

Khaadi: People Stare Khaadi's Wear

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Abstract: *This case study is based on a success story of Khaadi that started with one store in Karachi, Pakistan where all their stock was sold out within a week, and then the biggest problem was to fill the store again with more products to continue the business but there were no supplies or production unit of their own. Gradually, the business grew internationally and today operating in more than forty countries and owned by a single owner as a private limited company. This case study also covers the strategic point of view and need for marketing mix domestically and internationally. Enterprise resource planner (ERP) and its benefits are also discussed to improve the warehousing and supply chain system. Khaadi is currently a commonly recognized name in Pakistan, with fifty-two stores in pretty much every eminent area and in all significant shopping centers the nation over. Almost fifteen hundred people are working with them as team members which plays a significant part in the economy by employing all these households. Today, they can gladly say Khaadi has been a distinct advantage in the quick style retailing scene in Pakistan. By putting resources into the general retail insight, they guarantee that their clients are approaching the most popular trend drifts and getting the most ideal help while shopping in their stores. The destination that could appear as though a mind-blowing phenomenon is a consequence of long stretches of time of arranging and difficult work. Yet, even the most pre-arranged item administrators face difficulties while entering another market. Most of Khaadi's business is operated online and production units are made locally in Pakistan. All they are doing is to open retail stores across the world to start their own fashion movement. They own all their stores completely and have no plans for collaboration which can be considered as their strength.*

Keywords: Khaadi, Marketing Mix, International business and supply chain management, Enterprise resource planner

Authors wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

Khaadi is single - owner private limited company, owned by Shamoos Sultan. Khaadi opened its first store in Zamzama Boulevard, Karachi. This was the first time when a person opened a store where he offered hand - woven dresses in the modern time. His opening was mind - boggling, where all of his stock got sold in the first week. His products were manufactured by different manufacturers and Khaadi did not have its own manufacturing unit even on a small scale. After that opening Shamoos realized that he must have his own manufacturing plant to fulfill the customer demand. People loved this new idea and wanted to buy more of it. Today, Khaadi is delivering its products internationally in more than 40 countries. Khaadi owns only one unit and supplies are being made with the help of a strong and well - organized supply chain department. Khaadi is now getting popular worldwide and demand for its fashion clothes is getting increased on an everyday basis.

Talking about fashion hubs the first place that pops up in our minds is Paris, France which has been the land of art and fashion for a long time. Apparently, the world is following them as a fashion symbol, and most new trends are originated either from that land or otherwise somehow related to them. Other than that New York City, Milan and London are also pretty famous for their fashion products all over the world. In the meantime, a third - world country like Pakistan barely had worldwide recognition for fashion products until a few brands popped up which include; Khaadi, Gul Ahmed, Maria B, Nishat, and a few others. The best thing about Khaadi is not just their existing brand image and quality but at the same time, they are growing day by day on a larger international scale. In the late 90s the CEO

of Khaadi, Shamoos Sultan, set off to restore the antiquated specialty of the handloom. They started as a solitary store fired up in Karachi, Pakistan within no time and changed into a hearty brand with a worldwide presence.

The Organization: Khaadi

Khaadi is currently a commonly recognized name in Pakistan, with fifty - two stores in every eminent area and in all significant shopping centers all over the nation. It employed almost fifteen hundred people and play a major role in the economy. Today, they can gladly say Khaadi was a distinct advantage in the quick style retailing scene in Pakistan. By putting resources into the general retail insight, they guarantee that their clients are approaching the most popular trend drifts and getting the most ideal help while shopping in their stores. They are the principal Pakistani design retail brand that has a fruitful global presence with stores in the United Arab Emirates and the United Kingdom. Their web - based store has made it feasible for clients all over the planet to arrange Khaadi items with the snap of a button. Khaadi expects to extend further, and quicker, with an emphasis on the enormous scope of retail locations. They are recruiting imaginative people with a craving to take on difficulties which will help them to forge ahead with new development plans to make their presence globally. In 1998, originator and Chief Executive Officer, Shamoos Sultan, set off to resuscitate the old art of the handloom. What started as a solitary single - store in Karachi, Pakistan has in practically no time changed into a powerful brand with a global presence. Khaadi is an Urdu word that signifies 'hand - woven'. Winding around, a many - sided process requiring tolerance and scrupulousness makes texture whose qualities are subject to the strings and the technique in which those strings are woven. Their prosperity today can be credited to the cooperative endeavors of their group and the singularity every worker brings to the association.

Volume 11 Issue 7, July 2022

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Khaadi's HR strategy is to be a fair accomplice to its workers and guarantee that the right positions are being finished by the perfect individuals with the right abilities. HR guarantees that all individuals from Team Khaadi are esteemed, regarded, and appreciated for their commitments. Khaadi is a prestigious brand that deals in the clothing of all genders. It also provides a wide range of home accessories. For women, Khaadi provides an unstitched collection as well as readymade. Khaadi's marketing team uses both the Above - the - line (ATL) and Below - the - line (BTL) techniques to market their products. When we talk about ATL marketing, Khaadi uses social media applications such as Facebook, Instagram, Twitter, and television advertisements for the promotion of their collections. Khaadi also uses BTL marketing techniques in which they send promotional messages and ads to its regular customers and customers from a specific group of people as per the requirement. Khaadi is a B2C business and they target all kinds of customers because Khaadi's pricing range starts from 1600 and it goes to 25000 where they target all the customers who can afford it. By creating product, service, channel, distribution Khaadi creates a great image into the customers' mind and they have a better understanding of the customer needs and want. Khaadi uses 'Never say no to a customer and Khaadi uses this tag line to attract the customer.

Expansion of Khaadi

Entering the international market was one of the biggest challenges for Khaadi. There is no doubt about it that Khaadi had one of the finest fashion products but this was not enough to start a business in an international market. They needed a brilliant strategy to ensure success. They had decided their launch and future plan for retention into new markets to hit a global level of success. Shamoan had studied fashion for many years and his idea of creating hand - woven clothes again broke all the records and was liked by people from all across the world. He visited many countries before his launch even on social media to offer the best instead of testing into the physical market. His goals were high since the beginning and the combination of his aesthetics and education provided him the best solution to these circumstances. Initially, they opened many outlets in UAE at the same time but had to wind up most of them due to their weak marketing mix strategy. They were unsure about their targeted audience, product standing, pricing, and promotion strategy. When they had to suffer a major loss at an early stage then they decided to conduct research for their future openings. There was only one store that got successful out of many. Khaadi's production unit is only in Pakistan and all of their products are supplied through a strong supply chain channel but costs are getting affected badly and surely are higher. They are considering opening up a manufacturing unit outside Pakistan as well to capture the lower middle class around the globe just the way they have domestically. To improve their promotions, they have now started opening small stalls in different malls which are indeed paying off. When Khaadi started its business then the owner of the organization Shamoan Sultan starts to deliver the product in his own vehicle because they do not have a mode to deliver the products. They had to rethink and design the strategy to improve the supply chain department which is why they launched the software Dynamics 365 through deep

research and development. They started implementing this software on all the retail outlets, and they have conducted training of their staff members regarding the new software. It would not be incorrect to claim that since the time they implemented the ERP to their system their stock reports, warehouse management, production forecasting, and costing, almost all these modules have been aligned quite brilliantly. They resolved the biggest challenge within no time and taking such good decisions on time is something that a good organization does. This proves that they are strategically strong and have the flexibility for change, development, and advancement. When Khaadi started their business, they did not have an online facility for their customer but eventually Khaadi started the online market and availed this opportunity of expansion. The online team worked to develop new features for online platforms and ensured smooth browsing and shopping experience for our online customers. With a keen eye for the latest trends being followed by their growing consumer base, the E - commerce team made fashion accessible to each one of them all over the world.

Conclusion

The clothing enterprise has moved its roots from essentials to luxurious accessories in a manner that is evident in various fashion magazines. Khaadi has played its role in such a manner that its distribution channels have crossed borders and are now operating in 40+ countries. Khaadi has had its name ringing in higher grounds and gatherings. Their ecstatic creative team and well - moved designers know exactly how to blend art with prevalent Fashion. Aesthetically astounding and vibrant hues on hand - woven clothing commodities have made Khaadi stand out for years and continue to make Khaadi spread its wing on a global level. It is not an easy task to batter up old heritage with modern times' patterns and prevalent fashion web. Khaadi not only focuses on fashion, sharp cuts, mesmerizing hues, and delicacy but focuses on durability and representation of cultural values too when it comes to its retail clothing primaries and accessories. Never had the world ever seen fashion and quality go hand in hand. Khaadi is now skin deep into this blend to this extent that it does not fail to shock its own fashion roots in Milan. The Owner Shamoan, well equipped with aesthetics and textiles operations has made it possible for Khaadi to gain international fame and existing goodwill, which is growing by leaps and bounds. Khaadi has had a competitive advantage when it comes to the awe - inspiring clothing line at its various outlets. Shamoan has planned, designed, and developed the business model in such an ebullient manner that the audited figures of the brand at various outlets are contributing heavily to the national income as well.