# 《印度奢侈品市场为何不敌中国？（双语）》

While American billionaires Warren Buffett and Bill Gates are in India trying to persuade the country's rich to give their money away, another group of businessmen is here to get them to spend it on themselves.

??????????•???(Warren Buffett)???•??(Bill Gates)????????????????????????????????????????????????

A team of Italian entrepreneurs who work in the luxury sector are in Mumbai for a two-day conference to talk luxury and business.

Agence France-Presse/Getty Images????????????????????????????2011?2012????????????????????????????
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It's no big surprise that the luxury industry is eyeing markets like India: It's estimated that in less than five years emerging markets will make up 50% of luxury sales globally. The industry realized just how important these markets are during the global economic downturn " prompting commentators to say it was 'saved by the BRICs," referring to the top emerging markets of Brazil, Russia, India and China.

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Or rather, the BRICs minus the "I."

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For a country that boasts the world's second-fastest growing major economy, India's international luxury goods market is still surprisingly small. Here, it has failed to take off in the same way it has in countries like China " where it has done spectacularly. "

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In a speech prepared for the conference on Friday, Santo Versace, co-chief executive of fashion house Gianni Versace SpA and chairman of Italian luxury trade lobby Fondazione Altagamma, likened the Indian luxury market to a "sprinter at the starting line, but with feet bound by heavy chains."

???????(Gianni Versace)????????????????????(Fondazione Altagamma)????•???(Santo Versace)????????????????????????????????????????????????????????????????????????????

While China makes up an estimated 10% of the global luxury market, India accounts for less than 1%, or a market worth around $1.3 billion, according to data provided by Altagamma, which brought the delegation of businessmen to Mumbai.

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On the supply side, the gap between the two Asian giants is also vast: of the world's leading 500 global luxury brands, only around 30% have an Indian presence, compared to China's 70%, according to Altagamma.

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The comparison between China and India is startlingâ 'and one which Italy's luxury team wants Indian policymakers to take note of.

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The issue is not the lack of potential demand, said Altagamma Executive Director Armando Branchini. (Other participants include top representatives from leather goods maker Salvatore Ferragamo SpA, jewelry-maker Pomellato SpA, and interior design firm Alessi Spa. French couturier Emanuel Ungaro is also making a star appearance.)

????????????(Armando Branchini)????????????????(????????????????????(Salvatore Ferragamo)??????????(Pomellato)??????????(Alessi)????????????????????•???(Emanuel Ungaro)??????????)

Although they are well aware there are people wealthy enough in India to splurge on international high-end products, Altagamma estimates that that the potential luxury goods demand in India could be between 120% to 150% greater than it actually is in practice.

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So what is it that's holding the industry back in India? ????????????????????????

A lot of it has to do with the kind of stuff foreign retail firms eyeing Indian consumers regularly complain about: high taxes and caps on foreign direct investment. Luxury retailers too are pressing the Indian government for full ownership of their Indian units (rather than just a 51% stake with a mandatory Indian partner) and lower tariff barriers (import taxes on luxury goods at the federal level hover around 30% to 40%).

????????????????????????????????????????????????????????????????????????100%????????????????????
??????51%????????????????????????????????????30%?40%?

These regulatory hurdlesâ 'and the option many jet-setting wealthy Indians have of shopping abroad means luxury

brands often struggle to make a profit in India. For many firms, having an Indian presence is largely a branding exercise, explained Mr. Branchini.

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The lack of upmarket spaces where brands can set up high-end boutiques is another concern. Neither New Delhi, Mumbai nor Bangalore have an equivalent to New York's Fifth Avenue, London's Bond Street or Paris' Rue Saint-HonorÃ©. Instead, big brands are housed in five-star hotels, international airports or in rare high-end malls. (It would be entirely fair to add that while a Fifth Avenue in New Delhi remains a distant prospect, well-paved roads free of rubble and criss-crossed cables would be a good and welcome startâ 'and not just for the sake of swanky shops.)

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But there is also the possibility Indian consumers may not be that keen on Western-style luxury at least not yet. India, after all, has its own, long history of custom-made high-end goods (Think gem-studded head pieces, embroidered silks and opulent bridal wear).

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'India, in the luxury goods industry in particular, is not easy to conquer: High-end Indian consumers have centuries of aesthetic tradition at their backs that have shaped their tastes,' Mr. Versace said in his speech.

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But with the right kind of marketing, tastes too could change. As Altagamma suggested in a note, expanding the reach of glossy fashion magazines may do the trick.

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Bollywood appears to be trying to do its bit as well. In the 2010 movie "Aisha," the main character wears designer togs and spends a lot of screen time shopping in luxury boutiques, which left more of an impression on some viewers than the plot.

???(Bollywood)??????????????2010??????????(Aisha)????????????????????????????????????????????????????????????????