



## Affordability no longer the only USP, latest trends a bigger pull to buy

The popular shirt category is a huge one in India. With smaller players holding bigger control over the market, they have to keep up with latest trends and continue innovating while keeping a check on quality and price to be successful, write **Ajanta Ganguly** and **Ajay Goswami**

**A**s Indian consumers' preferences change and wallets loosen up, different men's shirt segments are competing hard to fly off the shelves faster than the other. Due to the extreme price sensitivity of Indian consumer, manufacturers are keeping a versatile portfolio of brands for every economic category of consumers with both expensive luxury brands alongside the more affordable ones in the economy section. Also known as popular shirts, comfort, easy-care properties, affordability factor, and simple design options

- **Comfort, easy-care properties, affordability, and simple designs major driving force**
- **Small and unorganised players have bigger market share**
- **Big players sell this as a niche segment under the economy range**
- **Segment becoming saturated with a large vacuum forming due to limited variety**
- **Preference for such shirts is becoming lesser day by day**
- **Smart branding policy and pocket-friendly pricing are major issues in popular shirt category**

are the major driving forces of this niche segment.

### Affordability is not the only USP

Popular shirt is an uncharted category without any specific detailing is part of the main portfolio of both small brands and unbranded players as well as the big players who sell this as a niche segment under the economy range. Doing great business in the popular shirt market is always dependent on competitive pricing and the right location, which will determine the success of your business. This segment is becoming saturated as time passes by as fashion is progressing rapidly and research and development is not able to keep up.

In a country where purse strings are tightly tied to the heartstrings, the popular segment will reach newer heights over the next few years riding on innovations in fabrics while

prices remain steady. However, this segment is becoming saturated with a large vacuum forming due to limited variety, color range and designs. Preference for such shirts is becoming lesser day by day. With big brands focusing more on the premium segment and small players concentrating on regional markets, popular shirts in the economy range are not a unified whole apparel segment. The focus is rapidly shifting towards premium segments to create differentiation from competition, with the bigger brands not going out of their way to showcase these collections.

“The challenges being faced by the popular segment is about both pricing and branding. Providing quality product at competitive price is difficult. Branding also becomes key in a situation such as this, to create trust and differentiation. Big brands do house shirts in this segment, but focus on it is limited. Given the availability with other brands, it does not



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Director, Duke

“Brands and corporates have a certain market reputation which they have to live up to. Bigger players have to make sure their products exceed every season. Popular shirts being the lame category without any specific detailing doesn't fulfil the criteria of brands thus big players hesitate to venture into the segment. Over the last few years, popular shirts fell slightly in the mid-priced category and majorly in the economic category.”



provide an opportunity for differentiation for the brand and rather becomes a basic expectation from consumers. The target consumers looking for popular shirts can be defined as individuals looking for evergreen designs that will act as basic wear in their wardrobe with the ratio of popular shirts being around 85 percent in the total men's shirts market,” says Praveen Mutha, CMD of Cool Colors.

### Popular shirts sell well in the unorganized segment

Experts say Indian shirts market is expected to grow at a compounded annual growth rate of 6 per cent to reach Rs 81,578 crore by 2027 from an estimated market size of Rs 44,830 crore in 2017. The value segment between Rs 801-Rs 2,500 is the major contributor in men's shirt segment constituting 52 per cent of the market, the mid-segment at 40 per cent followed by premium or luxury at 8 per cent. Thus if manufacturers of the popular shirts worked hard enough in showcasing a more versatile and global portfolio, they could be leaders of the pack for a longer time.

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being the lame category without any specific detailing doesn't fulfil the criteria of brands thus big players hesitate to venture into the segment. Over the last few years, popular shirts fell slightly in the mid-priced category and majorly in the economic category,” explains Kuntal Raj Jain, Director, Duke, a leading domestic apparels brand. “The main market for popular shirts is Tier II and III cities. As per capita income is less in comparison and so is the purchasing power in these cities. Unorganized segment is the biggest player in popular shirts as the reasonable cost of operations and lower pricing makes it feasible for these players to enter the segment without being high on fashion, fewer investments in qualitative garments and not using enriching colors which are one of the USP's of branded shirts,” Jain adds.

The branded segment in India is at par with global markets though there is still a gap and with most of international brands having entered India, the category has grown immensely. Omnichannel retail has helped the branded segment immensely.

### **Branded segment attracts many more consumers**

In spite of rapidly flourishing brands, the number of private labels and international labels is still low, with the high end brands catering to a small percentage of the Indian population. Even these private labels and premium brands have modified their pricing

strategy and offering shirts in low to mid-price range. There is still a section of middle class who prefer the unbranded local garment maker over branded apparels due to cheaper cost. This is where manufacturers of popular shirts are concentrating.

The possibility of defining a target audience in popular shirts category depends upon the availability and viability of the portfolio. Thus readymade labels do get an edge as they are in a position to cater to both aspects. Tailor made brand of economy shirt cannot be as versatile. Both smart branding policy and pocket-friendly pricing are major issues in the popular shirt segment.

"We target the aspiring Indian man in the age group 18 to 40 years. The twin slabs of GST are a major challenge faced by brands in popular segment. The ratio of popular shirts in total men's shirts market is around 40 per cent. The unorganized sector is the biggest player as it has the ability to update latest trends easily. My advice to those entering this segment is they must have a strong marketing strategy generating consumer pull, a popular brand ambassador and pricing has to be competitive," advises Naveen Gamini, Managing Director, Twills.

The popular shirt segment is a huge one so if new entrants can move with the trends and continue innovating by keeping a check on quality and price, there is a huge potential for them. Bigger brands are focusing more on premium casual and formal wear as these require more machinery upgradations which is easier for bigger players rather than going for designer and pattern shirts which requires skilled laborers and disturb the production cycle, which is best left to the smaller unbranded players.

### No watertight category for popular shirts

With shopping malls mushrooming across India, selling branded T-shirts and clothes to youngsters, brand awareness has increased manifold in the last few years. People are

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spending more on shopping as they have more disposable incomes and like to wear clothes from well-known brands. So, the branded segment will always show signs of growth and

development as a whole. These brands offer grants with a more economically priced tag, as these are often picked up by a well-heeled customer as an add-on or by a middle-class customer who cannot afford premium range but still wants to wear the brand.

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The growth of Indian shirt market is currently driven by the aspirational youth in the corporate sector who are driven by innovative designs and a versatile mix of fits, color and fabric combinations. Driven by a credit card dependent society, impulse buying and splurging on clothes in shopping malls is more often the rule rather than exception. The popular shirt segment where the main USP is lower price tag is not as popular as before. The entry of international brands and growing exposure to latest trends is changing consumer purchase decisions. Consumers today seem to follow Karl Lagerfeld, the German fashion designer's saying that "Trendy is the last stage before tacky," by spending that little bit more to be fashion savvy.

