

APPAREL AND FASHION: WESTSIDE, FASHION YATRA, SISLEY

All dressed up

Trent entered the retail industry back in 1998 with Westside, its apparel and fashion brand. Eleven years on the company has, with the addition of international fashion brands Sisley and the imminent entry of Zara and TopShop, and the value format Fashion Yatra, crafted a multi-pronged presence in this ever-expanding segment.

Westside and its siblings have enabled Trent to establish itself in a rapidly transforming retail landscape that has seen a number of Indian and foreign brands jostling for customers and their loyalty. Consequently, Trent now has a footprint in the retail fashion and apparel across India, from metros to small towns, offering customers a unique shopping experience and an extensive spread of products.

The initial years were for Trent a period that threw up huge challenges, while delivering a host of learning experiences. These helped build a clear identity for Westside, with a distinctive selling proposition based on affordable style and quality, and equipped the chain

of stores with the wherewithal to expand and consolidate.

In an interview in 2002, Simone Tata, then chairperson of Trent said: “We have learned enormously about how to develop customer relationships. We learned that it is absolutely essential to listen to customers, understand their needs in different areas, and know what they appreciate in terms of service.”

Mrs Tata attributed Westside’s strong brand equity to the emphasis laid on “style, reasonable prices and the quality of our offerings”. In the retail business, it is important that your stock not be perceived as “boring”, she added, and just as important to “offer something new every week to induce customers to come to your store instead of going to another”.

Westside has continued to build on these lessons — by staying in touch with fashion trends, architecting a distinct store identity, understanding the inclinations of its customers, and continually enhancing their shopping experience. That explains how Westside has emerged as a successful business, with a customer base of over 800,000 people, many of whom swear by the cut and fit, style and price of the chain’s offerings.

“I think our biggest plus point has been our commitment to the customer on quality and style,” says Smeeta Neogi, head of marketing at Trent. “Our return policy of ‘no questions asked’ has ensured that the focus on quality remains paramount, and our vendors are equally involved in this effort.”

The Westside model

Westside’s accomplishments can be attributed to its strategy of establishing stores in what can be described as catchment areas, adopting a private-label



format and fashioning, so to speak, a selling proposition that connects quality and affordability. These factors have been such strong differentiators that even though the Westside chain is smaller than some of its competitors — it has 41 stores in 23 cities — it is one of the most successful and consistently profitable formats in the organised retail segment.

Despite the recent economic slowdown, Westside has managed to ride the waves by concentrating on optimising costs, tightening inventory control and taking a disciplined approach with aging merchandise. These and other endeavours fetched Westside the Asia Retail Congress 2008 ‘Retailer of the Year, Private Label’ award, an honour bestowed by the retail industry. Westside has also recently won the ‘Images Retailer of the Year – Department Store’ at the



Westside

Format: Mid-price offerings, private-label fashion

Launch: 1998, in Bangalore (erstwhile Littlewoods, a UK-based store)

Selling proposition: Affordable style and quality merchandise

Key categories: Apparel and footwear

Store size: 8,000-34,000 square feet

Presence: 41 stores in 23 cities

Plans: To open eight-ten stores in the current financial year



Smeeta Neogi

“I think our biggest plus point has been our commitment to the customer on quality and style”

Images Retail Awards of 2009.

Another critical aspect for Westside has been a central warehousing system that controls products sourced from over 300 vendors, ships merchandise to all of the chain’s outlets, and monitors each store’s requirements. Products are refreshed every week, a fact that enthruses Westside loyalists and gets them to make regular visits to their area stores.

Fashion evolution

Evolution is a rare constant in the fashion business; success comes from staying on top of fashion trends and satisfying the savvy, discerning (and sometimes fickle) customer. Ms Neogi compares shopping today to a buffet table: “There is plenty to choose from in the market and customers have a wide range to sample. We need to cater to different requirements at different price points.”

Responding to this need, Westside introduced a designer prêt line last season, with an exclusive range from well-known designers Wendell Rodricks and Narendra Kumar. “With designer-wear we are addressing evolving customers and giving them more choices and style options,” says Ms Neogi. By offering products across the price and occasion spectrum, Westside is now able to cater to customer requirements at different levels, while staying true to its core philosophy of affordability (the designer outfits at Westside are available at lower prices than at the designers’ own outlets).

Westside’s buying team keeps abreast of the latest trends through fashion shows, overseas buying trips, competitor visits and interactions with

customers. There are other inspirations, too. “Today Hindi films are setting trends in India,” says Ms Neogi, “and our designers are in constant discussion with our vendors. Simple things, like the trouser style or its cut, may not be obvious to the eye, but the fashion-conscious customer knows the difference.”

Customer care

Westside recently introduced a new promise on kidswear — “Kiddurable tag” — with the sales line: ‘If you outwear them before you outgrow them, we will take it back’. This was an outcome of a customer study that highlighted the wear and tear that children’s clothes go through and how kids grow out of these clothes within, on average, six months. This also reinforces the promise of quality that Westside offers to its customers.

There are many other such examples of keeping the customer in the centre of the sales frame. The Westside ClubWest programme has secured tremendous loyalty, with members contributing more than 50 per cent to the chain’s business. Westside considers these loyal shoppers as family members and has nurtured its relationship with them through a variety of ways, by, for instance, communicating what’s new (based on buying preference) and rewarding them with special offers, previews and early shopping hours during sales.

The loyalty dynamics is further strengthened by the service that customers have come to expect from Westside. Ensuring a good store experience with well-trained staff, a robust customer feedback system, and

quick resolution of customer issues has resulted in the chain being consistently ranked among the best for service in the last five years, through annual customer satisfaction surveys.

Westside's training model is recognised for its efficacy by the retail industry. Front-office staff receive 26 hours of training before they get on the floor; they are then coached every month on product and service standards. Soft skills, such as personality development and grooming, are also on the service plate. Many employees have moved up the ranks to become area managers; this helps develop enduring bonds with employees in an industry that has to cope with a high turnover rate.

The fashion spectrum

Trent itself has moved beyond Westside in the last three years, realising that having a presence in just the mid-price fashion segment is not enough. As Trent managing director Noel Tata puts it, "If we are to be a leader in the apparel market, we need to be present across segments. This cannot be done by just one brand; it needs several fascias."

Translating this strategy into action, Trent has tied up with premium foreign luxury brand, Sisley and launched a new retail brand, Fashion Yatra, for the value end. "By doing this we are not only expanding our customer base but also keeping the customer in the Trent fold," says KVS Seshasai, business head (Fashion Yatra and Sisley). "As the customer's disposable income and his propensity to shop increases, you can actually attract them from one format to another."

Trent entered the high-end fashion segment in September 2007 through a

tie-up with Italian apparel retailer Benetton Group SpA to run and manage its fashion brand Sisley in India. "We chose Sisley since it is a premium international fashion brand in tune with the latest international trends," says Mr Seshasai. "It is available in India at a price point that's a little below luxury brands. It is, in a sense, an affordable luxury brand."

With six stores open currently in Delhi, Hyderabad and Mumbai, the brand offers trendy apparel to sophisticated customers who are willing to pay a bit more. "The customers I have interacted with say that every time they wear Sisley they get a compliment," adds Mr Seshasai.

Another exclusive international brand being brought to India by Trent is Zara, through a joint venture with one of the world's biggest fashion retailers, Spain's Inditex Group (the first of these stores is slated to open in 2010). Also impending is the entry of TopShop, a leading international fashion brand, through an arrangement with Trent.

A valuable addition

At the other end of the scale is Fashion Yatra, launched in October 2008, which is targeted at India's smaller urban centres and towns. Fashion Yatra evolved from two key insights: that Westside would not be a viable format for smaller towns as the customer segment is small; and that these customers are looking for merchandise different from what is offered at Westside.

The response to the first Fashion Yatra store, in Kalyan, a suburb of Mumbai, has been extremely encouraging with 'customer adoption' increasing every month (300,000



Fashion Yatra

Format: Targeting customers in smaller cities and urban centres

Launch: 2008, in Kalyan, Mumbai

Selling proposition: Fashion at great value

Key category: Apparel

Store size: 8,000-10,000 square feet

Presence: One store

Plans: Three-four outlets in the pipeline

footfalls over the last four months). There are plans to open three-four more pilot stores in other small cities in the current financial year, with the long-term plan, once the model is validated, being to take the format to about 150-200 such places over the next five-six years.

Fashion Yatra has been a positive experience for Trent, with the concept-to-launch period for the format being a mere six months. Says Mr Seshasai: "We have a good team and a set of skills in place; our sourcing team has relationships with a network of over 300 vendors and can quickly put together a new assortment. All this helped us launch much faster."

The investment in a Fashion Yatra store is about half of that for a Westside outlet, primarily because the focus is on bringing maximum value to customers through products and pricing and limiting expenditure on store interiors. Like Westside, Fashion Yatra offers private labels — Fastplay, Girls Forever,

“We chose Sisley since it is a premium international fashion brand in tune with the latest international trends”



KVS Seshasai



Sisley

Format: Franchisee arrangement

Selling proposition: World's best fashion brand for upmarket customers

Key category: Fashion apparel

Store size: 1,000 square feet

Presence: Six stores, two shop-in-shops

Coming soon: Zara, TopShop

Kings Scott, Samskara, etc — but at lower prices. The store also stocks ready-to-stitch dress material, a big draw in small-town India. Promotions and discount offers are key elements of the store's marketing strategy to attract the customers in smaller towns who are particularly bargain-conscious.

Expansion strategies

With Sisley, Westside and Fashion Yatra, Trent is present in the premium, mid-price and value markets. Though there is some overlap, it is not concerned about its formats eating into each other's business. "The market automatically limits the kind of expansion, investments and plans for each segment," says Mr Seshasai. "There might be an overlap geographically, but not necessarily in terms of customer segments."

As shopping malls begin to get crowded once again, Trent for its part, is ready with new merchandise, new collections and the latest in fashion trends. That, it must be said, is the fashionable way to go. ●