly depend on the manufacturer's trends research. There are some big mills that develop their own ranges and sell them both in India and abroad. These use both international forecasts and their own consumer analysis. The segment directly or indirectly follows the trends set in various trade fairs abroad. The information they require:

- Information of what is latest in fabric development -both internationally and in the country.
- The themes the manufacturers will be working on in the next season
- Changing consumer trends; consumer response as per fabrics
- Global developments and trends in fabrics
- What the trade fairs and ramp collections show
- Global forecasts with Indian sensibilities (especially climate, culture and traditional designs kept in mind).

The bigger retail brands in India like Westside, Wills Sport, etc outsource their designs by hiring foreign design consultants. The design team in India is hired to shape the collection keeping Indian bodies and sensibilities in mind. Or, the brand buys one of the European
forecasts and visits the main fairs like Premiere Vision twice a year. But the information they get is Euro-centric which cannot be applied to India completely. So for the next range, they add in information gained from consumer response and sales figures. For example, retail brand W of TCNS Clothing claims a highly researched and consumer centric design development process with assistance from Jane Neves, a UK based designer. More extensively researched, Coimbatore-based KG Denim has a ‘Fashion Trend Management Group’ which looks at denim trends by following international designers and trends. It is a vertically integrated company for denims wears which has a brand name by the name Trigger. The forecasts are prepared by consulting international forecasts like WSGN and trend magazines like View. Then the moods or themes from these international references are derived. The forecasts include the general consumer wants, the market mood, and the colours in vogue, the fabrics, silhouettes, looks, themes, highlights, trims, embellishments and accessories. It is a fairly detailed and practical forecast to be used by the designers for inspiration for a collection.

Though information on forecasting is found in the industry in bits and pieces, there is no single organisation, which gives it in a comprehensive, holistic and logical way. There is also no coordination between various segments of the industry, which adds to the disorganised structure of the industry.

A single broad fashion direction is essential for each season as the consumer will be able to see and want to become part of it. What becomes important is to interpret the international forecast to suit Indian sensibilities. Alongside, it is important is to keep in view that the Indian fashion scenario is very individualistic and diverse; there is a coexistence of several different things or trends or themes. For a trend to work it has to be visible, it has to start working at the supply chain. The consumer should be able to feel the trends distinctly. This will lead to more sales and lesser stocks for the industry.

There is a need for a forum for all the segments of the industry to get together, but the onus of a forecast should lie with a forecasting agency. The agency that wants to become successful should service organised retailers, brands and consumers.

So what the industry requires is not only a forecasting centre, but also a whole lifestyle-forecasting centre. Instead of concentrating only on clothing and textiles, this agency should also forecast colours for the season across industries (for durables and non-durables), provide an information on the overall view of the consumer, predict what their wants will be and define
the coming changes in their lifestyles – an amalgamation of intensive research cutting across the segments of the supply chain to predict trends.

Broad themes and trends of an Indian fashion season requirement are generally the same as the world over. This means that international forecasts can be reinterpreted according to Indian sensibilities and presented in an Indian context. But one needs to include the requirements of Indian consumers keeping in mind weather changes, culture, social and economical factors. If these key factors are not included, the range developed will be global in trends and might not appeal to regional consumers at all.

The trend of colours follows three divisions — fashion colours, Indian interpretations and classic colours. Forecast 18-24 months before the actual season, colour forecasts are used by the textile industry while developing fabrics. Fashion colours are the seasonal colours, which change according to the trends. The classic colours are the schemes, which remain the same with very subtle differences season to season (For example black and dark blue in trousers for men). For a better judgment, elements for these multiple sources have to be combined and common colours have to be picked up. The above discussion on fashion forecasting should be implemented by the fashion retail industry in a very meticulous manner especially in the case of their private brands.

**International Sources**

The following can be important sources of information at the international levels:

- Influential fashion consumer magazines: Vogue, Elle, etc.
- Hollywood movies have a direct impact on the Indian audience as well, so keep a track of the flashes of colours and themes in the famous ones.
- As Indian teenagers aspire to be like their American counterpart it is good to keep track of the trends coming in youth cultures of the US and Europe.
- Check out trade magazines for guidelines and what the long-term trends are: W, WWD, etc (also for new technologies, revivals coming the way of fashion.
- Check out the Net: fashion websites, e-magazines, websites of directional/designer boutiques, journals on fashion, etc.
- Forecasting agencies and cooperatives of fabrics, which do extensive research on this.

**Circular Marketing.**

We are being forced to re-design to a new level of “micro-nisation” of business units, a “wireless-ising” of mass communication and a “voip-ising” of populace conversations in
marketplaces, under a massive globalisation with highly localised customisation to fit the demands of consumers. The cyber-branding compounding the challenges in this name-driven economy are making corporate image issues sophisticated and not to be confused with the general branding or advertising circuses. The laws of circular marketing clearly point to a very different approach and a dramatically different system, altering the old corporate thinking based on the big image formation and delivery of an overly repeated message to a sophisticated range of ideas via exclusive name identity expansion, digitally supported by an image and followed by real brand delivery. Executives must explore the new laws of building global name icons and cutting edge trends; create new standards to operate in a small yet very 'multi-national-formation-micro-unit-style – thinking extremely big in terms of name functionality in the global arena while operating extremely micro in terms of graphical overloads; and traditional campaigns are now the new standards in circular marketing.

The coming wave of Brands in the Indian Clothing Market

Perhaps the opportunity in the Indian clothing market is far greater than what the current players can cater to. From an opportunity point of view, while there are very good long term prospects for almost all serious international brands, brands or retailers, the arrival of global brands into the country will have a positive effect on the entire textile and clothing business. In 2004, there was a perceptible shift in the expectation and aspiration of the Indian consumer. The shift was in terms of their buying behaviour wherein many consumers made their purchase decisions not only driven by the solitary attribute of price. In many instances, they paid premium for other perceived values such as quality, fashion, reliability, lifestyle connotations, global aspirations, etc. Examples include the explosion in purchase of products such as mobile telephones (where replacement cycles are already as low as 6-9 months now for the average young consumer), automobiles (where entry levels have moved up substantially beyond just the lowest price offers), housing (again, where the entry levels are determined not only by prices but a somewhat flexible budget depending upon a range of other parameters such as recreation amenities, quality of fittings and accessories, neighbourhood and tenant adjacencies, etc). In the situation where consumers have a wide range of attributes in their consideration set, and accordingly, have wider range of options from various manufacturers or suppliers, the impact of branding and brands will be far more forceful than in
the past. This is because brands communicate a certain promise, and in a world full of choices, branding helps consumers in making decisions in the retail market.

Rather than spend more time describing the virtues and the power of branding, let us look at the likely scenario of brands in the context of textile and clothing. It is, indeed, very surprising to observe that despite textile and clothing being one of the largest sectors of consumer spending, there are no national or regional clothing brands having revenues even touching Rs 200 crore. In fabrics, aside from a few names such as Raymond, Vimal (Reliance) and Siyaram, again there are practically no other brands crossing Rs 200 crore in annual revenues. In the area of home textiles, perhaps there is no brand having a sale of even Rs 100 crore. Certain product categories such as saris, salwar suits, women’s blouses and under clothing do not even have a dozen national brands each, irrespective of turnover. By contrast, sectors such as consumer durables, personal computers, and even furniture (especially in the commercial establishments) have seen rapid penetration of national level branding, leaving local/regional/ unbranded products by the wayside. With increasing purchasing power across hundreds of millions of Indian consumers, and with a rapid increase in the absolute numbers of households in the “consuming class”, one of the product categories that should see a major growth in per capita consumption is textile and clothing. If we were to also consider the rapid increase in private home ownership, home textile consumption should also see a major growth in terms of value.

Seeing this opportunity, many leading department store chains have already started making investments in creating new brands. A more interesting development has been the move by some retailers such as Shoppers’ Stop and Piramyd to introduce as many as possible international brands almost exclusively through their own retail outlets. However, the opportunity in the Indian clothing market is far greater than what the current leaders such as Madura Garments, Arvind Brands, Raymond/Park Avenue, Zodiac and a few others can cater to. Some of the most interesting opportunities exist in product categories such as denimwear, men’s formalwear especially in tailored clothing such as suits and jackets, smart casual clothing, outdoor active lifestyle wear, children’s and young boys or girls clothing, etc. Mere absence of brands in some of these segments, or the very small revenue base of many of the existing ones in these segments does not necessarily diminish the potential opportunity. By the end of 2009, the domestic market for textiles and clothing has the potentiality to touch or
exceed Rs 110,000 crore. At that size, it would be in the top 15 markets in the world even when we consider the substantially lower retail price points in India.

It has, therefore, been somewhat of a surprise that the Indian market has yet not seen some of the biggest global fashion brands making their presence in India. While we do have some major ones such as Benetton, Nike, Reebok, Mango, Lacoste, Tommy Hilfiger, Levi's, Lee, and Wrangler focused on the mass-affluent segment of the market, and names like Zegna, Canali, and Hugo Boss focusing at the premium end, the surprise absentees (so far) are the likes of H&M, Zara and other brands from Inditex, Gap, Esprit, Next, Ralph Lauren, Giorgio Armani, Diesel, Miss Sixty, Giordano, Mothercare, etc.

Some of the probable reasons for these brands not yet being in India could include lack of foreign direct investment (FDI) in retailing (H&M, Zara, and Gap traditionally own or manage their retail operations); poor quality retail infrastructure in India; high import duties on finished products including accessories such as leather goods; and finally, priority being given to entering and expanding in China. And those brands that have entered even into the Indian market have entered through the hand of franchisee or licensing.

There is already a talk of opening FDI in retailing in some form or another; high quality malls are likely to become functional in major cities in India in the next 18-24 months; import tariffs on clothing are actually quite reasonable now especially after the excise reductions on clothing in the last budget; and India is certainly being seen as a fast emerging economy.

It is difficult to state which of these big global brands will be the first to show up in India in the coming years. From an opportunity point of view, while there are very good long term prospects for almost all serious international brands, brands/retailers like Gap, Zara, H&M, Giordano, Esprit, Diesel, and Next should certainly give the Indian market a very close look (if they have not already done so till date). In the premium/niche end, I believe icons/successful businesses such as Giorgio Armani, Ralph Lauren, Mothercare, Gant, Victoria’s Secret, Abercrombie & Fitch, Paul & Shark, Burberry, Coach, etc. should find a very good market.

In the premium end, the successful presence in India of names such as LVMH, Hugo Boss and Canali (and the imminent launch of brands like Chanel and Gucci) should provide encouragement to other luxury brands to expedite their entry. Likewise, successful presence of Tommy Hilfiger and Mango should attract many others in the same segment after launching their own businesses here.
Contrary to what some may believe, the arrival of these global brands in India will have a very positive effect on the entire retail business. Some of these brands, especially those focusing on the mass and mass affluent market segments, will invest or encourage local production and sourcing of their core merchandise, leading to a qualitative improvement in the textile and clothing supply chain and even improving exports prospects of such products from India. Almost all these global brands (and their partners, where that may be the case) will make substantial investments in areas such as quality of retail interiors, visual merchandising, quality of service within the store and beyond, and customer retention and loyalty management leading to improvement of retailing standards per se in India. Presence of these brands will also make the Indian consumer (and the textile and clothing industry) becomes more aware of the international fashion and lifestyle trends leading to a move-up of the industry in the value chain. Hence, the entry of these businesses in the coming years has to be welcomed and encouraged since it is likely to be a winning proposition for the industry as well as consumers.

**Fashion Retail Marketing Strategies**

Marketers usually look for one winning strategy, one benchmark company that shows superlative performance, and then proceed to copy that strategy in hordes. Whether it is Wal-Mart's everyday low pricing, Gap's basics or Zara's fast fashion businesses jerk from one strategy to another, they end with indifferent results. While there is no set formula, some guidelines can be laid down that might help to identify a broad mix that could be appropriate as per the kind of business.

We can first establish three basic principles:

- **Context:** When one looks to benchmark a strategy against industry leaders, the retailers must understand that each of them has grown from and grown within a specific context. It is virtually impossible to replicate conditions identical to those in which a Zara grew up. The retailers have to be aware of the abilities and limitations, as well as of the operating environment where the strategy has to fit. Any strategic insight the marketer picks from others must be adapted to their own context.

- **Consistency:** Business strategy works if applied consistently – it means that all parts of the business (front-end, back-end and everything in the middle), must be geared to deliver the same operational values when the retailer adopt any strategy.

- **Constancy:** The retailer must understand the time frame that the strategy will need to produce results in the certain specific situation. Whether it is the quarterly-performance
reporting, or an impatience to achieve visibility quickly, in most cases the marketers fall short of their expectations from the strategy adopted. For example, many retailers look up to the well-developed business models of Zara and Wal-Mart hoping to emulate their success quickly. What most of the retailers forget is that each of these benchmark companies has been around for over forty years. The best strategy can be undone because of insufficient resources, or inadequate preparation. If any strategy is picked up, the retailer has to be sure that it can sustain over a long period.

While business strategy is related to specific product, market and business context, one useful platform for designing strategy is the “Product Lifecycle” chart. It applies not just to apparel and other such obviously “fashion” products, but also to other areas.

At the early stage of the lifecycle are a few customers who are “innovators” (1-3 per cent of the population), immediately followed by the “early adopters” (13-15 per cent of the population). While the group is small in numbers, they are opinion leaders and trendsetters. The innovators pick what seems outrageous, and the early adopters make it acceptable. At the earliest point will be people who might be called funky or even crazy for the products that they adopt. Many of these consumers are always on the lookout for “the next new thing”, if they are not creating the next new thing themselves.

As time passes by, more customers begin to accept the products, and the product begins to move into the mainstream of fashion. The early majority may form around 30-35 per cent of the total population. At this stage, typically the leading edge consumers would have started discovering other fashions. At a certain point the product begins to decline in acceptance, but may still be acceptable to the “late majority” of the population, which may be similar in numbers to the early majority.

Beyond this, there are the lagging consumers (“laggards”) who invariably follow the fashion at the end, and adopt only those products that have been around for a while and are now widely used. They typically do not experiment, and “play it safe” when making purchases. Broadly, therefore, we can divide the customer segments into three – the leading edge, the mainstream, and the followers. As we go along the lifecycle curve, we observe that price realisation begins to decline as well. The innovators are likely to be willing to pay high prices to have products and fashions before anyone else, while at the other end followers would want to pay the lowest possible price for the product that they are buying and like to make their purchases during sales promotion. Companies in the market typically need to focus on one or
the other of these segments and very few examples exist of companies that can span more than one segment successfully, and that too is not possible for an indefinite period as, invariably; the more focused companies win over.

To target the leading edge, companies need to define fashion trends very early, and make sure that they can translate these into sales very quickly.

Abercrombie & Fitch in the US is a good example. Edgy products and politically incorrect advertising keeps the innovators and early adopters excited about the brand, even as the bulk of society makes disapproving noises. It picks trends that seem outlandish, its quarterly catalogue/magazine highlights new fashions every issue, and its customer base happily moves along.

Designer brands also follow a similar philosophy – a constant fresh look is important, and since the availability is limited (as is the customer base), prices are high. Similarly, Zara is another brand that targets the early adopters and the early majority customers. Outside of Spain, it has a clear target to sell products at 30-40 per cent premium to mainstream brands. Zara’s strategy is clearly built around quick turnaround of fashion trends. It identifies tens of thousands of style ideas from the catwalk, from nightclubs and university campuses, and its enormous product development and production machinery churns out over 30,000 styles a year. Of these only a third are sold in the stores, and remainder stocks at the end of the season are half of what they are for typical fashion retailers. The retailers can adopt these strategies in India.

Consumers at the leading edge want to buy new products that no one else has yet. However, for each new product that becomes a success in the market, there are hundreds that fail. So obviously strategy cannot depend on creation of new products only. The marketers must build a system and structure that is able to research trends extensively, and sift through the enormous amount of information to identify the potentially winning trends. The entire culture in the business must be geared to spotting newness from every potential source. Success in this consumer segment can only come if the retailers are prepared to design and develop 8-10 times more products than other companies, and then make the bulk of profits only from 10-12 per cent of them. That means that one is spending more money than other companies in design, and the “hit rate” is also lower than industry average.

The business must then be geared to transforming the trend into a specific product that is relevant for the retailer’s target segment, and one must be able to do so quickly. Remember, at this stage, being early is imperative. It might even be better to miss a trend entirely than to be
late with it. The leading edge consumer is certainly brand conscious, but not brand loyal. If the retailers are seen to be late with trends, your brand will be out of favour very quickly. Zara’s business model illustrates this “need for speed” the best. Beginning with the store managers, who are equipped with hand-held devices to provide instant inputs to designers at head office, to the ready stocks of fabrics and own production capacity that allows Zara to develop and ship products to stores rapidly – everything in Zara’s business is geared to speed.

Once the marketer has managed to translate the trend into a product that is relevant to the targeted customer, the company must be able to get the product to the customer very quickly. What information is available to one retailer is also available to competitors and if one is known to be a leading edge brand the product range will be also watched very closely. So the marketer must also have the capability to reach out to all the potential customers in the shortest possible time. The retailers must understand that their leading edge customer is very likely to be geographically spread, and the entire product range must reach all of them practically at the same time, otherwise the element of newness is lost.

Lastly, and most difficult to follow for businesses, is the strategy of letting go of successful products. Conventional business thinking says that the marketer must milk each product through its lifecycle, to gain the maximum revenue and profit. However, that is completely opposite to the strategy that the marketer needs to follow to be successful at the leading edge. The mantra for this consumer segment is “change”. What is in demand and happening this January will be passé in February. This consumer falls deeply in love with a new trend very quickly, and then very quickly discards it as well.

If the retailer, as a brand and a business, cannot follow the same philosophy and don’t even start thinking that he can cater to this consumer and cannot bear to see design and development effort wasted, the marketer is not geared for success in this segment.

The mainstream customer base obviously offers the most opportunity since it consists of the largest customer base. This customer is slightly slower to adopt fashion trends, and the trend grows over a period of time, so companies can prepare themselves to utilize the phenomenon at their level best.

However, this segment also has the most competition for that very reason, since most businesses gauge this to be an easier segment to understand and target. In this segment, as in the earlier one, it is better to be early in the trend, since prices and margins are higher earlier.
Successful mainstream companies look towards select leading edge companies for product indications. They keep their eyes open to what is happening in the leading edge stores, and also to what their suppliers are doing for the leading edge brands. The retailers must identify those leading edge brands that manufacture products that one can translate into fashions for the customer base in the market. The marketers must be aware of the time lag between their (leading edge) market segment and the competitors, and introduce the products at the right time. If the retailer is too early, it is likely to be stuck with goods that the customer is not yet ready for and if it is too late, the retailers will be playing catching up with the direct competitors, because they will be watching the same brands.

However successful a mainstream company is, leading edge companies will skim off the market with high prices and margins. Thus, the second key to success in this segment is the capability to scale up the trend and reaches the maximum number of mainstream customers. Companies with larger distribution networks obviously have an advantage in scaling quickly, but the marketers also need agility. The faster one can get to scale, the greater the ownership of the trend in the mainstream market, and the better the margins.

Finally, since the lifecycle is the longest in this segment, the marketer need the ability to sustain production and distribution of the product, until it starts becoming commoditised. Thus, working capital becomes a crucial tool for competitive strategy, since the key is not so much in designing new products, as identifying winning products from other companies, scaling them up to reach as wide a market as possible, and sustaining the product for several months or until the low-priced companies start nipping at the segment.

Sometimes mainstream or basic products are made fashionable by innovators – among them have been Hush Puppies footwear in New York, Helly Hansen outerwear among the rappers and street gangs, Burberry among the British chavs, etc. In the current marketplace where information travels at the speed of an email or at the click on a website link, it is the capability of these brands to quickly latch on to the trend and scale up to the demand that creates their success. If these brands had not been able to ride the trend, no doubt they would have still been trendy, but far smaller than they are today.

Most business managers say they want to be innovators and set the fashion trend, when in their core business values they know that they are best suited to be mainstream brands. Some business managers may even admit that mainstream is where their business should be, selling average and middle-of-the-road fashion. Rarely do we come across a retailer or a brand
manufacturer who will proudly state that they are a proud follower or a laggard. And yet, if it is done in a right manner, this is a business model that can make it grow. If we consider Wal-Mart as the most successful follower in the global scenario with roughly US$ 300 billion in global sales and approximately US$ 10 billion in profits, not including the unconsolidated results of its minority stakes in other retail businesses. The profits alone are more than the sales of almost any other retailer in the world.

Most of the successful follower does not design or develop new products. It follows product trends that are well established in the market. This is a risk-free product strategy, since the styling and product features would be well known and accepted by the customer group. At the same time, production technology would also be widespread, thus providing a large choice in the supplier base. This enables the follower to closely control product development and sourcing costs. However, the successful follower goes beyond this and brings cost-control to every aspect of its operations. The follower could even be smaller than another competitor, and yet make more revenue despite low prices due to this keen focus on costs.

The successful follower also follows through each product to its logical end. If there is profit to be made from a product, months (or even years) after it was first introduced, the follower should make it.

Decisions in a successful follower business will be typically data-driven rather than driven by gut-feel. Since volumes are likely to be high in each product that the follower adopts, initial mistakes can be very expensive, especially as margins are very low. Therefore, product sourcing, supply chain and merchandising decisions must be supported by adequate number crunching. And since there is no pressure of adopting a fashionable new product, the follower typically has the lead-time available to make detailed analyses.

In most of the cases, business models are rarely so clear-cut in the reality, and neither do they remain static. For example, to gain extra margin mainstream companies and followers should aim to get in earlier in the lifecycle so that they can achieve better prices. A good example is Debenhams, the leading department store chain in the UK, which has moved to 75 per cent private label merchandise, including 25 per cent contributed by designers at Debenhams, which gives its customer base a well-designed, unique and stylish product earlier in the fashion cycle, and gives Debenhams higher prices than its competitors. Only 25 per cent of its product range is contributed by international brands that can also be found at other department stores and on the high street.
Another example is ASDA, now owned by Wal-Mart, which decisively moved from being a discounter to providing mainstream, good value product through its George range of merchandise. So successful was George in the UK, that Wal-Mart began extending the brand to other markets, and is now also opening exclusive George stores as a consequence what Wal-Mart's own US-based labels could not provide, is now being provided by the somewhat more fashionable George.

At the same time, leading edge companies are also trying to learn the tricks of scale and leanness from their larger competitors. They should begin to focus on strategies that can help them to scale up their businesses, and help them build supply chains that offer cost efficiency without sacrificing quality or speed.

However, while the retailer may learn from competitors in the other segments, but the core of the business should be structured around the key success factors that are appropriate to the business segment, be it in the leading edge, in the mainstream or at the following end.

Finally, it is not the position on the lifecycle curve that determines whether a company is a winner or a loser. We can't consider Wal-Mart less successful that Zara because Wal-Mart is less fashionable or Versace less successful than Gap because it sells fewer pieces per style compared to the thousands that Gap sells for each style because at each point on the lifecycle there are success and failures.

It would be more correct to compare similar companies. The difference between Wal-Mart and K-Mart is obvious. Though both are discounters and followers in the product lifecycle, Wal-Mart has clearly been a more successful discounter than K-Mart has been. A clear vision of its strategy (discounting), a ruthless approach to costs (product costs, promotion cost etc), and consistent execution is underlined Wal-Mart's success, even as K-Mart lost control over costs and went into bankruptcy. Indian retailers should try to strategise as per the above discussion.

**Characteristics of Fashion brands:**

Great apparel brands encompass three characteristics that possess a winning combination when executed correctly. The road to branding success requires a unique discernment of the value proposition being offered followed by vision, patience, and perseverance. By combining these characteristics and method of execution, great Brands emerge from the landscape of mediocrity.

As with all brands, the voyage from obscurity to trusted products or services occurs when adhering to a disciplined process referred to as the ABC's of branding: attributes, behaviour,
and circumstances. The lack of a solid foundation for a brand will ultimately undermine its future success. This foundation goes beyond the logo and brand fascia and provides the underpinnings of legitimacy and ability to deliver real value. The type of reasoning that both buyer and seller share enables the origin of a relationship. The setting by which the foundation and behaviour can be acted on must be appropriate in many respects. Altogether, this hypothesis suggests that an Appreciable Brand Triad forms the basis for great brands. The discussion begins with presenting the ABC's of great brands and applying the “Triad Brand Test” as the metric for success.

**Attributes**

Attributes like fabric, design, fit, style, and colour are the basis by which the customers compare, contrast, and distinguish levels of acceptance for use and/or consumption. In short, attributes are indeed imperatives in our daily discrimination process and form the basis by which we make choices. Attributes alone will not satisfy anyone. There must be a foundation and process by which these attributes are executed and delivered to form such perceptions. In the following aspect of the appreciable triad, we will see the foundations that create a strong bond between perception and reality. The old adage seems to hold true that the customers shop intellectually but purchase emotionally.

**Behaviour**

Consumers buy more than a product and this purchase reflects who they are (at the cash register), the perceived quality the consumers provide to themselves and their family (brand trust), and what the customers deem as acceptable in their environment (values). This synergy between behaviour and attributes, however contrived, becomes the paradigm by which the customers consume. Marketers could gain greater insight into attributes or behaviour relationship by observing how individual consumer actually behaves versus what they say they do or likes to do.

**Circumstances**

The circumstances surrounding how the consumers make purchasing decisions are situational in most of the cases. The marketer may have the right attributes and behaviour in place, but if the setting isn't appropriate, the whole concept falls apart.

The market has watched brands adapt their offers and communications to reach a wider audience in an increasingly fragmented market. The sheer proliferation of choice and volume of media noise, in all sectors has led to the development of a highly sophisticated customer
who is adept at screening out messages that don't instantly appeal and rejects products that
don't instantly fit. The most innovative of the product ranges being launched at the moment are
those that consider the cult of the individual and those who can be dubbed "Generation Me".
Overall, there should be a realisation among brands that the key to maintain consumer interest
is the ability to embrace change. Brands need to step outside traditional conventions and
reposition themselves as living entities that welcome experimentations, in order to maintain
relevance to a continually evolving consumer culture.
A brand attitude that is open to new ideas and explorations will directly result in a brand
experience that is more stimulating, engaging and therefore generates greater consumer
interest. To reach new audience retail brands should go for collaborating with other brands to
benefit from new associations. As brands explore beyond traditional expectations,
experimenting with new methods of providing consumer experience can be a good option for
the retailers like pop-up retailing, which has become very successful in the US market. The
term is coined to describe the phenomenon of temporary stores opening at unexpected venues
to promote new lines or launch a new brand approach.
There are two distinct types of Superbrands and they are the luxury or upmarket Superbrands
and the mass market Superbrands. Both are diametrically opposite to each other. The former
has a small niche audience, sells limited quantities and operates on high margins. The latter
has a huge market base, sells on large volumes and works on small margins.
It can be noticed that most brand names adorning showrooms have one thing in common: they
are almost always recognised for snob value. While walking down the corridors of a modern
mall or a hypermarket in Kolkata it can be noticed that the brands crammed in shelves have
another thing in common that is either most of them cater to the mass market or cater to the
upper middle mass market.
Given that top end brands have uncompromising quality we can straight away draw one
important conclusion that the location of a showroom will have an impact on the brands' status.
This perhaps explains why fashionable and posh addresses house only fashionable brands.
However, between the upmarket and the mass-market brands the one common factor is that
both operate on the percolation formula not on the capillary one which means that brand
development (and, therefore, desirability) almost always seeps downward not from the
grassroots up. Rarely does a brand break this mould. This would suggest that brands are
socially very conscious. They expect to create desire-to-buy amongst the audience for whom
the brand is just that touch away. And when that audience moves up in life and is able to grasp it, the next rung will rise to fill this breach.

Upmarket lifestyle and fashion brands start with an advantage. If we consider a Murano, Murano is not a brand name owned by any one person or a company. It's actually a small island off Venice. Over two hundred masters work here, independently, creating exquisite glass pieces sold from shops in San Marco and the narrow winding, cobbled streets of this sea coast village. The Murano advantage is simply the fact that besides exquisite workmanship, Murano is an expensive lifestyle brand. It is almost certain that if the Murano masters were to collectively halve prices – even as they retained top quality workmanship – the brand would slide down from its upmarket perch to a mass-market base. It would no longer be an object of desire among the elite and would lose the sheen top end audiences bring to top end brands.

The third conclusion is pretty evident. Lifestyle and fashion brands would do well to desist from off season sales or discounts. Discounts drive in people for whom the brand, not so long ago, was just that much out of reach; it's now in their grasp out of default, not because people have moved up the socio-economic ladder; this is significant because top end brands guard their space zealously and believe that their audiences should be deserving of them.

The obvious market realities apart, brand building is a long and tedious process. It's about reaching out to audiences in an affable manner, making friends with unknown names and faces and using this art to getting them to speak well of the brand. Brands at the top end don't require allocating massive funds to advertising; indeed, most Indian lifestyle and fashion Superbrands at the absolute top end were almost exclusively and without exception built on the strength of word-of-mouth alone.

Since brands at this level have buyers with uncompromising tastes, a minor issue may become a source of huge irritation. Of the many things that need to be done at the operational plane may be things as apparent as well-turned out staff to as necessary as an immediate refund if the product, particularly if it is manufactured by the brand owner himself – is, in any way, found to be defective. Often, a refund may be in order even if the product is being returned for a defect that is not even apparent. Owners of emerging lifestyle and fashion Superbrands have to be sensitive to the fact that the buyer may have changed his or her mind. The refund becomes the bridge with which a brand makes relationship with a customer.

Once, however, a brand has been built to sustainable levels the refund policy had been quietly buried. It is assumed that people who have bought the product know their minds and have no
reason to change it. However, in the build up stage this small, well-meaning gesture could develop into word-of-mouth. It is this more than any other effort that will help create a Superbrand.

The mass-market brand, on the other hand, on its way to a cult status cannot obviously afford refunds but it can and needs to ensure consistent quality. Most brands, once they begin to have a small fan following, falter and fall by the way side because brand owners mislead themselves into the injudicious belief that their customers have been hooked on to their brand and that a minor compromise in quality can now be safely made. Nothing is more dangerous than this. An important marketing lesson is the fact that no matter at what level the shopper may be in, not one would want to feel cheated. Indian companies have often taken the dim view that the bargaining power lays with the brand owners not the shoppers. That may have been true some years ago. Today, however, competition is too intense and people only too willing to dump a brand without ever looking back.

Assuming that owners of mass-market brands are willing to ensure reasonable and consistent quality, brand development would still require a large infusion to advertising funds. That's because the nature of the mass market necessitates fanning out simultaneously across the country and supporting the marketing needs of an extensive promotion.

In the Indian domain there is also a significant change that is quietly taking place that is product packaging is now increasingly becoming the catalyst that is drawing people to showrooms and becoming one of the reasons for purchase. No one should doubt the ability of packaging to build a brand as this also contributes at a large extent now. No brand manager should make a mistake that is packaging is one of tomorrow’s brand builders. Indeed, as India is only just beginning to appreciate the value of packaging it would seem that now is the time to expend a good investment in experimenting with it.

However, irrespective of the market segment a brand operates in, building it to the level of a superbrand requires a constant evaluation of market forces, offerings in sync with market needs, continuous dialogue with the audience, sustained and inflexible quality, marketing and sales strategies that are unique to the category, direct marketing that is non-intrusive and several other initiatives – each typical to the lifestyle or fashion brand.

**Consumer Lifestyles in the Fashion Industry:**

It is imperative that the marketers understand consumer lifestyles, to better anticipate future evolution and coordinate, identify and target different consumer attitudes with corresponding
product mix. They should generate ideas for innovative product development and creative projects and improving communication between sales, marketing, design and clients, suppliers by providing elements for creation of high quality briefings and powerful presentations.

The market is entering a new phase of individualisation. The new phase is more internal and more self-centered where the consumers do not only want to be more independent but also want their esteem to be fulfilled.

Even if the target is clear, the methods are diverse to boost the new blooms of the egos; feel more alive by exploring personal limits in extreme sports and adventures, feel more unique due to holistic, personalised, intimate, protected care, feel more recognised and rewarded by a non-mass celebrity treatment feel, surrounded by a united history or a bond of love and affection. Life in a more and more digitalised and fragmented world has been accepted and appreciated for its efficiency. But as the consumers get more used to the technology, they also become more demanding and demand that the technology is adapted to our human nature and needs, not vice-versa. Therefore, technology has to be adopted in the retail scenario for better customer service.

The branded readymade menswear industry reveals that "being in fashion" is an outdated expression that nevertheless accurately conveys the extensive scope of the fashion phenomenon where people are readers-viewers-consumers of fashion.

Nationally, consumers' buying habits are changing. Consumers no longer act based on their age, income or gender. To cope with this ever-changing scenario, marketing segmentation and targeting techniques are rapidly evolving from traditional, static, demographic-based criteria towards dynamic, mood, lifestyle and psychographic influences. It is no longer a question of identifying the right customers by age, geography or income, but looking into how and why they buy, based on their mood, beliefs and the occasion.

Global consumer trends for 2006 for the fashion and interiors industries combines techniques and processes from the fields of psychology and social science, along with real world data from product launches, technology and culture, to visually illustrate mood consumption in practice. Fashion, apparently ephemeral, is constructed on the solid base of a real concept which is elegance, in life and in the city. Fashion means more than just clothes; it's a passion for style, elegance and beauty in life. Fashion is a lifestyle industry and does not accord importance to clothes alone although it forms the most important constituent. Here are a few points on consumer behavioural patterns:
Adult consumer behaviour in fashion industry:

There is a certain segment of young population who are choosing to return home and stay longer than any generation before them and the other segment prefers to enjoy the night life of the city and least prefer to stay at home (because of this segment the partywears and eveningwears in the menswear apparel sector are gaining popularity).

Television channels have heightened expectations for newer cars, better wardrobes, and a distinctive living environment. The reality of the high cost of living triggers young adults to lean on parental income support. Community living as a way to share expensive services is an alternative to doing without. Today's young adults have less brand loyalty then their parents and assert their own decisions. New adults are eager to create new classics they can call their own and can still embrace older design.

The importance of core wardrobe items has increased as a way to become more frugal. Simple pieces that can be mixed and matched provide a way to extend the power of the purchase. Decorative details and simple design elements are seen as ways to add interest to core products. New purchases need to add something to a room, or a wardrobe, or consumers have no compelling need to purchase. Consumers are driven to high value, well priced items as a reaction to the lack of anything new or interesting in the marketplace. Wardrobe staples continue to show strong retail sales and basics do very well – a little extra or some new twist on a classic can help drive sales. Designers are being challenged to add value, keep it simple, and add decorative details that make their brands feel more like an experience. For marketers and brand retailers this led to a lot of brands and designers giving their consumer a whole lifestyle experience with launches from perfumes, cosmetics to linen and household products – making the consumer more at home was the target.

Target marketing and diverse product offerings have been important for India's large format retailers. The fabric of Indian life has become more complicated as the nation continues to change and become more diverse. Product lines must adapt to an older population with the physical ability to try new experiences. As the global village becomes more integrated, India continues to mould itself to the needs of many different cultures.

Corruption in some of India's largest companies threatens the financial security of thousands. Consumers become more sceptical and wary about the claims of the products they buy. Home essentials including clothing take precedence over luxury purchases as consumers become more conservative.
Shifting families
The perception of a traditional Indian family erodes from the ideals of just a few years ago. Economic uncertainties influence the willingness of some families to “put down roots” over moving within or even outside the country for better job opportunities. New family units are less generational and no longer view their hometown as the spiritual anchor. Traditional families have become smaller as single parents become more common. This new family pattern influences the shoppers in their buying habits especially for clothing upto a large extent. Retailers have now started to realise that one of the reason for this independence is the need to have an identity and the retailers can fulfill the need with a clear-cut product brand identity.

Increasing Population at the upper side of the life cycle:
Years of healthier living will be paying dividends for older Indians in the next 20 years. The aging population will outnumber almost every other demographic segment by the year 2020. These seniors are more experienced, more educated and savvier about life than any generation. Golden years living have shifted from sedentary retirement homes of the last few decades. Over 34 per cent of India will be aged 55 or more within the next 15 years. They expect more from life and are no longer content to simply wait for life to pass them by. More money, more time and higher expectations for the products they buy will influence a whole generation of new product design. People aged 55 or older are more active and less dependant on younger family members for entertainment. So for the retailers this can be a new market segment where they should focus on in the near future and should think of some product offerings for this particular segment, which has created for them.

Apparel prices have been more affected by deflationary pressures than any other retail segment over the last few years. Mass merchant retailers report an increase with “middle Indians” purchasing clothing at their discount stores. An increase in lower priced imports and markdown pricing strategies has lowered consumer value/price expectations. Consumer buying trends indicate a growing patience to wait for apparel markdowns rather than pay full price. Clothes shopping for recreation are an activity that consumers grow out of rather than grow into. The average amount of time spent shopping has been steadily decreasing over the last ten years. Since 1990s the number of consumers who consider price over style in purchase decisions has increased.

The above trends and consumer tendencies have been noticed in the past year and should be taken seriously by the retail marketers.
Shopping habits among Male shoppers:

Men are more driven by habit and find comfort in what is familiar to them and less likely to take risk in purchases. Most of the male shoppers buy clothing at the exact same stores they went to three years back. Men are not as adventurous in fashion as women and changes to wardrobe are far less common especially in India. Male shoppers demand much more customer service. Men tend to stay with a brand or a style and stick with it for several years – less likely to change. Male consumer loyalty makes it harder for new businesses or brands to attract new customers. Retail stores must create some kind of compelling reason for the male shopper to switch. Male oriented activities like putting greens in the sports department, computer games, celebrity endorsements, all help men try a new store.

Marketer's and brand retailer's need to capitalise on this consumer trend. It's no longer just the metrosexual or uber-sexual man. It's the future consumer and the buyer. In the past men were ignored as mere buyers for their female counterparts. But as the market evolves in 2006 they will be the biggest buyers for themselves. Brands need to focus on this consumer.

Increasing buying power among the Teenagers:

Teenage consumers influence the purchase patterns of many different age groups. They are the offspring of the baby boomers and represent over 14 per cent of the total population. Each typical teenager's room now is a highly personalised environment that can be custom tailored and personalised as a centre for entertainment. 42 per cent of all Indian teenagers, 18 and over, have their own credit card and increasing – another 14 per cent to have access to the credit cards.

Fashion brands and retailers need to pay more attention to this consumer segment, as they are the future of the marketplace. Increased income levels and exposure to television makes them the consumer with the buying power, especially with the phenomenal growth in the BPO sector where dress codes are essential and thus increasing the opportunities for brands to market themselves and sell to this segment.

Marketers and businesses alike need to focus on these consumer trends and make a detailed outline as to how they need to innovate to cater to the masses and not just a niche crowd as that's where the major business lies and the brand image gets identity in the marketplace. Innovation, promotion and marketing a brand is essential, but only after one understands the psychology of the marketplace and develops products that match it.

Powerful Brands have to be build up:
Levis, Allen Solly, Peter England, Blackberrys, Jockey, VIP, Zod, Scullers, Pepe, Live-in, Mentor, Madam, Numero Uno, John Miller, Westside the list is over 300 long. The last decade has seen acceleration of branding in the Indian apparel industry in every category, be it menswear, womenswear, kidswear, innerwear, or sportswear. Whether it is the manufacturers or single stores like Charagh Din in Mumbai, or store brands like John Miller or Pantaloon, branding seems to be the way to go. Collectively, these brands have expanded the market for branded apparel and taken away a significant share of over 25 per cent from the unbranded segments.

While branding is certainly a success story, the relatively small share of the five leading brands in every category indicates that the story has just begun. As discussed earlier typically, most brands have sales turnovers of under Rs 200 crore, with a few being in the Rs 100 -- 200 crore range and even fewer crossing the Rs 200 crore milestones.

This raises the question that how many of these brands will be able to qualify as power brands. Are these brands merely labels with significant advertising budgets supported by an extensive distribution or are they power brands? If we study the current size and consistent growth rate as a benchmark, clearly very few would qualify. We have brands like ColorPlus and Killer, which initially raced ahead on turnover but now show lower growth rates because of intense competition. This is only to be expected in a nascent market place for branding. However, it can also be predicted that certain brands which are more focused and professionally managed, from the existing players, will emerge as power brands in the future.

The issue is, after the initial phase of success what do brands have to do to renew them to become power brands. This requires an understanding of the key elements of branding that is Identity and Delivery. The common notion is that branding requires a differentiated product, supported by a strong positioning and effective communication. Most brands correctly invest their resources in the "I" part of the branding game i.e. identity development, which includes communication, design, packaging, but typically run out of resources when it comes to the "D" part which focuses on how the whole channel consistently delivers the brand to the consumer through a combination of product, channel, or service differences.

The reasons are not far to seek. Firstly, it is necessary to focus on the identity element, and secondly identity development is in the marketer's own control and easier to do. Delivery development is far more complex and difficult because delivery is not in the marketer's control only. It is in the hands of channel partners and we all know that external partners are harder to
manage not only because they are the factors of the external environment but also because of their expanding number in the channel network. The unfortunate truth is that brands like Peter England, Allen Solly, and Jockey which have focused on the delivery element are more likely to become power brands, if not already so, mainly because of the significant effort in developing a retail delivery strategy. As the market indicates, we find that power brands evolve from the basic "brand as a label" level when companies focus and invest more resources in the delivery component of brand building.

Since the key to successful delivery lies at the final point of transaction retail, every brand needs retailer partners who can deliver its brand values. This implies that finding the right retail partners is very important and the retailers need to be educated on their deliverables. Typically, the search for retail partners is driven by current stature of retailers and the sales commitment given by them. We find that this framework is often self-limiting because a brand initially grows by leveraging the local strengths of the retailer, but fails to build on its core brand values. Hence, the shortcomings of the retailers hamper the evolution of a brand to a super brand.

But, what does the company look for in the right retail partner. While current business levels and volume commitments are important, we have found that it is the softer trait of the retailer that is more important from the brand delivery perspective. A ten point checklist has been developed. Not all retailers will have all of them, but all can be rated on these parameters and categorised.

The checklist for the retailers:

1) Retailer's knowledge about the products and the market:
Many retailers have functioned for years without knowing the answer of this key aspect. It worked even few years back, but in an era of increasing consumer sophistication it will not work anymore. We have encountered many situations where retailers think it is products or services, which bring in the customers, but the real answer is location, shopping experience and so many other factors. In such a situation the brands that should be at the outlets are convenience purchase brands, but one finds a mismatch with destination brands. This often damages destination brands.

2) Retailer's knowledge about the customers:
When we mean "how" of shopping, it means, going beyond the mere process of shopping into the psychological dimensions of "how" the customer shops. It is more about what the customer
thinks than what he or she does. Eg: During the transaction for a "fashion label" the customer is thinking about the party where the garment is to be worn. The brand experience, therefore, has to revolve around discussing the party.

3) Retailer's knowledge on the customer perception about the store:
Just as every brand means something to the consumer, every retailer also stands for something to the consumer on dimensions of product, service and price. It is a no-brainer that the two meanings should be consistent as otherwise the brand will not sell from the store. The store has got a separate image in front of the consumers apart from the stores. This is another key element of consumer insight which is a must for a good retail partner.

4) Retailer’s knowledge on what the consumers like or dislike about their local competitors:
Most retailers have very few information on this issue. Good retailers take the trouble of finding out the differentiating parameters of their store with that of their competitor. This helps them to take day-to-day operational decisions in the store, which, in turn, boosts sales. It also translates into higher walk-ins to sales conversions.

5) Retailer’s knowledge about the competitor financial status:
Again, strong retailers keep an eye on the local retail competitors' margins, costs and other economic parameters such as assets to have an understanding of likely competitive moves. This is a key input in reacting to promotions, sales, etc and to adopt an appropriate marketing policy as per the competitors move.

6) Retailer’s knowhow about their key internal capabilities:
Most retailers cannot or do not do their own strength or weakness assessment. A professionally organised retailer, however, takes the trouble of formally or informally doing the analysis and then acting in consonance with the key capabilities. It is very important for the retailers to know about the core competencies of the business model and which competencies they can leverage to. Eg: Not everyone can sell a designer label. It requires key sales management capabilities, which not everyone possesses.

7) Retailers tendencies to experimentation:
Successful retailers creatively renew their business and are forever experimenting. The experiments could be in merchandising, displays or promotions, or even stocking norms and visual merchandising. These often leverage brand values and enhance brand delivery. This, in turn, is good for the brand. This can give a fresher look of the store and can create an
enhanced experience for the customers. But sometime too much experimentation can have a negative effect.

8) Retailer's ability to roll out successful experiments quickly:
Retail is a fast moving business and successful experiments have to be rolled out quickly adopting the changes or they lose their value. Hence, the need to have a culture of quick rollouts is an absolute necessary. This maximises the throughput from an outlet again to mutual benefit.

9) Retailer's focus on back end issues:
We all know that front-end management gets the sales and the back-end management the profits. Also good back-ends help improve customer services which, in turn, improve loyalty. The retailers must also focus on the supply chain management and vendor management at the back-end. Many retailers do not focus properly on the back end operations.

10) Retailer's focus on a fair cost share formula:
All retailers like to and should share costs with brands. This refers to promotions, even rentals. The right retail partners are those who have consistent share models built on inherent fairness of effort and costs. They are not always on the prowl to squeeze an extra buck from the brand.

The route to moving from a brand to a power brand, therefore, lies in focusing on relentless delivery of brand values through the channel. A good way is to first audit the channel partners on the above parameters. Those who pass muster are your "brand champions" or "turfs" and the rest are mere traffic generators and need to be viewed as such. Enmeshing the delivery strategy with the identity strategy will pave the way for achieving a "Power Brand" status. Here to mention, if the brand is a power brand then obviously the negotiation power remains with the brand manufacturers.

Creating global fashion brands
It requires creative designers, a seamless supply chain, control over retail and distribution, meticulous attention to quality while communicating a certain image. While a few have succeeded in the west including Tommy Hilfiger, Gucci, Zara, Armani, Versace, Ralph Lauren, etc, India has not been able to follow suit. A critical reason for India not being successful has been because of the disconnections in the fashion system. Each stakeholder including designers, exporters, textile players and retail chains need to come together along with the government to ensure that the outlook of Indian fashion is strong in the coming years.

Key Result Areas in terms of Sales force and Sales promotion:
Approximately around 20 per cent of the shoppers that enter a store actually buy. Every retailer has a vague and frustrating awareness of the diminished sales that result when customers leave the store empty-handed.

The LPG of retailing that is location, people and goodwill is an important fuel that propels the retailing business. The crucial and central aspect of this fuel is people. The People, Process and Physical evidence of services marketing, translated to the retail marketing context means that the design of the outlet which is an expression of physical evidence, and visual merchandising are important. However, the enhanced value of these two aspects entirely depends on the nature of people who are employed in retailing. Retail sales persons perform a crucial boundary spanning activity, translating consumer needs into future changes in the organization, and at the same time, marketing the product or services and the retail entity in itself through their actions. Therefore, both people and process, the two other Ps of marketing have a great relevance by impacting upon retail marketing. More than the structured process, the delivery of the process by the counter sales person makes a difference to the effectiveness of the process. Therefore, the various critical dimensions of retail sales persons have to be looked at carefully. Sales persons at the counter are the ambassadors of a retail outlet. They can contribute to the bottomline of the store by converting queries to sales, besides ensuring that the customer has satisfying shopping experiences.

**Hiring sales persons**

This is one of the fundamental requirements that the basic inclination towards the core product reflects in the involvement shown by the sales person in his job. Moreover, it reduces the training regimen load that may be required to make the sales person literate on the basics.

Psycho-sociological literature suggests that similarity in the sales person with the customers makes a big impact on sales. Similarity can be across the following dimensions like height or visible characteristics like nationality, race and sex. Grooming makes a big difference in the presentation by sales people. Heavily soiled uniforms, unkempt hair, and drooping eyes indicating exhausted look, etc. put consumers off. Therefore, the visible dimensions need to be taken care of very carefully. These are clear efforts at heightening the favourable disposition at the moment of truth experienced by the consumer in any retail outlet. This can also be looked at in the context of decision-making for product categories.

However, dissimilarity between the sales person and the consumer may also work. For example, in the case of selecting clothing for middle aged or older men or women, the
adolescent in the family in many cases is involved in decision-making. Therefore, when in the garment outlet, while buying individually, an adolescent sales person suggesting to the elderly person on the design and colour of the garment makes a favourable impact on purchase. Encounter characteristics like education, religious preferences and political preferences are also very important. The interactive and external marketing involved in a typical service-marketing encounter like retailing means that encounter characteristics have to be carefully analysed. This can make a difference especially if the similarity increases the favourable influence in turning the transaction into sales. Then this familiarity increases the probability of buying due to a favourable influence.

Mood congruent information and credibility of the sales person are two factors that enhance the shopping experience. There are several cues that can be provided at the store that would enhance the mood of the consumer. With the development of a competitive retail scenario, stores are not just vending products or services; they are also a place for entertainment. In this context, consumer's mood is a crucial aspect to monitor. Atmospherics in the store are getting prominence in the store due to this development. The use of proper lighting, colour and kind of background music have all been researched in the West for different product categories so that mood is enhanced and it results in increased buying and sales. There is an enhanced awareness also in the Indian retailing scene on the need to invest in visual merchandising. Inspite of all these cues, the sales person as an entity, has tremendous potential to convert walk-ins and undecided customers into final sales for the store. It has been found through the research that the credibility of the sales person increases with the presentation of mood congruent information.

Patient buying assistance as a quality needs to be exhibited by all counter sales persons. Sometimes either the needs are not clearly understood or there is a paucity of cash to go in for a better brand with better features. The sales person needs to tactfully tell them that they could take some more time so that they can decide upon their purchase. If the store policy allows (and given the understanding of the consumer through relevant unoffending questions), the customer can offer to give the two brands in dissonance for a free trial and thus help them take a decision.

Product competence and product merchandise knowledge is the key to consumer susceptibility to a sales person's influence in the case of those customers who can be termed "informationals", i.e. those who depend more on information on the core product and peripheral
benefits, and the competitive offerings. The core product details include industry awards for the product, performance and safety specifications, satisfaction ratings, etc. Peripheral benefits like financing schemes, etc. add to the credibility of the sales person. Trustworthiness of the sales person can be enhanced through trust transference techniques.

**Consumer search characteristics and sales person number**

Assisted or unassisted search of information about goods and services of the target consumer has a direct implication on the strategy of the retail outlet. This gives an idea of the nature of service available in a continuum ranging from a full service to low service retail outlet. This strategic decision has a direct bearing on the number of sales persons to be employed. Most of the retail garment outlets in Kolkata have an open display during Durga Puja, customer congestion in the outlet is a clear picture that can be visualized. In this kind of a situation, there is a need to apply the queuing model to determine the number of sales persons who would be required. Here the important point to be noted is the estimation of the probability of the consumers who would need search assistance and also the number who would seek assistance after an unassisted search. There is a need to make a distinction here as it has been found through research that assisted search typically takes more time than unassisted search. If this is the case, the waiting time is directly proportional to the number of sales persons employed in the outlet. This kind of specific scientific estimation of the requirement of sales persons would greatly reduce the burden on the existing sales persons to service a disproportionately large customer size.

**Post purchase effect**

A positive post-purchase psychological state of the consumer, specifically the feelings of satisfaction and equity, i.e. the fairness of the transaction, has been found to increase favourable word of mouth recommendation for the store as well as the salesperson. It influences the evaluative dimension of post-purchase communication. Positivity or negativity of word of mouth, specific recommendations or warnings as part of inter personal advice, consumer feedback in the form of not only complaints but also praises, are three points which have to be looked into to enhance post-purchase positive communication. It also helps in reducing cognitive dissonance between the expected and actual service levels. These three points have a correlation with effective consumer and sales person interaction. Here, the sales person literally acts as the ambassador of the store in creating a positive feeling about the store. The key attributes that are expected of an effective salesperson are his adaptive selling.
skills, i.e. ability to tailor the product or services as per customer needs, quick service and a personable style.

**Evaluation of the sales people**

Evaluation of the performance of the sales person is done generally on the outcome of the department in terms of sales. However, for a fair and just effort of appraisal, there is a need to look at subjective, objective and behavioural aspects of the sales person. In outlets where cross selling is possible due to the various departments, team selling and co-operation among various departments should have to be greatly encouraged. This also helps in the overall sales of the store rather than looking at individual targets. This typically happens in a garment outlet. The various department sales persons need to have a clear link across all the departments so that they are able to direct the consumers well. Rotation of the sales persons across departments also helps in building up the cooperation. It also boosts the morale of those department sales persons whose sales are not as large as others. This is especially true of incentive-driven compensation for sales persons.

Knowledge of merchandise procedures is a crucial component of evaluation, as any slip up on this front would greatly affect the store's profitability. This point starkly affects merchandise in the case of offers where other merchandise is offered for free. The availability of the free or complimentary product at the cash counter is a common method that is followed in most grocery stores but is rare in garment retailing counters. Stacking, counting and ensuring complementary supplies of the free merchandise on offer needs a clear co-ordination and a good understanding of the merchandise procedure.

Customer service ability is one dimension of the sales person that shows the humble and patient nature of the sales person. Empathizing with the consumer, sales person can always provide service as per the customer requests. However, the consumer needs to be directed properly by the sales person rather than directing to the store manager. This would be a clear demonstration of customer service. Mystery shopping and praises of service for specific sales persons by consumers should be used to evaluate customer service ability.

Sales ability, especially in converting customers preferring low-end products to high-end products, and from low-margin to high-margin brands ethically, would mean a lot in terms of the turnover of the store. Sales ability could be evaluated and encouraged by having meetings of sales persons every fortnight or month. There could be demonstrations and explanation
of instances of sales ability that resulted in benefit to the store. This could also be used to develop best practices and avoid unethical practices.

Product merchandise knowledge needs to be tested and evaluated using the understanding of two types of customers namely the sophisticated customer and the ignorant customer. Qualified marketing professionals, probably are the right persons to evaluate the specialized knowledge of the sales person, whereas a first time customer randomly selected is the right person to evaluate the ignorant customer. This evaluation on an unannounced basis would ensure that the sales persons are competent to answer the queries of different types of consumers.

Knowledge of store policy reflects the professionalism of a retail entity during the interaction with the sales person. Many times the consumers faced situations where the counter sales person is not sure about the problems faced by the consumers. In many cases, the store might have levels of hierarchy to deal with such issues or have no policy at all. In professional retail entities, there is empowerment that flows up to the counter sales person for answering queries of customers on store policy. Knowledge of the store's policy has to be tested on a routine basis as there may not be many instances experienced and therefore, the tendency to forget policies. The understanding of a store's policy can be tested through hypothetical situations.

Meeting the environmental challenges

Each day thousands of potential customers enter the doors of stores, each with a personal set of intentions, expectations and needs. As we all know, even the simplest customer transaction is the result of a complex series of coordinated events that must be synchronized to effectively deliver on customers’ expectations and needs. That complexity only increases when the retailers recognise that customers have different expectations depending upon the merchandise category and specific characteristics.

For example, some merchandise categories are ‘self-service’ while others are service intensive and apparel can fall into both the categories depending on the class of customers. It becomes difficult to choose the right combination and levels of service, marketing, and operational investments to successfully convert a shopper into a customer.

Points of failure can occur anywhere in the chain. It can be at the inventory level if a customer cannot find advertised or desired merchandise; at the service level, due to a poorly trained sales associate or the inability to locate an associate when needed. The challenge is to reveal
the most common and costly flaws in these processes and then, to motivate a customer to purchase.

Competition amongst shopping centres and retailers is increasing daily, combined with the increasing pressure of e-tailing. The marketers must look at new ways to measure the ebb and flow of customers, and the efficiency of their operations. The key issues for retailers and shopping centre operators are how to attract customers and how to make them spend, once they're in. At the same time, they must protect their profit margins by taking care of overheads. Again, centre owners and retailers can assess the performance of their respective elements by monitoring the flow of customers and evaluating them.

**Best way to increase turnover and profit margin:**

Sell more to the 'best' customers. The 80/20 rule of thumb is, no doubt, at work in the business. 80 per cent of the volume is generated by 20 per cent of customers. The more the retailer know about that 20 per cent, the better he can focus on entire operation - buying, displays, advertising, special events - on the 'best customer' and his or her preferences. The goal here is to identify the general, overall characteristics of the best customer.

**Step A: Proper knowledge about the merchandise and the category, which is in demand**

Conducting an effective sales analysis can be very revealing considering the factors like total sales volume, total number of transactions, volume and transaction by categories and subcategories and units per transaction. The retail merchandisers should keep a proper track of the movement of the assortments as per every minute detail, so that he can focus on the core categories and can reduce the shelf space for slow moving merchandise.

By displaying this information on a sheet every month, the retailer can quickly see his store’s seasonality and how those seasons might not be the same for all product categories. Sales analysis helps to pinpoint weaknesses and opportunities. For instance, if sales trend is up, is it because the transactions are more or are the average sales higher. If the average sale is higher, is it because customers are buying more expensive items or is it because they're buying a greater number of items at each transaction.

**Step B: Adequate knowledge about the consumers who are buying the merchandise in demand.**

The easiest way to find out, is to capture customer information at the point of sale, so the retailer can link customer data with transaction data (item purchased, price, SKU, date, interests). By programming a seven-digit field into the register, one can collect pieces of non-
intensive information about each customer. Called the ‘customer experience road map’, it resembles a flow chart starting with the intention or motivation for the customer to visit the store, and following them through each step of the successful or unsuccessful transaction.

The ‘customer experience road map’ links attitudinal data with actual purchase behaviour in real time by solely focusing on the current purchase attempts and actual elements of that experience. It identifies the point of success and failure in the customer’s purchase attempt.

The interview process is viewed as collective customer votes – a purchase represents a vote in favour of the elements that the customer experienced during a store visit.

A non-purchase is a vote against a given sequence of in-store experiences. The positive experience that received the most ‘conversion’ votes when compared to the baseline represents the most essential factors to customer conversion. These should become the retailer’s priorities for in-store customer purchasing experience.

**Planning proper discounting strategies**

Careful planning of the merchandise mix, coupled with timely clearance through effective markdowns, can help in creating a robust bottomline for the store.

At the end of every season, great sale promotions are on in every retail store. It’s up to 50 per cent off! Many retail stores seem to go on a clearance spree just to remove the old to turn in the new. The perils of holding on to the old stocks result in the consequent loss of margins and the loss of opportunity to stock new items.

The holding of stocks that don’t sell fast results in incurring huge interest costs, which causes loss of margins. It is tiring for the customer to see obsolete styles crowding the shelves and purchasing becomes increasingly difficult.

New merchandise can come into stores especially after a long spell of the festival season is over only if room is made for it in the stock plan. This is because retail stores work with a specific base stock plan that ensures the achievement of the necessary stock turns for the store. Good stock turns generate good gross margin returns on inventory.

**Strategic stock clearance**

Many retail organisations, especially those dealing with apparel and lifestyle categories of merchandise clear their old stocks by special sales twice or thrice a year. Most of the organised retailers in India used to follow two merchandise cycles that are integrated with the two major seasons of the year – summer and winter but they have started to imitate the West now. In the West, a quarterly merchandise cycle is followed, integrated with the four seasons –
spring, summer, autumn and winter. Their merchandise gets the 'red tag' four times a year. The term 'sale' itself has become synonymous with the clearance efforts of retail stores that signify a drastic reduction in price. The periods of the sale are chosen by retailers strategically to fall in line with the otherwise lean business periods as well.

**Choosing markdown merchandise**

While the entire range of merchandise collection changes during each season in the West, in India generally only a small part of the collection changes as the two major seasons change. This is because most of the collections are a part of the core proposition and can be carried over to the next season. This is the reason why the consumers don't find the entire merchandise of the store on 'sale' unlike in the West, and the offers are attached only to a select range of merchandise. The 'sale' happens as a routine effort to clear merchandise, not just to remove closeouts from the collection but also for the following reasons:

**Saleable quality accidents**: Small and insignificant manufacturing (those that cannot be sold at full price), defects are sometimes identified and cleared during the sale. They are saleable and attract a markdown, usually borne by the supplier or the manufacturer. Now most of the apparel marketers are coming up with factory outlets to deal with such types of merchandise.

**Shop-soiled merchandise**: Merchandise displayed in retail stores such as those used on mannequins or those, which have been on the shelves for long and have lost their sheen, are discounted and sold.

**Shelf warmers**: Merchandise that is stuck on the shelves for long is chosen for clearing by way of identifying slow sellers, namely 'shelf warmers'.

**Broken assortments**: A select few 'cutaways' from the size or style or colour assortment mix are identified as 'singlets' for clearance. A store needs to have in stock a perfect assortment mix and this is maintained by regular replenishments of the sold merchandise. The ceasing of replenishments leads to such situations.

**Style obsolescence**: When the merchandise in the product line or collection for the season is discontinued and further supplies stop, the items become obsolete and would need to be marked down to clear them fast. This type of discount happens a lot especially after the end of the seasons and is especially given by those retailers who talks about fresh and fast fashion.

**The tactical offers**

During the 'sale', the enticing factor for the customer is the fact that he gets the same merchandise at less price in the guise of price offs or discounts or sometimes the customer
gets more for the same price. In this way the marketers can enter into the next layer of their target segment and can attract them to their regular offers by repeat purchase once the consumers start preferring the brands which was offered at discounts.

So overall if we differentiate the lifestyle market we can come to the following segmentations:

<table>
<thead>
<tr>
<th>Segments</th>
<th>Characteristics</th>
<th>Motivations</th>
<th>Purchases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovators</td>
<td>Successful, Sophisticated, High-Esteem</td>
<td>Image, New Ideas, Technologies</td>
<td>Upscale, Niche Products and Services</td>
</tr>
<tr>
<td>Thinkers</td>
<td>Mature, Satisfied, Comfortable, Conservative, Reflective</td>
<td>Open to new Ideas</td>
<td>Durable, Functional, Value Products</td>
</tr>
<tr>
<td>Achievers</td>
<td>Goal Oriented Lifestyle; focus around family, place of worship, and work</td>
<td>Image, stability, self discovery</td>
<td>Established prestige products and services that demonstrates, success to their peers</td>
</tr>
<tr>
<td>Experiencers</td>
<td>Young, Enthusiastic and impulsive</td>
<td>Variety, Excitement, risk</td>
<td>Fashion Merchandise, entertainment, socialising</td>
</tr>
<tr>
<td>Believers</td>
<td>Conservative, conventional, concrete traditions, established codes of religion, family</td>
<td>Ideals</td>
<td>Familiar products and established brands</td>
</tr>
<tr>
<td>Strivers</td>
<td>Trendy and fun loving, active consumers</td>
<td>Achievement, money, emulating purchases of people, with greater material wealth</td>
<td>Stylish products</td>
</tr>
<tr>
<td>Makers</td>
<td>Practicality, self-sufficiency</td>
<td>Self-expression, tradition</td>
<td>Basic, practical, value products</td>
</tr>
<tr>
<td>Survivors</td>
<td>Few resources, cautious</td>
<td>Safety and security</td>
<td>Brands, Discount Prices</td>
</tr>
<tr>
<td>Classification</td>
<td>Age Range</td>
<td>Fashion Needs</td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>-----------</td>
<td>-------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Teenagers</td>
<td>13 -- 19</td>
<td>Trendy Merchandise, Disposable Fashion Products</td>
<td></td>
</tr>
<tr>
<td>Young Adults</td>
<td>20 -- 34</td>
<td>Sportswear, Career Dress, Leisure Apparel</td>
<td></td>
</tr>
<tr>
<td>Young Middle Aged</td>
<td>35 -- 49</td>
<td>Upscale Fashion Apparel and Accessories, Designer Labels</td>
<td></td>
</tr>
<tr>
<td>Older Middle Aged</td>
<td>50 -- 64</td>
<td>Still working: career clothing, after hours apparel</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retired: Sportwear</td>
<td></td>
</tr>
<tr>
<td>Elderly</td>
<td>65 and over</td>
<td>Functional Clothing and Accessories</td>
<td></td>
</tr>
</tbody>
</table>

Maximum communication efforts

- festive season
- standard interval
- start of season
- off season
- sales promotion
- brand/store launch
Importance of celebrity endorsements for brand image

Consumer's source of latest trends
Most appealing ad campaign

![Pie chart showing percentages of the most appealing ad campaign for Shopper's Stop, Westside, and Pantaloons.]

What the customers like most about the ads

![Bar chart showing the preferences of customers.]

- 37% like the celebrity aspect
- 39% like the imagery
- 24% like the product showcasing
- Others

244
Factors affecting integrated communication strategy

- Advertising
- Sales promotion / sales discount
- Trained & informed sales personnel
- Store ambience
- Brand image