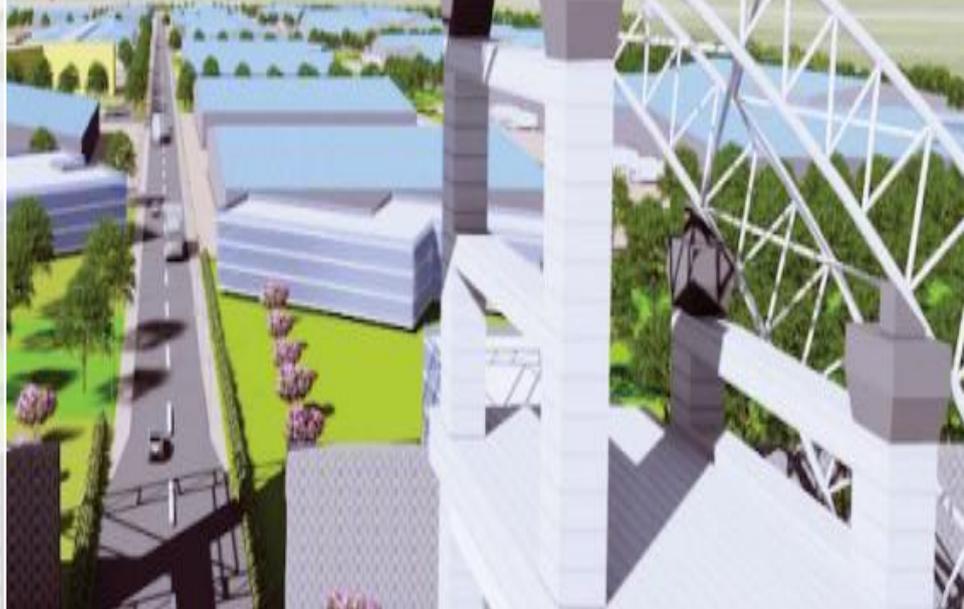


India's toy industries and markets

uma shankar yadav

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*India's toy industries and markets
competition with global toys: An
overview of the toy industry and how
the sector is gearing up for an
Aatmanirbhar Bharat*

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Abstract

"A toy is an item that is used primarily by children though may also be marketed to adults under certain circumstances. Playing with toys can be an enjoyable means of training young children for life experiences. As we know that different Bollywood song and Hollywood song has been made on toys' importance by a different name as in India it is commonly known as (Khelauna for playing) this shows the huge attachment to heritage value its utility in our daily life from a newborn child to old age of universe people. Different materials like wood, clay, paper, and plastic are used to make toys. Many items are designed to serve as toys, but goods produced for other purposes can also be used. For instance, a small child may fold an ordinary piece of paper into an airplane shape and "fly it." Newer forms of toys include interactive digital entertainment and smart toys. Some toys are produced primarily as collectors' items and are intended for display only".in this article the main objective is to study the Indian toys industry and the comparison of toys with the global industry by focusing on marketing, export, and sustainable production of toys in comparison of plastic toys. this article also studies many questions on toys like why, what were who is the producer, manufacturer seller distribution and future hub of the toy market in future and what is the India situation after PM slogan at vocal for local and be atmanirbhar Bharat in case of handmade toys and how to compete India market with chines toys industry.

Keywords: India's toy industry, markets competition, global toys, Aatmanirbhar Bharat

Introduction

The toys industry is estimated to be \$1.5 bn making up 0.5% of the global market share. The toy manufacturers in India are mostly located in NCR, Maharashtra, Karnataka, Tamil Nadu, and clusters across central Indian states. On a geographical front, Maharashtra currently represents the largest market. Maharashtra is followed by Tamil Nadu, Karnataka, Gujarat, Delhi, and others. (Marc group)

"The origin of toys is prehistoric; dolls representing infants, animals, and soldiers, as well as representations of tools used by adults are readily found at archaeological sites. The origin of the word "toy" is unknown, but it is believed that it was first used in the 14th century. Toys are mainly made for children. The oldest known doll toy is thought to be 4,000 years old"

Playing with toys is an important part of growing up and learning about the world around to come. Younger children use toys to discover their identity, help with cognition, learn cause and effect, explore relationships, become stronger physically, and practice skills needed in adulthood. Adults on occasion use toys to form and strengthen social bonds, teach, help in therapy, and remember and reinforce lessons from their youth(Yadav et al 2020)

History and culture of toys relation in India and abroad a globe with childhood to old age .

The act of children's play with toys embodies the values set forth by the adults of their specific community but through the lens of the child's perspective. Within cultural societies, toys are a medium to enhance a child's cognitive, social, and linguistic learning (GOI2021)

In some cultures, toys are utilized as a way to enhance a child's skillset within the traditional boundaries of their future roles in the community. In Saharan and North African cultures, play is facilitated by children through the use of toys to enact scenes recognizable in their community such as hunting and herding. The value is placed on a realistic version of development in preparing a child for the future they are likely to grow up into. This allows the child to imagine and create a personal interpretation of how they view the adult world.(cii2020)

However, in other cultures, toys are used to expand the development of a child's cognition in an idealistic fashion. In these communities, adults place the value of playing with toys to be on the aspirations they set forth for their children. In the Western culture, Barbie and Action-Man represent lifelike figures but in an imaginative state out of reach from the society of these children and adults. These toys give way to a unique world in which children's play is isolated and independent of the social constraints placed on society leaving the children free to delve into the imaginary and idealized version of what their development in life could be (GOI2020)

In addition, children from differing communities may treat their toys in different ways based on their cultural practices. Children in more affluent communities may tend to be possessive of their toys, while children from poorer communities may be more willing to share and interact more with other children. The importance the child places on possession is dictated by the values in place within the community that the children observe daily. According to Kaviani, M.A. et al (2020). The COVID-19 pandemic has also resulted in disrupted all sector supply chains in the world, due to the closing of the manufacturing and handmade industry. Handicraft industries which are the financial and economic backbone of most countries that are developing and depend on the global handicraft market (Jafari et al., 2020), have been intact affected by the COVID-19 pandemic. COVID-19 has affected this

Handicraft sector in three major ways: by directly altering the production and demand, by lowering the supply chain, and by complete market disruption further its financial impact on firms and financial markets(Yadav et al 2022). Although the handicraft sector in MSMEs has provided a local job to migrated people and skilling they and more of the worker updated their life from worker to entrepreneur. Even A

large number of MSMEs is closed or operating with a reduced workforce. Resumption of the handicraft industry as part of MSMEs may require social and leadership support especially women support women developing post-COVID resilience in their business process (Khurana et al, 2021). The restarting of business operations globally during and post-pandemic will require improvements and shared responsibility of all stakeholders to build more resilient supply chains which have innovation and sustainability at their core. To achieve more effective, efficient, and agile procedure, organizations must identify and measure their performance metrics by benchmarking and implementing the solutions that simplify and strengthen end-user communication (Anand 2020). There is a need for information and insight for logistics teams to make smart management and effective decisions. In this context, there is a need to re-analyze the business performance in the handicraft sector and make the businesses more resilient to future disruptions (Yadav et al 2021).

As we know the handicraft sector as part of MSMEs is a resilient business sector and is aspiring for increasing the efficiency, effectiveness, and optimization of such business resilience against disruptions is a crucial step. Especially the concentration of industrial capacities and economic activity into smaller and more efficient sectors like the handicraft sector, up to the international level, has produced highly lucrative yet fragile supply chains, and economic exchanges whose disruptions could have significant effects in unexpected areas (Xu et al. 2020). A highlighted focus on risk management in the case of MSME is increasingly very important, especially as related to qualification, selection, and ongoing monitoring of third parties. By implementing new solutions, and strategies we can reduce vulnerabilities because the COVID-19 pandemic has taught many organizations the hard way that they will have to reduce their global supply chain vulnerabilities and ensure reactivity (Yadav et al 2020).

About 56% of the people have involved in agriculture and related industry and a massive share of the GDP in the income of the country. It contributes to around 46% of MSMEs in the entire economy of India and most of the people create their livelihood from the handicraft sector. This is one of the primary sources of employment in the country after agriculture. Mostly Indian majorities of rural and tribal population (70%) in which 75% are women artisans as reported

By the craft council of India (2011) living in 18 states of the country in more than 6 lakhs, small villages depend upon agriculture and small scale and informal industry.

Increase in India's share in global toy market; manufacturers await policy for toymakers.

The Indian toy manufacturers have now taken over the market, ending Chinese supremacy. Imports are still on and Chinese toys are being sold, but the Indian manufacturers dominate the market. Meanwhile, toy manufacturers believe that the government must work on policymaking for the toy industry to flourish. About five to six years ago, the entire toy industry was dominated by China with minimal Indian players involved in production and sales, but things have changed drastically now. The Indian toy manufacturers have now taken over the market, ending Chinese supremacy. Imports are still on and Chinese toys are being sold, but the Indian manufacturers dominate the market.

The Indian toys market reached a value of US\$ 1.35 Billion in 2021. Looking forward, IMARC Group expects the market to reach US\$ 2.73 Billion by 2027, exhibiting a CAGR of 12.6% from 2022-to 2027. Keeping in mind the uncertainties of COVID-19, we are continuously tracking and evaluating the direct as well as the indirect influence of the pandemic. These insights are included in the report as a major market contributor (times of India 2021).

The existence of toys in India dates back to the Indus Valley Civilization around five thousand years ago. The earliest toys included whistles shaped like birds, toy monkeys that could slide down a string and small carts which were made from materials found in nature such as sticks, clay, and rocks. In recent years, the advent of advanced technology and machinery has encouraged manufacturers to produce modern and innovative toys from table 1 it may be clear (Marc group).

Table 1 shows Indian Toys Market Size, 2022-2027 (in US\$ Billion)

imarcgroup.com		
2022	159	159
2023	168	168
2024	176	176

imarcgroup.com		
2025	185	185
2026	193	193
2027	200	200

Sources: table prepared by the author and adopted from MSME 2021 GOI

Note: Values and trends in the above chart consist of dummy data and are only shown here for representation purposes. Kindly contact us for the actual market size and trends.

To get more information about this market

India has one of the largest young populations in the world, owing to which, the toy industry in the country has witnessed rapid growth. The market is brimming with a wide array of both traditional and modern toys. However, with evolving trends, there has been a shift from conventional toys to innovative and hi-tech electronic toys. For instance, Lego has replaced wooden building blocks while barbie dolls have now taken over traditional cloth dolls (marc group).

Objective

- To study the toy industry in India and the future scope in manufacturing of sustainable toys
- To study and comparison of Chinese toys and Indian toys based on sustainability along with the global toys market.
- To study the marketing exportation and employment generation in the toys industry

Literature review

The following literature supports the current study, like the study done by Yadav et al 2020 described the important steps that are useful for the development of this sector of the country they explained the import of handmade carpet and shazar storne¹. Vanita ahlatat 2018 researcher has focused on labor productivity and countries' toy sector" they have discussed in her paper that most of the laborers are women in the toy industry. A study conducted by Roy, Patnaik, and Satpathy (2020) for 690 handicraft industries (Small business) enterprises found a drastic fall in the growth rate (this was due to pandemic Covid -19 of net sales by (-)66.7% in the first quarter of the financial year 2020–21. Yadav et al 2022 discussed a visionary

concept of the global toy industry and role of the role of handicraft artisan and strategies for the development of the. The situation worsened further when the government announced the extended nationwide lockdown amidst the COVID-19 crisis. Anand et. al (2020) highlighted, Impact of the COVID-19 pandemic on Micro, Small, and Medium Enterprises (MSMEs)." Results suggested that there is enormous gender disparity in employment; that is women are very few in comparison to men workers. published their research paper "Study of Handicraft Marketing Strategies of Artisans in Uttar Pradesh and Its Implications" as we have discussed the performance of the handicraft sector and the role of women in the handicraft sector in the home-based industry. But (Yadav et al 2022) published about the performance of women in ODOP of Uttar Pradesh and they gave an initial approach to the developing global handicraft index for small businesses.

There are about 20 million people that are engaged in Indian sector sectors, and only in the handicraft sector there are 70 lakh workers are involved in the handicraft sector with 6% GDP and 34 % of export in 39 million SSI and 8000 types of handicraft products. "Indian handicrafts" by Kamala Devi Chattopadhyaya 1980 has studied the Indian handicraft product that is related to folk tradition and gentle culture and individual and conceptual work done on regular and development of traditional work.

Khan, W. A, et al (2013) have described Handicraft Marketing Strategies of Artisans in Uttar Pradesh and Its Implications and noticed that the handicraft sector depends on how well the artisan can produce the article on handicraft and how they introduced it as four P like as place, price, production, and last is promotion. Ritu Agrahari (2017) focused on NGOs and government organizations in the handicraft sector "Role of government and non-government organizations for production and marketing of Chikankaari craft in Luck now.

Khalid Hashmi (2012): The study emphasizes the importance of a contributor to the Indian toys crafts industry. The analysis highlights the role performed by the Indian crafts sector and further tried to explore different risks and threats for small-scale industries.

Yassir M. Mahmoud's (2015) research analyzes the impact of craft on the promotion of cultural and economic development for art education students in higher education through handicrafts based on local customs and traditions is investigated. This researcher uses descriptive, analytical, and experimental methodologies. The study's findings are likely to aid planners in the Ministry of Education, which will be able to give handicrafts. An effective technique can have an impact on the teaching and learning of handicrafts, as well as the preservation of their characteristics, as well as their existence, and identity.

Magia Raptzen (2011) The researchers investigated that students learn the worth of handicrafts in terms of economics and production methods and that they will utilize the knowledge to boost the income of specific products. The findings show that

there is a difference in the quality and worth of handicrafts for students in both the experimental and control groups, indicating that handicrafts promote cultural and economic growth for students in higher education who study art (Silja Mohapatra 2021).

Kapur (2018) the primary goal of this research paper is to comprehend the relevance of Indian artworks and handicrafts. Arts and the interpretation of India's past, globalization of the Indian crafts industry, traditions of arts and craft, types of Indian arts and crafts, characteristics of an artisan and a craft enterprise, problems faced by handicrafts and Mo in the handicraft sector in Uttar Pradesh, especially in Chikankari in Lucknow (same group 2020).

A study conducted in Tamil Nadu reported a possible revenue shortfall of more than 60% in the MSME sector of the state with the handmade product (The Economics Times, 2020). The cash flow and working capital of these MSME sectors had completely collapsed further last few years due to demonetization, and before making a complete recovery from the crisis, COVID-19 worsened the situation. Pandey and Pillai (2020) conducted a study covering 5000 MSME enterprises during the lockdown and found that 71% of them could not pay salaries/wages to their employees for March 2020. Being one of the high labor-oriented tours providing more than 114 million employment opportunities, the MSMEs are to be safeguarded with withered provisions.

A study by Kulkarni and Varma (2019) on the Pena Industrial Area, in Bengaluru, one of the largest industries in the country, found complete MSME units in the area. This cluster has more than 10,000 MSME units, of which a vast majority of the units are working only one shift a day or woodworking only 3 days a week due to the slowdown. Few of them were toys industry.

Khurja pottery industry is so famous industry in Uttar Pradesh and it is the most known form of all arts. There is a different tradition that is known for handmade pottery in northern India Pottery is considered to be the most sensual form of all arts. This is a basic theme of Harappa civilization and in Uttar Pradesh (the mint 2021),

Research methodology

The nature of the analysis was based on the descriptive study. The primary data are collected through the structured questionnaire by interview schedule method. Secondary data was collected through books journals and other Publications. The respondent of the precise study is the private sector, micro, and household handicraft workers in Uttar Pradesh. The Sample size of the study is 268 by Krejcie - Morgan rule and the sample population is covered in districts of Uttar Pradesh like Banda, Moradabad, Khurja, Prayagraj, and the famous Magh Mela of Uttar Pradesh. Stratified and simple random sampling is used in the present study. Anova and

Correlation are the statistical tests used in the study for testing the hypothesis further a qualitative method has been used to examine the role of Government in the one district one product (ODOP) scheme, for this study paper author(s) interviewed different artisan and analyzed various reports such as UP Government and journals. A stratified Random sampling method has been adopted for sample areas Bhadohi and Banda of Uttar Pradesh. The sample size was 268. For this mostly primary data was taken from papers while secondary data was only for literature review and taken from different papers and magazines (times of India 2021).

6.1 Sample area: The sample area is in Uttar Pradesh as well as Kumbh Mela where different craft products are sold and purchased with help of a Hunar hat. One District One Product scheme of Uttar Pradesh where different district toy handicraft product, producers come in Magh Mela and set up their stall for sale and purchase of the product. In the Bhadohi area it has been seen that most of the artisans were related to the weaker sector and Muslim even number of workers were women in sample visit and Banda district mostly tribes were artisan but manufacturer were middle-class artisans. Secondary data has been selected from the various which are from NSSO and NITI Aayog report 2019 and Ph.D. Chamber of Uttar Pradesh, some NGOs report Jila Udyog Sangh of Banda and Bhadohi from Uttar Pradesh for data analysis(times of India 2021).

Discussion

Indian Toys Market Drivers

Driven by a huge consumer base, India represents an important market for toys. With a population of around 1.3 Billion, it is the second-largest populated country in the world. Moreover, the country has a very large young population with around half of the total population under the age of 25.

The increasing domestic demand for toys in India is also being catalyzed by the country's strong economic growth and rising disposable incomes. India has exhibited strong GDP growth rates for the last several years and now represents among the world's largest economies. Driven by this trend, the middle-class population has experienced strong growth in the region. Consumers have more disposable incomes and their spending patterns have also changed. This has resulted in a major shift from traditional, medium- to low-end battery-operated toys, towards innovative electronic toys, intelligent toys as well as upmarket plush toys (Pahlawan Vanita 2018).

There are a large variety of toys currently available on the market. The diverse product category ranges from traditional plush toys, construction and building toys, dolls, board games, and puzzles to high-end electronic toys, educational toys, ride-on, etc. Some toys are domestically produced by small, medium, and large manufacturers, and also those that are produced by renowned

international brands. Each toy category has inexpensive and high-end versions.

Online sales channels have also recently witnessed a boom in India with the evolution of smartphones and other digital media. As quality and features of products can be discussed among shoppers, and prices can be compared on various platforms, online sales channels have appeared to be one of the fastest-growing distribution channels for toys in India.

The toy industry, over the last year, has been in focus more than ever before. Starting with our Prime Minister's call to the industry in his monthly 'Mann Ki Baat' address last year to be 'Atmanirbhar' in toys and to become a global toy hub, there has been plenty of action in the hitherto low-profile toy industry. The Prime Minister had asked the industry to be 'vocal for local' and focus on the development of toys and games based in and in India, citing that we import most of the toys that are sold in the country, resulting in an outflow of foreign exchange worth crores of rupees (Agrahari Ritu 2017).

In February 2021, the Virtual India Toy Fair 2021 was held with more than 1,000 exhibitors, Toycathon 2021 was launched earlier this year to promote innovative ideas for toys and games and several seminars were organized, all aimed at promoting awareness about toys and work towards increasing India's share of the world toy market which is estimated at over US\$ 90 billion (khan 2013).

Meanwhile, attention was also paid to improving the quality of the toys produced in India while also ensuring that quality standards are maintained on all imports into the country. The new regulations set by the Bureau of Indian Standards (BIS) were implemented with effect from January 01, 2021. Today, all factories producing toys in India are required to be certified by the BIS and product testing has been made mandatory. The factories from which toys are being imported into India are also required to be inspected and certified by the BIS. The higher import duties notified in the 2020 budget provided the opportunity for Indian manufacturers to compete effectively against imports from countries like China (More-din 2014).

The results so far have been quite encouraging with a lot of design and development activity being undertaken by Indian manufacturers. We have also seen India making rapid strides as a sourcing destination for many international toy companies. With consistent policies to regulate the quality of imported toys, the Indian toy industry which currently has only a minuscule share of the world toy market is expected to register higher growth rates in the years to come. The global toy industry is big at over US\$ 90 billion, and the future is loaded heavily in favor of India with its large population of children and a market that cannot but grow exponentially in the years to

come. The Indian Toy industry has to be ready to cater to the demand, which is bound to grow, and the steps being taken now will have a significant impact. The industry is labor-intensive and has the potential to provide employment opportunities on a very large scale (p Sahoo 2020).

For the industry to sustain its growth we need to design and develop products in India which have global relevance. That we can do it is not in doubt. Funskool (India) Limited, in addition to being a source for several major international companies for procuring their products has been able to establish a distribution network for our brands in over 25 countries and the business is growing rapidly(Yadav et al 2022).

Developing our products and brands is very important to sustain the domestic and export markets. Contract manufacturing for international toy companies has its limitations and is heavily dependent on `being price competitive with other sourcing destinations. In the domestic market in India, the biggest impediments to growth are low awareness of toys and affordability(Yadav et al 2022). We have to build awareness among parents about the need for toys in the development of the child. The ability to manufacture quality toys for the domestic market will result in higher affordability and rapid growth of the industry. For faster development of the Indian toy industry, it may be prudent to consider some of the following steps (Yadav et al 2021).

Concessional GST for products manufactured in India. 12/ 18 percent are very high GST rates when the attempt should be to make toys more affordable. Special export incentives for exports of brands & products of Indian companies designed and developed in India. Spends on advertising and promotional expenses to qualify for tax concessions/subsidies Tax concessions/subsidies on tooling expenses incurred by Indian companies to develop their brands and products (kalavaini 2020)

MEIS Scheme arrears to be released and the incentive rate for RODTEP to be notified

The domestic toy market is beginning to emerge out of the very difficult times induced by Covid-19. Lockdowns ensured that malls and stores remained closed for long spells. Funskool has so far managed to remain relatively unscathed during this difficult period when Covid-19 has been rampant. We focused more on manufacturing for our international customers while simultaneously expanding the distribution of our brands in overseas markets, which yielded high growth in our overall export volumes. The focus in the domestic business has been on the design and development of several new products, which have been launched. We have also introduced several traditional toys & games which have yielded good results. We are expanding capacities at all our three plants (Yadav et al 2020)s.

We see the drop in domestic demand on account of the pandemic as an aberration and have no doubts that the Indian toy market will grow exponentially in the years to come! Licensing is very important in the toy market and Indian companies may have limitations in bidding for global licenses shortly. The solution could be for Indian companies to have tie-ups with global toy companies for domestic manufacturing. The Indian toy market will grow to significant levels quickly and it may make sense for toy majors to scout for local partners for their Indian operations (Jadhav et al 2010).

Is the toy business being profitable in India?

The toy industry in India is very lucrative. It offers different opportunities for entrepreneurs. Furthermore, a toy makes education enjoyable for the children. In addition, growing numbers of playschools have added fuels to the industry (Kamla Devi 1980).

Why toys are not manufactured in India

Quality Supply Chain: Because of the fragmented nature of the sector, the country lacks a decent supply chain. As mentioned earlier, toys have a very short shelf life and tooling needs to be changed every time a new toy is to be made. Tooling in India has barely evolved and is too costly (Yadav et al 2022).

How can we start a new toy factory in India?

Here are 5 steps in which you can kick start a toy manufacturing business start-up in India:

1. Research your market. Whether you are planning to start a café or toys manufacturing business, it is essential to do market research. ...
2. Bring Innovation! ...
3. Find your Niche. ...
4. Raw Materials. ...
5. Toys manufacturing machine.

Who is the number one toy distributor in the world

McDonald's

McDonald's is the largest distributor of toys in the world. You read that right, McDonald's is the largest distributor of toys in the world, and by far. 20% of all sales at McDonald's include a toy, with one being passed out with each Happy Meal the company sells.¹(9-Nov-2013 times of India)

What is the most popular toys company in the world

Lego

Toys 25 2022 Ranking

2022	2021	Name
1	1	Lego
2	2	Bandai Namco
3	3	Fisher-Price
4	5	Barbie

What is the best-selling company in the world?

In 2021, Lego was the top-ranked toy brand in the world with a brand value of approximately 5.4 billion U.S. dollars. The global toy market is significant, having reached 94.7 billion U.S. dollars in annual revenue in 2020.

Are toy shops profitable?

Toy/hobby stores do make a profit and give customers value for their money. This line of business is constantly evolving. According to a study, the total revenue of the global toy market from the year 2007 to 2019 has been booming. Toy companies have generated revenue of 6.6 billion US dollars annually.

Which are popular toy types in the market in India?

Toys categories such as Dolls, Soft Toys, Baby & Infant, and Pre-school are highly labor-intensive with good potential for manufacturing capabilities in India and easy to penetrate the export market, except for items that require decorations and similar value additions where the productivity levels are significantly lower. are being planned to discuss Indian-themed toys.

Top toys in India

Here is a list of the top 5 toy manufacturers in India:

- Funskool (India)
- Natkhat.
- Tripple Ess Toys.
- Khanna Toys.

- ToyZone.

What are the major distribution channels in the Indian toys market?

Unisex toys are followed by girls' and boys' toys. Breakup by Distribution Channel: The market has further been segmented based on distribution channels into specialty stores, super and hypermarkets, online, and others. Currently, specialty stores represent the largest distribution channel.

Is there a demand for toys?

The global toys market size was USD 129.45 billion in 2020. The global COVID-19 impact has been unprecedented and staggering, with the product witnessing a positive demand shock across all regions amid the pandemic. Based on our analysis, the global market exhibited a stellar growth of 22.30% in 2020.

What are the 3 costing methods?

The main costing methods available are process costing, job costing, and direct costing. Each of these methods applies to different production and decision environments. (24-Sept-2017 time in India)

Show cost for making a toys

ample fees vary according to the size, type of toy, and several sample designs you are having made. For plush toys, this is most often about \$400 for an average size design up to about 12 inches, and a bit more for larger plush. Prototypes for plastic, vinyl, or resin figures typically cost \$500 or more.

Is manufacturing increasing in India?

Manufacturing Production in India averaged 5.94 percent from 2006 until 2022, reaching an all-time high of 196 percent in April 2021 and a record low of -66.60 percent in April 2020.

What toys are trending right now?

Trending Toys

- Baby Shark Toys.
- Collectible Surprise Toys.
- Dinosaur Toys.
- Gaming Toys.
- Influencer Toys.
- Llama Toys.
- Mermaid Toys.
- Retro Toys.

The market for wooden toys.

Wooden Toys Market has been growing at a faster pace with substantial growth rates over the last few years and is estimated that the market will grow significantly in the forecasted period i.e. 2021 to 2028. The rising population of kids across the world is driving the growth of the Global Wooden Toys Market.

Which country has become a world-leading market for toys?

This statistic shows the trade value of the leading exporters of toys, games, and sports requisites worldwide in 2020, by country. In 2020, China had toy, game, and sport requisite exports amounting to approximately 71.53 billion U.S. dollars in value.

Is the toy market growing?

Global toy sales reached \$95 billion in 2020, posting a 2.6% growth over 2019. To learn more about global toy sales or to obtain a free copy of the NPD Group's Global Toy Market Report, Annual 2020.

Are toy sales declining?

U.S. retail sales of toys climbed 16 percent in 2020, according to NPD Group, as parents indulged their kids during the novel coronavirus pandemic. The same research organization, however, sees potential declines looming as the anniversary of the start of the pandemic approaches (Mathew 2016)

How many toy factories are in India?

NEW DELHI: Toy imports into the Indian market during the last three years are showing a decreasing trend even as India has 8,366 registered Micro, Small & Medium Enterprises (MSME) for toy manufacturing.

What is the scope for toy manufacturing in India?

It has the potential to create 40,000 jobs in five years and attract over INR 5,000 crore (\$ 662.8) in investments.

What is the future of the toy industry?

Between 2020 and 2024, the educational toy market is expected to grow by more than \$24 billion. Thames & Kosmos, creator of science toys since 2001, saw a huge spike in demand for their products during 2020. As of December 2020, sales were up 80% over 2019. Searches for "STEM toys" tend to see a holiday spike.

Can India be the next manufacturing hub?

According to Cushman & Wakefield's 2021 World Manufacturing Danger Index, India has emerged as the most sought-after manufacturing hub in the world, surpassing other countries including the U.S. and those in the Asia Pacific region. Last year,

India stood in the third position in the index. A child has too many toys. The problem with having too many toys.

Similar to cluttered pantries or office spaces, which make it hard for adults to focus, having too many toys around the house can make it difficult for children to concentrate, learn, and develop important skills around play

Why do parents buy toys?

To keep their child (constructively) busy for a while so they can get some peace/rest. To feel like they are good parents doing a good job with the upbringing of their children. Because the child pesters them into buying a toy, even if they don't want to. To facilitate a social experience.14-Jan-2021

Key Questions Answered in This Report:

- How has the Indian toys market performed so far and how will it perform in the coming years?
- What are the key regions in the Indian toys market?
- What has been the impact of COVID-19 on the Indian toys market?
- Which are the popular toy types in the Indian toys market?
- Who are the major end-users in the Indian toys market?
- What are the major distribution channels in the Indian toys market?
- What are the various stages in the value chain of the Indian toys market?
- What are the key driving factors and challenges in the Indian toys market?
- What is the structure of the Indian toys market and who are the key players?
- What is the degree of competition in the Indian toys market?

Ever seen a fight of spinning tops? It is a battle to become the last one standing, as each spinning top hits against the others, reducing their inertia. Finally, the one top that holds its ground emerges victorious.

That is exactly what India is trying to do in the global toy industry. It is trying to hold its ground and earn a name as a toy manufacturing hub. And, the efforts are slowly but steadily bearing fruits towards an 'Aatmanirbhar Bharat'.

According to IMARC Group, the Indian toys market reached a value of \$1.23 billion in 2020. The market is expected to grow at a CAGR of 12.2% from 2021-to 2026. However, a large piece of this pie is taken by China as 70% of India's imported toys, reportedly come from the dragon country.

To turn things around, in February 2021, Prime Minister Narendra Modi inaugurated the country's first toy fair, with over 1000 virtual stalls, webinars by State Governments, and knowledge sessions by experts, to boost the sector.

While addressing the fair, he pushed the 'Vocal For Local Toys' agenda and said, "Most Indian toys are built out of natural and eco-friendly materials. Can we make an effort to make minimal use of plastic in toys and use such material that can be recycled?"



Figure 1. The wooden toys in India and Wooden products by Arrigo Toys.

Built on this idea, are several Indian toy start-ups that proudly boast the 'Made in India' tag on their products. One such company is Chennai-based Airo Wooden Toys which was founded in 2020. Founder Vasanth Tamilselvan shares with ET NOW the roots of the company (Yadav et al 2021).

"In 2016, when my three-month-old daughter was diagnosed with a skin condition called atopic dermatitis because of plastic substances, we decided to stick to wooden toys only," he says. Unable to find good-quality wooden toys in India, Vasanth and his wife decided to make their line of toys using Neem wood (Yadav et al 2022).

In a year, they have already crossed over 10,000 orders and are present in 35 portals. "We closed this financial year with revenue of Rs 2.5 crore," he adds.

Mumbai-based Desi Toys, too, makes its products using wood, cloth, or metal, which are more sustainable than plastic toys. "We don't sell a single plastic toy/game and we can truly call figure 1 ourselves an 'Indian Inspired, India Made' brand," says founder Swapna Wagh.

With niche offerings such as Gilli Danda, Lagori, and Gull, which remind one of the good old days, Desi Toys has already tied up with stores like Hamley's, The Bombay Store, and The Bargain Book Store, to cater to the growing needs of its customers.

With the 'Aatmanirbhar' push, these players are excited about the upcoming prospects in the industry. While Arturo has been receiving several B2B inquiries from

domestic and international markets, Desi Toys sees active participation from youngsters in events like 'Toycathons'. "One can see a good positive vibe in the whole ecosystem revolving around the Indian toy industry," says Wagh.

As the government continues to infuse confidence in the size of the market, big players are also betting on India. Recently, Swedish furniture major IKEA announced that the company is looking to scale up sourcing of toys from India. Speaking to ET NOW, Country Commercial Manager Kavitha Rao said, "The plan is to achieve 13% and above growth in the toys segment."

Meanwhile, Aequs, touted as the Foxconn of the toy world is also developing a 400-acre toy manufacturing cluster at Koppal in Karnataka, at an investment of \$500 million. Reportedly, 300 acres will be a Special Economic Zone dedicated only for exports.

According to Chairman Aravind Melligeri, six marquee toy manufacturers and suppliers have already signed up for setting up factories in the cluster, which will generate over 25,000 direct jobs apart from the 100,000 indirect ones.

With such developments, as India's toy industry finds its footing globally in the coming years, it is truly.

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How is the toy industry?

The global toy manufacturing industry stats show growth of \$13.2 billion over a decade (2008–2018), and the global toy market size is expected to reach over \$120 billion by 2023. In comparison, in 2019, the American toy market's size reached \$27 billion in revenue, with toy sales accounting for \$20.91 billion.

How toys are made in factories?

Polymers or plastics pellets are introduced into the machine to be melted. The pellets mix with dye at high temperatures and form a thick paste. This paste, or hot molten plastic, is shot by the machine into the mold's cavities. Then it cools, it hardens, and, now a solid object, it is ejected.

Who is the biggest toys manufacturer

Danish company Lego, known for its interlocking plastic bricks, was the leading toy company worldwide with over 7.2 billion U.S. dollars in revenue in 2020. Tokyo-based Bandai Namco ranked in second place with revenue of almost 6.6 billion U.S. dollars, among the major toy companies.

Why toys are expensive in India?

While toys produced by quality manufacturers are fairly good, they are also expensive. "Because the demand levels in India are low, production is naturally

small," explains Deepak Singh, managing director of Tobu Enterprises, the largest toy manufacturer in India. "This shoots up the prices.

Which system of costing is suitable for toy industry marketing. The toy manufacturing industry should use batch costing. Batch costing is another form of job costing. Under this method, homogeneous products are taken as a cost unit.

Which is the best brand in toys?

Top 10 Toy Companies in India 2020

1. Fisher-Price. Fisher-Price is ranked top among the top 10 toy companies in India. ...
2. Hot Wheels. Hot Wheels is considered one of the best toy manufacturing companies in India.
3. Funskool (India) Ltd. ...
4. Lego. ...
5. Mattel Inc. ...
6. MEGA Bloks. ...
7. K'nex. ...
8. Chicco

Vision 2021-2026 for Indian Toys Market: Opportunity and Forecast, Industry Trends, Share, Size, Growth.

The Indian toys market reached a value of US\$ 1.23 Billion in 2020. The existence of toys in India dates back to the Indus Valley Civilization around five thousand years ago. The earliest toys included whistles shaped like birds, toy monkeys that could slide down a string, and small carts which were made from materials found in nature such as sticks, clay, and rocks. In recent years, the advent of advanced technology and machinery has encouraged manufacturers to produce modern and innovative toys. Looking forward, the publisher expects the Indian toys market to grow at a CAGR of 12.2% from 2021-to 2026.

India has one of the largest young populations in the world, owing to which, the toy industry in the country has witnessed rapid growth. The market is brimming with a wide array of both traditional and modern toys. However, with evolving trends, there has been a shift from conventional toys to innovative and hi-tech electronic toys. For instance, Lego has replaced wooden building blocks while barbie dolls have now taken over traditional cloth dolls.(Imarc group2021)

- Indian Toys Market Drivers

Driven by a huge consumer base, India represents an important market for toys. With a population of around 1.3 Billion, it is the second-largest populated country in

the world. Moreover, the country has a very large young population with around half of the total population under the age of 25.

The increasing domestic demand for toys in India is also being catalyzed by the country's strong economic growth and rising disposable incomes. India has exhibited strong GDP growth rates for the last several years and now represents among the world's largest economies. Driven by this trend, the middle-class population has experienced strong growth in the region. Consumers have more disposable incomes and their spending patterns have also changed. This has resulted in a major shift from traditional, medium- to low-end battery-operated toys, towards innovative electronic toys, intelligent toys as well as upmarket. (IMARC Group 2021).

There are a large variety of toys currently available on the market. The diverse product category ranges from traditional plush toys, construction, and building toys, dolls, board games, and puzzles to high-end electronic toys, educational toys, ride-on, etc. Some toys are domestically produced by small, medium, and large manufacturers, and also those that are produced by renowned international brands. Each toy category has inexpensive and high-end versions.

Online sales channels have also recently witnessed a boom in India with the evolution of smartphones and other digital media. As quality and features of products can be discussed among shoppers, and prices can be compared on various platforms, online sales channels have appeared to be one of the fastest-growing distribution channels for toys in India.

Key Market Segmentation:

The publisher provides an analysis of the key trends in each sub-segment of the Indian toys market report, along with forecasts for growth at the regional and state level from 2021-to 2026. Our report has categorized the market based on region, toy type, gender, and distribution channel.

Breakup by Toy Type:

Based on toy type, plush toys are the most popular segment as they are considered safe and are popular among children of all age groups. Other major toy types include electronic toys, games and puzzles, construction and building toys, dolls, ride-ones, sports, and outdoor play toys, infant/pre-school toys, and activity toys.

Breakup by Gender:

Based on gender, unisex toys dominate the Indian toys market, accounting for the majority of the overall market share. Unisex toys are followed by girls' and boys' toys.

Breakup by Distribution Channel:

The market has further been segmented based on distribution channels into specialty stores, super and hypermarkets, online, and others. Currently, specialty stores represent the largest distribution channel.

Regional Insights:

On a geographical front, Maharashtra currently represents the largest market. Maharashtra is followed by Tamil Nadu, Karnataka, Gujarat, Delhi, and others.

Competitive Landscape: Some of the leading players operating in the market are:

- Funskool
- Lego
- Mattel

Hasbro

This report provides a deep insight into the Indian toys market covering all its essential aspects. This ranges from a macro overview of the market to micro details of the industry performance, recent trends, key market drivers and challenges,

SWOT analysis, Porter's five forces analysis, value chain analysis, etc. This report is a must-read for entrepreneurs, investors, researchers, consultants, business strategists, and all those who have any kind of stake or are planning to foray into the toys market in any manner.

Role of initiation

in the promotion of the Indian toy market there is a need for good researchers to come into this field for the promotion, research, and export quality design of the toys product that is sustainable biodegradable resilience and easy availability to every people in cheaper rather than another plastic toy of china like country.

Conclusion

the pandemic situation has created more problems for people Even in this tough time for the whole world and millions of the population have been lost they're life due to covid 19. toys Artisans and workers returned to their homes and then engaged in hand-making products that they were adopted from their ancestors. returned to their country, state from own state economy slowdown of the whole world but in this situation, in this situation handicraft sector has potential to provide job and to create and upgrade their skill and start-up at the local level to provide more job to solve the problem. (Yadav et al 2022).

however, the toys industry is suffering more so the government needs to care about this industry so artisans depend on this industry can survive and conserve their tradition, culture, and Indian heritage with sustainable development suffered due to pandemics and seeing unorganized, with the additional constraints of lack of education, low capital, and

inadequate exposure to new technologies, absence of market intelligence, and an insufficient institutional framework.

Declaration of Conflicting Interests.

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