



印度手工具產業市場及貿易分析

The Market and Trade Analysis of Indian Hand Tools Industry

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In recent years, as economic globalization speeds up, the hand tool industry has become one of the main sources in hardware tool manufacturers all over the world. Hand tools are products with good profits where competition of hand tool products is mainly decided by the quality of raw materials.

The hand tools market has seen a substantial development throughout the past years, due to investment growth in construction, automotive, and some other end-user industries. The size of global hand tools market was about 22.2 billion US dollars in 2019, where Asia-pacific registered its highest revenue followed by LAMEA (Latin America, Middle East and Africa) and Europe. The global hand tools market is expected to reach 30.3 billion US dollars in next seven years with the growth rate of 4.1%.

Hand tools are widely used in several applications such as residential, industrial, and commercial. The durability feature of hand tools has made them extensively used in the industrial segment. As a result, in 2019 the largest market share of hand tool products was recorded in this segment compared with residential and commercial segments.

In terms of the types of products, the major hand tools productions are wrenches, screwdrivers, hammers, cable cutters, and pliers. The highest market share belongs to wrench products which is supported by its high demand in both automotive and manufacturing industries.

There has always been acute competition between adopting power tools and utilizing hand tools within industries. Although the growth of technologies and time efficiency requirements have made a competitive advantage for power tools, hand tools still have high demand in markets, mainly because of their durability at a lower cost. In general, the hand tools market is growing due to the multi-purpose features such as reduced tool kit size, weight and maintenance, and growing preference for many-in-one tools for multiple applications across various industries.

The hand tools market in India is estimated to cross 200 million US dollars with the growth rate of 12% annually.

The market landscape is fragmented wherein few key players grasp a significant of revenue shares. Tier 1 players in the market are continuously focusing on enhancing their product offerings by providing lightweight and handy tools, and customized tools according to consumer requirements.

The key advantages of Indian manufacturers in this market compared with their global competitors are low labour cost and availability of raw materials. There are more than 2,500 manufacturers in India which a majority of them are in small scale sectors catering to the demand of local markets and export. New and emerging players in this market are improving their product offerings by expending in research and development activities and offering innovative hand tools and similar products. One example of their production advancements can be the introduction of hand tools with insulated layers to protect users from electric shock and handle grips for holding tools.

With no doubt, an increase in urbanization in India has created the need for residential construction.

The growth of construction, more specifically residential construction, has fuelled the demand for hand tools market in India.

Local manufacturers are increasing their customer base, locally and globally, by expanding their delivery channels, enhancing effective operations while developing their products portfolio in order to keep up with the demand growth.

Another key factor which impacts on hand tools market growth in India is an increase in the number of manufacturing plants and industries wherein hand tools are extensively used for maintenance purposes.

A good example is the automotive repair and maintenance sector, which is known as one of the most lucrative industries for application of hand tools in India.

Increasing dominance of DIY activities is observed as key trends of hand tools products in the global market. The DIY activities include use of hand tools for any activity conducted by unprofessional individuals. This can be generalized as home improvement activities. Although, the DIY culture is more recognized in the developed countries such as the U.S., the UK, Germany, the hand tool market in India is expected to grow with the increasing number of two-wheelers, auto garages, as well as service and maintenance stores in the region.

Online sales are the most procured area for hand tools, followed by retail sales, due to increasing consumer preference for online shopping rather than purchasing from retail and speciality stores. Additionally, procurements and alliances with local market players are trending in the hand tools market in this country.

On the other hand, power tools manufacturers, as the main competitors of hand tools players, are growing and expanding their businesses over India. The Southern region mainly contributes the largest revenue compared to the whole power tools market, supported by the existence of robust industrial sector in the region and the Western region shows its high growth rate as a result of the booming construction and industrial segments in the region.

Multiple industrial operations are being equipped with power tools to benefit from their cost-effectiveness, lesser labour-induced work and higher efficiency.

Furthermore, advancements in existing power tools are swiftly outpacing the upgrades done on conventional hand tools. In the long run, there is a possibility that hand tools might lose their applicability to power tools. This is where hand tools manufacturers need to bring in more innovations into their products, reduce further their pricing while maintaining a good quality of products.

Moreover, the energy industry is evolving constantly, due to increased dependency on renewable power sources such as wind and solar energy. The building of new power generation units requires high-capacity power tools for the installation, assembly, and maintenance. In this case, the electric power tools could help this purpose by offering ease of use and high productivities. This factor is likely to strengthen the demand for electric power tools in the energy industry and this industry is where hand tools may not be able to compete with power tools and lose their market share.

With growing automation & time-efficiency requirements, there is a possibility of radical shift from hand tools towards power tools in India. Over the past few years, power tools have gained acceptance across all major verticals including construction, industrial, and automotive. Therefore, in order to compete with this continuously growing demand for power tools in the country, it is recommended that hand tools manufacturers to come up with cost effective and innovative products to offer more applications to win the race with pricey application-specific power tools. □

Resources:

1. *India Power Tools Market (2018-2024)*, by ResearchAndMarkets
2. *Hand Tools Market Reports by Future Market Insights*



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