Challenges for Fashion Retailing in India: A Quantitative Study of Fashion Brands

OSHIN PRASHAR

Assistant Professor,Department of Fashion Design   , Graphic Era Hill University, Dehradun Uttarakhand India 248002

ABSTRACT

Fashion retail is the industry of purchasing clothing from producers and retailing it to clients. The majority of urban areas and other large towns are inundated with contemporary, organised retail outlets. One of the main corporate sectors of the Indian market is fashion retailing. Including its enormous population and increasing consumption, India, a developing country, has the potential to become a global powerhouse in the retailing sector. The Indian corporate sector has a wealth of options to investigate and reach the top. The main avenues wherein Indian retailers could focus and prosper are retailer promotional efforts. Retailers are able to thrive in the fashion sector by improving their rapid time to marketplace in reaction to consumer demands for contemporary clothes and fashions. The researcher had considered people from fashion retailing sector to know the challenges of fashion retailing in India. It is found through the study that increasing cost of borrowing money, Labour costs employee pay, Taxation, regulations, and infrastructures, high storage expenses for unsold inventory and Restricting exposure to cutting-edge technologies are major issues in fashion retailing.

KEYWORDS: Fashion Retailing, Fashion Brands, Indian Market, Indian Brands, International Brands

INTRODUCTION

The history of retailing spans many centuries; at first, it was a pretty simple industry, yet over time it has expanded significantly. The first transactions were between neighbours dealing directly. The two of them traded goods. Over time, a particular neighbourhood started to attract a group of people, providing a physical location for the transaction. This serves to establish a more organized structure and also broadens the awareness of a certain benefit. A demand for a common space eventually arises as a result of a few more people beginning to gather in one location. The name "fair" was later given to this common location. As more individuals conduct trade at a certain fair over time, concerns over mobility and safety are raised. Small-scale grocers were later created as a result of this partially systematic

procedure, with local residents beginning to offer additional possibilities. The problem of selection in a particular grocery store then arose; the user's options were constrained, and the idea of "it all under the sky" was born. The nuclear household replaces the joint family throughout time. In that situation as well, both partners began to generate money, which led to a change in lifestyles. Organised department outlets began to appear after that point in place of mom-and-pop kinds of retailers (Akhter and Equbal, 2012). There has been a high growth in E-WOM "Electronic Word of Mouth" in the recent few years which is driving the fashion industry (Kudeshia & Mittal, 2016).

The most vibrant segment of the Indian economy is retailing, which offers both domestic and foreign retailers a significant potential. The majority of shoppers claimed that they had neither ever stopped checking kirana stores, proving that digital commerce does not pose a threat for conventional retailers. They both firmly believe that both industries must exist. Retailers must rethink their retail format plans in light of a tailored general scheme. Premium shops and branded businesses need to change their tactics since the quantitative weight of the study renders it abundantly clear that they are not viable in the Indian context. The fundamental cause behind this is that Indians do not want the foreign retail concept because it does not fit with their way of life. Indian consumers should be recognised as being very price-sensitive (than quality). Unorganized retail's simplicity of purchase and financing options are nevertheless important factors to consider when purchasing (Jaswal, and Gupta, 2017).

The informal economy and small and medium-sized businesses control the majority of India's clothing sector, which is extremely diverse. Significant obstacles are being presented to the clothing sector by the shifting state and federal governmental regulations. The price of the clothing is increased by the GST (Goods and Services Tax) tax system. The increasing cost of borrowing money, labour costs, and employee pay are additional significant threats. The apparel sector suffers from greater levels of turnover. The clothing sector is receiving investments, despite the fact that the federal government is courting overseas financing. The centres of the textile and apparel industry in India include Bangalore, Mumbai, New Delhi, and Tirupur. The whole line of woven clothing and knitwear can be produced by these producers quickly and affordably while maintaining a reasonable level of craftsmanship. The Indian apparel sector has its own drawbacks, including restricting exposure to cutting-edge technologies and an inability to satisfy international norms in the fiercely aggressive international market (Kumar, 2018).

LITERATURE REVIEW

The connector between fashion brands and potential clients is the fashion retailer. Efficient retailers are aware that determining customer requirements, developing brand recognition, and projecting a positive picture of the brand are all crucial components in creating an impactful and efficacious advertising campaign. Because of the expansion of the organised retail market, rising wealth, and rising buyer characteristics among India's future generation of customers, the clothing retail sector has experienced fast change. When retailing companies Shoppers Stop and Crossroads expanded into the working-class market during the last few decades, the fashion retailing industry began to connect itself with worldwide patterns. According to predictions, this industry will reach billions within a couple of seasons. In order to expand globally, fashion shops are now contracting their commodities. More adaptability and improved partnerships with suppliers are also necessary for the industry's supply chain (Pani and Sharma, 2012).

India's second-largest retail segment is clothes and accessory, following meals and grocery. Also, organized sector, that makes up 20% of the entire garment market, is a key factor in what makes up the fashion business. Nonetheless, buyers' strong brand loyalty presents a problem to the fashion industry. Instead than being loyal to one individual clothing brand, shoppers are more inclined to stick to individual merchants, like Shopper's Stop, Westside, or Pantaloon. As a result, private brands from shops are a major driver of the garment sector (Pick and Miller, 2011).

McCormick, et al. (2014) said that the percentage of the underprivileged in India's population is declining, while the wealthier strata have seen tremendous rise. One of the primary issues for fashion retailers in India involves finding ways to display product intervals that fulfil the wish for modern fashions within the boundaries of what is regarded ethnically appropriate. Indian buyers, like those in other developing markets, perceive fashion intakes as a means of conveying their position, so fashion retailing is expected to keep up with powerful expansion in India. Western-inspired fashions are now more in demand than ever before, and even though ready-made clothes only accounted for 20% of all sales volume in 2005, that percentage is now rising at a speed of about 50% annually.

Khare and Sadachar (2017) examined that organic clothing now has a more global feel because to the participation of worldwide and domestic fashion designers and businesses in its promotion. In the next five years, the market for organic clothing is predicted to expand by

5% as it gains popularity with buyers in major American cities. By 2020, 70% of people are projected to buy sustainable apparel. These optimistic expectations have prompted clothing companies including Nike, Woodland, Wills Lifestyle, Van Heusen, Benetton, S Kumar's Nationwide, and Arrow to introduce organic clothing lines for people that value the environment. The popularity of sustainable apparel among consumers has allowed a slew of emerging manufacturers to produce chic looks. Ninety-nine percent of shoppers choose organic apparel for its cutting-edge styles. Indian organic fashion companies like Fabindia, Mother Earth, Hidesign, Ethitcus, and Bhusattva are collaborating with agricultural producers and craftsmen to breathe fresh life into the sector. Latest fashion collections are introduced using Indian khadi, Kantha, Kasuti, and Kashida embroidery, Jaina, and Pichwai fabric designs. A significant draw for attendees at fashion events throughout the nation are sustainable apparel brands.

Considering the psychological elements, a lapse in self-control, hedonistic motivation, consumerism, and a positive mood encourage impulsive purchasing. Out of all the factors, consumerism has the biggest an effect on impulsive purchasing. This study by Khan, et al. (2016) differs from that of past studies, that confirmed the absence of a connection between consumerism and the propensity for impulsive purchasing. The Gen Z's awareness of enhancing their societal identity and self-image through shifting latest fashions is most likely the reason for the result that consumerism has the largest influence on impulsive purchasing behaviors. They also have a strong sense of fashion and are often captivated by clothing trends. Contradictory to what was found in earlier studies, assertiveness had no effect on people's propensity for making impulsive purchases. Marketers need to divide up the audience in a special way by keeping track of how this era's opinions and habits are continuously evolving if they want to target a particular Gen Z.

Kaustish and Sharma (2018) investigate the connections between fashion awareness, purchase attitude, and two different types of buyer behaviour, notably functional and final values, in the framework of the digital fashion clothing retailing industry. Following a thorough assessment of the considerable literature, a general framework and measuring scales were created, which were then tested with clients making online purchases of fashion clothing. A combination of 395 results were obtained from a web-based poll that was conducted at a northern Indian institution in order to conduct an experimental analysis of the model. The test's findings show that fashion awareness has a considerable effect on both performance expectancy and objective and ultimate valuations, along with both. Behavioral

intents and constructive values are somewhat mediated by fashion knowledge, according to the study. Notably, instrumental values have a stronger impact on the parameters fashion awareness and behavior intents than situational factors do.

Loureiro, et al. (2018) checked that sales forecasts in the fashion retailing sector is a challenging subject that calls for creative and effective solutions, particularly when projections are made for novel items that lack sales records. A business' decision to estimate sales volume with confidence is essential to enhancing its performance in a field that is becoming more and more dynamic and reliant on a variety of, and in some cases, unmanageable, circumstances. The improvement of the buying decision could be facilitated by corporations using more exact predicting techniques to determine more accurately how much of each item must be purchased from the vendors. As a result of avoiding high storage expenses for unsold inventory and enabling the business to run more leanly and effectively, this procedure will eventually result in an enhancement in revenue. Close management of stocks in retail stores could also serve as a competitive advantage over rivals. Customers will choose establishments that have the goods they want in inventory, that raises client satisfaction and loyalty.

The current research by Das (2015) investigates the primary and secondary effects of brand awareness and consciousness on purchasing behavior in a setting of fashion retail brand, which are handled via consumer perception. The research then investigates the influence of gender on the connections between consciousness, customer perception, brand image, and purchasing behaviour. Buyers in fashion retail locations who were 18 years of age and older were given a questionnaire form to complete. The information was gathered in Kolkata, a major metropolis in India, using a shopping centre survey method. The information were analysed using multiple-variate analysis methods, like functional equations modelling and exploratory component analyses. The findings show that brand awareness, customer perception, and consciousness all significantly affect purchasing behavior. Findings also show that consciousness and brand awareness have greater secondary effects on purchasing decision than primary ones. Last but not least, the findings indicate that gender influences the associations between consciousness and purchasing behavior, consumer perceptions and buy desire, and brand image and purchasing behavior.

OBJECTIVE

To ascertain the Challenges for Fashion Retailing in India.

METHODOLOGY

The researcher had considered people from fashion retailing sector to know the challenges of fashion retailing in India. The primary data of the study is collected with the help of a survey using structured questionnaire and random sampling method. The data was analysed and evaluated using mean to get the results.

FINDINGS AND DISCUSSION

Challenges For Fashion Retailing

S. No.	Statements	Mean Value
1.	Strong Competition presents a problem to the fashion industry	3.12
2.	It's a challenge to find ways to display product intervals that fulfil the wish for modern fashions	3.16
3.	Sales forecasts in the fashion retailing sector is a challenging subject	3.13
4.	It is a challenge to avoid high storage expenses for unsold inventory in fashion retailing	3.18
5.	Close management of stocks in retail stores could also serve as a competitive advantage over rivals	3.15
6.	Taxation, regulations, and infrastructures are some of the key challenges in fashion retailing	3.19
7.	Increasing cost of borrowing money being in challenges in fashion retailing	3.21
8.	Labour costs, and employee pay are additional significant challenges	3.20
9.	Restricting exposure to cutting-edge technologies are major issues in fashion retailing	3.17
10.	Inability to satisfy international norms in the fiercely aggressive international market	3.14

Table above is showing different Challenges for fashion retailing in India. It is found that Increasing cost of borrowing money being in challenges in fashion retailing with mean value 3.21, Labour costs, and employee pay are additional significant challenges with mean value 3.20 and Taxation, regulations, and infrastructures are some of the key challenges in fashion retailing with mean value 3.19. The respondent says that it is a challenge to avoid high

storage expenses for unsold inventory in fashion retailing with mean value 3.18, Restricting exposure to cutting-edge technologies are major issues in fashion retailing with mean value 3.17 and It's a challenge to find ways to display product intervals that fulfil the wish for modern fashions with mean value 3.16. The respondent shares that close management of stocks in retail stores could also serve as a competitive advantage over rivals with mean value 3.15, Inability to satisfy international norms in the fiercely aggressive international market with mean value 3.14, Sales forecasts in the fashion retailing sector is a challenging subject with mean value 3.13 and Strong Competition presents a problem to the fashion industry with mean value 3.12. Figure 1 presents the values graphically.

Figure 1 Challenges for Fashion Retailing

CONCLUSION

There is a lot of hope for the retail sector in India in the foreseeable. The retail sector has a lot of room to grow while the market is strong and expanding. The businesses that will prosper and reap rewards will have to navigate India's difficult business environment. India's retail industry is entering a period of change thanks to efforts to become more structured, an expansion of product options, a shift in buyer attitudes, and a sizable user base. The climate for garment commerce has seen considerable shifts as a result of ongoing economic

development, growing populations, regulatory reform, shifting social practices, and globalisation. Although though India offers appealing economic opportunities on both the national and global levels, there are still several areas that present difficulties, like the taxation, regulations, and infrastructures. Because to India's sizable marketplace of 1.1 billion users and its sizable English-speaking populace, global retailers have a tonne of opportunities there.

The study explores different challenges of fashion retailing in India in which found that major challenges of fashion retailing in India are Increasing cost of borrowing money being in challenges in fashion retailing where Labour costs, and employee pay are additional significant challenges. Taxation, regulations, and infrastructures are some of the key challenges in fashion retailing, it is a challenge to avoid high storage expenses for unsold inventory in fashion retailing and Restricting exposure to cutting-edge technologies are major issues in fashion retailing.

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