

Executive summary

With the conclusion of the 30-year civil war in Sri Lanka the local economy is set to change rapidly. This change is quite visible with the scale of infrastructural development taking pace in key cities in the island. The average households living standards have greatly improved and they are spending more on recreation and on other personal needs such as fashion. This is quite apparent with the increase in demand for cheap imported fashion garments and accessories in the local low and middle income segments island-wide.

The Sri Lankan youth both male and female today is very different from a generation ago. They are more self-conscious about their life style and how they want to be perceived. For example even a poor boy in a village is quite IT savvy and owns a cheap yet fancy mobile phone. Low-cost smart phones are in high demand and the average youth spend a significant portion of his or her income on themselves. This has resulted in a boom in the local entertainment and fashion industry among the low and middle-income segments.

The author's company at present specializes in a low-cost mass-market strategy. The local populations wants and needs are rapidly changing and people are willing to pay more for fashion. As such there is an attractive opportunity to exploit by way of quality and stylish underwear. The author is very keen on building her brand island wide to be renowned for quality inners, which our consumers would want to own at a premium price. As such providing a few value added features and developing new products will broaden the customer reach and propel the company brand forwards.

At present most local underwear manufacturers compete on price and as such provide very basic features in terms of design and quality. At the same time there is a growing population of urbane youth who want to express their fashion sense and do not mind paying more to get that. As a result there is a market gap in demand and supply of well-designed quality underwear in the local market. The business case is therefore to create and deliver a suitable product to meet the need of this selected target market.

