



Indian Ladies Handbags Industry

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Detailed profiles of the following companies.

- 1 Adamis
- 2 Major Brands (Aldo, Charles & Keith, Guess)
- 3 Alessia
- 4 Baggit
- 5 Blue & Blues
- 6 Caprese
- 7 Da Milano
- 8 Esbeda
- 9 Fiorelli
- 10 Gucci
- 11 Hidesign
- 12 Holii
- 13 Lavie
- 14 Lino Perros
- 15 Louis Vuitton
- 16 Peperone
- 17 Rhysetta

Executive Summary

The burgeoning middle class coupled with increasing working women population, increasing media exposure and access to international trends has opened up an array of opportunities for brands with women specific products. Handbag is one such product practically inseparable from the personality of a woman across sections of the society in India.

The growth in ladies handbags is driven by urban conglomerations across Tier 1, Tier 2 and Tier 3 cities in India which are witnessing changing retail landscape and bringing brands to the door steps of the consumers. One cannot ignore the evidently increasing role of e-commerce, which is enabling further reach to consumers across length and the breadth of the country.

The estimated market opportunity in ladies handbag based on the consumer survey conducted across urban conglomerations is ~Rs 36 billion, with leading markets being 8 Tier 1 cities with market size of ~Rs 18 billion, followed by Tier 2 cities (41 cities) and Tier 3 cities (41 cities) cities at ~Rs 15 billion and ~Rs 3 billion respectively.

The key success factors of this industry are design / style / fashion, Brand, Product Quality and pricing to name a few. However the industry attractiveness is also comes with the challenges such as lower product life cycles, influx of counterfeits and presence of large unorganized segment.

The main categories in ladies handbag are leather and non-leather handbags. The presence of brands in leather handbags is limited as compared to higher brand concentration in terms of non-leather handbags. The leather handbag products typically have higher pricing as compared to non-leather goods, with limited consumer base. The key difference as observed between the brands from leather and non-leather handbag brands is that the leather brands have a wider portfolio in terms of price point to cater to varied needs of the consumers in contrast to brands with non-leather products, which focus on narrow pricing based specific segments.

The key insights from the consumer survey conducted by Reevolv is as under :

- The per capita urban consumption of handbags is around 3.16 handbags per annum with average pricing of around Rs. 1,058 (casual handbag) vs. Rs. 1,686 (formal handbags)
- 72% women prefer to buy handbags from Malls/ Department stores or Branded shops
- Higher percentages of women consumers have more than 2 casual handbags (44%), however are more willing to pay a higher price for an occasion handbag (77% above Rs. 1,000)
- Style/ Design/ fashion/ colour along with Durability/ Quality are the critical factors for decision making while buying a handbag

With such interesting facts and many more, the report entails in depth the varied aspects of ladies handbag industry including select interviews of industry stakeholders and player profiles.

Key questions about consumer buying behavior answered in this report

1. How many handbags does she buy?
2. From where does she prefer to buy handbags?
3. At what price does she buy handbags and how long does she use it? Casual vs. Formal vs. Party / Evening / Special Occasion Handbag
4. What does she look before buying handbags?
5. When does she buy handbags?
6. In handbags which are the top brands does she buy? And Why?
7. Does she struggle to find a handbag? What according to her are the gaps in the handbag industry?
8. Does she buy handbags online and from where? If No, is she willing to buy in the future?

Research Methodology

The report is based on information from both primary and secondary sources. Primary research includes consumer survey across 690+ 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.

Sample Player Profile

Overview

	Description
Company Name	
Founder	
Year of Inception/ Incorporation	<ul style="list-style-type: none"> • Inception – • Incorporation –
About Company / Brand	
Brand(s)	
Total no. of Outlets	
Production Facilities	
Raw Material	
Types of Handbag	
Distribution	
Online Sales	
Future Plans	

Source – Company Website and Reevolv Research

Location

Tier I Cities	Tier II Cities
State Wise Presence	Region Wise Presence

Source – Company Website and Reevolv Research

Financials

Profit & Loss Account for the year ended 31st March (Rs. Mn)				
	FY2012	FY2013	FY2014	FY2015
Revenues from Operation	-	-	-	-
Other Income	-	-	-	-
Total Revenues	-	-	-	-
Cost of Materials Consumed	-	-	-	-
Rent, Rates and Taxes	-	-	-	-
Administrative and General Expenses (including Bank Charges)	-	-	-	-
Employee Expenses	-	-	-	-
Selling and Distribution Expenses	-	-	-	-
Advertisement & Business Promotion Expenses	-	-	-	-
Other Expenses	-	-	-	-
Total Expenditure	-	-	-	-
EBITDA	-	-	-	-
Depreciation	-	-	-	-
EBIT	-	-	-	-
Interest	-	-	-	-
Profit before Prior Period Items and Tax	-	-	-	-
PBT	-	-	-	-
PAT	-	-	-	-
PAT after minority Interest	-	-	-	-

Balance Sheet as at 31st March (Rs. Mn)				
	FY2012	FY2013	FY2014	FY2015
Share Capital	-	-	-	-
Share Application Money	-	-	-	-
Reserves & Surplus	-	-	-	-
Shareholders' Funds	-	-	-	-
Secured Loan	-	-	-	-
Unsecured Loan	-	-	-	-
Loan Funds	-	-	-	-
Deferred Tax Liability	-	-	-	-
Total Liabilities	-	-	-	-
Gross Block	-	-	-	-
Net Block	-	-	-	-
Capital work in progress	-	-	-	-
Investments	-	-	-	-
Inventories	-	-	-	-
Sundry Debtors	-	-	-	-
Other Current Assets	-	-	-	-
Total Current Assets & Advances excl. Cash & Bank	-	-	-	-
Current Liabilities	-	-	-	-
Provisions	-	-	-	-
Total Current Liabilities & Provisions	-	-	-	-
Net Working Capital excl. Cash & Bank	-	-	-	-
Cash & Bank	-	-	-	-
Net Working Capital incl. Cash & Bank	-	-	-	-
Total Assets	-	-	-	-

Key Ratios	FY2005	FY2006	FY2007	FY2008
Expenditure Ratios				
Cost of material consumed as a % of Total Revenues				
Rent, Rates and Taxes as a % of Total Revenues				
Administrative & Other Expenses as a % of Total Revenues				
Employee Expenses as a % of Total Revenues				
Selling and Distribution Expenses as a % of Total Revenues				
Profitability Ratios				
EBITDA %				
EBIT%				
PBT %				
PAT %				
Return Ratios				
ROCE %				
ROE %				
Financial Ratios				
Total Debt / Net Worth				
Secured Debt / Net Worth				
Total Debt / EBITDA				
Turnover Ratios				
Working Capital Turnover Ratio				
Net Fixed Assets Turnover Ratio				
Inventory Days				
Debtors Days				