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## UNDERSTANDING THE FASHION AND APPARELS INDUSTRY: AN ONLINE PERSPECTIVE

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### ABSTRACT:

The share of online apparel sales as a portion of total apparel and accessories sales is increasing at a faster pace than all of Indian ecommerce. In the Fashion segment, the global online share of revenues has already reached 20% in 2018, but the growth will continue in the next years, driven by East and Southeast Asia regions with their growing middle class and lagging offline shopping infrastructure. The Indian online fashion retail market has witnessed significant success in recent years, which speaks for various trends in country's

evolving fashion retail market based on the favourable demographic dividend, retail-specific policies, and consumer buying behaviour. One of the most significant changes is advancing online retail or e-tail of fashion products across the country. The traditional marketing and management of fast fashion industry is experiencing an uprising because of the emerging of e-commerce. This paper will highlight the recent trends and major divers to accelerate the growth.

**KEYWORDS:** Online Retail, Fashion retail, Social commerce, Consumer behaviour, Online Fashion growth drivers.

### INTRODUCTION :

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. The increasing use of Internet by the younger generation in India provides an emerging prospect for online retailers. There is a common saying about the Indian retail consumers' "can't touch, won't buy" mentality. However, this is gradually changing with the rising trend of online

shopping. The growth in the Indian economy has led to a significant growth in the apparel industry as well. The material segment in the nation is one of the most established going back to a few centuries. The business offers a decent selection of items extending from hand-spun and hand-woven materials to modern plant items. It is the handwork done following quite a while of experience and family legacy that makes the material business in the south Asian nation uncommon and makes a prominent interest around the world. The estimation of the household clothing market in the country was more than five trillion Indian rupees in financial year 2018. Online customers

have now moved on from purchasing just Books/Consumer Electronics to purchasing Clothes, Shoes and Accessories. Design classification recorded most elevated number of exchanges.

### OBJECTIVE OF THE STUDY

- 1) To Understand Online Fashion market size
- 2) To study the major trends in online fashion retail
- 3) To study the growth drivers in online fashion retail

### RESEARCH METHODOLOGY

This paper is an empirical data based study. All the information is collected through secondary data sources. All the sources are mentioned in the references.

## LITERATURE REVIEW

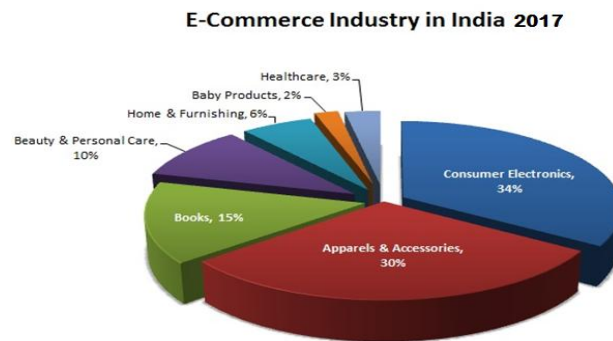
The Internet offers the key benefit of shopping from the globe. With this, a greater amount of items and assortment can be exhibited without great rises in costs. Consistent with this Dawson and Kim (2009) said in their study that the average online shopper inclines to outlook a website for about 30 seconds before deciding whether to view the products or click away. According to Ofek et al. (2010) one of the primary reasons consumers seek to combine online shopping with shopping in a brick and mortar store is that ultimately they prefer to "touch and feel" products prior to purchase; and also explicitly voice concern over returns if they don't make the trip to the store. The shoppers also seek customer service information and security information on return policies while viewing websites. They require numerous ways to get in touch with the vendor and want assistance with transactions. (Then and Delong, 1999). Consistent with this Dawson and Kim (2009) found that the average online shopper tends to view a website for about 30 seconds before deciding whether to view the products or click away. E-shopping sites have invested largely on several tools and solutions. For example, the online fashion retailer Nelly.com has incorporated a catwalk solution where models can be watched in a video. The fashion giant H&M experimented with their Virtual Dressing Room, which offered consumers the ability to try clothes on models with customizable features, such as skin colour, hair style and size. This may shock a couple since Indian attire customers have customarily been doubtful about looking for garments on the web, as they cherished the touch, feel and attack of their articles of clothing. This at first discouraged them from purchasing on the web. Today, that obstacle is a relic of past times. With expanded mindfulness and simple to-utilize applications, customers have to a great extent relocated to shopping on the web for attire. E-posterior are always trying imaginative techniques to take into account the one of a kind needs and inclinations of clients. They give shoppers quality items and administrations to reinforce the trust. They have crossed over any barrier among retailer and client through online to disconnected space prompting an upgraded shopping experience for the client. India's white collar class is figure to grow by 1.4 percent a year over a similar period, outpacing China, Mexico, and Brazil. Therefore, India is set to develop from an undeniably significant sourcing center into one of the most alluring purchaser showcases outside the Western world. India's clothing business sector will be worth \$59.3 billion of every 2022, making it the 6th biggest on the planet, tantamount to the United Kingdom's (\$65 billion) and Germany's (\$63.1 billion), as indicated by information from McKinsey's Fashion Scope.

## CURRENT SCENARIO OF ONLINE SHOPPING IN INDIA

The Indian retail market is expected to demonstrate a promising year-on-year growth of 6% to reach USD 865 billion, by 2023, from the current USD 490 billion. The share of apparel in India's retail market is 8%, corresponding to a value of USD 40 billion. In addition to fashion apparel, the growing demand for fashion accessories makes the Indian fashion market both interesting and lucrative. Being a nation with a various culture and strict convictions, the country meets up pretty much consistently to celebrate various celebrations and to appreciate and encounter various religions. Celebrations were additionally the fundamental purpose behind ethnic attire buy the nation over as indicated by a review completed in 2019. With the populace on its approach to turning into the world's biggest and the idea of combination between the western and ethnic structures, the interest for dress has been on the ascent in the ongoing years. Out of \$7 billion India's e-following business sector, online design retail remains with \$2.4 billion commitments to it. While this estimation for Indian e-following business sector is required to contact \$60 Billion by 2020 and online Fashion Retail Market is relied upon to reach \$20 Billion by 2020. As per investigate, India has 450 million web at any point got to populace which is probably going to develop by 62% to 729 million by 2020. Of this, 310 million is the dynamic web getting to populace, getting to the web at any rate once every month. This number is relied upon to increment by 35% to 419Mn by 2020. Total number of online transactors were 200 million out of 2017 and they are required to increment by 65% by 2020. Of the online transactors, India has developed as one of the most powerful retail businesses on the planet.

India's developing per capita pay, a rising white collar class, the changing statistic profile, urbanization and attitudinal moves in buyer spending design all demonstrate the retail segment's capability to be the genuine development motor of the economy. E-business pioneers are moving to arrangements dependent on man-made reasoning. "Personalization and curation dependent on close to home taste will turn into significantly progressively significant," says Ananth Narayanan, CEO of Myntra, a design web based business player gained by Flipkart in 2014. "It's not tied in with having the biggest choice; it's tied in with exhibiting the most suitable determination to the client in question."

**Share of Apparel in e commerce**



Statistics in above chart shows 30% share of online shopping is occupied by apparel products

**Comfort shopping**

Online shopping has given a huge boost to the clothing market just as much as it has done for the other industries. Amazon was the preferred choice for online purchase of clothes followed closely by Flipkart in 2019. However, most of the online shopping is for western attire as compared to ethnic clothing, where the consumers chose to shop in-store. The future of the textile sector looks promising, both in terms of domestic demand and international export. The entry of more international firms and the desire to stay up to date with the latest fashion trends, is likely to keep the mills running at a good pace in the coming future

**LATEST TRENDS IN ONLINE FASHION RETAIL**

**The following is the latest trends in online fashion shopping**

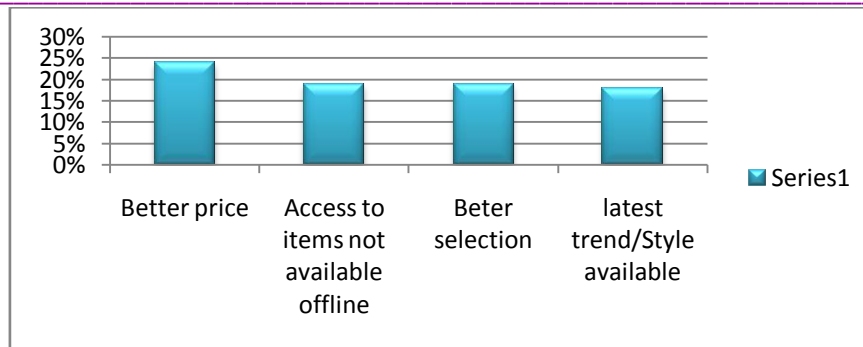
- Acceptance of Multi-sales channel strategy (Online/offline) among fashion retailers
- Multi-brand route- Marketplaces like Myntra, Jabong, etc
- Fashion brands (retailers) going online (Biba, House of Anita Dongre, Puma etc.)
- E-tailers entering into niche segments to cash in on untapped categories (Voonik, YepMe, Craftsvilla, Firstcry.com, Babyoye.com etc.)
- Clothes and Footwear are the two most popular categories in Fashion

**Factors are influencing online fashion shopping**

Mostly following factors acts as influencers for online fashion shopping

1. Faster internet, 2. Time saver, 3. Cheaper rates and discounts, 4. Cash on Delivery (COD), 5. Wider options, 6. Home delivery and return policies, 7. Increased mobile applications 8. prolific Product collection available online 9. Low prices, 10. availability of brand , price comparison etc

According to frequent shoppers in India as of February 2018



This statistic shows the factors influencing online fashion shopping according to frequent shoppers in India as of February 2018. As of this date, around 24 percent of frequent shoppers in India stated that better prices encouraged them to purchase fashion products online.

### Barriers for online fashion shopping

Limitation of products, Security reason, Fake websites, Risk of quality of product, Fraud cases, Fewer discounts and bargaining, Long delivery timing, No idea about quality and physical condition Of The product, Lack of personal services, More shipping cost, Limited exposure and Limited advertising, Customer's Satisfaction, check for fitting which discourages a lot of people, lack of touch and feel.

### CONCLUSION

The online fashion retail is flourishing worldwide and will be witness to more growth in its market size in future to come. Many companies like Flipkart, Amazon, e bay and Myntra etc have seen a major traffic for their online fashion goods. Firms are involved in making their website user-friendly, secure and available over all the touch points where a customer interacts with company. Online transactions have also seen a double digit growth and going to get many customers buying fashion goods online. The major drivers to the online fashion goods are increase in disposable income, 24\*7 availability service, variety, less cost and offers and time saving facility available in online shopping. International companies considering an entry into India should heed this important message. Traditional clothing is still very much the default choice for women, making up an estimated 70 percent of women's apparel sales in 2017. The retailers those who are not present on online channels can analyse the market potential and market growth opportunities and have a digital presence plan to enjoy the upcoming business opportunities. With a great demand, these resources continue to sprout and grow all around the globe.

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