



Eyewear market in India

October, 2018

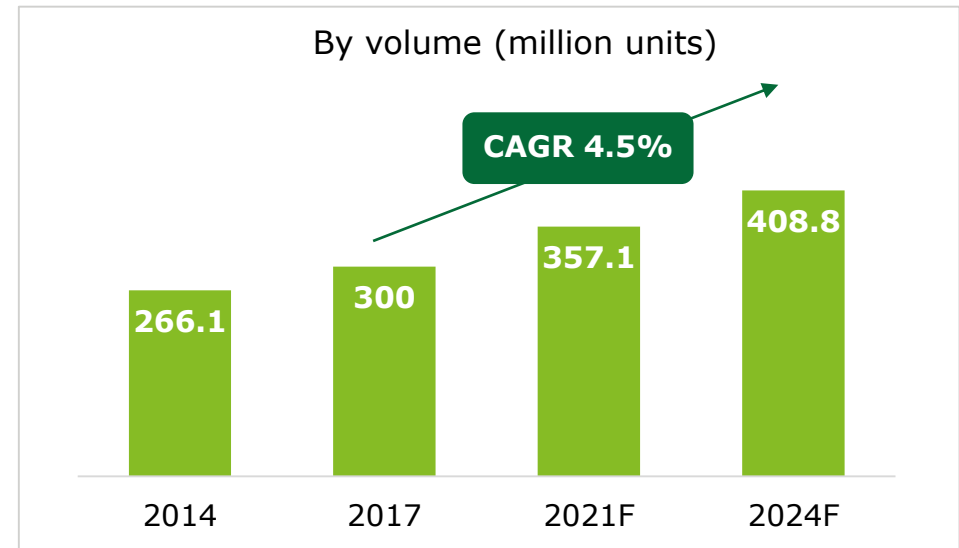
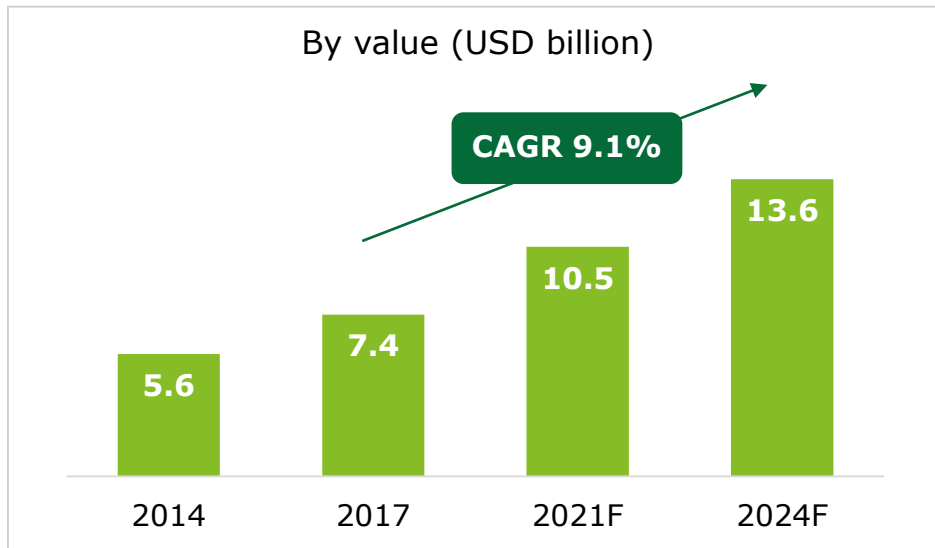
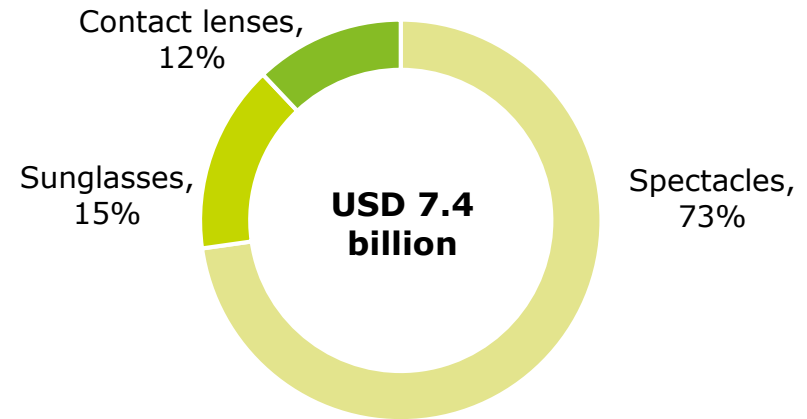
Eyewear market in India (1/3)

With a current size of USD 7.4 billion, eyewear market is expected to grow at a CAGR of over 9% to reach USD 13.6 billion by 2024 driven by strong demographics and growing economy

Major trends in the eyewear market

- The eyewear market in India is **dominated by unorganized segment** accounting for nearly 80% of the overall market. However, the **organized** share of the market is **growing at a much faster pace of over 15% CAGR** in the forecast period
- This high growth is **driven by consumers' increased consciousness regarding image and style** – the eyewear is gradually shifting towards being a **fashion accessory**
- The market faces **challenges** in terms of **access to affordable branded eyewear** as the price difference between branded and unbranded eyewear is substantial

Eyewear market (2017)



Source(s): Company databases; News articles; Eyewear Market Analysis And Segment Forecasts To 2024, Grand View Research; Deloitte analysis

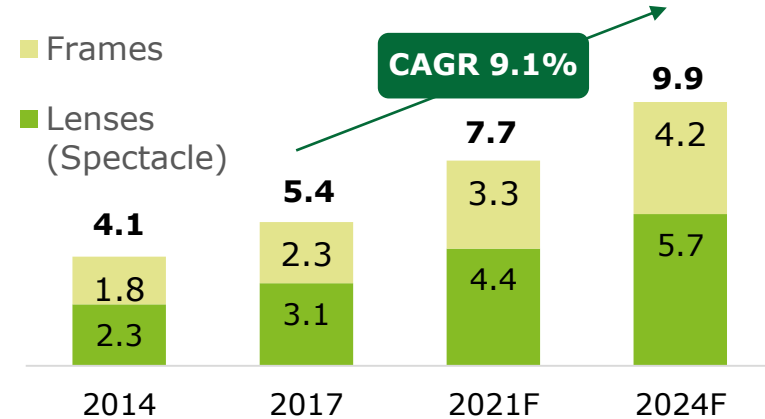
Eyewear market in India (2/3)

While spectacles dominate the total eyewear market in India, the market for sunglasses is growing fastest within the category at a CAGR of over 10% for 2017-24 period

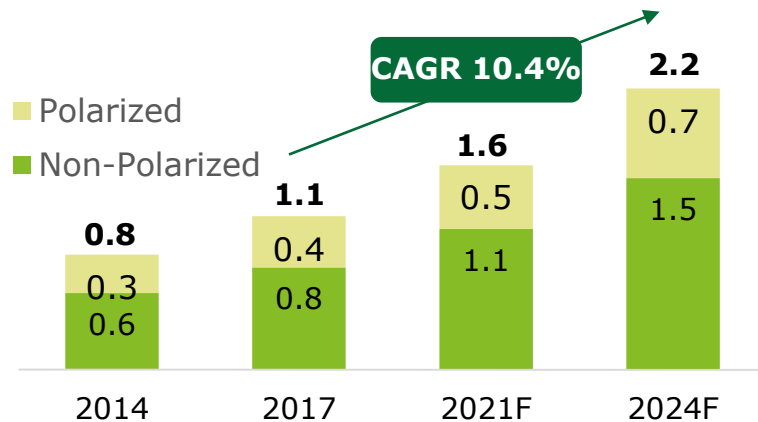
Market by segments within eyewear

- **Spectacles** constitute nearly three-fourths of the total eyewear market in India, with a market of USD 5.4 billion
 - While spectacle lenses form a majority share of the spectacles market (57%), mass spectacle frames constitute nearly 87% of overall frames
- **Sunglasses** account for nearly 15% of the total eyewear market in India with non-polarized glasses dominating in the USD 1.1 billion sunglasses market
 - Polycarbonate and CR-39 are the most prominent lens materials used in the sunglasses, together accounting for nearly 85% lens material

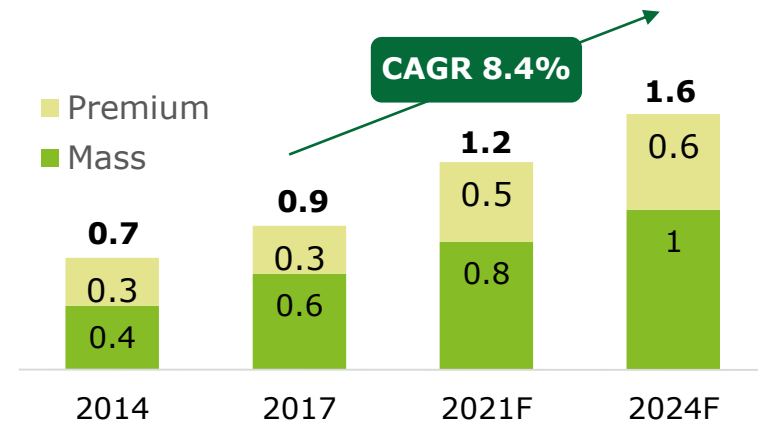
Spectacles (USD billion)



Sunglasses (USD billion)



Contact lenses (USD billion)



Source(s): Company databases; News articles; Eyewear Market Analysis And Segment Forecasts To 2024, Grand View Research; Deloitte analysis

Eyewear market in India (3/3)

The eyewear market presents significant opportunities in the B2B space

Key growth drivers

- 1 Increasing eye health issues**
~35% of Indian population needs a vision correction, however only 25% have their vision corrected
- 2 Increasing awareness**
Consumers are becoming increasingly aware of their needs and are also getting brand conscious driving organized market in eyewear
- 3 High margins**
Companies are entering the eyewear space owing to the high margins offered – mark ups over 300% exist between the cost and retail price of certain products

Major challenges/opportunities in the market

- **Fragmented market**
Presence of few organized players with limited outlets – only 20% of the market is branded. Most of the stores carry multi-brands and have shop-in-shop formats
- **Limited penetration in lower tier towns**
Penetration of branded players in tier-II towns and rural regions is very limited
- **Untapped optician channel**
Nearly one-fourth of spectacle sales occur through opticians/doctors' recommendation making it an important channel

China is the largest country from where India imports its eyewear..

Commodity imported	Total import value (FY18) USD million	Imports from China (%)
Frames and mountings for spectacles, goggles or the like, and parts thereof	68.5	85%
Spectacles, goggles and the like, corrective, protective or other	84.7	72%

- India imported USD 153 million worth of eyewear (in the mentioned 2 categories) in 2017-18
 - Further, the import duty for eyewear is quite high, with the basic duty at 10% an CVD at additional 16% (including Special CVD), taking the overall duty to 26%
- Out of this total eyewear import, China accounts for a total of 78% of the imports – thus making it the single largest country exporting eyewear to India
- Thus, there a significant opportunity in procuring the eyewear from China and reselling to retailers in India

Source(s): Company databases; News articles; Eyewear Market Analysis And Segment Forecasts To 2024, Grand View Research; Deloitte analysis; [EIDB](#); [Cybex](#)



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