

INDIAN FASHION INDUSTRY

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The Business of Fashion Designing

Fashion designing is a dynamic, fast paced field with unbelievable career possibilities. Students from the fashion designing institutes have various options like working in export houses or working for other designers. But having a label of one's own is the dream of anyone aspiring to make one's career in this field. Fashion designing business has everything one can wish for. Famous fashion designers of today have fame & money and there is a lot of personal satisfaction in expressing one's creativity. But to achieve all this, one has to address a lot of issues like sourcing of raw materials, targeting the right consumer & market, the financial side of the business etc. So, in order to make it big in this industry, a solid foundation is a must.

Historical Perspective

In the 1960s, tight 'kurtas' and 'churidars' were a trend among ladies. In the 1970s international fashion arrived in India much before the MTV culture with the bold colors, flower prints and bell-bottoms. Synthetics turned trendy and the disco culture affected the fashion scenario. It was in the early 1980s when the first fashion store 'Ravissant' opened in Mumbai. With the evolution of designer stores in Mumbai, clients immediately transformed into the high fashion fold where they were convinced that the word 'fashion design' means, it had to have a higher price tag. In the 1990's, the price tags, which had reached a peak, began their downside journey. In those times the downturn was not only experienced in the prices of the garments, but also in the business of fashion shows. More models, choreographers, make-up men, hairstylists and designers streamed down into this business. The fun and party time in the Indian fashion scenario did not end with this, but continued. It was a point, where it reached a certain steady level and from there, in the beginning of the 21st century, with new designers and models and some sensible designing, the fashion hype accelerated.

India in the Global Fashion Industry

For the global fashion industry, India is a very big exporter of fabrics and accessories. India's strengths not only depend on its tradition, but also in its raw materials. World over, India is the third largest producer of cotton, the second largest producer of silk and the fifth largest producer of man-made fibres, apart from having cheaper skilled work force. India provides these fabrics to the international fashion houses at competitive prices with shorter lead time and an effective monopoly in designs which covers elaborated hand embroidery. Indian garments embellishment with bead work is another area which is in demand in the international market.

Some Facts & Figures

Global Market: The global market for designer wear is 5% of total apparel market. Currently, the worldwide designer wear market is pegged at approximately \$40 billion, with a 9% growth rate and it is largely dependent on the small-scale sector.

Indian Market: The total apparel market in India is calculated to be about Rs 20,000 crore. The branded apparel market's size is nearly one fourth of this or Rs 5,000 crore. The organized market for designer apparel is about Rs 300-350 crore. At present, the largest sales turnover within the designer wear segment is about Rs 30 crore per annum, with many well-known names having turnovers of Rs 10-15 crore. Consumers for designer wear have a yearly household income of Rs 10 lakh-plus. There are 3.5 lakh such households in India. More than 81% of the population below 45 years of the age is fashion conscious. Many fashion designers and management experts foresee an average growth of about 10-12% for the Indian fashion industry in the coming years. Though, the growth rate could be more than 15%, if infrastructural and other logistical bottlenecks and drawbacks are overcome.

Fabric Industry – Geographical Diversity across the Indian Landscape

As far as the market of fabrics is concerned, the ranges available in India can attract as well as confuse the buyer. The small town of Chapa in the eastern state of Bihar, a name one would have never even heard of, has fabric making as a family industry. The ranges and quality of raw silks churned out here belie the crude production methods and equipment used. In Surat city of Gujarat, fabrics are utilized to make dazzling silhouettes that are demanded world over. Another Indian fabric design is the 'Madras check' originally utilized for the universal 'Lungi' - a simple lower body wrap worn in Southern India. This product has now traversed its way on to bandannas, blouses, home furnishings and almost anything one can think of.

Folk Embroidery

In India, folk embroidery is always associated with women. Women linked with the pastoral profession prepare embroidered animal decorations, decorative covers for horns and foreheads. 'Rabaris' of Kutch in Gujarat do some of the finest embroidery, making embroidered pieces during festivals and marriages. One of the significant styles of Saurashtra is 'Heer' embroidery, which has bold geometric designs, woven on silks. The Mutwa women of the Banni area of Kutch do fine embroidery work with pinhead size mirrors. The Gracia Jats of Kutch use geometric designs on long dresses.

Changing Taste of Indian Women

In recent times, Indian women have given up their traditional sari for western wears, as they feel more comfortable in t-shirts and trousers instead of saris and salwar-kameez. It has been noted that Indian women spend just \$165 million on western wear as against \$1.74 billion spent by men on trousers. With more women coming out to work, the combined western wear market in sales terms has been increasing at a whopping 27% per annum.

Indian Fashion Houses & Fashion Designers

Ritu Kumar bridges the gap between modernity and traditionalism. She has designed wardrobes for three Miss India's as they participated in International beauty pageants. Ritu Beri has the credit of becoming the first Indian designer to present her collection in Paris. Manish Malhotra has been the costume designer for top actresses like Madhuri Dixit, Karisma Kapoor, Kareena Kapoor, Rani Mukherjee and many more. Rohit Bal was attributed the title of 'India's Master of Fabric & Fantasy' by the Time Magazine. His clients encompass some world famous personalities like Naomi Campbell, Cindy Crawford etc. Abu Jani & Sandeep Khosla were the first Indians to display their collection at the Harrods. Neeta Lulla has 350 movies in her kitty. Rina Dhaka's forte is the western collection where she lays stress on silhouettes and has made a fusion of boots and fur with Indian dresses.

Growth of Luxury Retail

The Indian retail sector is expected to grow from \$400 billion currently to \$700 billion as predicted by Northbridge Capital. Today, with introduction of a large number of international luxury brands in the country, the face of luxury retail in India has undergone a dramatic transformation. The Indian luxury retail market is currently growing at a compounded annual growth rate of 25%. India is the future destination for luxury retail brands across the globe and many of these brands are planning huge expansion in India. Luxury retail is not only limited to foreign brands but there are many Indian retail brands falling in this category. But, there is a long way to go as India still does not have any street which can be called high fashion street like New York's Fifth Avenue and London's Fashion Street.

Corporate & Designer Relationship

Many designer businesses have been acquired by corporates where designers play a major role in the design element of the business, but the brand and the organization is owned completely by the corporate. The possession of Calvin Klein by Philips Van Heusen and Hugo Boss & Valentino by Marzotto are some related examples in this segment.

Disadvantages that Indian Fashion Industry Presents

However, despite the benefits available in India for the fashion industry, there are also some disadvantages.

Lack of strong brands: 75% of domestic apparel market is commoditized & unbranded and very few Indian brands do survive in the foreign markets.

Some designer clothes not fit for ordinary wear: Another thing, with regards to the ramp is, what the designers offer is barely appropriate to be worn ordinarily.

Inability of designers to raise finance: Even well known designers are incapable of tapping finances from well organized resources, since a vital part of their assets are brands and design talent which are not measured in terms of money and hence it becomes difficult to judge the value.

Young designers do not get due credit: Most of the young talent is hired by the bigger names to work in their studios, thus imprinting their work with the label of the big designers. Individual presentation is not an alternative for most of the young talent, because of the limitation of finance, so a beginner designer's name fails to come to the forefront.

The Road Ahead

Need to build brand India: Building a strong brand in fashion capitals of the world like Paris, Milan and New York needs innovative designers, a seamless supply chain, control over retail and distribution and concentration on quality. Every stakeholder including designers, exporters, textile players and retail chains needs to come together to make sure that the position of Indian fashion is strong in the coming years.

Different models need to be tried: The Indian fashion industry has many views but only one model, wherein a designer creates a retail venture with his/her own brand through organized retail chains. There are many other models that can be explored. For example Ralph Lauren has made an agreement with Jones Apparel for producing and retailing various Polo brands.

Designer education & motivation: This can be done by sponsoring exchange programs with international schools, increasing participations in the fashion capitals of the world, motivating and offering business incubation to new designers and rewarding efforts through proper design awards.

Why ICF (International College of Fashion)?

ICF combines both fashion designing & entrepreneurship and offers an opportunity to apply classroom learning to real-world organizations. Even if the students decide not to start their own business, most employers find the entrepreneurship qualities of the employee, a real asset for their business. ICF would ensure that the students have a very sound grounding in all aspects of fashion designing as the course is expected to introduce the students with the nuts & bolts of the business. Case studies would be used to bring the real world of fashion into the classrooms that would encourage active participation in order to present practical & innovative solutions to the real life problems. To solve this purpose, ICOFP (International College of Financial Planning), NID (National Institute of Design), Ahmedabad, IIT (Indian Institute of Technology), Delhi & NIESBUD (National Institute for Entrepreneurship and Small Business Development) have come together to impart entrepreneurial training to the students of fashion designing. NID would be involved in the curriculum development while IIT would conduct workshops based on case studies on various aspects of fashion designing. NIESBUD would be exposing the students to aspects like industrial machineries & business plans, apart from helping provide students loans from small banks to start their own business.

In the End

Remember Giorgio Armani famous words "It would be very hard for me to do things somebody else's way". Development of one's own style that is recognized by one's own name is the key to reach the pinnacle of success, in the business of fashion designing.