Birkenstock

How an orthopedic sandal from 1774 became the status symbol India never knew it was waiting for.

MADE BY SHIVAM DENGLA

GERMAN TRADITION SINCE 1774

THE PARADOX

A German sandal sells for ₹8,490 in a country that mostly buys footwear under ₹1,000. And it is working.

No launch blitz, no Bollywood face, no festival markdown. Just a contoured cork footbed at a price most local brands would never dare. The buyers came anyway.

So what are they actually paying for?

₹227 Cr	50+	5	28
INDIA REVENUE FY25	RETAIL STORES	YEARS IN MARKET	EMPLOYEES

THE CATEGORY

This is not a sandal company. It is a footbed company.

WHAT A SANDAL IS

An upper, a buckle, a flat sole. The foot adapts to the shoe. Comfort is a feature you hope for.

THE FOOTBED, TOP TO BASE

SUEDE LINING	Against the skin
JUTE UPPER	Wicks moisture
CORK + LATEX	The heart. Molds to your arch. This is the patent.
JUTE FOUNDATION	Holds it all together

WHAT A BIRKENSTOCK IS

A footbed first. The shoe builds around the foot. Everything else is secondary.

"The footbed is the one thing no collaborator, not even Dior, is allowed to change."

THE MANUFACTURING

95% made in Germany. The cost base is in euros. The moat is in the factory.

Capacity is engineered, not outsourced. Every closed model passes through more than a hundred hand movements before it ships.

4
GERMAN PLANTS

100+
HAND MOVEMENTS PER CLOSED MODEL

€100M
PASEWALK FACTORY, 2023

90%+
MATERIALS SOURCED FROM EUROPE

THE PRODUCT

It is the only sandal that gets more comfortable the more you wear it.

FOUR LAYERS, TOP TO BASE

01 **Suede lining**
Against the skin. Softens with wear.

02 **Jute, upper sheet**
Wicks moisture, adds spring.

03 **Cork and latex, the heart**
Molds to your arch with body heat. This is the patent.

04 **Jute, foundation**
The base that holds it all together.

THREE FOOTBEDS, THREE BUYERS

Standard

The original firm footbed. For the purist who wants the break-in and the custom fit over time.

Soft Footbed

An extra foam core beneath the suede. Comfort on day one. The India onboarding product.

EVA

One-piece moulded foam. Light, waterproof, the entry price. The India monsoon product.

THE PRODUCT

Five price tiers. Five different buyers. Every tier makes the one above it feel accessible.

₹4,990	EVA	The waterproof entry. The student, the gifting starter.	ENTRY
₹8,490	BIRKO-FLOR	The volume hero. The first real Birkenstock most buyers own.	STATUS ENTRY
₹12,990	NUBUCK	The considered purchase. The buyer who has done the research.	INVESTMENT
₹14,490	SUEDE LEATHER	The fashion object. Bought for how it looks, not only how it feels.	FASHION
₹19,992	1774 COLLECTION	The halo. Few will buy it. Everyone below is recruited by it.	HALO

THE BRAND

The brand was never marketed into relevance. It was worn into it.

1960s

AMERICAN HIPPIES ADOPT IT

Counterculture legitimacy. The anti-fashion shoe becomes a statement of values.

1993

KATE MOSS WEARS THEM

Fashion crossover. The runway gives the footbed permission to be desirable.

2023

THE BARBIE MOVIE CAMEO

A Gen Z demand spike that the supply chain had to scramble to chase.

By late 2025, more than half of all sales came from Gen Z and Millennials, a generation that reads the brand's refusal of disposable fashion as a value, not a limitation.

THE OWNERSHIP

In 2021, LVMH's PE arm bought in. They did not change the sandal. They changed what it meant to own one.

BEFORE	AFTER
Hippie heritage. Uneven distribution. Seasonal, wholesale-led, discounted at the margins.	IPO, October 2023. Functional luxury positioning. Closed-toe now 38% of revenue. A no-markdowns policy held firm.

59% gross margin. Hermès economics. On a sandal.

THE ECONOMICS

Volume is growing. Price is growing. Geography is diversifying. That is the rare triple.

Most footwear brands trade one of these for another. Birkenstock is moving all three in the same direction, at the same time.

€2.1B

GROUP REVENUE FY25

Up 18% in constant currency. The base keeps compounding.

59.3%

GROSS MARGIN

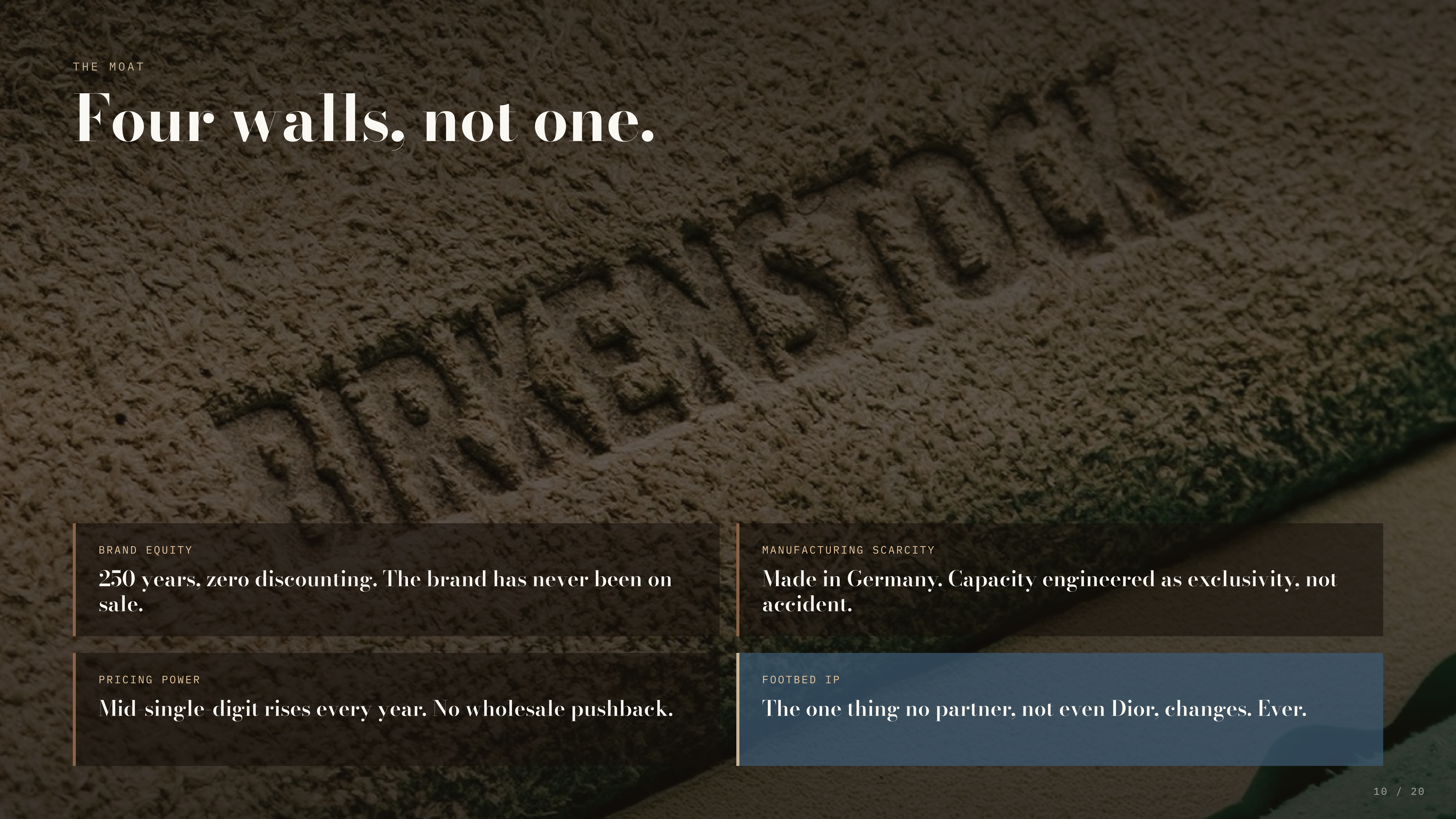
No markdowns. No promotions. No exceptions.

+31%

APAC GROWTH FY25

Still only 10% of sales. India lives inside this slice.

The Americas are 52% of revenue. India sits inside the 10% APAC slice. The upside is the math: the smallest region is the fastest one.



THE MOAT

Four walls, not one.

BRAND EQUITY

250 years, zero discounting. The brand has never been on sale.

MANUFACTURING SCARCITY

Made in Germany. Capacity engineered as exclusivity, not accident.

PRICING POWER

Mid-single-digit rises every year. No wholesale pushback.

FOOTBED IP

The one thing no partner, not even Dior, changes. Ever.

No franchise. No Reliance. No distributor. They controlled the brand before they scaled it.

DEC 2019	Website launch. D2C first, no middlemen.
2020	First store, IGI Airport. Catching the global traveler.
2022	25 stores. Metro malls, controlled rollout.
2024	Mumbai flagship. 1,600 sq ft on Linking Road.
AUG 2025	**50+ stores and counting.**

Wholly-owned
SUBSIDIARY

28
EMPLOYEES

₹8 Cr
REVENUE PER EMPLOYEE

Vinay Bansal, MD India. Oliver Reichert, global CEO, listed as authorized signatory. Control was never outsourced.

THE VALUES

Buy once. Wear for life. Resole. Repeat.

In a world of seasonal drops and disposable fashion, Birkenstock's entire product philosophy is a counter-argument.

THE MATERIAL

Built to last.

Cork is harvested from the bark of living trees, and the tree is never cut down. Natural latex, jute and European leather complete the footbed. Every raw material is chosen to last, not to be replaced.

THE PRODUCT

Resole, repeat.

A cork footbed molds permanently to your foot. When the sole wears out, it can be resoled. When the strap fades, it can be replaced. The footbed, the actual product, never needs to be thrown away.

THE PHILOSOPHY

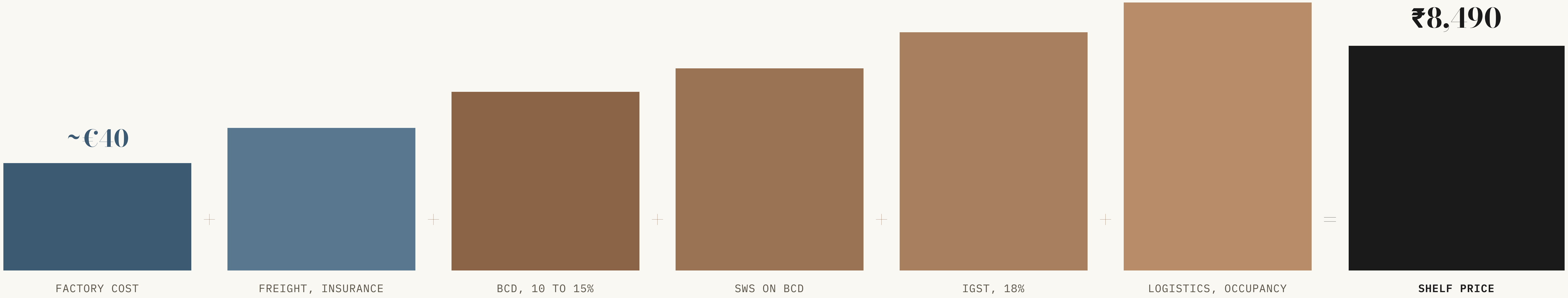
Permanent.

Birkenstock does not do seasonal collections in the conventional sense. The Arizona has existed since 1973. The Boston since 1979. These are not products. They are permanent objects.

The anti-disposable position is not marketing. It is engineering.

THE ECONOMICS

The price is not greed. It is geography and government.



Effective duty burden lands near 35 to 44% of CIF. Every pair crosses three currencies and two continents before it reaches the shelf. The cork does not care. The price tag does.

THE INDIA RETAIL

Zero to fifty stores in under six years. The website told them where to open each one.

DEC 2019	2020	2022	2024	AUG 2025
0	1	25	38	50+
Website launch, D2C	First store, IGI Airport	Metro malls, controlled	Mumbai flagship opens	National footprint

WHERE THE 50 SIT

Mumbai **8** · Delhi **3+** · Bengaluru **1** · Pune **1** · Kochi **1** · Kolkata **1** · Chandigarh **1** · Guwahati **1**

Airports: IGI · T2

THE LOGIC

Web traffic by pin code became the demand signal, then decided the location. The Linking Road flagship, 1,600 sq ft, draws on the Gateway of India, the mandap and the charpai-jhula, built in brass, cork and jute.

THE COMPETITION

Crocs owns the impulse. Birkenstock owns the intention.

They are not competing. They are addressing two completely different purchase decisions.

PARAMETER	CROCS	BIRKENSTOCK
PRICE IN INDIA	₹3,499 to 4,499	**₹5,490 to 14,490**
COMFORT ON DAY ONE	Immediate, pillow-soft	**Break-in, then permanent**
LONG-TERM SUPPORT	Moderate, foam compresses	**Orthopedic, molds to foot**
CLIMATE FIT	Monsoon-ready, waterproof	**Dry cork; EVA for monsoon**
DURABILITY	1 to 2 years	**5 to 10 years with resoling**
STATUS SIGNAL	Playful, pop-culture	**Quiet luxury, considered**
PURCHASE TRIGGER	Spontaneous, impulse	**Deliberate, researched**

Crocs built a brand on fun. Birkenstock built one on conviction. Different games.

THE RISK

The most copied sandal in the world is being manufactured four hours from Delhi.

THE FACTS

March 2025: large-scale counterfeiting traced to rural Agra, one of India's largest footwear clusters. Product infiltrating Ghaffar Market, Karol Bagh and Tilak Nagar. May 2025: Delhi High Court grants an ex parte ad interim injunction against named defendants.

THE STRATEGIC TRUTH

Winning in court names the defendants. It does not end the ecosystem. Each injunction is a sprint. The Agra cluster is a marathon. First-copy Arizonas sell on Meesho and Instagram for ₹499 to 1,499, indistinguishable to anyone who has not held the real thing.

Mar 2025	**May 2025**	**₹499+**
AGRA RAID UNCOVERED	DELHI HC INJUNCTION	FIRST-COPY STREET PRICE

The silhouette being copied is backhanded proof that the brand has already won the visual language battle.

THE HONEST GAPS

The brand has done the hard part. The next ₹200 crore is an execution problem.

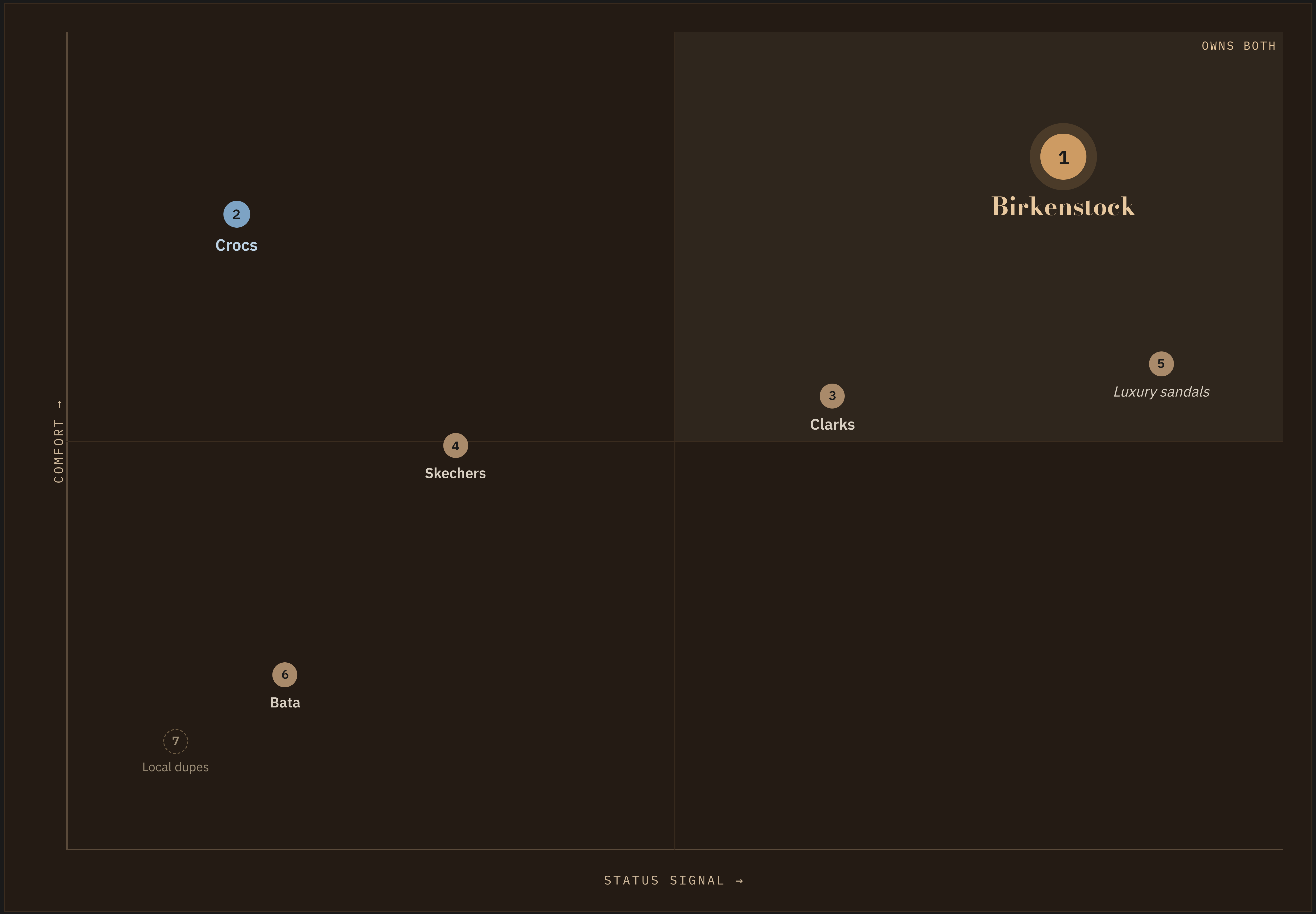
01	No Bollywood moment	Global celebrity association does not translate. The cultural multiplier is sitting unused.	THE FIX Sign one fashion-forward actress, sustained not one-off.
02	Soft footbed underweighted	The natural India onboarding product, not merchandised as one.	THE FIX Make it the hero of the India starter assortment.
03	Men's range underdeveloped	Ramses and Milano are the only prominent non-Arizona options for men.	THE FIX Build out men's beyond the Arizona silhouette.
04	No CRM or retention stack	50 stores, no organized loyalty beyond a member discount.	THE FIX Stand up loyalty and repeat-purchase data.
05	B2B channel untouched The big one	Hospitals, hotels, commercial kitchens. A professional clog worth ₹200 to 500 Cr.	THE FIX Take Super-Birki into hospitals and hotel chains.

THE MARKET MAP

Where every player sits.

1. **Birkenstock** — high comfort, high status. Owns both.
2. **Crocs** — high comfort, low status. The impulse buy.
3. **Clarks** — mid comfort, upper-mid status. Heritage, fading.
4. **Skechers** — mid comfort, low status. Pure utility.
5. **Luxury sandals** — moderate comfort, top status. Logo-led.
6. **Bata** — low comfort, low status. Mass default.
7. **Local dupes** — lowest on both. Price only.

Only Birkenstock reaches the top-right. It does not compete with Crocs for comfort or with Gucci for status. It owns both.



THE OUTLOOK

The base case is still one of India's best-performing foreign brand stories.

BULL

₹400 Cr

BY FY27

- A cultural moment lands (Bollywood or cricket)
- Tier-2 expansion begins
- B2B channel unlocked
- APAC share climbs past 12%

UPSIDE SCENARIO

BASE

₹300-350 Cr

20 TO 25% CAGR

- Metro-dominant footprint
- Myntra deepens with branded content
- 8 to 10 new stores a year
- Compounds quietly, no breakout needed

MOST LIKELY

BEAR

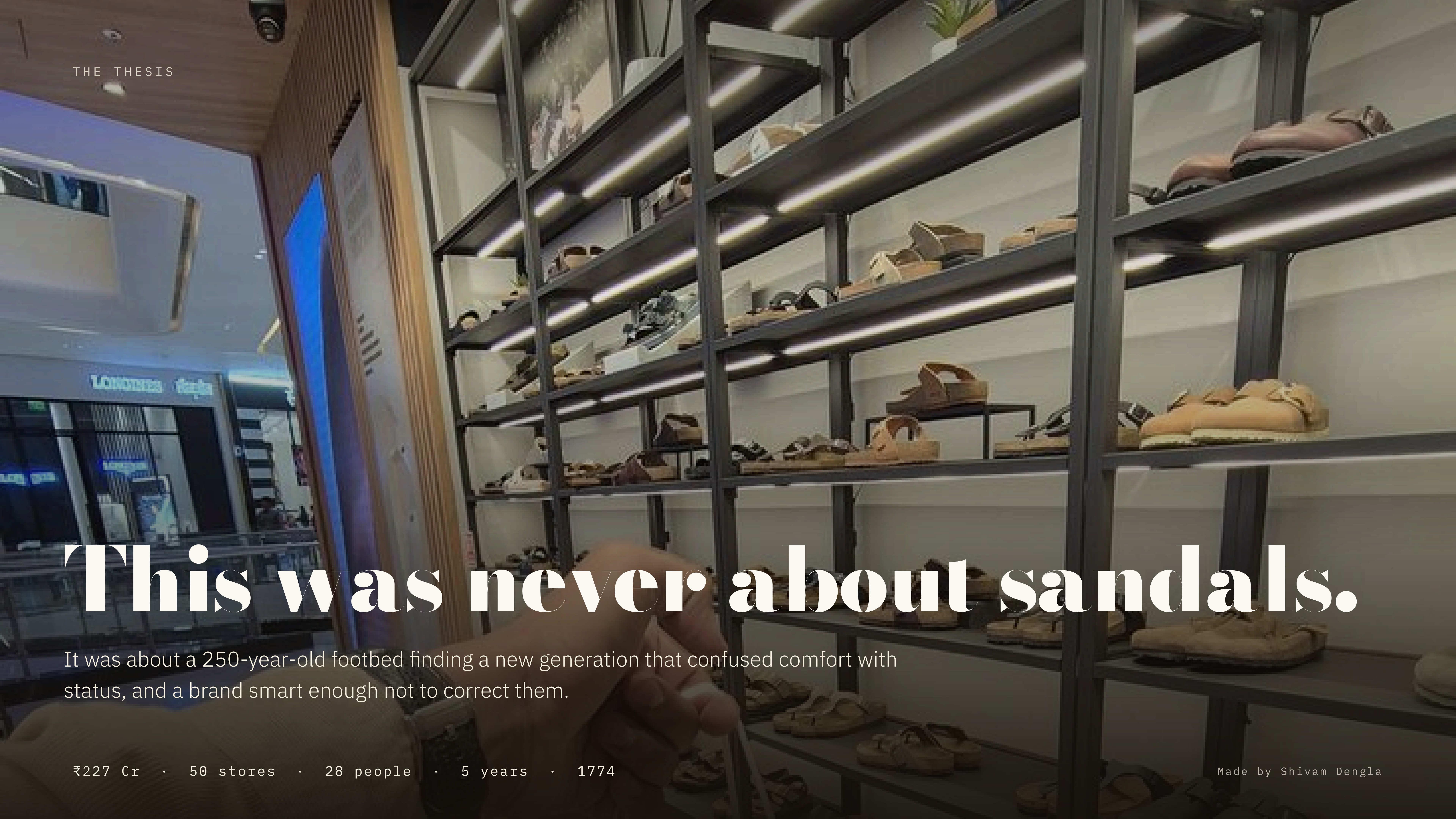
₹230 Cr

STALLS

- Crocs colonizes comfort-fashion
- Import costs squeeze the value prop
- Counterfeits erode low-end equity
- Stays elite but small

DOWNSIDE SCENARIO

The product risk is solved. The policy risk, import duties and BIS, is manageable. The execution risk is real, and it lives in a 28-person team.



THE THESIS

This was never about sandals.

It was about a 250-year-old footbed finding a new generation that confused comfort with status, and a brand smart enough not to correct them.

₹227 Cr · 50 stores · 28 people · 5 years · 1774

Made by Shivam Dengla