



Unorganised brands, demand for variety, discounts, challenge segment's growth

Many kid's wear manufacturers have lost sleep over designing apparels for this segment as this is a highly complex category. Functionality and pricing are sharper category compared to men's and women's categories. However, since brand play is smaller comparatively it which enables individual brands differentiate their products based on the fashion quotient. Compared to boys', girls wear segment is more complex as it uses multiple trims. "Each of trim calls for detailed grading that is directly proportional to increase in the garment's size," says Santosh Katariya, Managing Director, Peppermint.

Demand for wider variety

Unlike men's and women's wear, there is greater demand for a variety in styles. "The premium kid's wear segment prefers products with attractive designs and innovative patterns such as jumpsuits, culottes, palazzos, etc," adds Katariya. All these categories need to be properly serviced as mothers shop more

- **Functionality and pricing are sharper in the kid's wear category**
- **Girl's wear segment is more complex than boys**
- **There is demand for wide variety of styles**
- **Higher margins charged by retailers increasing consumer costs**
- **Discounts across e-commerce platforms are changing buyer sentiments**

for their children. "As the number of sizes is more than in adults, brands have to work on their grading and sizing parameters," explains Shantanu Dugar, Director, Nauti Nati. They also need to increase their retail shelf space to carry such a wide variety of product assortment.

Diversity leading to changing consumer tastes

India has many languages and cultures which leads to constant change in consumer's taste. "It is challenging to choose the right mix of products, price point, size ratio, color and silhouette for such a variety of consumers. We are able to achieve this as we combine local

concepts within the same product to customise it to the required parameters. However, we still have a long way to go as super quick change in styles of such small lots make it difficult for us to respond to market requirements within delivery timeframe," notes Katariya.

Balancing top and bottom lines

One of the most difficult parts of kids wear retail is growing competition from the unorganised makers. Retailers are charging high margins thereby increasing the cost for consumers. "Retailers need to reduce their margins to provide entrepreneur with a level playing ground against established brands," points out Abhishek Agarwal, Director, Under



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Innovation and customer acquisition are the keys to success in this competitive market. “Ensuring customer satisfaction can help brand growth in this segment,” adds Agarwal. For this, retailers need to maintain the perfect balance between their top and bottom



lines. “They need to balance growth with sustainability. However, every season brands are compelled to plan their EOSS early. They need to plan their entire season’s collection, inventory management, and production cycles,” adds Katariya.

Discounts changing buyer sentiments

Moreover, discounted products running across ecommerce platforms throughout the year are changing buyer sentiments.



“Brick and mortar stores are being forced to offer discounts right from the beginning of the season besides investing on product promotions,” Katariya opines.

Market driven by unorganised brands

There is a shift in preferences from unbranded to branded market across regions as the latter can offer a dependable quality and access to international fashion in an organised manner. Organised retail is making distribution easier for retailers and brands. Though global players seem to be playing a significant role in the kid’s wear segment, in reality 85 per cent of the market is driven by Indian unorganised brands

Physical stores in the men’s and women’s segment can be run with limited assortment. “In kid’s wear all categories need to be serviced as mother’s shop more frequently and prefer going to those stores that meet most of their requirement,” says Shantanu Dugar, Director of the brand Nauti Nati which is working on wider assortment to address this issue. The number of available sizes in kid’s wear is much higher than those in adults. “For this, brands have to work on their own grading and sizing parameters and constantly evolve,” Dugar highlights.



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