



## WIN-WIN SITUATION! A POSITIVE OUTCOME OF SYNERGY

**T**he divide between urban and rural population of our country more known as India and Bharat, though both these names are synonymous, what they apparently reflect in reality is the difference between their standard of living. 28% urban population of our Country gets projected as India vis-a vis 72% rural Indians living in more than 6 lakhs villages and towns constitute what we call as Bharat. The two sides of same coin are equally important as that makes true India or true Bharat. One without the other is incomplete. The vibrancy and enthusiasm which are characteristic features of the urban population are finding their inroads slowly but steadily and distinctly in rural population of our Country. The extent of penetration of benefits of economic development, industrialization and growth of service sector will vary from state to state, but the fact remains that every Indian is positively influenced with improved standard of living. Today's India is young India and is placed in an enviable position with 60% of the population falling in purchasing class, all set to boost the retail growth. Under the circumstances, no serious player in Global market can afford to ignore India and her capability as well as opportunities existing in this market. The rising income profile of young Indians offers more disposable income at hand. "Shop till you drop" is a new Mantra and these young Indians, especially in urban area, are indeed on shopping spree, as they find their "Identity and Status symbol" through materialistic acquisitions.

In this third Millennium, consumerism is a new religion and it is a global phenomenon. Indian consumer on the average has spent 12% higher than last year and has saved 45% less in last three years. The use of Credit cards has boosted increase in purchase by 30% in last two years. The trend of households having both spouses working is increasing with a phenomenal rate and by 2010, a 35% of all Socio-Economic Classes (SEC) A&B households will be, double income households. The increased number of working women population has direct reflection in increased availability of disposable income with urban population, a one more reason for retail Growth. NCAER 2006 report says that Indian consumer will spend 42% more this year. Availability of Credit Finance is also so easy that gone are the days when one had to cherish a life time dream to have a house or car or other luxuries. With down payment which is a token amount of a few thousands of rupees, one can enter in to financial agreement and have these dreams realized may be in the first year of the service life.

Due to rupee being stronger against Dollar, although may be for the temporary period, the exporters' profit margins are greatly slashed and the domestic market is booming. The dynamic, vibrant and young Indian consumer would invariably want to make personality statement and it is here she/he is going to buy trend setting apparels expressing the personality. Every one wants ready-to-wear Garments for obvious reason that no one has patience and time to get them stitched. The over all retail business amounting to about US\$ 350Bn today, and at least 10% of it is in apparel sector, is poised to grow to the level of US\$412Bn by 2011. This clearly indicates the future of this trade pregnant with innumerable opportunities for apparel industry. The clear trends toward value addition at global level are also visible. Apparels to Textile proportion which was 50:50 in 1990, became 57:43 in 2002 and it is projected to further tilt in favour of apparels to 69:31 by 2010. The present fabric consumption of 19 meter per capita is expected to increase to 32 meter per capita aptly signifies the growth potential. By 2010, textile market size will reach the target of US \$95 Bn with US\$50 Bn in export and our share of 3% in the global market will be practically doubled. The 12 million additional jobs are likely to be created. With all this hard data, there is no more justification necessary to prove that growth of Apparel Industry will be phenomenal.

Does that mean the today's buyers' market will become further more competitive? Of course, competition is the characteristic feature of present day business and it going to stay that way. The modern consumer "high powered with purchasing capacity" is definitely going to be more demanding and choosy about fashion, about quality, about performance, costs and also the way business practices are nurtured. The innovation is also going to be a key element and thus "What is new in it ?" is going to be an important factor which will attract the attention of these well informed buyers. Information technology and electronic media are on the fore front of creating awareness of various products available and thus we should be cognizant of the fact that even the buyer in secondary towns have started franchising their power to choose what is best, trendy and something which can express their personality giving full value for their money.

What is the message? It is quite loud and clear. Apparel and Textile Manufactures and Processors need to choose their right kind of partners, which can offer them an extra edge for their products enabling them to be ahead of their competitors. Newer technologies based on innovation are the ones which can provide them that niche in quality. They need to think in terms of customer delight, rather than being confined to customer satisfaction. The bond of synergy between these Processors and Specialty Finishing Chemical suppliers is going to place them in win – win situation and will be a deciding factor for their increase in market share.

– Prof. (Dr.) Mangesh D.Teli  
Hon. Editor