



CASE STUDY

ISB • INDIGENE



INDIGENE CASE STUDY

Abstract:

Indigene is an ethical and conscious label started by two women entrepreneurs - Ruchi and Jaya. Both of them are textile designers by training from the National Institute of Fashion Technology, New Delhi and have worked with NGOs and artisans at the grass-root level for several years. Having a specific interest in hand-crafted and consciously produced clothing, they decided to start a venture of their own. Indigene became operational in 2011. Indigene is not a social or non-profit organisation, but the ideology it follows is of working with and alongside the artisan community and an inclusive and parallel growth for all involved. The biggest challenge for Indigene today is to be able to provide a continuous work cycle for the artisan partners, which can only be addressed with an increase in the right kind of market opportunities and customer outreach. Indigene works with about 30 artisan women (embroiderers and weavers) and 2 tailoring entrepreneur units (6 tailors each). Indigene aspires to grow its community and be able to provide them with work as well as social security, infrastructural support and monetary help for work and personal causes that would help in capacity building, and a stronger team.

Target Market and the Business:

Currently, Indigene has 2 distinct business models – wholesale clients (domestic & export) and retail through consignment stores (physical & online), exhibitions and individual customers. Both the formats have distinct demands and operate at different cost levels. Starting an online portal for Indigene is in the pipeline and some background work has already begun in this area.

An approximate percentage-wise division of the current market scenario includes 60% domestic wholesale (to retail chains), 20% exports (wholesale & retail) and 20% domestic retail. Ideally, producing for a large retailer promises sufficient work (at very low costs), but due to an oversaturated manufacturing and job work market available to retailers with cheap, run of the mill and low ticket products, it is very difficult for artisanal producers like Indigene to fit into the cycle and meet its production costs. Indigene is constantly evolving its products, quality and work principles and finds it ever so difficult to work on this model. Export, both wholesale and brand retail, is a promising sector and so is the growing niche domestic retail (through boutique stores and online portal) and these are the two target markets that Indigene would like to expand as these markets are more accepting to handmade and ethically crafted products and are willing to pay the price the product demands. It also caters to a more aware and conscious customer. An expansion in this direction will assure that Indigene is able to continue to pay fair wages and remunerations to the artisans, provide humane working conditions and work hours, and build "Indigene" as a sustainable and ethical brand, instead of having to follow the "bulk race" in the apparel industry.

Conceptualisation to production timelines for Indigene's collections are anywhere between 6 and 8 months, this timeline includes design conceptualisation, fabric production, garment stitching, embroideries and embellishments, final finishing & packing before the products are ready to be sent out to stores, customers, shows and exhibitions. Because every step and process involves intensive human labour, the product is time consuming and unique. Indigene products are not made in a cheap sweat shop, assembly line production system. Each product goes through several geographies and through many hands before it reaches its customers.

Indigene's target customer is an independent, thinking person, more importantly "thinking" as somebody who will give thought to what she/he buys and the source of the product. Our clientele includes mostly women who like to shop for unique clothing with style, story and something that is not part of a "run of the mill" large retail spaces.

Garment/Apparel Industry in India

The textiles and clothing industry of India is one of the country's most important industries. It contributes 14% to industrial production, 2% to GDP and 11% to export earnings. More than 35 million people are directly engaged in this sector making it the second largest after agriculture.

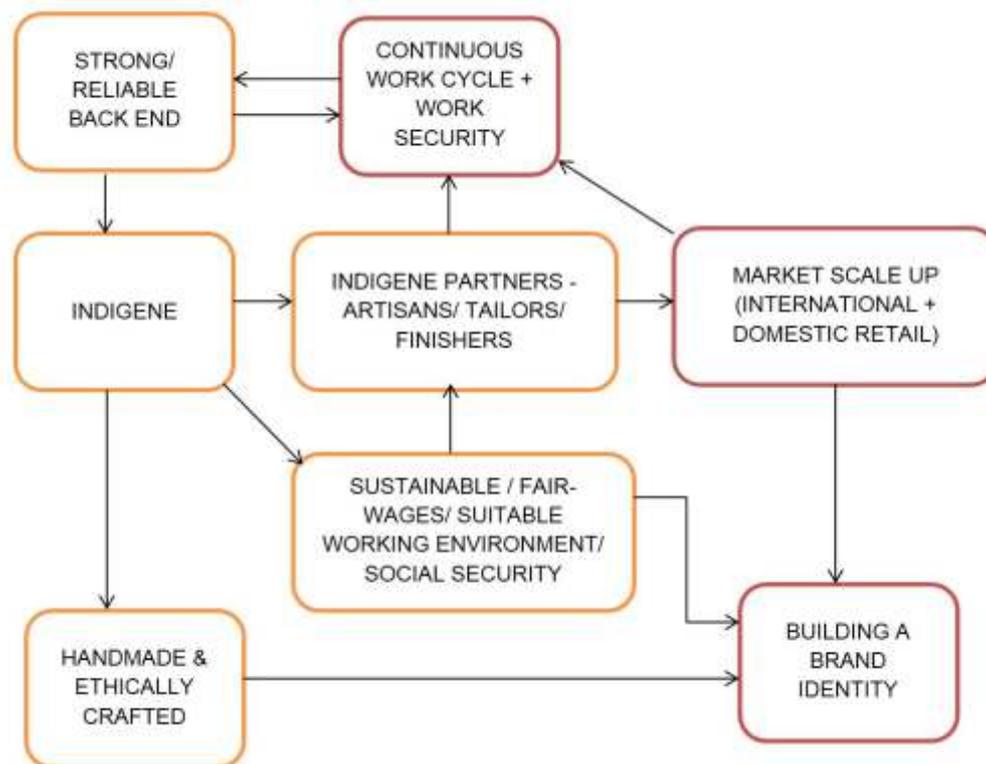
Country level analysis indicates that India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. USA and EU account for about two-thirds of India's textiles exports. Post 1991, when the



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liberalization of the economy began, India emerged as a major sourcing destination for buyers from all over the globe. As a measure of growing interest in the Indian textiles and clothing sector, a number of reputable houses opened their sourcing / liaison office in India. These include Marks & Spencer, Hagggar Clothing, Kellwood, Little Label, Boules Trading Ltd., Castle, Alster International, Quest Apparel Inc., etc. Dominant retailers across the world are looking for options to increase their sourcing from the Indian markets.

Challenge/Opportunity:



***Challenge areas for Indigene - Red boxes

- Sustainable year round work cycle for artisan partners
- Market scale up through domestic retailing & international retail + wholesale
- Brand Identity
- Constrained resources

Opportunities:

- A growing trend in handcrafted products globally
- Growing awareness for fair-trade and ethically created products
- A strong/ reliable artisan base + back end
- Growing technology and web based options for marketing / sales



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Expected Outcome/ Deliverables:

- Market outreach:
 - Expanding exports (retail and wholesale)
 - Domestic retail through stores and online, possible alliance with existing retail clothing brands
 - Explore new market segment- hospitality / corporate orders / any others that would require design and product development
- Recommendations for positioning Indigene as a brand known for 'stylish and ethically crafted clothing'

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