



## AN ANALYTICAL STUDY OF FASHION ACCESSORIES SEGMENT OF INDIAN ORGANISED RETAILING INDUSTRY

**Dr.Dipakkumar Vitthalbhai Patel**

Associate Professor, D.D.I.C. – B.B.A. and M.Com. Programme Dharmsinh Desai  
Univeristy,Nadiad –387001,Gujarat, India E-mail: [dvpatel66@yahoo.com](mailto:dvpatel66@yahoo.com), Mobile:  
9427316141, 9898781449

**ABSTRACT:** *In any country of the world Retailing Industry is constituted by two segments like Organized Retailing Industry and Unorganized Retailing Industry and both the segments performing well. In developed countries like the USA, Canada, France, and Britain Organized Retail segment dominates the total retailing Industry whereas, in developing countries like India, Pakistan, Sri Lanka Unorganized Retailing segment dominates Total Retailing Industry of the country. In any nation retailing industry contributes lots to the economic development by offering business opportunities to the businessmen, providing direct and indirect employment opportunities to the people and better products and services to the customers. The contribution of both the segments differs from country to country. In India, there is the coexistence of Organized and Unorganized segments of Retailing Industry. At present, the share of the organized retailing segment of Indian retailing industry is approximately 5% but it has been increasing gradually, and it is estimated that the market share of the organized retailing segment will be 24 % in 2020. In the paper, the researcher has tried to analyze FASHION ACCESSORIES SEGMENT of Indian Organized Retailing Industry which includes the market size & growth, market segmentation, SWOT Analysis and brand presence.*

**KEYWORDS:** *Retailing, Retailing Industry, Organized Retailing Segment, Unorganized Retailing Segment, FASHION ACCESSORIES Segment.*

**INTRODUCTION:** All over the world retailing industry is gaining the attention of government, researchers, academicians, and policymakers. For any country, Retailing is a distinct, diverse and dynamic sector which is of huge economic significance to most developed nations. It generates revenue and wealth for the nation, encourages investments and brings technological advancements. It also offers employment opportunities and creates a wealth of the economy and vibrant part of our changing society and a significant source of employment for a variety of people in the society. Retailing is changing change with the rise of supermarkets Retailing Industry is divided into two sectors: Organized Retailing Sector and Unorganized Retailing Sector.

**ORGANIZED RETAILERS** - Organized Traders/Retailers, are those who are licensed for doing trading activities and registered to pay different taxes to the

government.

**UNORGANIZED RETAILERS** – Unorganized Retailers are those consisting of unauthorized small shops - conventional Kirana shops, general stores, corner shops among various other small retail outlets selling different items in small quantity, usually not paying tax to the government and majority of them are managed or controlled by the local government authorities.

The following table shows percentage share of an organized and unorganized segment of Indian Retailing Industry.

Year	Organized Retail Market (Shopping Malls)	Traditional Retail Market (Nearby Grocery Shops)
2005	3.6	96.4
2007	4.1	95.9
2010	5.0	95.0
2012	8.0	92.0
2020E	24.0	76.0

E - Expected

(Adapted from Research Paper titled “Retail Sector in India: Present Scenario, Emerging Opportunities and Challenges “ by Prof. Kalpana Singh (Amity School of Economics/ Amity University, Noida, U.P., India) published in IOSR Journal of Business and Management (IOSR-JBM) e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 16, Issue 4. Ver. I (Apr. 2014), PP 72-81) In this paper, efforts have been made in analyzing the FASHION ACCESSORIES SEGMENT of Indian Organized Retailing Industry.

**METHODOLOGY:** This analytical study is based on secondary data collected from the various published statistics, reports, journals, previous studies, websites, etc. of different Indian companies engaged in FASHION ACCESSORIES SEGMENT of Indian Organized Retailing Industry.

**UTILITY:** This secondary data based analytical study will be useful to researchers, academicians and corporate officers for getting the idea about the present status of FASHION ACCESSORIES SEGMENT of Indian Organized Retailing Industry.

**ANALYTICAL STUDY OF FASHION ACCESSORIES SEGMENT OF INDIAN ORGANIZED RETAILING INDUSTRY:** The following part of the research paper concentrates on the analytical study of FASHION ACCESSORIES SEGMENT of Indian Organized Retailing Industry which includes the market size of the segment, market segmentation, SWOT Analysis and brand presence in this segment.

**MARKET SIZE & GROWTH:** The fashion accessories market of India was observed at US\$ 3.4 billion in 2014 and is estimated to grow at CAGR of 12 percent to reach US\$ 10.6 billion by 2024. Unorganised players dominate this market, and the share of organized retail stands at 16 percent for bags, belts and wallets and 45 percent for watches. According to Indian Retail Report 2015 published by Images Multimedia Pvt. Ltd., New Delhi, the size of this market is worth `15,557 Cr (US\$ 2.59 bn) growing at 18-19% and is expected to touch `25,306 Cr (US\$ 4.22 bn) by

2017. Modern retail is estimated at 13.3 % of this total market and is expected to grow by 21-23 percent. Retail expansion grew by 8-18 % in terms of the number of outlets and retail space with same-store growth being around 32 percent. According to Amit Gugnani, SCP – Fashion (Textile & Apparel) and Kanti Prakash Brahma, Principal Consultant – Fashion, Technopak, the demand for fashion accessories in India is growing, it has been estimated that the fashion accessories market is expected to grow at a CAGR of 12 percent to touch us\$ 6 billion by 2019. According to A T Kearney survey, Indian fashion and lifestyle market are set to grow at a compounded annual growth rate (CAGR) of 12% over the next five years to reach Rs 3,94,000 crore from the currently estimated Rs 2,21,000 crore, Modern fashion accessories includes scarves, shawls, stoles, dupattas, caps, hats, mufflers, gloves, mittens, muffs, hosiery, neckties & bows, handkerchiefs, socks etc. (apparel accessories), bags, belts and wallets (leather & other accessories), semi-precious and junk jewellery (fashion jewellery), time wear, eyewear and footwear etc. The products largely contained in these categories are becoming more and more diversified, expanding the overall portfolio of the segment at a reasonably fast rate.

**REASONS FOR THE GROWTH OF FASHION ACCESSORIES MARKET:**

The following are the reasons for the growth of this market.

- 1) Positive economic outlook and rising discretionary incomes
- 2) The demographic advantage
- 3) Corporatization of Indian fashion retail
- 4) Higher Income
- 5) Younger age profile
- 6) Increasing literacy levels
- 7) Increasing exposure and awareness levels
- 8) Higher adaptability to technology
- 9) Increasing urbanization
- 10) Changing role of women and children in the decision-making process
- 11) Increased demand for the better shopping experience
- 12) Impulsive purchase behavior among youngsters
- 13) Changing fashion trends and increased consciousness
- 14) Catch up with International fashion styles

**MARKET SEGMENTATION:** This market is dominated by a branded players, but the market can be segmented by using the following parameters.

- 1) Gender-Related Segmentation
- 2) Age-Related Segmentation
- 3) Geographic Segmentation
- 4) Behavior-Related Segmentation
- 5) Lifestyle Segmentation

**SWOT ANALYSIS:** The following part of the research paper focuses on SWOT Analysis of FASHION ACCESSORIES SEGMENT in brief.

**(A) STRENGTHS:** The following are the strengths of CLOTHING & APPAREL Segment.

- 1 It complements apparel & clothing, the biggest fashion component
  - 2 It is a combination of utility & fashion products thus enhancing its scope of consumption
- (B) **WEAKNESS:** The following are the weakness of CLOTHING & APPAREL Segment.
- 1 It is highly fragmented and unbranded
  - 2 It is ruled by unorganized players
- (C) **OPPORTUNITIES:** The following are the opportunities of CLOTHING & APPAREL Segment.
- 1 Growth in fashion or clothing & apparel drives this category
  - 2 Scope for branded players to expand in the unbranded market
  - 3 The young population is the main consumer
- (D) **THREATS:** The following are the threats of CLOTHING & APPAREL Segment.
- 1 Trends cannot be identified due to large unorganized setup
  - 2 Competition with cheap imports

**BRAND PRESENCE:** The presence of brands is insufficient in this sector as the most of the market is dominated by unbranded players. However, with an eye on the rapid growth in this sector, brands like Louis Vuitton, Hermès, and Swarovski have launched their exclusive accessory line in India. The handbag market has seen significant movements recently, and brands are becoming highly popular in this category. Apart from the homegrown brands like Hidesign, Da Milano, Caprese, Holii, Lino Perros, Esbeda, Baggit, Blue & Blues, international brands like Michael Kors, Guess, Gucci, Burberry, Hermès, and Louis Vuitton are strengthening their footprint in the retail sector.

**CONCLUDING REMARKS:** The concluding remarks of this research paper are as under.

- The fashion accessories market of India was observed at US\$ 3.4 billion in 2014 and is estimated to grow at CAGR of 12 percent to reach US\$ 10.6 billion by 2024.
- Unorganised players dominate this market, and the share of organized retail stands at a 16 percent for bags, belts and wallets and 45 percent for watches.
- According to Amit Gugnani, SCP – Fashion (Textile & Apparel) and Kanti Prakash Brahma, Principal Consultant – Fashion, Technopak, the demand for fashion accessories in India is growing, it has been estimated that the fashion accessories market is expected to grow at a CAGR of 12 percent to touch us\$ 6 billion by 2019.
- Modern fashion accessories includes scarves, shawls, stoles, dupattas, caps, hats, mufflers, gloves, mittens, muffs, hosiery, neckties & bows, handkerchiefs, socks etc. (apparel accessories), bags, belts and wallets (leather & other accessories), semi-precious and junk jewellery (fashion jewellery), time wear, eyewear and footwear etc.

- The presence of brands is extremely limited in this sector as the most of the market is dominated by unbranded players.

#### **REFERENCES**

1. Karunakaran K., Marketing Management( Text and Cases in Indian Context) Third Revised Edition 2013, Himalaya Publishing House, Bombay.
2. Kotler Philip, Keller Kevin Lane, Koshy Abraham, and Zha Mithileshwar, Marketing Management, A South Indian Perspective, 13<sup>th</sup> Edition ,2009, Pearson Prentice Hall Publication.
3. Kumar Arun and Meenakshi, Marketing Mangement, First Edition 2008, Vikas Publishing House Private Limited, New Delhi
4. Levy Michael, Weitz Barton A, Retailing Management, Fifth Edition, 2003, Tata McGraw-Hill Publication, New Delhi .
5. Mishra and Mishra, Retail Marketing, First Edition 2008, Reprint 2014, Vrinda Publications (P) Limited, New Delhi.
6. Nair Suja R., Retail Management First Edition, 2007., Himalaya Publishing House, Bombay.
7. Pradhan Swapana, Retailing Management, Text and Cases, 4th Edition 2010, Tata McGraw- Hill Publication,, New Delhi.
8. Indian Retail Report 2015, Published by Images Multimedia Pvt. Ltd., New Delhi
9. <http://www.dnaindia.com/money/report-fashion-lifestyle-to-become-rs-394000-crore-market-by-2020-2189739>
10. <http://www.fashionproducts.com/fashion-accessories-overview.html>
11. <http://www.indiaretailing.com/2016/08/22/fashion/trends-indias-fashion-accessory-market-is-mushrooming/>
12. <http://www.indiaretailing.com/2015/10/23/fashion/fashion-accessories-market-in-india/>
13. <http://italiaindia.com/images/uploads/pdf/market-research-on-accessories-in-india.pdf>
14. <https://www.magzter.com/article/Fashion/Business-Of-Fashion/The-Rise-Of-Fashion-Accessories-In-India>
15. <https://retail.franchiseindia.com/article/sector-watch/fashion/Growing-market-of-fashion-accessories.a361/>
16. <http://www.technopak.com/Files/fashion-retail-scenario-in-india.pdf>