Bed linen
Despite odds, growth assured
-Arun Roongta

While today’s well-known brands like Portico and Spaces successfully challenged the market leader Bombay Dyeing’s supremacy, some others like Trident are preparing to do so. Players like Swayam, Tangerine, and Maspar and House This! too are successfully carving out their own niche in a market still cluttered by and large with unbranded bed sheets and pillow covers across the country. Despite a healthy growth of 15 to 20% in consumer demand in the rapidly growing Indian market for bed linen, individual players has been facing tough times and challenges for the last one year. The situation is perceived differently by different market players. While everybody agrees that the competition has become more cut throat than ever before, to some extent thanks to the onslaught of online retailers, every player has his own perspective on the current situation and differ on what does the future hold for the industry and for their own brand.

At the same time, most of them are positive about
the long term prospects of their business and are preparing for next level of marketing in the competitive environment of India's growing market.

Home Fashion spoke to some key players to find out their current outlook and their opinion on prospects for their brand and bed linen sector in general. Bombay Dyeing, still the market leader in bed sheets, continues to command the best brand recall with Indian consumers, has not been accessible for their views and comments despite repeated efforts by Home Fashion. Other leaders shared their opinion. Here are the excerpts:

**Vijay Agarwal,**
*Chairman, Creative Portico*

Bed Linen market in India has a fantastic future. At the moment, branded products comprise just about 2% of the market. Since the new age Indian consumers increasingly aspire for high quality and branded products across all categories, bed linen will be no exception. Good brands will become very popular in coming years.

Creative Portico is growing at almost 30-40% every year and the brand is also doing very well. In view of the ever rising e-commerce phenomenon, we feel it is necessary to gain maximum market penetration through that space as quickly as possible. So we are exploring e-commerce option as part of our sales strategy.

The market needs more options and we are planning to add more sophisticated, performance-enhancing and value-added items for better health, more comfort and superior lifestyle. Earlier, the reality of Indian market was that it is all about printed bed sheets. Today the consumers seek more variety, more functions, luxurious feel, better health, eco-friendly products and innovative features. Portico New York is offering solutions in all these directions.

Over the past couple of years the retail price of bed linen products have gone up a little but there is not much scope for further appreciation in the given market scenario. Market is expected to grow at least 25-30%.

**Dipali Goenka,**
*Managing Director, Welspun Global Brands Ltd*

Estimated value of Indian home Linen market is Rs.1,400 crore in the organized sector and Rs.12,600 crore in the unorganized. The category has grown at around 8% annually over the past 3 years and growth projections for the next 3 years are also similar.

Estimated growth of Spaces was between 24% and 30% over past 3 years and it is projected to be between 30% and 38% for next 3 years. Currently, Spaces is among the top three home brands in India and aspires to be the leader in branded home segment.

Apart from Towels, bed sheets, comforters and rugs, we have recently launched Areas Rugs across India and plan to launch Basic Bedding (pillow fillers, mattress protectors) in the coming months.

The Indian Home category is dominated by few major players and Spaces is one of them. Innovation, Quality and Product performance are the pillars for us to stand out among competitors. Marketing and branding activities in the proper channels is important for success in Indian domestic market. We are positioning our brand accordingly and have increased the marketing spends significantly. There is a lot of potential in branded segment across channels, namely Sales...
and Distribution (S&D), Shop-in-Shop, E-commerce, Corporate sales etc.

S&D is a major activity for us to tap huge potential for growth and we are taking all the necessary steps to tap emerging Indian market. We also plan to launch Spaces globally through our global e-commerce portal. We already have Welspun E-com operational in UK, US, Germany and Australia.

Appointed Parineeti as brand ambassador of Spaces was an important move and we got great leverage from the same last year. We have increased our marketing spends, completed branding activity across India in 200 plus high street furnishing stores and are conducting regional and national events to expand our reach.

Manoj Garg,
Managing Director, Swayam Linen

Indian bed linen market has been growing at the rate of 25 to 30% over the last three years, year on year across all price and quality segments. Swayam has itself has been growing at 30 to 35% per annum. Reason for such high growth is that Indian consumers started spending money on bed linen only 5 years back. Today, bed linen has become a fashionable product.

In USA people change bed linen every day whereas average Indians changes it once every week. So having 4 bed sheets in the cupboard is considered sufficient here whereas the requirement would be seven time more in developed countries.

Speaking of our own brand Swayam, 3 to 4 years back if the average selling price (ASP) of a product was Rs.800 and segment wise sales break up was 85% printed and 15% solids. Today, the ASP of the same product has reached Rs.1,400 and segment wise sales stand at 80% printed and 20% solids. The shift towards solids is evident.

Mohit Modi,
Managing Director, Spread Home

Even today, the branded bed sheet market in India has been growing at 10% per annum while the unbranded continues to grow at a faster rate of about 15%, clearly showing Indian's preference for cheaper, unbranded products at mass level.

Overall consumption of bed linen is increasing by 13% on an average. In India, even today, over 90% of bed linen buying at retail level is done by housewives, which is a very different scenario from a country like USA, where men
are almost as important buyers as women.
This is an established fact that women tend to be more economical shoppers than men and do not spend simply on a brand unless they find product value too. We have been selling international brands like Esprit Home, Tom Tailor and Pierre Cardin in India for over 15 years. But it is only now that we started seeing the real growth in demand. Our own brand Spread, which again is based on high quality international products which we import, has been our real saviour, where we have not only established ourselves firmly as a brand, but also have been growing consistently for over 10 years.

The market is now getting segmented, choice of designs and products are getting linked to segment wise profile of the consumer and hi-end solids are becoming popular in bed linen for the first time in India.

In our experience, it is evident that brands which deliver product value in India, will be the long term winners here.

Rajiv Merchant,
CEO & Co-founder, Tangerine Home Couture

While Indian market for bed linen has been growing by about 15%, growth has been higher in e-commerce. Today e-commerce commands over 10% of total bed linen sales in India. The Rs.1000+ bedlinens still have only 15-20% of market share in India, 10 years back their share could have been still lower between 3-5 %. Hence, it is a welcome growth.

Home textile consumption in India is growing at 15% per annum, but the potential is for 20-25% growth. One of the restricting factors is lack of modern retail infrastructure to support this growth.

It is likely that we will see higher growth in the Rs.1000 plus price category.

On the shop floor, bed linen is always considered a small category. Retailers who focus on it have done very well. Change in attitude of specialty home retailers took place only after LFS launched specialized LFS home stores like Home Centre, Home Stop, Home Town and @home. These formats provided good space to bed linen and customers automatically looked at it seriously.

Big Bazaar has contributed immensely in popularizing bed linen. A small but upcoming trend is also visible towards fitted sheets.

Demand for comforters and quilts is also growing. Private labels of Large Format Stores are experiencing double digit growth as they offer good prices.

E-commerce sector has also pushed this category amongst younger, below 35 years of age consumers. Big outlets like Jagdish Stores, Home Stop and Home Town will survive on the 35 plus age group of customers who have real buying power. Indian manufacturers have upgraded quality and capacities as a result of which, import from China is largely confined to polyester and cheaper cotton items.

Tangerine has experienced more than 50% growth in its second year of its launch. Tangerine MRPs range between Rs.1500-3000. Tomatillo, the second brand has been introduced at MRP of Rs.1000.