

Wallpapers Exponentially growing demand



Inspirational vintage style by Marshalls Wallpapers

With just 7 or 8 textures to offer and high dependence on attributes like durability, lustre, weather proofing, the conventional wall paint industry is rapidly losing

out to wallpapers, a wholly new concept in wall décor and wall finishes. Although wallpapers were invented centuries back, their modern version has evolved only after World War II.

Let's take a quick look at global evolution of wallpaper as we see it today, before we take a look at the current Indian scenario.

Evolution of Wallpapers

Though China and Japan are credited with invention of paper in general, thousands of years back, Jean-Michel Papillon, a French engraver is considered the inventor of modern wallpaper. He started making block designs in matching,



Classical designs by Marshalls Wallpapers

continuous patterns in 1675, and wallpaper as we know it today was on its way. The oldest available example of flocked wallpaper is from Worcester, UK, which was created in 1680. Plunket Fleeson brought wallpapers to America in 1739, when he started printing them in Philadelphia. In 1778, Louis XVI issued a decree that required the length of a wallpaper roll to be about 34 feet.

Frenchmen, Christophe-Philippe Oberkampf invented first wallpaper printing machine in 1785. Nicholas Louis Robert, also from France, invented method of making continuous roll of wallpaper

around the same time. The English invented new manufacturing methods in 18th century in London, which became global rage. In 1888, Ferdinand Sichel developed the first ready-to-use wallpaper paste. Wallpaper pasting machines first appeared around the turn of the 20th century.

The Victorian Era was a grand time for wallpaper featuring over embellished designs featuring somber colors. 1920s was known as the Golden Age of Wallpaper. Some 400 million rolls were sold during that period.

Plastic resins were introduced after World War II. They offered stain resistance, washability, durability and strength and truly revolutionized the wallpaper industry. Recent advances in digital, photo, and printing technologies have allowed modern printing facilities to replicate historic papers and other digital media on a variety of substrates.

Wallpapers continue their appeal to human fantasies for wall décor. Today, new inventions



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Karan Sharma
Marshalls Wallpapers

have become an ongoing process in this field and wallpaper designs have established an identity of their own.

"Each manufacturer has their own speciality and depending on their focus they make their creations accordingly. Today's wallpaper techniques include blown vinyl, solid vinyl, deep embossed vinyl, surface printed non wovens, natural wallcoverings like silk, jute, mica chips etc.," informs Karan Sharma, Director, Marshalls Wallpapers, Mumbai, one of the oldest and today a name synonymous with wallpapers in India.

Indian scenario

"It is very difficult to estimate wallpaper market as there is no proper market data available. But as per my personal estimate it should be around a 200 crore industry which 7-8 years back was only around 25-30 crore. Thus the growth has been excellent," says Karan Sharma.

Although no official research figures are available, the size of overall wall finish market in India is estimated to be over Rs. 25,000 crore, or so, according to industry sources. Of this about 50% to 55% is for interior wall finishes like paints, which amounts to about Rs. 13,000 crore. Wallpapers today account for only 3 to 4% of total interior wall finishes market, which should value around Rs. 500 crore. "It is very difficult to estimate wallpaper market as there is no proper market data available. But as per my personal estimate it should be around a 200 crore industry which 7-8 years back



Marshalls Wallpapers: Make a style statement with highlighted walls

was only around 25-30 crore. Thus the growth has been excellent," says Karan Sharma, Director, Marshalls Wallpapers, one of the oldest and today a name synonymous with wallpapers in India. Thus, the opinions on market size amongst industry players vary between Rs. 200 Crore to Rs. 1,000 crore.

And what are the most popular price points in India? About 70% of India's wallpaper sales come in the retail price band of Rs. 60 to Rs. 150 per square foot, according to industry sources. Remaining comes from higher price segments

between Rs. 150 to Rs. 1,800 or even higher, per square foot. Then why can one see wallpapers priced as low as Rs. 10 or 20 per square foot in India? "Anything selling below Rs. 60 is basically, either defective products, dead stocks or outdated designs," explains Chandresh Parekh, Director, Wall King, Hyderabad.



"The Indian wall paper market will grow by over 100% every year. We experiencing an average growth between 50 to 60% per annum."

Rohit Gupta
Elementto Lifestyles

In absence of any reliable data or research, annual market growth estimates for Indian market vary amongst industry players between 15% on the lowest to 50% on the higher side. But the growth in higher-end market seems to be certainly much better. "We have been growing by 30 to 40% per annum in recent years," said Rohit Gupta of Elementto, a leading Mumbai based player, which deals only in premium & luxury segments. Marshalls, the market leader also reports an average of 30% annual growth. Chandresh Parekh, Director, Wall King, is even more bullish about market growth in India. "I feel the Indian wall paper market will grow by over 100% every year. We ourselves are experiencing an average growth between 50 to 60% per annum."

With such high growth, what direction is the market taking? "Indian wallpaper market is very unorganised. There is a big influx of cheap Chinese and Korean wallpapers. Organised sector companies have started entering this field in India only in the last couple of years, which should certainly help the industry grow. For a long time, Marshalls has been the only organised player," says Karan Sharma, Director, Marshalls Wallpaper.

Tamim Mandsaurwala, Director, Excel Wallpapers,

another leading player based in Kolkata has similar, but slightly different opinion to offer. He says, "Since Indian market is really not



Exquisite designs by Elementto Lifestyles

organised it is difficult to define its size. But I believe it should be currently valued between Rs. 600 to 1000 crores. Indian wallpaper market is growing at least between 25 to 30% per annum. We expect this growth to continue. Market is still at a nascent stage, but has a very high growth potential. Wallpaper for sure is becoming an important product in wall finish segment. That is why leading paint companies are also venturing into wallpapers now a days." Another key reason for players in paint industry entering wallpaper field is that besides a large market opportunity, they see a big synergy between wallpapers and paints business. He feels that the Indian Government's focus on infrastructure development and smart cities will lead to tremendous growth in wallpaper demand in coming years.

Karan Sharma of Marshalls felt that the business was tough last year due to the recessionary trends and real estate market being in a limbo, but agrees with Tamim, "If the economy improves, then this industry will zoom up further and I expect it to grow by 30-50% in the next 2 years."

Vivek Khandelwal, Director, F & F, another well-

established, leading Delhi based importer too pegs Indian market growth at 25% per annum. He feels that there is still a room for high growth in this segment because the paint industry is stagnant in terms of innovations."

Not only popular varieties, demand in India for specialised, niche wallpapers too is growing. "We deal in natural and truly leather like category of



"Since our products are different from the ones available in the market, discerning consumers are increasingly preferring them over the regular ones."

Gaurav Bhatia
Kazage Lifestyles

wallpapers only. Since our products are different from the ones available in the market, discerning consumers are increasingly preferring them over the regular ones," says Gaurav Bhatia, Marketing Manager, Kazage Lifestyle, which deals only in such niche items.



Innovative hand crafted leather Wallpanel by Kazage Lifestyles

"70% of Europe, both west and east, are today wallpaper markets. 99% of wall finishes in Developed Asian countries like Japan, Korea and Taiwan are wallpapers. China, which like India today, had just 2% share of wallpapers in its overall wall finishing market 30 years back. Today, wallpapers' share in China has risen to 30%. This is a massive growth of 15 times in 30 years. India is likely to follow," asserts Karan Sharma

Import Scenario

China is a major source for mass market, low quality wallpapers. Korea offers medium to high qualities and premium products come from USA, Germany, Italy, Belgium, France, UK and other European countries.

Quantity wise China and Korea are the biggest suppliers of wallpapers to India. But innovations, new concepts and trends come from Europe.

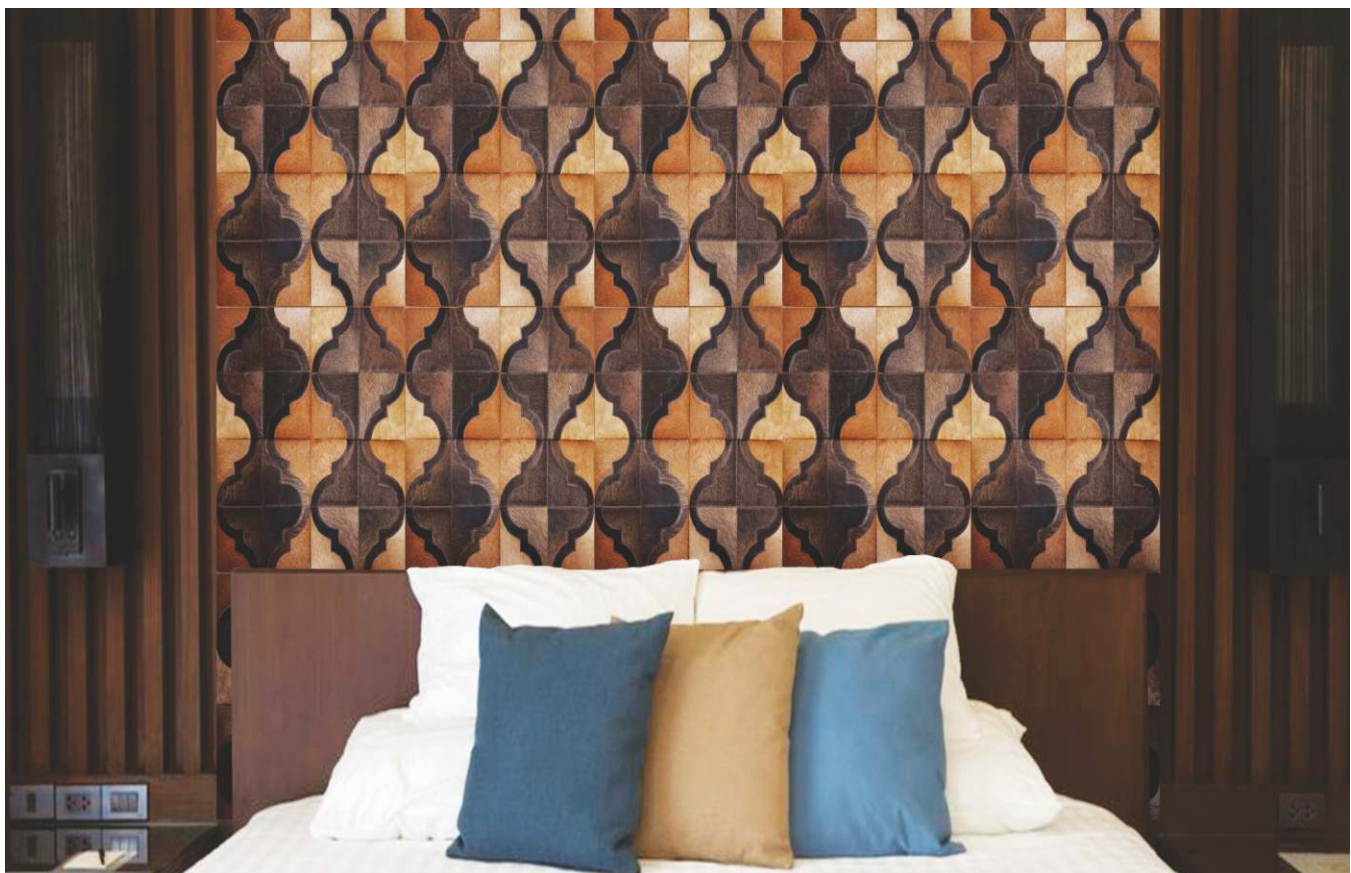
“You can get good quality products in both China and Korea too. But it all depends on the price one is willing to pay. If you are ready to pay a higher price, you can get very good quality goods even from these countries. It is our responsibility as an importer to ensure that right quality of wallpaper is supplied to the consumer,” advocates Karan Sharma.

Each brand has its style which emerges from the country of origin. Italian products are totally different German ones. Similarly, American wallpapers are distinguished from Korea in terms of quality or manufacturing technique. For example, USA

wallpapers are pure paper products whereas German are blown vinyl based and Italy makes solid vinyl products.

Chinese products retail between Rs. 10 to Rs. 80 per square foot, Korean between Rs. 25 to Rs. 300 and European wallpapers sell between Rs. 90 to Rs.1500 per square foot. Current import duty in India is 30%.

According to industry sources, in India's overall wallpaper imports, China has a share of 40%, Korea 20% Europe 25%, USA 10% and others 5% in India's wallpaper imports. And what is the average size of operations for an Indian wallpaper marketer? Even today, the biggest players, which you can count on fingers, would not have achieved individual annual turnovers of Rs. 20 to 30 crore. Besides, about 30 to 35 players do a sales of around Rs. 10 crore per annum. Rest of the market is catered by very small, marginal, regional players. Vivek Khandelwal of F&F puts the number of wallpaper importers at 100, of which 12-15 are well-organized according to him.



Wallpapers now look more like textured walls. Pic: Kazage Lifestyles

Different wallpaper types

Wallpapers are of different types in terms of materials, technologies and backings used. While Vinyl coated wallpapers are considered high quality, choices of backing and type of wallpapers is usually made by the user based on budget, purpose and durability desired.

Vinyl: Vinyl and PVC (Poly Vinyl Chloride) coating on wallpapers mean the same. It is the most durable and widely used form of wallpapers. They are 100% washable, colourfast and fire retardant. Within PVC also, there are varieties like solid vinyl, blown vinyl, embossed vinyl etc.

Pure Paper: Pure paper wallpapers are qualitatively the best and mostly in USA. They have a very rich feel in terms of designs and colours, but are three times more expensive than other varieties. Hence, only discerning buyers seeking high quality products go for them. Pure paper wall papers are usually

coated with acrylic instead of PVC, giving a far superior feel over the latter.

Fabric Front: Fabric front wallcoverings have limited usage and used more in exclusive areas where movement is less. This is because fabric wallpapers are not washable, colourfast or fire retardant.

Backings: The backing of the wallpaper can be of 3 types. First, the normal paper which is an old concept, but has few inherent issues. Most of the Chinese and Korean wallpapers are still made predominantly in this type of backing to reduce cost. Second type and the latest backing is that of non-woven fabrics, which is amazing quality and makes the process of installation and removal very easy. The third type is fabric backing, which is generally used in project wallpapers where impact resistance is a key factor in decision making of choice of wallpaper. Examples of such high traffic areas are hotels, corporate offices etc.

Making in India

And why are quality wallpapers still not produced in India? Reasons are obvious. One, the market for quality wallpapers, though evolving rapidly, is still at a nascent stage. Current volumes do not justify high investments in manufacturing. Besides, technologies required are also not available indigenously. Asked, if the importers would consider manufacturing in India in the near future, “we may think about it after 4 to 5 year,” comes the answer from Rohit Gupta of Elementto. “Everything at the moment is imported. I believe it is just a matter of time. As soon as we can sell sufficient volumes, they will get manufactured in India,”

supports Tamim Mandsaurwala.

“Except for the digital wallcoverings which we manufacture ourselves, the vinyl wallcoverings are all imported by us predominantly from Europe and USA. Manufacturing vinyl wallpapers makes sense only if the volumes are very high, which is not the case in India currently. In fact, we ourselves used to manufacture wallpaper in India from 1985 to 2008, but shut down the facilities in favour of imports,” reveals Karan Sharma of Marshalls.

Given Marshalls' experience of nearly two decades, manufacturing wallpapers in India is a very tedious and difficult process due to several reasons like raw materials, design, technology, infrastructure and skilled labour. “Unless the

ground reality changes for small scale manufacturers, it will always be difficult to produce in India. Moreover, the market size here has to grow to at least Rs. 500 crore to make local production viable,” insists Karan Sharma.



Leather, the new favourite for Premium wallpapers. Pic: Kazage Lifestyles

“It is simply not practical to produce wallpapers in India at the moment,” emphasizes Chandresh Parekh of Wall King. “Every brand has to launch at least 4 to 5 new collections every month in form of catalogues to stay in the market. That would make about 50 to 60 collections in a year. Every design, within each collection must be manufactured and stocked in sufficient quantity over a period of few years, since these catalogues remain in circulation all over the country and dealers ask for repeat quantities. This requires every design in the catalogue to be produced in sufficient quantity and stocked over years, which is not viable in India. Hence, depending on large global producers is the only option,” Mr. Parekh concludes.

Quality of Indian wallpapers is much inferior to their international counterparts, hence hardly 2-3% of the country's total wallpaper consumption is produced domestically. Indian products have not gained much consumer acceptance even within the country, simply on quality grounds,” shares Manish Singhvi, Director, Spaarsh India Pvt. Ltd. and adds further, “though it may be technically possible to produce the premium range in India,

the cost of production for the same is very high, making it uncompetitive.”

Wallpapers versus paints

Do wallpapers really compete with conventional wall paints? “Not really,” asserts Rohit Gupta, and clarifies further, “While textures in interior wall paints are limited to 7 or 8, wallpapers offer thousands of innovative designs and textures in categories like vinyl, non-woven, paper backed, fabric backed, natural wallpaper and silk bonded.” Besides, while paints generally cost much lesser and are used as a base



“Wallpapers add character to the wall they are used on. These days, one often sees a combination of paints and wall papers to create unique interior effects.”

Tamim Manbsaurwala
Excel Wallpapers

finish for the walls; wallpapers are relatively more expensive and have a high wall decoration element. More differences are cited by Tamim of Excel. “Wallpaper are faster to install, are odourless and do not create mess. Wallpapers



Contemporary designs by Excel Wallpapers

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Marshalls Wallpapers: Let rich textures and patterns enrich your home

and wall papers to create unique interior effects.

Karan Sharma of Marshalls adds more reasons for wallpapers scoring over paints. “Wallpapers from Marshalls are 100% washable colourfast and fire retardant. The range of designs and textures and concepts offered by our wallpapers are incomparable with the variety in paint...wallpaper is a machine made product and hence the consistency of texture design and colour is supreme as against paint which is applied manually on the wall to create any texture or even make a dark shade,” he emphasizes

He adds further, “Paint also tends to lose its shine and strength in colour over 2-3 years whereas there wallpaper colours can last easily 8-10

years without any fading. The only disadvantage in wallpaper could be quality of the product... if the quality of the wallpaper is good there is no reason why it can't adorn the walls for 8-10 years. Hence, one needs to take care of the same while choosing the vendor for wallpaper.” In the developed countries, government regulations for hotel industry and health & environment consciousness amongst consumers too are driving the trend in favour of wallpapers. Use of wallpapers is being increasingly preferred for both residences and offices, as paints cause odour, emit fumes, cause skin allergies at times and take time to apply. Some of the paints are also inflammable. 🇮🇳