ANALYZING THE CUSTOMER PREFERENCES WITH RESPECT TO INDIAN AND INTERNATIONAL KIDS’ WEAR BRANDS

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ABSTRACT

Children these days have become brand and style conscious more than the previous generations. They hold their own choices when it comes to selection of clothes and colors. This metamorphosis of children; becoming independent buyers is enhancing the kids wear market. Double income, increase in the amount of disposable income, and one or two kids are the supporting factors to the growth of the kids wear market.

Through this research we wish to study about the scope and present preference of customers in the children’s wear brands-Indian and International. By the means of various reports and data analysis, our idea is to analyze the consumer perspective towards both Indian and International kids wear brands in India. The research aims to understand the consumers in the present scenario in India. The research focuses on the consumer data through primary research and secondary data available that focuses on the choices of customers.

1. INTRODUCTION

Scanning through the streets of any town or city, one can see a mind boggling array of kid’s apparels. Kids’ wear in a sentence can be defined as the clothing line for kids’. Fancy tops and t-shirts, Crystal studded denims and capris, Italian cuts, Capri’s, and exclusive party wears. Kids fashion is a diminutive version of adults wear. There segment is no behind when compared with the adult sector. Children these days have become brand and style conscious more than the previous generations. They hold their own choices when it comes to selection of clothes and colors. This metamorphosis of children; becoming independent buyers is enhancing the kids wear market. Double income, increase in the amount of disposable income, and one or two kids are the supporting factors to the growth of the kids wear market.

Through this research we wish to study about the scope and present preference of customers in the children’s wear brands-Indian and International.
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In this competitive market the kids wear sector has boomed up through different levels and brands. Several companies have adopted the concept of brand extension (Levis-Levis Kids, U.S Polo-U.S Polo Kids) whereas Indian brands have chosen only the idea of separate entity (Lilliput, Gini & Jony). The segment being a very delicate where each brand has to adhere to its promises, which brand has been able to maintain its identity.

2. LITERATURE REVIEW

2.1 Kids Wear Market- Global Overview

Gone are the days when kids used to wear everything and anything that their parents used to choose for them. The time has seen the market of kids wear evolving on a great scale with so many new trends and styles pouring in it.

With a global population of about 26.3 % the kids segment has taken a great toll. The era has now emerged where fashion begins at birth. Tailor made clothes with the finest of fabrics- this is what the parents aim to give their kids. The call of this trend has given a huge boom to the economic sector especially in the category of kids.

![Market Share](image)

Figure: 1 Market share by Technopack Analysis 2011

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Even though the recession overtook the major markets across the globe, the kids wear market seemed to have been least affected by it. In a strong comparison with the men’s wear and women’s wear market, the kids wear could retain its position. Not only this, even the major luxury brands have started eyeing on this segment. The main reasons for the growth in this sector can be contributed to:

- Retail Scenario in the developing nations
- Luxury market and its expansion in major developed market

The major growth drivers in this section can be seen as:

- Media and Promotions
- Demography
- Untapped Market Potential
- Fashion Innovations
- Increased Incomes
- Visual Merchandising
- Price Ranges

![Figure: 2 major growth drivers]

With the increase in the income and lifestyle of the parents, the kids wear market seems to have benefitted on a major scale. The want of the parents to make their kids move with the trend has given a long way to the retailers at all levels and geographical regions to expand their market across the globe.

The top ten children’s wear markets are growing at around 6-7% each year - and are expected to generate retail sales of US$131.5bn by 2012 according to new research from just-style. And in what will be good news for retailers and suppliers, opportunities still exist in several areas including designer wear, discount channels, licensed products and boy’s wear.

1FirstCry.com has been touted as the largest online shopping portal for kids, babies, and expectant mothers in Asia. With the adding of over 200 stock-keeping units on a daily basis, they currently have over 20,000 products that

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parents can choose from for their kids. They currently store products for expectant mothers and for children in the age group of 0-10 years. Franchising has helped FirstCry to have physical stores so that people can actually have a look at the brands that are sold online. They currently have six franchisees and they plan to open at least 60 franchisees in the next 12 months.

According to the ‘Global market review of children's wear - forecasts to 2012’, the top ten global markets - the US, the UK, France, Germany, Spain, Italy, China, India, Russia and Japan - accounted for an estimated US$92.6bn in children's apparel retail sales. By 2012, the same top ten markets were expected to account for an estimated US$131.5bn in children's apparel retail sales.

A major question that can be answered is that how the kids' wears segment differ from that of men's and women’s. An easy answer to this can be seen through the fact that the segment of kids' wear has two components: customer (parents) and consumer (kids). Each of the brands can clearly target two segments of demographics at one time increasing their sales potential. Also the styling and trend add on are a great acceptability in kids more than men’s and women’s segments. The trend for the kids can be inspired out of various sources and a greater variety of colors which can be easily accepted. According to research carried out by KSA Technopak, the branded apparel segment comprises Rs 3,000 crore of the total kids’ apparel market, which is worth around Rs 13,000 crore.

The Longer term horizon of the Indian market is still hopeful and with increase in consumer awareness and fashion consciousness, better retail experience can be earned by the retailers of the organized sector.

2.2 Retail Trends

Few retailers and brands really lead the industry in any one exacting area says the report. Specialty stores do well in the children's wear market, alongside worldwide retailers, when they are focused on a particular niche within this apparel sector.

Global retailers, on the other hand, do not have the ability to serve up smaller markets as easily and quickly as boutique retailers. Consumers wait for boutique retailers to have more cutting-edge, elite offerings, while discounters will bear the basics, private label brands and low-end labels.

In the younger age categories of children's wear - the infant/toddler and preschool categories, in particular - all-purpose merchandise and supermarket chains direct sales in almost all markets.

Children grow quickly and are generally rough on clothing, so parents lean to look at apparel as being both throwaway and functional, so stores offering a broad selection of fashionable offerings at low prices increasingly engender traffic.

And although style is imperative from the parents' viewpoint, higher-cost brands are usually reserved for extraordinary occasions.

2.3 Line Extensions

Line extensions assure to succeed in the children's wear category, if well executed by the brand. This is due to the fact that parents lean to dress their children like themselves, and will seek to slot in brands that fit with the family's lifestyle.

Often, the easiest option for parents is to buy brands that they already identify and love for themselves. For instance, Armani, Ralph Lauren, Gap, Diesel and many more accepted labels are extending into this segment.

The major retail markets are those in which fashion for adults is most urbanized, such as France, the UK and the US. Emerging global inspiration markets like China and India hold assure for children's wear, because of the sheer size of the retail commerce, as well as the growing number of rich people.

Children's wear is also exaggerated by seasonality. The uppermost sales come in August and September, just when school is beginning in nearly all countries.

2.4 Global Spending

The US market at present spends a superior amount per capita on children's wear than any further market in the world. Per capita spending in the US is twice that of Western Europe and 40 times bigger than that of the Asia-Pacific region.

The European children's wear bazaar is estimated to arrive at around US$146bn by year-end 2007, according to estimates. By 2012, the business will have developed an estimated 15% to reach US$168bn.

Internationally, the ‘tweens’ (from nine- to 14-years-old) market is mature with prospect. This group loves fashion and tends to have money to expend. In rising markets, like India and China, “tweens” love Western-inspired brands from Europe and the U.S., and they are keen to pay more for them.

The marketplace for girl's wear is far greater than boy's wear throughout the world. Boy's apparel tends to centre on basics, with hardly any designers capitalizing on fashion-forward moms willing to squander money on their sons' clothing. Girl's wear, however, prospers in all channels from specialty stores to department stores to discounters.

There are also opportunities in numerous areas including designer wear, discount channels, licensed products, boy's wear and more. Brands can simply extend their lines into these arenas and, most importantly, many parents are keen for more style options in all of these categories.
2.5 Indian Kids’ Wear Market

Superior times for the Indian kids apparel market are in the offering. The progress in the buying behavior of children, and their pressure over their parents results in a big differentiation in purchase decisions. Media exposures and promotions also cause a significant influence in the market. Growing dynamics in this market have made it essential for the manufacturers and retailers to evolve their business strategies in order to maintain themselves in the market. Many manufacturers come up with their own brands, while some others go into business through joint ventures.

Today’s kids’ are more fashion cognizant, and are ready to try out with clothing. Increase in the quantity of disposable earnings, and retail blitz has brought a sea amend in the Indian kids apparel market. With kids’ wear being measured as a part of the lifestyle section and a strong emphasis is being placed on brands, this segment proves to be a budding business. The Indian kids’ wear market has a great blend of different brands. Just like the cultural variety and growth in India, the kids’ wear market forms a great combination of private, domestic and international labels it itself. From small to chief exports sector or the biggest of retail chains the market has seen an amalgamation, of several brands that serves the necessitate of each class.

Not just the middle class segment, also the luxury chains have invested a huge share into the market of kids wear all across the globe. This has not only benefitted countries abroad but also to the niche segment of the Indian society .

The kids’ clothing market in India is growing up. In 2011, it was Rs. 37,300 crore (around US$7 billion), according to research and consultancy firm Technopak Advisors. It will record a compound annual growth rate (CAGR) of above 10% for the next decade, says the Delhi-based firm. A study by apex chamber of commerce Assocham is even more upbeat. It sees market size in 2015 at Rs. 80,000 crore (US$14.8 billion). The figures in this industry cannot be compared across research organizations because of definitional issues. Some take “kids” as those under age 14; others prefer age 16 and below.

Some entrepreneurs have discovered that already. Catmoss Retail (in which private equity major SAIF Partners had invested around US$18 million), Lilliput Kidswear (backed by TPG Capital and Bain Capital) and Gini & Jony (Reliance Capital and Arisaig Partners) are facing financial problems. “A clutch of private equity-backed retailers have landed in trouble after rapid expansions,” says a report in financial daily Mint.

The Indian market is a mixture of several brands, organized and unorganized sector. The retailing chain for kids wear can also be divided into one stop shop and exclusive outlets. The organized retailing sector is gradually entering into the veins of the present market scenario opposing the traditional unorganized sector. With the opening of formats like departmental stores, hypermarkets, supermarkets, malls, gaming zones, etc, through which kids

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5 http://knowledgetoday.wharton.upenn.edu/2013/02/indias-kids-clothing-market-grows-up/
6 http://knowledgetoday.wharton.upenn.edu/2013/02/indias-kids-clothing-market-grows-up/
products are being sold, the kids wear market in India is taking a toll. This segment is expected to touch an annual growth of around 35 percent. This increase seems to bring in a potential opportunity.

Compared to other retail segments such as luxury goods retailing, which are growing at 25 percent per annum, and Internet retailing, which is growing at around 30 percent per annum, this retail segment is growing at a much faster pace. A close study of the evolution of the kids market shows that retailers dealing in juvenile products have an edge over their competitors, which eventually leads to a sustainable competitive advantage. The Indian retailers in this segment mainly target children up to pre-teens.

On one hand where parents are trying to select the right merchandise for their kids, the retailers have already started laying hands on understanding the kid’s preferences by providing a greater variety of assortment in each category.

The major Indian players in the kids wear segment are:
1. Lilliput
2. Gini & Jony
3. Allen Solly
4. Mothercare
5. Stop
6. V Mart
7. Catmoss
8. Weekender
9. Big Bazaar
10. Zapp

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India is emerging as one of the top global markets in kids wear segment because of the sheer size of retail industry. Given the demand and increase in supply, the organized children's wear segment is expected to surmount Rs 5000-crore mark with the rapid expansion of domestic players.

2.6 Market Size and Growth

According to the India Apparel Report, 2008, the extent of kids wear market is estimated to be at Rs. 30,510 crore. Industry experts expect that the market will further grow to reach Rs. 45,000 crore by 2013, with branded apparels contributing to a major share. The volume of market share of kids apparels in the entire apparel market is at 24.9%, as against a 15% share in 2005. Urban kids' apparel market comprises about 60% of the total kids' wear market. A research states that more than 30% of the country's populace is below 15 years of age. The density of population makes kids' wear to be one of the greatest growing segments in the Indian market scenario.

Branded kids' wear are well conventional in I tier cities, and are now experiencing a good expansion in II & III tier cities as well. Wanting the best outfit for their children, parents are seeking a variety of garments obtainable by new brands, and are shopping in elite outlets dedicated for children’s apparel. Industry players further foresee that the market is set to grow by 12% annually and reach its crest by 2010.

2.7 Market segmentation

The total kids’ wear plus school uniform in India is probable at Rs. 287,100 million, which has shown a growth of 18.2% in 2007. Major segmentation and brands under it: the Rs. 114,500 million uniform segments that saw a yearly value growth of 22.50% over the previous year. Though this in an increasingly growing market, considering the fact that 30% of the Indian population is below 15 years of age and people tend to be more copious in their spends on children, the existing market share leaves much more to be desired. The kids’ wear segment has full-grown at the rate of 15.6% in value terms and 4.36% in volumes in 2007, which is a radically higher growth rate in 2005 (11.4% and 3.8%, respectively). Growth in value is remarkably high in all kids’ wear ranges, over 35% in premium, 21.5% in the middle, 13.4% in economy and 6.7% in mass. The diffusion of RMG (vis-à-vis tailored garments) is higher in the case of kids segment which stands at 88% as compared with men’s and women’s segments which is 79% and 63% respectively. There exists a need breach in terms of accessibility of a greater range of branded and quality merchandise for children and infants in India.

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7 http://www.franchiseindia.com/magazine/2012/may/KIDSWEAR-ONE-STOP-SHOP-OF-PROFITS_87-3-1/

8 (Images Year Book, Vol IV)

9 Source: IMAGES Yearbook 2008
2.8 Industry trends

The per capita expenditure on kids apparels is rising quickly, due to a reduction in the number of children per household. Numerous families have adopted the “two children” policy and many others in the urban region have even adopted the “single child” policy. This has led to higher expenditure on garments per child in India. With kids being more exposed to media, they have become more demanding. Besides, with increasing income levels, parents are also accommodating their demands, including their demand for more new clothes and costlier premium brands.

2.9 Supply and distribution

Being a part of the apparel industry, suppliers in the kids wear segment follow comparable business model as followed by other players in the apparel industry. While manufacturing is a central part of the business model, it is the branding and distribution network that plays a significant role in deciding the prosperity of the business. In the domestic market, the different channels, which are used to distribute the apparels, are EBO, SIS, MBO and distributors.

Exclusive Brand Outlets (EBO): These are stores which sell merchandise which fit in to only one company. In this mode of distribution the apparel is directly sold to the final consumer at the outlet. The business may own the shop or may have it on rent or lease. Owing to the absence of any middle agency, the realizations for the company are highest through this mode of distribution. Moreover, the company can get first-hand comment of the consumers’ preferences, shopping habits and designs. Due to the fashionable availability of the company’s products under one roof, these stores also help establish the brand-image of the company.

Shop-in-Shops (SIS): In this mode of delivery, stores are located in large format stores (LFS) like Shoppers” Stop, Life Style, Big Bazaar and Pyramid. The manufacturer sells the apparel to the LFS, which in turn, sells it to the consumer through its retail outlets. Since the LFS provides for its price and profit while purchasing apparels, the manufacturer’s realizations through this mode of distribution are lower than that through EBO.

Multi Brand Outlets (MBO): These stores house apparels from numerous brands. The apparel manufacturer sells the apparel to the MBO, who in turn, sells these apparels to final consumer. Since margins of MBO are high, the manufacturer’s realizations are lesser.

Distributors: The apparel manufacturer sells the apparel to the distributor, who in turn, sells it to either MBO or SIS, who in turn, lastly sells it to the consumer. Since two agencies are involved in this mode, the manufacturer’s realizations are much lesser than that earned via other modes.

2.10 Competitive Environment

In the organized sector, the key players in the Indian branded kids wear segment are Gini & Jony Limited, Personality Limited (Weekender Kids’), DS Corporation (Ruff Kids’), Lilliput Kids wear Private Limited (Lilliput), Raymond’s Limited (Zapp) and Little Kangaroo.
2.11 Growth drivers

2.11.1 Demography

The constructive demographics play a vital role in driving kids’ wear demand. With 18 million new births each year in the country and nearly two-thirds of the population under 35 years of age, consumption demand is expected to rise, ultimately trickling down to a spurt in kids’ wear demand (premium and super premium segment).

A survey states that, the utmost sales in children’s wear market comes from minor towns. Patiala, Bhatinda, Coimbatore, Phagwara, and Sonepat are a few to name. Branded wears are well established in tier I cities and are now budding into the II tier and III tier cities as well. In I tier cities, boutiques are emerging to be a popular trend. Consumers suppose these retailers to have a cutting-edge of garments, and exclusive collection of clothes.

Generally stores that offer a wide range of selection at discounts and low prices draw more traffic. As kids’ grow quickly, and are less dutiful in keeping their clothes safe, parents consider kids’ apparel as useful and disposable as well. In case of infant, and toddler wears, general merchandise, and supermarkets dominate the sales. Specialty stores are successful in this section as they are focused on a particular section in the apparel segment. Few retailers control the kids’ apparel market in any one particular area.

2.11.2 Shift in income classes

The kids’ wear market, like the top-wear segment, is also one more apparel area that indicates that consumers have been upgrading from the mass and financial system ranges to the medium and premium ranges. The demand for kids’ wear is directly comparative to the level of disposable income. A large number of households are getting added to the overwhelming class with growth in income levels. According to a study done by National Council of Applied Economic Research (NCAER), it is expected that households in the income range of more than Rs 500,000 are expected to double to 9.98 million in 2009-10. The regular income per household is expected to grow at CAGR of 10% from 2006-2010. As per Central Statistical Organization, close to 4% of income earned by Indian households is depleted on clothing, which includes kids’ wear. With rising number of double-income households and appearance of nuclear families resulting in enough monetary surpluses to be spent on kids’, demand for kids’ wear is predictable to rise.

2.11.3 Changing consumption pattern

The consumption pattern of Indian consumers is steadily changing, with a shift from tailor-made (ready to stitch) apparels to readymade (ready to wear) apparels. Moreover, spending on branded readymade apparels has gone up as people with more disposable income have moved up from a commodity level purchasing to a standard of living purchasing. In line with this shift, the demand for branded readymade kids’ wear is also expected to go up.
Though other sectors emerge to be slowing, experts forecast a growth year for children's wear. Although slowing with the rest of apparel sales, children’s clothing revenues at retail are still predictable to be the only apparel sector to post a year-over-year increase in 2008. Children's clothing sales are predict to gain 2.5 to 3% this year, which in contrast expects women's apparel sales as a group to decline at least 2%, and men's apparel to demonstrate no growth.

2.11.4 Untapped market potential

With a promising future for kids’ apparels, the market has involved international brands into India. Global brands like Mothercare, Mona Lisa, Benetton, Espirit, Bossini, and Kans have entered the Indian kids’ apparel market. While international brands eye Indian kids’ wear market, domestic brands like Lilliput, Lil Tomatoes, and Catmoss are gearing up to have a share in the global market. On behalf of Indian brands abroad, higher profit margins, and tender opportunities are assumed to be the reasons behind their foreign march.

2.11.5 Demand for range

Designing for kids’ is very dissimilar from designing for adults. Kids’ are very receptive target viewers that needs to be pampered every now and then. For kids’, brand names are not the only obsession; kids’ talk about the style, physical attributes of the product, colors, look etc. It is the entire package that works for the kids’ – they need to be pulled at all levels to get them to try a brand and glue to it.

Moreover, designing for kids’ is almost certainly one of the toughest jobs, as they are in this momentary phase and their psyche at every age has to be mapped and their wardrobe designed accordingly. Boys and girls of the same age have a very different direction towards fashion. Designing for 7-8 year olds is very different from designing for 11-12 year olds. The latter being at a stage where they recognize themselves the most with sportspersons, celebrities and superheroes. So attitude and original style is an essential component of the clothing. Further, one cannot negotiate on the quality of the fabric; in fact one has to be even more rigorous when it comes to kids’ – non-abrasive, easy iron clothing, low formaldehyde substance are a few basic benchmarks one has to hold on to.

2.11.6 Media proliferation and awareness

Media (especially electronic media) too have played a key role in creating brand consciousness, latest fashion and trends. With rising revelation to media in the form of dedicated TV channels and stores, kids’ too have become more demanding and brand aware. A brand positioning itself in the market depends on the stage of differentiation it is able to start. There are no boundaries for the range of merchandising activities for kids’ wear. With the effectual publicity of mediums like TV channels, video games, blockbuster of superheroes, and peer authority, children are aware of the latest fashion in apparels, and other accessories.

Generally parents like to dress their children similar to themselves. They further look for to buy brands they are already conscious of, and have confidence in. Accepted brands like Gap, Diesel, and many others plan to expand
into this segment. With the appearance of many TV channels, promotional strategies of companies have become more strong. Inventive promotions which support the kids’ involvement, finds more acceptance.

2.11.7 Export advantage

India has a huge potential for export of kids’ apparel to foreign markets like US and EU. Brands like Lilliput and Koutons are exploring opportunities for joint venture options to tap the children’s apparel market in China. Indian players spot profitable manufacturing capabilities in China, supported by strong purchasing power. Hence, Indian business units are planning to attain manufacturing units in China to gain production level for its operations in the dragon nation”.

Even as orders for kids’ wear are on the rise, the quality parameters are also very strict. Quality compliance is strictly adhered to in children’s wear, more than that in adult wears. Presently, good many orders for printed T-shirts are coming from US and EU.

2.12 Overview of marketing strategies

The kids wear market faces a stiff competition from the other two categories-Men’s and Women’s wear. Though the market share of the kids sector has considerably increased in the previous years and the estimation of the coming years also show a great hope yet the competition remains very stiff. In the race of being ahead the other categories, the above mentioned brands follow several marketing strategies.

Starting from the small elements of establishing themselves in the market the brands on an overall have much more to do.
Figure: 4 Marketing strategy

2.12.1 Creating market presence through better retailing

Retailing for the kids wear category has traditionally been an offshoot of retailing for men's and women's garments. Even today, most kids’ shopping is done from large family multi-brand outlets selling men's or women's garments or both. The most popular retail format for shopping for kids' garments has been MBO's. With very few brands in this category, exclusive brand outlets have been few and the concept of specialty stores has been at best sketchy, till now.

However, with increasing kid power, there have been changes in the retail landscape for kids. The change has primarily been driven by the consumer's demand for 'Retail experience' at all levels. Consequently, there has been a shift in shopping from MBO's to department stores, which stock a varied range as also provide the retail experience.

Department stores have contributed towards segregating and building niche categories like infant wear, kids’ formal wear, kids ethnic wear, swim wear, casual wear, pre teen wear by stocking a wider range of merchandise and differentiating between them at the retail store level. Department stores have further taken the lead in creating
'Retail experience' in this segment, through having play-areas and kids' oriented promotions within the store like the recent Back-to-School promotion by Lifestyle.

Another key trend is the emergence of specialty stores in niche categories like Infant wears e.g. Jus' Bon & Kids, Baby Shop etc.

2.12.2 Pricing

Kids’ apparel market is a price sensitive segment. Higher input costs add to the prices of the apparels. With the increase in the purchasing power of parents, it is expected that they will sustain the business in the long run. As kids have the tendency to grow up very quickly, new offerings are required. This raises two concerns one of range, and second of pricing. An effective combination of both determines the future of the brand. Deciding the price of the apparel mainly depends on defining the target group and identifying buyer behavior. The price of garments in I tier cities, and exclusive outlets will have a vast difference than that of the clothes sold in normal retail outlets and II & III tier cities.

2.12.3 Visual Merchandising

Trends have changed, and it is quite visible. Children, who were taken to parks and zoos before, are now coming along with their parents for buying their own clothes. So, the retailers who want to take a pie of the cherry should focus on attracting the attention of children along with their parents. They can thereby „Capture the child’s mind and the parent’s wallet”. Kids exhibit considerable „pester power” while shopping for their clothes.

Good store presentation and product merchandising is like a good book that has an attractive cover, and an interesting first chapter that would lure the viewer. Big departmental stores have segregated their apparel categories like infant wear, ethnic wear, casual wear and preteen wear etc. They store a wide assortment of apparels and distinguish them with each other. Some retailers and department stores have taken the lead in creating an in-store arrangement with play areas, and kids oriented promotions within the store. Ex:Back to School promotion by Lifestyle.

2.12.4 Brand Building

As apparel markets are growing in size rapidly, kids of today have a vast range of options to choose from. So, it becomes necessary for the manufacturers, and retailers to woo the offspring’s and convince them to make the buying decision. Brands approach kids to market their product focusing on unique colors, silhouettes and prints just as for adults.

Specialty shops are now an emerging trend for kids’ wear. Every brand tries to create a discrete brand identity through its merchandise and in-store arrangements. Raymond’s brand Zapp has an exclusive kids’ loyalty programme. Reebok has a „Made to Play” campaign. They have specific sports wears like Cricket, Football, and Basketball collections. This is done keeping in mind that kids are more attracted towards playing. Peter England has set up a customized space for kids.
2.12.4 Understanding the seasonality in buying

The branded kids’ wear business fluctuates according to changes in consumer preferences dictated, in part, by fashion and season. The ability to forecast the market trends for merchandise or the products is crucial or sales will be adversely affected and the markdowns required for moving the resulting excess inventory will adversely affect the operating results. The merchandise has to be conceived well in advance of the season and frequently before fashion trends are evidenced by customer purchases.

2.13 Promotion

Promotion is an important element in the sector of kids wear. Kids are influenced more with the creative and catchy promotion techniques more than anything else. The major contributor to the promotion is advertisements. Companies spend 100s of billions every year on advertisements across the globe, persuading and manipulating people into a consumer lifestyle that has been set by the organization. Advertising is a great way of exploiting individual insecurities and creating false needs by offering solutions. This in turn cultivates dissatisfaction that leads to people ending up buying. Children are particularly vulnerable to this sort of manipulation.

Young kids are increasingly the target of advertising and marketing because of the amount of money they spend themselves, the influence they have on their parents spending. Whilst this child-targeted marketing is of a great benefit to the buying of clothes. Fancy advertisements and colorful hoarding have always attracted kids towards themselves. Hence the use of the right promotion strategies has helped the brands to expand the kids market in the recent years and will continue benefitting to the expansions as well.

2.14 International Brands in the Indian Kids Wear Market
The kids wear market in India as stated above is a large platform. Not just for the Indian brands it also offers great space and medium to the international brands. Several major brands under its one stop shop format have given a green signal to the international brands. Moreover several major international players have entered the Indian market with their own exclusive stores.

The recent years have witnesses rising sales in the baby and infant products especially. The idea of gifting higher ranges of products has gained a lot of popularity amongst people of all generations. Even though the traditional dress market have seen several changes in the basics of fabrics and style yet the factor of comforting fabrics and softness remains an evident basis. Hence the kids wear segment has witnessed the venture of high profile designers who are creating different versions of the adult designs.

The international brands that have ventured into the Indian market are majorly classified into the sector of premium segment. Also various international brands have tied up with Indian brands to capture the kids wear segment.

The global kids wear market in India faces a tough competition from the large number of manufacturers and their lower costs of stitching. Major international brands are:

- UCB
- Zara
- Tommy Hilfiger
- Hopscotch
- Levis kids
- Barbie
- Disney
- Burberry

These brands have already taken their stands in the Indian market. Also the online market on kids wear has been largely captured by the International players in India. Be it the social media websites like facebook and twitter or fashionandyou, the international market seems to have made a great share. With so many Indian and international brands venturing into the kids wear segment, the kids also get a great part in the decision of purchase making.
2.14.1 Overview of marketing strategies

Following is a simple chart that shows how the international brands have made their influence over the Indian market. The graph lies between the influence and interest which ranges from low to high. The graph has 4 zones in which the work of the brands has been divided.

Figure: 6 Decision making process of kids
2.14.2 Promotion

The promotion strategies of the international brands remain very close to that of the Indian brands. Also the technological advancements from the end of the international players make it a huge liking in the online shopping stores.
Not just with the store based formats, the international brands focus a lot over the online retailing as well. Focusing on the Indian attachment with emotions and culture the international brands have also made efforts to understand the market of Indian kids wear through value proposition statement. This can be explained with the following diagram:

Figure: 7 Brand divided in four zones considering interest and influence as two parameters

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10 http://www.emeraldinsight.com/journals.htm?articleid=1811526&show=html
3. RESEARCH OBJECTIVE

3.1. To study the brand preferences of Indian consumers with respect to kids Apparel market.

3.2 To study and compare the performance of Indian vs. International brands in India.

4. RESEARCH METHODOLOGY

The project is aimed at bringing out a comparative analysis between the Indian and Foreign Kids Wear Brands in India.

Kids apparel market is growing rapidly today. Trends in the market are fast changing. This project is to analyze the market for kids apparel in detail. This will be done through Primary Research as well as Secondary Research.

The Primary research will be conducted in the form of a questionnaire, in order to explore the consumers’ perception regarding the Indian and Foreign Kids Wear Brands. An online survey on a sample size of 100 will be carried out. The sampling will be non probabilistic and convenience sampling. The questionnaire will have close ended questions with multiple options. The survey will be carried out among the Parents having Children of following Age Groups:

- 0-2(Infants and Toddlers)
- 3-8(Kids)
- 9-12(Pre-teens)
And the Secondary data will be collected from the comparative study of Indian and International Childrens’ Wear Brands. The instrument used will be reports from books, internet and social portals. The research will be exploratory in nature.

5. SCOPE

• Further the research will be carried out in the different areas of Delhi where parents will be questioned about their liking of brands through online surveying.
• The sample size will be 100.
• This research will benefit the retailers in knowing the preferences of consumers more closely in context to the kids wear market.

6. RESEARCH GAP

• The research will be restricted to certain regions of Delhi.
• Due to non-availability of international brands in Ahmadabad, the research will be carried out in Delhi.

7. FINDINGS

The main idea of the survey was to observe the behavior of the respondents towards buying of their choices as well as that of their kids’. Moreover it was aimed at finding the brand that they prefer more- be it Indian or international in the Indian market.
1. With the growing trend awareness amongst kids’, parents also feel comfortable in being accompanied by their kids’ during purchases.

2. The kids’ sector imitates the adult sector in the styling as well as design perspective. Hence every kid’s desire of being fashionable has grown over time giving way for a trendy shopping.
3. The competition in the market has a bottle neck edge over each other. The preference of a brand over the other is a closely followed figure. UCB and Shoppers Stop top the list in the preference.

4. The kids’ have a playful nature. Being accompanied by kids’, it becomes a hassle for parents to keep managing them. Hence most parents prefer stores with play area to keep their kids’ engaged in the store along with shopping.
5. The one stop shop concept have taken over the single shop concept. Hence most parents prefer visiting stores which have multiple brands under them.

6. Sizes are one great issue in the kids’ wear segment. Hence most parent have the habit of making trials before buying. Though online shopping portals range with a good collection of kids’ wear clothing as well but they still prefer store based format over non store based.
With the upcoming of mall culture, unorganized retailing seems to have taken a back bench in Delhi.

The graph clearly shows that both parents and kids play an important role while shopping.

7. With the increase in income and brand offerings, the shift is evident from the unorganized sector towards the organized.

8. Gone are the times when parents were dominant over buying clothes of their choice. The idea of a joint decision of kids’ and parents is welcomed by many families.
9. Keeping in mind the changing sizes of kids’, this segment majorly sees planned buying behavior.

What price range do you buy in?

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>PRICE RANGE PREFERRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOPS</td>
<td>Rs. 500-1000</td>
</tr>
<tr>
<td>T-SHIRTS</td>
<td>Rs. 500-1000</td>
</tr>
<tr>
<td>SHIRTS</td>
<td>Rs. 1000-1500</td>
</tr>
<tr>
<td>DRESSES</td>
<td>Rs. 1500 or more</td>
</tr>
<tr>
<td>SKIRTS</td>
<td>Rs. 1000-1500</td>
</tr>
<tr>
<td>SHORTS</td>
<td>Rs. 1000-1500</td>
</tr>
<tr>
<td>DUNGAREES</td>
<td>Rs. 1000-1500</td>
</tr>
<tr>
<td>DENIMS</td>
<td>Rs. 1500 or more</td>
</tr>
<tr>
<td>TROUSERS</td>
<td>Rs. 1500 or more</td>
</tr>
<tr>
<td>CAPRIS</td>
<td>Rs. 1000-1500</td>
</tr>
<tr>
<td>NIGHTWEAR</td>
<td>Rs. 500-1000</td>
</tr>
<tr>
<td>BOXERS/BERMUDAS</td>
<td>Rs. 500-1000</td>
</tr>
</tbody>
</table>

10. The price consciousness amongst parent has decreased over time. Even if they don’t buy in the highest range, they are ready to loosen up their pockets to a fair range of price.
What are the factors that affect your purchasing decision?

<table>
<thead>
<tr>
<th>FACTORS</th>
<th>RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRICE</td>
<td>7</td>
</tr>
<tr>
<td>COLORS</td>
<td>1</td>
</tr>
<tr>
<td>STYLE</td>
<td>2</td>
</tr>
<tr>
<td>AMBIENCE</td>
<td>8</td>
</tr>
<tr>
<td>QUALITY</td>
<td>3</td>
</tr>
<tr>
<td>BRAND</td>
<td>4</td>
</tr>
<tr>
<td>OFFERS AND DISCOUNTS</td>
<td>6</td>
</tr>
<tr>
<td>SIZE AVAILABILITY</td>
<td>5</td>
</tr>
</tbody>
</table>

11. While buying clothes for kids’, the parents as well as kids’ look for the best color option available. The color as a factor is closely followed by style and quality.
What brands are preferred by you and your kids?

<table>
<thead>
<tr>
<th>BRAND</th>
<th>RANKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>LILIPUT</td>
<td>4</td>
</tr>
<tr>
<td>GINI &amp; JONY</td>
<td>3</td>
</tr>
<tr>
<td>UCB</td>
<td>2</td>
</tr>
<tr>
<td>ZARA</td>
<td>7</td>
</tr>
<tr>
<td>SHOPPERS STOP</td>
<td>1</td>
</tr>
<tr>
<td>V MART</td>
<td>6</td>
</tr>
<tr>
<td>CATMOSS</td>
<td>5</td>
</tr>
<tr>
<td>BIG BAZAAR</td>
<td>8</td>
</tr>
</tbody>
</table>

12. Last but not the least, it is important to know what brand is a hit amongst both parents and kids’. The Indian market sees shoppers stop as the most preferred with a close competition with UCB. The reason that could be found out about people’s preference is the brands line. Both the brands have never missed out on the best possible style in the best possible range. They have made their great efforts in maintaining the quality and style aspect of the brand.
8. CONCLUSIONS

- Kids these days are pretty conscious about the latest trends and their look, so it becomes an important aspect for parents on being accompanied by children while shopping. Also there occurs major issues with the sizes in kids wear which also act as a powerful force on the parents.
- As per the store preferences, multi brand outlets especially with play area are preferred more by parents. This helps the kids in getting engaged into fun activities while they shop.
- The major decision making is done on the conscience of parents as well as kids. Also that the sizes of kids garments keep varying because of growth, the purchases are more planned unlike the impulse buying of youth.
- Now day’s parents are not price conscious hence they prefer going for organized retailing and are also ready to pay more than Rs.500 for each clothing category.
- Color is the greatest factor affecting the shopping pattern whereas ambience of the store plays the least role.
- Last but not the least it can be wrapped up saying that Shoppers stop (Indian multi retail brand) is doing far better than the exclusive outlets followed by a neck to neck competition by UCB (International brand). This further points the feature of
  - Shoppers stop having varied brands and categories.
  - UCB being a brand of varied assortment attracts majority.

9. SUGGESTIONS

- There is a high potential for children’s apparel in India both in terms of branding and specialty retailing. Hence different brands who haven't yet ventured into this segment can lay their hands upon it.
- Marketing of kids wear brands is still in the budding stage in India, as very few brands exist, and there is lack of brand orientation amongst customers. Majority of the apparel advertising is being targeted mainly on women.
- Media has always played an important role in influencing customers. Effective publicity through mediums like TV channels, video games, blockbuster or superheroes can help boost the kids wear market.
- Much focus is placed on in-store arrangements. Hence it is also important to keep a pace with the interest of kids. Toons inspired merchandise and having special kids oriented promotions can act as a great add on.
10. BIBLIOGRAPHY


