



# Indian Eyewear Industry Report

2013 | 158 Pages

For any queries or detailed information  
contact us on +91 – 22 – 2436 3161 /+91 - 22 –  
60022001 or e-mail at [research@reevolv.in](mailto:research@reevolv.in)

**Reevolv Advisory Services  
Private Limited**

---

## Table of Contents

### Particulars

- 1 Executive Summary
- 2 Eyewear Industry Overview
  - 2.1 Industry Overview
  - 2.2 Market Opportunity
  - 2.3 Growth Drivers
- 3 Business Dynamics
  - 3.1 Eyewear Products Category
  - 3.2 Key Characteristics of Eyewear product
  - 3.3 Business Model
  - 3.4 Typical Unit Economics for Eyewear Retail
  - 3.5 Consumer Insights
  - 3.6 Buying Criteria
  - 3.7 Porters Five Forces Model
  - 3.8 Key Success Factors of Eyewear Retail Industry
  - 3.9 Key Challenges of Eyewear Retail industry
- 4 Primary Surveys / Interviews
  - 4.1 Interviews
  - 4.2 Consumer surveys
- 5 City wise – Key players and Number of outlets
  - 5.1 Tier 1 Cities
  - 5.2 Tier 2 Cities
  - 5.3 Tier 3 Cities
  - 5.4 Other Cities
- 6 Quantitative Information of Players
  - 6.1 Retail Shop
  - 6.2 Manufacturers – Spectacle Lenses & Frames and Sunglasses
  - 6.3 Manufacturers – Contact Lenses
- 7 Financial Benchmarking of Players
  - 7.1 Retail Shop
  - 7.2 Manufacturers – Spectacle Lenses & Frames and Sunglasses
  - 7.3 Manufacturer – Contact Lenses

8 Player Profiles – Eyewear Retail

- 8.1 Bon Ton Opticals
- 8.2 Foresight Vision Care
- 8.3 Gangar EyeNation
- 8.4 GKB Opticals
- 8.5 Himalaya Opticals
- 8.6 Lawrence & Mayo
- 8.7 Lens & Frames
- 8.8 Optical Palace
- 8.9 Shiva Vision Care
- 8.10 Sunaina
- 8.11 Sunglass Hut
- 8.12 Titan Eye+
- 8.13 V. A. Mayekar
- 8.14 Vision 360o and GKB Optolabs
- 8.15 Vision Express
- 8.16 World Optix

9 Player Profiles – Manufacturer of Spectacle Lenses & Frames and Sunglasses

- 9.1 Carl Zeiss
- 9.2 Essilor
- 9.3 Hoya
- 9.4 Luxottica
- 9.5 Safilo

10 Contact Lenses – Competitive Pricing

11 Player Profiles – Contact Lenses

- 11.1 Acuvue
- 11.2 Bausch + Lomb
- 11.3 Ciba Vision

12 Annexure: Ratios

## Executive Summary

The growth of eyewear retail industry is result of increase in population, rising income levels, penetration of the retail distribution network etc. The eyewear industry is following similar trends as observed in the retail makeover in India. Over the years eyewear has changed from being a utility product for vision correction to key fashion accessory. Increasingly eyewear is being perceived as reflective of one's personality.

The fast paced transition is witnessed by the eyewear industry in terms of changing customer choices, preferences, shift of localized opticians to organized chain of retail outlets and influx of foreign eyewear brands.

The size of the eyewear market in India was Rs. 39 billion in 2011 of which spectacle frames and prescription lenses constituted the largest percentage of 81% of the market followed by sunglasses (15%) and contact lens (4%).

The key success factors of this industry are

- Quality of product and product portfolio
- Delivery time
- After sales service

However, as with any other industry, it is not without challenges. The scarcity of trained professionals is the biggest challenge in the industry. This supply-demand gap is leading to an upward salary cost for trained professionals coupled with higher attrition. The higher rentals in cities are acting as an impediment to growth.

The findings of the survey conducted across cities and customer groups are as under:

- Consumers prefer using spectacles rather than contact lens
- People typically change their eyewear in around 2 years
- Price, geographical distance and brand are the top parameters for consumers to select a eyewear retail outlet
- Comfort, Price and Style / Fashion / Design are the top parameters while buying eyewear products

As per our estimates the market is expected to increase to Rs. 68 billion in 2015 growing at a CAGR of 14.6% per annum. Out of all the product categories, sunglass is the highest growing segment in India.

As per our estimates the share of organised market stood at 16% of the total eyewear retail market at Rs. 6.3 billion in 2011 which is expected to grow at 22% per annum and will reach to 13.8 billion (20% of the overall market) in 2015E

**Key questions about the consumer buying behavior answered in this report**

1. Which Eyewear product is being preferred the most for vision correction by customers?
2. At which place consumer preferred to go for eye check up?
3. What is the consumer's eyewear usage pattern (Spectacles & Contact lenses, Sunglasses)?
4. What is the preferred price range for eyewear (per annum)?
5. Which retail outlet is being preferred by consumers (Branded/ Local)?
6. Preferences for type of eyewear products (Branded/ Local)
7. What is the replacement frequency of eyewear (Contact lenses)?
8. What are the reasons to select retail outlets for purchase of eyewear?
9. What are the parameters while buying eyewear products?

**Research Methodology**

The report is based on information from both primary and secondary sources. Primary research includes consumer survey across 115 respondents to understand consumers buying behavior. Also we have conducted interviews of stakeholders of industry – promoters, store managers, manufacturers, distributors etc. Secondary research includes desktop research, relevant publications like company annual reports etc.

## Player Profiles

### 1.1. Gangar EyeNation



#### 1.1.1. Overview

	Description
Company Name	
Profile	•
Promoters Name	
Year of Inception	
Total no. of outlets	
Future Plans	

Source – Company Website and Reevolv Research

#### 1.1.2. Locations

Western Region		
Exclusive Stores		
Main Cities		

Source – Company Website and Reevolv Research

### 1.1.3. Financials

Profit & Loss Account for the year ended 31st March (Rs. Mn)					
	FY2010	FY2011	FY2012	FY2013	FY2014
<b>Total Revenues</b>					
EBITDA					
Depreciation					
EBIT					
Financial charges					
PBT					
<b>PAT</b>					

Balance Sheet as at 31st March (Rs. Mn)					
	FY2010	FY2011	FY2012	FY2013	FY2014
Share Capital					
Reserves & Surplus					
<b>Shareholders funds</b>					
Secured Loans					
Unsecured Loan					
<b>Loan Funds</b>					
Deferred Tax Liability					
<b>Total Liabilities</b>					
Gross Block					
<b>Net Block</b>					
<b>Capital work in progress*</b>					
<b>Investments</b>					
Inventories					
Other Current Assets					
<b>Total Current Assets &amp; Advances</b>					
Current Liabilities					
Provisions					
<b>Total Current Liabilities &amp; Provisions</b>					
<b>Net Working Capital excl. Cash &amp; Bank</b>					
Cash & Bank					
<b>Net Working Capital incl. Cash &amp; Bank</b>					
<b>Total Assets</b>					

Source: Company Filings, Totals may not tally due to rounding off errors

## Ratios

Key Ratios	FY2010	FY2011	FY2012	FY2013	FY2014
<b>Profitability Ratios</b>					
EBITDA %					
PBT %					
PAT %					
<b>Return Ratios</b>					
ROCE %					
ROE %					
<b>Financial Ratios</b>					
Capital Employed					
Total Debt/ Net Worth					
Secured Debt/ Net Worth					
Total Debt to EBITDA					
<b>Turnover Ratios</b>					
Working Capital Turnover Ratio					
Net Fixed Assets turnover ratio					
<b>DuPont Analysis</b>					
EBIT/ Total Income					
PAT/EBIT					
PAT/ Total Income					
Total Assets/ Net Worth					
Total Income/ Total Assets					

Source: Company Filings