

# BRANDED BATHROOMS

## Changing consumer behavior in India's tier II and smaller cities

In Sept 2015, German luxury car maker Audi rolled out its mobile showroom campaign particularly for the smaller Indian cities keeping in view the rising number of sales in these cities. Brands and companies were always more prone towards metros. So what is propelling the change? What has made the luxury car maker to initiate a campaign of such level for the Tier II and III cities of India who sometime back were far behind in the growth momentum? The recent shift in choice of these brands is driven by the rising buying capacity of an average Indian living in a smaller city, aspiring to live an opulent life. From Cars to bath, the neo Indians are writing their own style statement with premium brands having no choice but to follow the footstep of demand.

SURFACES REPORTER has interacted with sellers and designers to know what exactly is happening in those cities.

### The shift in demand

Bathroom is a segment that for long has been one of the most neglected parts of the house in India. However, last few years marked a significant shift in people's thinking and they have started wanting their baths to be like what they see in a hotel or an airport. This introduced the concept of Bath and Wellness. Still, the concept remained restricted to the major cities for a larger part of time. But with the rise in purchasing power, exposure and travelling, the residents of smaller cities too, started seeing their bathrooms

*Euphoria Shower System by Grohe*





as a place of investment. Switching to the present situation, now people are having a separate budget for their bathrooms while constructing/renovating their house. They are viewing sanitaryware products as a medium through which he can showcase wealth and premium lifestyle. In addition, companies are also manufacturing products to suit the upbeat lifestyles of new-age Indians by providing a greater emphasis on looks and comfort.

**Salil Sadanandan, MD- Kohler Kitchen & Bath India, Sub-Saharan and Africa** says, "Bathroom trends in the country have undergone a massive change in the last decade or so. The place which was earlier considered to be the duller and most ignored in the house has come to be done with certain amount of poetry to it. The 'un-bath rooming' phenomena has caught on to the cities like Ludhiana, Chandigarh, Surat etc. as well."

Cities including, **Jaipur, Ludhiana, Chandigarh, Amritsar, Vadodara, Pune, Nashik, Goa, Indore, Kochi, Visakhapatnam, Coimbatore, Indore, Lucknow**, etc., are the influx of this growth. The presence of major Indian/ International brands including **Kohler, Roca, Kohler, HSIL, Cera, Toto, Jaquar, Hansgrohe, Parryware** etc., in these cities indicate the potential in bathware category in these cities.

**Ravi Nindwani, MD, Delta Faucet Company India**, says, "Thanks to the digital revolution, people even in cities like Ludhiana, Chandigarh, Nashik, Coimbatore, Pune etc. are exposed to the latest trends across the globe – especially those who belong to the "luxury" segment. In this segment the dominant trends are bringing technology, especially water saving functionalities, into the bathroom; a reasonable amount of interest in classic and transitional shapes (while the liking for contemporary shapes continues) and a renewed interest in special finishes. The premium segment however, continues to play safe on design but is adopting the water saving options aggressively."

## Bath market in developing smaller cities

Not long ago, bath and sanitaryware segment was largely unorganized and was ruled by local and Chinese players in Tier II cities who still have a significant share in the market. But the situation is changing owing to the fact that people are becoming more quality conscious. The advent of media and internet has also played a pivotal role in changing the mindset of people. Shopping for bathroom is no longer just a necessity but an investment wherein people want the best value for their money and don't want to settle for anything lesser. The affluent Indian is now looking for more than just brands; the concept of changing **bathing into an experience** has made them opt for such brands that can fit into their desires. The presence of international brands like **Duravit, Artize, Kueco, Dornbracht, Fantini, Villeroy and Boch, Fir Italia, Globo** etc. in many of the Tier II cities show that people there are ready to shell a fortune to make their bath look no lesser than a Five Star indulge.

**Renu Misra, MD, Lixil Water Technology (Grohe and American Standard)** says, "The desire to accentuate their homes with state-of-the-art sanitaryware fittings and fixtures is at an all-time high in tier II cities. This aspiration is fuelled not just by the fact that today India boasts of a more organised bathroom solutions market with plenty of options from top international players. It is also spurred by an increased exposure to international homes and hotels, the highest echelons of luxury and by an increase in spending power in these geographies. In fact, tier II cities form a very vital part of our entire marketing focus in India as we see them as highly lucrative markets for our brand."

**Pau Abello, MD, Parryware Roca India** says, "The high-end well-travelled community in these cities aspires for luxurious products and is ready to shell out any amount of money to stay ahead in their society. **For these high end customers, architects and interior**



**"Tier II cities are the highest income cities of India. Involvement of Architects and contractors has increased today replacing the good ol' plumbers. Lots of showrooms on sanitary ware have come up in these cities."**

**Pau Abello**, Managing Director, Parryware Roca India

**decorators are the key influencers.** Such customers have sound knowledge on brands and products available and mainly go for wall hung pans with concealed cisterns of premium brands. They prefer products which are eccentric in looks and technologically advanced in functioning."

**Rishi Gupta, Store Manager, the AKC Store, Ludhiana**, says, "Within Tier II cities, just like metros we have segmentation among the consumers. There are people who believe in 'Bathing Luxury'. For them, brands like **Fantini, Dornbracht, Keuco** work well. Among the average upper middle segment clients, brands like **Grohe, Jaquar** and **Artize** are in demand."

## Purchasing Power V/s Awareness

Concepts like Water-saving and eco-sensitivity have become much more popular in the metro cities while in Tier II cities, these concepts are still new and require understanding. According to **SURFACES REPORTER**, despite having the purchasing power, most of the time, a customer needs proper education and knowledge about such functions before purchasing otherwise he may not actually realize the true potential of the product bought. Today, almost all top sanitary ware and bath brands have their pioneering technologies on the environment-saving concept. But the distributors have to be equipped with all the knowledge to make the customer understand the use of these technologies.

**Ar. Himanshu S. Dudwadkar, Principal, the Design Cell, Indore** comments, "People are a lot more aware now, but only when told about it by the person selling the product. However, **since the energy efficient products are relatively expensive, mostly, I have seen the shopkeepers do not promote the same.**"

Seconding the opinion, **Zulfikar Ahmed, Director, Tropical Bath Solutions, Kochi** says, "When it comes to functionality and additional innovative features like water-saving, Indian consumers are still not very aware of them. In fact, I would say that even Indian brands are doing enough to encourage such features in their products. The customer needs awareness about these functions otherwise it makes him skeptical about the higher price. For instance, you are getting a branded concealed cistern in Rs.8000/- and Rs.22000/-. Here, the cheaper cistern will not have water-saving feature as compared to the latter and resultantly, the customer of the former would end up paying more over the course of time. For **Hansgrohe** products, we educate the customers about its qualities and functionality."