



Apparel Retailing in Mauritius: Framework and Review

Jacqueline Robeck^{a*}, Naraindra Kistamah^b, Allison Pattison^c, Jessica Pattison^d,
Sabrina Ramsamy-Iranah^e

^aProfessor of Fashion Design and Merchandising, Academic Affairs, University of Louisiana, Lafayette, 70504, USA,

Email address: robeck@louisiana.edu

^bAssociate Professor of Applied Sustainability and Enterprise Development, University of Mauritius, Reduit, Mauritius, Email address: dharma@uom.ac.mu

^cAssistant Professor of English, Department of Languages & Literatures, Alabama State University, USA, Email address: apattison@alasu.edu

^dAssistant Professor of Fashion and Textiles, Department of Human Ecology, SUNY Oneonta, USA, Email address: chuny2@hotmail.com

^eLecturer of Applied Sustainability and Enterprise Development, University of Mauritius, Reduit, Mauritius, Email address: s.ramsamy@uom.ac.mu

Abstract

Little is known about the apparel retail market potential of Mauritius, a small island country in Africa. Categorized as a lower level country with regards to retailing, Mauritius with its growing middle class, is positioned for retail expansion. This paper presents a conceptual framework classifying existing apparel retailing stores by strategic mix. Using a metatheory approach, propositions are presented in relation to opportunities and challenges for retail development. Review of current retailing confirms that Mauritius is opportune for international and national growth. The paper discusses the presence of international apparel firms, national sourcing, and apparel products reflecting the customs and culture of Mauritius.

Keywords: Mauritius apparel retail, international retailing, retailing

PAPER/ARTICLE INFO

RECEIVED ON: 01/03/2014

ACCEPTED ON: 11/05/2014

Reference to this paper should be made as follows:

Jacqueline Robeck,
Naraindra Kistamah,
Allison Pattison, Jessica
Pattison, Sabrina Ramsamy-
Iranah (2014) "Apparel
Retailing in Mauritius:
Framework and Review" *Int.
J. of Trade and Commerce-
IIARTC*, Vol. 3, No. 1, pp.
01-16

1. INTRODUCTION

Almost every country in the world depends on the textile and apparel sectors as important contributors to their economy (**Dickerson, 2003**). Textile and apparel are leaders in industrialization and trade in nearly all parts of the world and the world's largest source of industrial employment (**Dickerson, 1999**).

Research has been conducted in the field of international retailing with substantial data exploring the development of North American, European, and Asian retailing as well as their expansion into other countries. Less research has been conducted for the African continent and there is scarce research data of Mauritian apparel retailing.

The **Business of Fashion (2012)** hypothesizes that the continent of Africa could be the next Asia, as both a producer and consumer of luxury goods. Recent research has discussed how little attention has been paid to African retailing and how the fast growing continent is ready for international retailing. There are African complexities and unique situations that need academic attention to help demystify the process of international retailing (**Dakora, et. al., 2010**).

The fast growth rate of 15-25 year old African youth provides opportunity for fashion retailers especially with the popularity of western fashion among this age group in growing economies. International fashion retailers that target this age group, such as Mango, Zara, Levi's, and Gap, are already in Africa and are paving the way for other retailers (**Business of Fashion, 2012**).

2. BACKGROUND

The country of Mauritius is a relatively small island of 800 square miles (1,300 kilometers) located 500 miles (800 kilometers) east of the large island of Madagascar in the Indian Ocean. The nearest continent of Africa is 1,200 miles (2,000 kilometers) to the west of Mauritius. The population of 1.3 million comprised of 68% Indo-Mauritian [Indian descendents], 27% Creole [African or Madagascan descendents], 3% Sino-Mauritian [Chinese descendents] and 2% Franco-Mauritian [French/European descendents] (**World Factbook, 2012**).

The World Bank, a specialized agency of the United Nations, lists the country of Mauritius in Sub-Sahara Africa in 2012 as a developing, upper middle income country with a Gross National Income (GNI; Atlas Method; formerly known as Gross Domestic Product) per capita of \$8,570 US. The country is ranked 89th out of 215. The World Bank groups countries as low income [\$1,035 or less], lower middle income [\$1,036 - \$4,085], upper middle income [\$4,086 - \$12,615], and high income [\$12,616 or more] (**World Bank, 2014**).

There is a high correlation between the degree of economic freedom and the extent to which a nation's mixed economy is market oriented (**Keegan and Green, 2008: 49**). The Heritage Foundation, a think tank in Washington, D.C., ranks Mauritius 8th out of 178 world countries in 2014 with regard to degrees of economic freedom (trade, taxation, monetary and banking policies, government consumption of economic output, capital flows, foreign investment, property rights, regulations, the black market, and wage and price controls). Mauritius is classified as Mostly Unfree in the range of: Free, Mostly Free, Moderately Free, Mostly Unfree to Repressed Economies (**Index of Economic Freedom, 2014**).

The exotic destination of Mauritius ranks high in its region for overall regulatory ease of doing business. Mauritius provides a business-friendly economy for clients wanting to do business into

and out of African and Asian markets due in part to its ideal geographical location at the crossroads of Europe, Asia and Africa (Nolan, 2011).

2.1 Retail Theoretical Foundation and Literature Review

Retail evolution is closely tied to a country's level of economic development (Sakarya, et. al., 2007). Sternquist (2007) also found that retailing activity and changes are strongly linked to economic activity. Rostow (1960) proposed five sequential development stages or categories of retail evolution that correspond to economic development of a country. It is generally possible to identify all economies as lying within one of the five categories: Stage 1: Traditional Society; Stage 2: Pre-Condition for Take-Off; Stage 3: Take-Off. Stages 1-3 are considered underdeveloped economic countries with underdeveloped retailing. Countries in Stage 4: Drive to Maturity and Stage 5: Age of High Mass Consumption are considered to be developed countries with developed retailing economies.

The *wheel of retailing* concept (Berman and Evans, 2012: 106) states that retailers first appear as low-price, low cost, and low profit margin operators, upgrading to high-end strategies of high prices, upscale consumers, good facilities and services, thereby increasing their sales. Retailers often offer scrambled or unrelated merchandise to increase revenue.

The *retail life cycle* theory states that retail institutions pass through early growth (introduction), growth (accelerated development), maturity (high sales), and decline stages of retailing. Retailers slow their decline by innovations in merchandise, service, environment, administration, operations, and adaptation to market (Berman and Evans 2012: 110).

Berman and Evans (2012: 112-124) further identified retailers based on strategy mix into 14 store-based institutions placed into either food-oriented or general merchandise types. There are six food-oriented types of retailers: 1) Convenience store; 2) Supermarket; 3) Food-based superstore; 4) Combination store; 5) Box store; and, 6) Warehouse store. There are eight general merchandise types of retailers: 1) Specialty store; 2) Departmental store; 3) Discount store; 4) Variety store; 5) Off-price store; 6) Factory outlet store; 7) Membership club; and, 8) Flea market.

Retail market opportunities are extensive in Africa, but not without challenges. Some of those challenges include consideration and support of local economies, labor, producer and supply chains, transportation, and logistics. Moving perishable goods or fast-moving consumer goods from supplier or wholesaler to retailer across national borders poses costly and sometimes difficult management and administration problems (Dakora, et. al., 2010).

A retailer targeting the emerging African middle class stand to benefit, but it comes with challenges. Retailers should consider franchising opportunities, such as Mango's strategy. Mango has shops in nine Sub-Saharan countries, one of which is located in Mauritius (Business of Fashion, 2012).

Global retail expansion has usually been led by large retail chains from developed countries. Research has migrated towards large retail expansion in developed economies with less research directed to developing economies. Retailers become larger and more integrated, and consumers gain market power when an economy develops. Advanced retailing depends on the development of sophisticated transportation, communication, packaging, and other infrastructures. There is a strong correlation between modern infrastructures and economic development (Sternquist, 2007).

As the global economy recovers, lower-end markets are attractive to the world's top retailers. Lower-end markets are likely to experience strong growth, have limited modern retailing, and are likely to see an expansion of the middle class, which drives modern retailing. One identified low-end market is much of sub-Saharan Africa. This region should experience strong growth in the coming decade due to improved governance, competitive industries, and favorable demographics (**Deloitte, 2013**).

Franchisor-franchisee relationship in international fashion retailing is useful as a mode of market entry. The intended relationship needs to be clearly defined (**Doherty & Alexander, 2004**). **Stores (2013a)** reported that fashion goods retailers were the most profitable type of retailer. **Juwaheer and others (2013)** reported that the presence of international shops was deemed an important factor for Mauritians when considering shopping at malls.

Edensor and Kothari (2006) described stallholder open market retailing in Quatre-Bornes, Mauritius, as innovative. Retailers developed relationships with domestic and international apparel manufacturers to supply mixed clothing merchandise.

2.2. Global Retailers in Mauritius

Stores Magazine (2013b) lists the top 250 retailers in the world. Six top global retailers have representation in Mauritius.

Shoprite Holdings, Ltd., based in South Africa, ranked 94th, operated in 17 countries, and has one store with minimal apparel in Mauritius. Shoprite is the anchor store at the Trianon Mall in Mauritius. It is classified as a supermarket. Retail revenue was US\$10.5 billion as of fiscal year 2013.

Pick n Pay, based in South Africa, ranked 137th, operated in 9 countries, and has three stores with minimal apparel in Mauritius. They sometime use the Red Apple banner. Pick n Pay is the anchor store at Bagatelle, Cascavelle, and Mont Choisy shopping malls in Mauritius. Pick n Pay is classified as a supermarket. Retail revenue was US\$7.1 billion.

Kering, S.A., based in France, ranked 152nd, operated in 85 countries, and has one store in Mauritius. It is classified as an apparel and footwear specialty store. Retail revenue was US\$6.3 billion as of fiscal year 2013. Kering is known for its luxury goods, such as the Gucci Group, Bottega Veneta, Balenciaga, Puma, Brioni, among others.

Group Vivarte, based in France, ranked 229th, operated in 64 countries, and has one store in Mauritius. It is classified as an apparel and footwear specialty store. Retail revenue was US\$4 billion as of fiscal year 2013. Group Vivarte represents 20 brands of shoes, fashion, and leather goods, such as Andre, Minelli, and San Marina, among others.

Woolworths Holding Ltd., based in South Africa, ranked 234th, operated in 17 countries via franchising, and has one store in Mauritius. Woolworths is the co-anchor store at the Bagatelle mall in Mauritius. Woolworths is classified as a department store with significant clothing merchandise, as well as beauty, household goods, and food items. Retail revenue was US\$4 billion as of fiscal year 2013.

Daiso Sangyo, Inc., based in Japan, ranked 237th, operated in 29 countries, and has one store in Mauritius. Daiso Sangyo is classified as a discount departmental store specializing in household, dining, kitchen and living merchandise and accessories, and home décor. They have no apparel merchandise. Retail revenue was US\$4 billion as of fiscal year 2013.

3. MATERIALS AND METHODS

The objectives of this case study were to (a) understand the cultural and economic geography as it impacts apparel retailing in Mauritius, (b) examine retailing activity in Mauritius, and (c) recommend future retail strategies.

Metatheory as a methodology provides a holistic view to the researcher by illustrating truths that support and oppose reality concerning the focal phenomenon, enabling the research to evolve dynamically. This helps in making assertions about discipline content and reality of a situation; it also provides schemes and definitions that are helpful and important in describing and explaining natural occurrences (**Hamilton, 1987**). Existing theoretical perspectives, relevant literature, and industry observations formed the data sources for analysis in this study.

From 2011-2013 women's fashion retailing establishments in Mauritius were observed and studied. A classification of retail formats and characteristics was comprised for analysis and discussion. This study concentrated on general merchandise retailers, specifically women's apparel retailing, i.e. fashion clothes and fashion accessories. The goal of the research was to establish a framework or reference point of current apparel retailing, and to review existence and offerings of retailers, thereby presenting challenges and opportunities for market entry and sustained operation in Mauritius.

3.1. Propositions

There were five propositions in this study: 1) Apparel retailing in Mauritius is in developmental stages; 2) Store classifications will clarify opportunities for apparel retailing; 3) International apparel firms seeking business share in Mauritius should consider franchising, joint ventures, or mixed product merchandise in conjunction with supermarkets; 4) Apparel retail firms should first utilize national or regional sourcing options as their supply chain to better control costs and deliverability; and, 5) Market share of international or domestic retailers will increase as products are modified to reflect proximity to customs and culture of differing target customers.

4. RESULTS AND DISCUSSION

4.1. Framework: Country Classification by Retail Market

The application of Rostow's retail market classification supports Proposition 1 that apparel retailing in Mauritius is in developmental stages. Mauritius displayed the first three stages associated with underdeveloped retailing in an underdeveloped economic country (see Table 1). Underdeveloped countries are known as supplier's markets with small inventories and less variety resulting in merchandise fragmentation.

Mauritius has many mobile vendors. Some retailers have roadside stands that they might set up daily at their own pace and own hours. Other retailers set up shops at open markets in cities during apparel market days in an identified market space. For example, apparel market days in the city of Quatre-Bornes are on Thursdays and Sundays, and on other days of the week a consumer would find food and other non-textile merchandise at the premises. A vendor might be at their stall each week, and vendor merchandise varies in quality, assortment, and price day to day. There are apparel retailers that sell merchandise for fairs or religious celebrations at various locations at unspecified times. This type of scrambled merchandising and mobile retailing are typical characteristics of Stage 1: Traditional Society, underdeveloped retailing.

Stage 2: Pre-Condition for Takeoff was evident in Mauritius. The island has many retail vendors offering apparel assortments in permanent structures. These vendors have regular store hours. The store front may be an individual’s home, owned or leased space along a shopping strip street, stand-alone store front, or government-owned stores. Store units are single-unit operations. Merchandise may be organized and categorized, but it may also be scrambled merchandise, offering many types of merchandise, not necessarily just women’s apparel.

Some apparel retailers are situated in populated areas with high tourist traffic and in modern shopping centers which may be identified as Stage 3 of retail evolution. The Caudan Waterfront shopping district in the capital city of Port Louis is a good example of Stage 3. There is no anchor store, but there are many types of apparel retail, souvenir, jewelry, and gift stores. More recently, the Bagatelle Mall of Mauritius opened in 2011 with Woolworths as an anchor store. This marked the first mall in Mauritius to have a departmental store focused on fashion apparel merchandise anchoring a mall. There are 42 other fashion boutiques in the mall such as Aca Joe, Esprit, Guess, Giorgio Armani, and Hugo Boss, among others. Stage 3 retailing economies have achieved a normal economic and social growth pattern that sustains retail development. International retailers such as Esprit, Armani, and Mango often enter these markets. Both supermarkets and modern shopping center formats are prevalent.

Stages 4 and 5 are deemed to be developed retailing economies that are consumer-driven with large inventories and varieties. Stage 4: Drive to Maturity is characterized by well-established supermarkets and other modern forms of retailing that may coexist with traditional producer-markets. Shopping centers become overbuilt in these retailing economies. There is not overbuilding of shopping centers in Mauritius, therefore not classifying the country as Stage 4.

Stage 5: High Mass Consumption retailing economy is characterized by specialized retail offerings in high-income economies. Countries exemplifying stage 5 retailing economies are England, France, and the United States. Specialized retail offerings in high-income economies were not apparent in Mauritius.

Table 1. Categorization of Mauritius Retail According to Rostow’s Stages

Stages of Country Economic Development and Retailing	
<p>Stage 1: The Traditional Society</p> <p>Characteristics:</p> <ul style="list-style-type: none"> • Unrelated, scrambled merchandise assortments with unmarked pricing • Mobile structures 	

<p>Stage 2: The Preconditions for Take-Off</p> <p>Characteristics:</p> <ul style="list-style-type: none"> • Scrambled merchandise • Permanent structures 	
<p>Stage 3: The Take-Off</p> <p>Characteristics:</p> <ul style="list-style-type: none"> • Emergence of small-scale or full-scale supermarkets • Foreign retailers • Modern retail formats in shopping centers 	

4. 2. Framework: Retail Market Classification by Strategy Mix

Berman and Evans (2012: 112-124) proposed an identification of retailers based on strategy-mix. Retailers are either food-oriented or non-food-oriented general merchandise types. There are six food-oriented types of retailers. Retail market classification by strategy mix supports proposition 2 of this research: Store classifications will clarify opportunities for apparel retailing.

Convenience stores are one of six food-oriented retailers. They are small, carry a moderate number of items, have average to high prices, are open far long hours, and supply daily needs of dairy, beverages, and sandwiches. There were some of these stores in Mauritius, especially located in tourist areas.

Supermarkets or conventional supermarkets are second of six food-oriented retailers. They are departmentalized and at least 80% of their merchandise is food. These types of stores were in Mauritius.

Food-based superstores are a third classification of food-oriented retailers. They are large and diversified. 20-25% of their merchandise is general merchandise such as garden supplies, flowers, and small electrical appliances. South Africa-based Shoprite [store] is an example; Shoprite is the anchor store in the Trianon Mall in Quatre-Bornes, Mauritius.

Combination stores or supercenters or hypermarkets are a fourth classification of food-oriented retailers. General merchandise accounts for 25-40% of the store's offerings and may include a pharmacy. Supercenters combine a supermarket with a discount store. Hypermarkets are the largest kind of supermarkets such as French-based Carrefour [store]. These types of supercenters were not present in Mauritius.

Box or limited-line stores are food discounters. They carry few perishables, a small selection of items, and have less hours of operation. This fifth type of food-oriented retailer was not found in Mauritius.

Warehouse stores carry a variable assortment of discounted food in a basic building environment, offering little service. This sixth type of food-oriented retailer was not found in Mauritius.

Of the eight general merchandise types of retailers identified by Berman and Evans six were found in Mauritius (see Table 2). Discussion of the types follows the table.

Table 2. General Merchandise Store Classification by Strategy Mix

General Merchandise Store Classifications Found in Mauritius	
	
Specialty Store	Departmental Store
	
Discount Store (Mr. Price)	Variety Store

	
<p>Flea Market (Quatre-Bornes Open market)</p>	<p>Factory Outlet Store</p>

There are eight classifications of non-food, general merchandise retailers identified by **(Berman and Evans, 2012)**. The types are:

1. Specialty stores (or power retailer or category killer) concentrate on one or few goods tailored to a specific target customer. Power retailers or category killers are especially large specialty stores. An example of a specialty store is Spain-based Mango (Punto Fa, S.L.) which has locations in Mauritius.
2. Department (or traditional department) stores are large units with extensive merchandise assortments that offer a wide range of products, oftentimes offering many clothing lines. An example of a department store type is South Africa-based Woolworths. Woolworths opened a store in a regional Mauritius mall, Bagatelle, in 2011.
3. Discount (or full-line discount) stores are similar to department stores, but have a less opulent environment, lower cost merchandise, and are self-service. An example of a discount store is U.S.-based Walmart. South Africa-based Mr. Price is another example of a discount store that has locations in Mauritius.
4. Variety stores offer inexpensive assortment of goods such as accessories, costume jewelry, small housewares, candy, toys, and clothing. An example is U.S.-based Dollar General. There are single-unit variety stores in Mauritius.
5. Off-price chain stores offer brand-name clothing, accessories, footwear, and housewares. They have limited service and merchandise assortment at lower prices. An example of an off-price chain store is U.S.-based T.J. Maxx. There are no off-price chain stores in Mauritius.
6. Factory outlet stores are manufacturer-owned and sell discontinued to current season merchandise at lower prices than are found in specialty or department stores. An example of a factory outlet store would be U.S.-based Nike. Outlet stores are in Mauritius, partly due to the large number of apparel manufacturers on the island. Apparel manufacturing is one of the leading economies in Mauritius and many of the apparel contractors sell their products in their own individual factory outlet stores. Examples of factory outlet stores in Mauritius are Red Snapper, fashion house, New Gen and Citadel.
7. Membership (or warehouse) clubs offer fewer items and irregular assortments, bridging the wholesale and retail channels. Fees are charged and merchandise is offered at low prices. U.S.-based Sam's and Costco are examples of membership club retail formats. There are no membership club retailers in Mauritius.

8. Flea markets are the last classification of retail stores by strategy mix. Flea markets are known to have many retail vendors, often selling any type of merchandise in non-store environments with variable pricing. There were many flea market or open market retailers throughout the country of Mauritius.

4.3. Review: International Apparel Firms

International retailing companies are found in Mauritius supporting Proposition 3 that international apparel firms seeking business share in a country should consider franchising, joint ventures, or mixed product merchandise in conjunction with supermarkets.

Supermarkets in Mauritius are anchor stores at many malls. For example, the Jumbo supermarket in Phoenix Mall is so well known that the mall is referred to as the Jumbo Mall. Shoprite supermarket anchors the Trianon Mall, Pick n Pay anchors the Bagatelle Mall and the Cascavelle Shopping Village, and Intermart anchors LaCroisette Mall. The anchor stores are classified as supermarkets, but have expanded to be hypermarkets and they include a wider assortment of merchandise beyond food items. These stores have some clothing items and provide entry to the apparel retailing field. They offer mixed product merchandise, thus elevating retailing towards Stage 4 of a developed country status and exhibit typical trends in the wheel of retailing and retail life cycle.

International firms like Pick n Pay, Shoprite, and SPAR, headquartered in South Africa, and Jumbo and Monoprix (both owned by France's Groupe Casino) gained entry into Mauritius at the food level first. Serving as mall store anchors the store names became known in Mauritius and credibility was gained. With the opening of Monoprix in Curepipe, this apparel retailer had its entry paved by its corporate partner, Jumbo, a food retailer that also sold clothing.

Mauritius is sometimes referred to as a second world country caught between low-income and high income economies and this dilemma is exemplified by the living standards of the city or village and their geographic locations on the island. Mauritius is a destination stop for many cruise lines in the Indian Ocean as well as a vacation spot for many Europeans. The close cultural proximity of Mauritius to India and China, through its diaspora, helps contribute to the island's tourism industry.

In 2011 Africa was the destination for 21 new market entries, the most of any sub-region in the world. Franchising was the market entry method used for most of the activity in the African sub-region (**Stores, 2013a**). Woolworths opening in Mauritius' Bagatelle Mall in 2011 and cascavelle Shopping Village in 2013 is a prime example of franchising as entry into the island's retail market. The world's largest retailer Wal-Mart has 11,000 stores under 69 banners, and has physical stores in 27 countries (**Walmart, 2014**). **Stores (2014)** listed Walmart as the number one global retailer with 2012 fiscal year retail revenues of US\$469.2 billion. Most Walmart stores are apparel-based. Walmart's merger with South Africa-based Massmart in late 2011 gave Walmart entry into South Africa as well as 11 other African nations.

South Africa-based Woolworths gained market entry in Mauritius via franchising. They are the only department store in Mauritius and have two locations: Bagatelle Mall of Mauritius opened in 2011 and Cascavelle Shopping Village opened in 2013.

Lessons could be learned from the South African market. Retailers, importers, and agents tend to buy from tried and trusted sources, making entry into the market a challenge for new suppliers.

Companies with strong design abilities should target retailers in their marketing campaigns as a way of making their companies known (**International Trade Centre, 2010**).

4. 4. Review: Sourcing the Nation

Evidence of apparel merchandise supported proposition 4 that apparel retail firms should first utilize national or regional sourcing options as their supply chain to better control costs and deliverability. Mauritian companies have established themselves as suppliers of high-quality knits and woven shirts, taking advantage of duty preferences offered by the SADC (South African Development Community) and COMESA (Common Markets for Eastern and Southern Africa) protocols (**International Trade Center, 2010**).

Textiles and clothing is Mauritius' primary industry and export (**Gov.mu, 2012**). Mauritian companies have established themselves as suppliers of high-quality knits and woven men's shirts in global trade (**International Trade Centre, 2010**). Mauritius developed supplier alliances with countries within the protected SADC, as well as others. Utilization of Mauritian apparel manufacturers afforded retailers to have quick delivery of goods without transportation costs.

Dakora and others (2010) reported that South African retailers incur difficulties of obtaining goods outside their country due to cross-border trade, road blocks, red tape, and slow custom clearances in Africa. A challenge for suppliers includes efficient supply chain management. Mauritius is home to many apparel manufacturers and retailers. Sourcing apparel products from the island avoids supply chain problems.

Mauritian apparel retailers such as Pridemark and international retailers in Mauritius such as Aca Joe, Vertigo, and Urban of Platinum Group have capitalized on national sourcing. Stall holders in the Quatre-Bornes market rely heavily on national apparel manufacturers for their assortment of goods (**Edensor and Kothar, 2006**). Citadel and Red Snapper are factory outlet apparel retailers that source all of their goods from their mother companies respectively, and which are mainly export oriented. Both firms are known for their knit wear (see Figure 1).



Figure 1. Outlet stores sold Mauritian-made garments.

4. 5. Review: Products Reflect Customs and Culture

Retailers throughout the island offered merchandise that supported Proposition 5 which was that market share of international or domestic retailers will increase as products are modified to reflect proximity to customs and culture of differing target customers. The majority (68%) of the

Mauritian population is of Hindu origin and the island celebrates Hindu customs and clothing practices. The emergence of African youth, wanting western apparel is also evident on the island. Many specialty stores in the Mauritian malls (Bagatelle Mall of Mauritius, Trianon Shopping Mall, Cascavelle Shopping Village) offered western style clothing, such as the store Island Haze (See Figure 2). Many of these specialty stores targeted a younger customer and were often international franchise units such as Mango, Esprit, Adidas, Quicksilver and Roxy. A Mauritius-based specialty store, 4Play, also offered western style apparel; stores were tenants at Triolet Shopping Center and Caudan Waterfront. These types of apparel retailers had a more consistent assortment of merchandise in color, styles, and sizes.



Figure 2. Specialty stores in malls sold western style clothing.

Specialty stores outside of a mall or shopping center also sold western wear clothing. These were single-unit store fronts usually located on main streets. Color, style, and sizes were one of a kind, non-seasonable, sometimes not current fashion, and exact stock could not be replenished once sold (see Figure 3).



Figure 3. Western style clothing offered by single unit street store fronts.

Apparel retail units outside of a mall or shopping plaza offered more non-western style garments. Many stores targeted apparel selection to Indian ethnic groups. Stores were found along streets as well as in shopping centers. Typical merchandise in these stores was the offering of colorful women's saris and churidars (see Figure 4). These garments were sourced outside of Mauritius.



Figure 4. Specialty stores not located in malls often offered garments targeted to the Indian ethnic customer.

Apparel retail stores located at Caudan Waterfront shopping area offered a wide variety of western style and non-western style apparel. This was the shopping area where cruise ships docked and was known to have the most tourist trade compared to any other city on the island. Apparel choices at the waterfront area targeted many ethnicities. Beach wear, Hindu clothing, western style clothing, domestic, and international apparel brands were found.

4.6. Retail Market Opportunities

Two districts in the island nation of Mauritius comprise 46% of the country's wholesale and retail trade business activities. Port Louis district houses the capital of Port Louis and Caudan Waterfront. Plaines Wilhems district has the most major towns of the country's nine districts.

The Port Louis district has approximately 130,000 inhabitants (2011 census data) which is 10% of the country's population. Seventeen per cent (17%) of the country's wholesale and retail business activities occur in the Port Louis district.

The Plaines Wilhems district has the country's largest population of 385,000, which is 31% of the country's population. Major towns in this district include Quatre-Bornes, home to Trianon shopping mall, and Vacoas-Phoenix, home to Phoenix's Jumbo shopping mall. Twenty nine percent of the country's wholesale and retail business activities occur in the Plaines Wilhems district.

Mauritian business activity statistics revealed that wholesale and retail trade increased 3.9% from 2011 to 2012, as compared to all other business activities by industry groups which only increased 2.8% from 2011 to 2012. Predominant retail sales (24%) occurred in food stuff non-specialized stores. Thirty per cent of retailing (apparel and non-apparel) occurred at market places/stalls/fairs and along the road. **(Ministry of Finance and Economic Development, 2013).**

4.7. Challenges Facing Apparel Retailing

Mauritius is heavily dependent on its exportation of textiles and apparel. The country faced challenges since the World Trade Organization deregulated world tariffs in 2005. Mauritius experienced a decrease in exports from 2005-2008, but exports are again rising. With apparel retail growth imminent in Mauritius, the opportunity to procure goods locally, avoiding cross country

shipments and transportation costs provides a supply chain linkage advantage. Countries having a strong manufacturing base tend to lend help to the retail clothing sector.

A second consideration for Mauritian retailing is the acknowledgement of counterfeit and knockoffs. Counterfeiting affects consumers indirectly via higher prices on legitimate goods, including costs for trademark protection (**Bamosy & Scammon, 1985**). Counterfeiters participate in the economic black market by paying no taxes or legal business costs, whereby governments might lose legitimate revenue (**Ha and Lennon, 2006**). Profits from counterfeiting trade are associated with illegal activities such as organized crime and terrorism (**PRWeb, 2002**). The prevalence of counterfeit goods being sold as luxury branded goods undermines the development of fashion and apparel retailing. Selling authentic name brand merchandise and its legalities needs to be better understood by retailers and consumers, and endorsed by the government.

5. CONCLUSIONS

Mauritius is an African, sub-Saharan country, yet is different from other African continent countries because it shares no country borders and it has a differing ethnic population. The country has good infrastructure and low unemployment level, positioning the country for ideal growth (**Gov.mu, 2012**). The exotic destination of Mauritius ranks high in its region for overall regulatory ease of doing business. Mauritius provides a business-friendly environment for clients wanting to do business into and out of African and Asian markets due in part to its ideal location at the crossroads of Europe, Asia and Africa (**Nolan, 2011**).

No single retail group dominates the clothing retail sector. Unlike South Africa's six major retail groups (Edcon, Woolworths Holdings, Truworths, Foschini, Mr. Price, Pepkor), Mauritius is wide open for growth and could mimic South Africa retailers as the drivers of the clothing industry (**International Trade Centre, 2010**).

Retailers who act early and target the emerging middle class and the youth in the fast-growing country of Mauritius have the opportunity to spiral upwards in the wheel of retailing and the retail life cycle. The country is positioned for advancement to the developed stage 4 in country and retail development.

The presence of international apparel firms is evident in Mauritius brought about by joint ventures and franchising with South African and other global companies. Six of the top 250 retailers in the world have retail operations in Mauritius. Walmart, the number one retailer in the world, has positioned itself via its merger with a South African retailer to expand into Mauritius. Retailing expansion has been led by larger retail companies.

Establishing a recognizable name in the supermarket or hypermarket arena with the inclusion of apparel paved the way for apparel retailers. Joint ventures began with food retailers.

Sourcing apparel goods from the island of Mauritius and nearby regions, like Madagascar, India and China was practiced and contributed to retail growth. Retailers had merchandise that reflects the geographical location of Mauritius in the southern hemisphere offering western, non-western, and blended western-eastern apparel. Retailers offered merchandise that reflected the customs and cultures of the island's population, its youth and its tourist base.

Retailing and the country is in developmental stages according to Rostow (**1960**). Mauritius retailing is upgrading to higher prices and profit margins, according to Berman and Evan's (**2012**) wheel of retailing, and is in the growth stage of the retail life cycle. Most classifications of non-

food stores are present in Mauritius; not yet represented are warehouse clubs and off-price retailers. The framework of Mauritian retailing has been established. Retail opportunities await Mauritius. Those opportunities are available to Mauritian entrepreneurs as well as to international firms.

REFERENCES

- [1]. Bamossy, G., & Scammon, D. (1985). Product Counterfeiting: Consumers and Manufacturers beware. In E. Hirschman & M. Holbrook (Eds.), *Advances in Consumer Research*. Vol. 12, 334-339. Chicago: Association for Consumer Research.
- [2]. Berman, B. & Evans, J. (2012). *Retail Management: A Strategic Approach*, 12th ed. New Jersey: Prentice Hall.
- [3]. Business of Fashion. (2012, May 30). Global Briefing: Could Africa be the Next Frontier for Fashion Retail? Retrieved from <http://www.businessoffashion.com/2012/05/global-briefing-could-africa-be-the-next-frontier-for-fashion-retail.html>.
- [4]. Dakora, E., Bytheway, A., & Slabbert, A. (2010). The Africanisation of South African Retailing: A Review, *African Journal of Business Management*. Vol. 4(5), 748-754.
- [5]. Deloitte. (2013). *Global Powers of Retailing: Retail Beyond*. Retrieved from http://www.deloitte.com/assets/Dcom/Deloitte_Global_Powers_of_Retail_2013.pdf.
- [6]. Dickerson, K. (1999). *Textiles and Apparel in the Global Economy* (3rd ed.). New Jersey: Prentice Hall.
- [7]. Dickerson, K. (2003). *Inside the Fashion Business* (7th ed.). New Jersey: Prentice Hall.
- [8]. Doherty, A. & Alexander, N. (2004). Relationship Development in International Retail Franchising: Case Study Evidence from the UK Fashion Sector, *European Journal of Marketing*, 38(9/10), 1215-1235.
- [9]. Edensor, T. and Kothari, U. (2006). Extending Network and Mediating Brands: Stallholder Strategies in a Mauritian Market, *Transactions of the Institute of British Geographers*, New Series, September, 31(3), 232-336.
- [10]. Gov.mu. (Accessed 2012). <http://www.gov.mu,the>.
- [11]. Ha, S. and Lennon, S. (2006). Purchase Intent for Fashion Counterfeit Products: Ethical Ideologies, Ethical Judgments, and Perceived Risks, *Clothing & Textiles Research Journal*, 24(4, October) 297-315.
- [12]. Hamilton, J. (1987). Dress as a Cultural Sub-system: A Unifying Metatheory for Clothing and Textiles, *Clothing and Textiles Research Journal*. 6:2-7.
- [13]. Index of Economic Freedom. (2014), Retrieved from <http://www.heritage.org/index/ranking>, 2014.
- [14]. International Trade Centre. (2010). *South Africa: A Market for Clothing from Africa*, A Technical Report. Geneva: ITC, Doc No. SC-10-192E.
- [15]. Juwaheer, T., Pudaruth, S., & Ramdin, P. (2013). Enhancing Customer Shopping Experience in Malls of Emerging Countries-the "Mauritius" Experience, *World Journal of Entrepreneurship, Management and Sustainable Development*, 9(2/3) 178-190. doi: 10.1108/wjemsd-01-2013-005.
- [16]. Keegan, W. & Green, M. (2008). *Global Marketing* 5th ed. New Jersey: Pearson Prentice Hall

- [17]. Ministry of Finance and Economic Development (2013, June), Business Activity Statistics-Mauritius Government Report, Port-Louis, Mauritius.
- [18]. Nolan, M. (2011, February). A Case study-Mauritius. Retrieved from www.accountancysa.org.za/resources/ShowItemArticle=A+Case+Study-Mauritius.
- [19]. PRWeb. (2002). Sales of Counterfeit Products to Rise to 18% of World Trade in Two Years. Retrieved from <http://www.pweb.com/releases/2002/5/prweb39586.php>.
- [20]. Rostow, W. (1960). *The Stages of Economic Growth*. London: Cambridge University Press.
- [21]. Sakarya, S., Eckman, M., & Hyllegard, K. (2007). Market Selection for International Expansion: Assessing Opportunities in Emerging Markets. *International Marketing Review*, 24: 208-238.
- [22]. Sternquist, B. (2007). *International Retailing*, 2nd ed., New York: Fairchild.
- [23]. Stores. (2013, January). Global economic outlook: The economic situation for retailers. Retrieved from <http://www.stores.org/2013>.
- [24]. Stores. (2013, January). Top 250 Global Retailers. Retrieved from <http://www.stores.org/2013/Top-250-List>.
- [25]. Walmart. (2014), Retrieved from <http://corporate.walmart.com/our-story>.
- [26]. World Bank. (2014). Retrieved from <http://data.worldbank.org/country/mauritius>.
- [27]. World Factbook. (Accessed 2012). <https://www.cia.gov/library/publications/the-world-factbook/geos/mp.html>.