



Online transactions pertaining to fashion shopping set to double by 2020

Myntra unveils key consumer insights for the online fashion industry at Indian Fashion Forum

India's Gen Z population twice the size of the population of US

Mumbai, March 14, 2018: Myntra today shared key insights on the fabric of fashion in India, based on comprehensive research and acumen of the segment. Senior members from the management, including, CEO, Ananth Narayanan and CMO and Head of Jabong, Gunjan Soni, presented rich industry, market and consumer analysis, at the India Fashion Forum event held in the city.

The fashion and lifestyle industry in India is witnessing a surge, with strong drivers of growth and a host of other factors resulting in its progress. Pegged at \$100 billion and growing at a CAGR of 8-10% offline, the segment gradually seems to be embracing online as the channel of the future, evident from a projected penetration of 15-20% over the next 5 years, from the current 4%.

- As per our research, India has 450 million internet ever accessed population which is expected to grow by 62% to 729 million by 2020.
- Of this, 310 million are the active internet accessing population, accessing the internet at least once a month. This number is expected to increase by 35% to 419Mn by 2020.
- Total number of online transactors were 200 million in 2017 and they are expected to increase by 65% by 2020
- Of the online transactors, 60Mn is the base of online fashion shoppers. This is estimated to double by 2020 to about 120Mn

We are also witnessing a change in consumer profile, new fashion segments, fast fashion and a market for premium brands, products and accessories. The changing online consumer profile is evident from a significant shift in numbers, such as 50% of consumers reside in rural areas opposed to the earlier 30%. Women shoppers form a base of 45% as opposed to the earlier 28% and vernacular online content has increased from 45% to almost 60%.

Categories on Myntra witnessing a spike

Active wear - Active wear is growing at 2X of casual and formal apparel on the platform. 60% of this growth is being contributed by Tier 2+ markets

Sustainable fashion and pride in heritage - The eco-friendly/ sustainable/handloom fashion styles have grown 3X on Myntra in the last 1 year

Fast fashion – Has witnessed a growth of 6X in the last 2 years. Tech led brands are growing at a rate of 200%+ YOY



Beauty & personal care – Beauty and personal care witnessed a growth of 3X in the last one year. India's beauty, cosmetic and grooming market is expected to grow 3X from the current size of \$6.5 billion to touch \$20Bn by 2025

Premium market – The premium category has grown by 4X in the last 2 years. The north accounts for 40% of spending on luxury products and services, with Delhi NCR leading the consumption share

Accessories - The accessories category grew by 4X in the last 1 year. One of the key sub-categories contributing to this growth is sportswear accessories. Millennials over 30 years of age are driving the growth of the category

Speaking on the occasion, Ananth Narayanan, CEO, Myntra-Jabong, said, “The penetration of online shopping which is currently at 4% will go up to 10 - 15% over the next 3 to 5 years. This will be driven by both proliferation, access to data and the consumer becoming more comfortable with online experiences. A customer typically went through a 3-5 year cycle from the moment of his first digital experience till he was comfortable buying products online; however these time frames are getting compressed. Going by this trend, the ecommerce sector could be as high as 50% of the organised retail market in India over the next 3 years.”

Gunjan Soni, Head of Jabong and CMO-Myntra, said, “Our country is going through interesting time and is on verge of changing cultural discourse. This diversity presents to us huge opportunity to reach out to these consumers in innovative ways on the backdrop of changing consumer lingo. There has been a 63% increase in the number of people who are using GIFs and emojis in the last one year. Personalisation is another such emerging trend, during EORS we created 50,000 personalised FB videos of the TVC which resulted in 20% increase in completion rate. Through our research we identified 10 key fashion segments, like Urban TrailerBlazers who are movers and shakers of India, GenZ who are overindexed on fast fashion in their fashion choices. Some of the emerging categories and trends to look out for will be sustainable fashion, handloom products, active wear, personal care etc..”

The fashion market in India is currently estimated at \$70Bn, of which only 25% is organized retail market. Ecommerce is a key channel for fashion and the online fashion market is projected to grow 3.5X from \$4Bn to reach \$14Bn by 2020.