Marketing Determinants Influencing Retail of Handloom Products in India

Mohammad Zohair*

ABSTRACT

Handloom is an important age old cottage industry of India, which records its presence in every part of the country with its regional specialty. It has a glorious past for its artistic products, and employment generation to rural and semi-urban population. It has been exposed to the challenges posed by the globalisation, as it has to face free market where it has to compete with power loom and mill sector of the country and imported textile products as well. This study is an attempt to review the background of retailing in India and to investigate and explore various factors which play significant role in retailing of handloom products. By using multiple regression analysis this study suggests strategies for handloom retailers. Strengthening of the retailing of handloom will ensure the prosperity of handloom weavers.

Keywords: Handloom, Retailing, Textiles, Marketing, India.

1.0 Introduction

Handloom is the traditional mode of weaving fabric without the use of electricity. It is ancient, largely rural based, traditional and decentralised occupation. It occupies a place of eminence in preserving our culture and heritage. It is spread in all nooks and corners of the country and many varieties are native to a region. Today, it plays an important role in the country’s economy both as an income generating occupation and foreign exchange earner. Handloom production is the largest employer in the country after agriculture. Appropriate retailing of the handloom products may insulate the industry from deteriorating the market performance. Having the traces of its presence in Vedic literature, handloom is being practised even today in the whole country. Handloom clusters are spread over villages and towns, avoiding any pollution to the environment, with their distinct speciality in design, colour, dying, and fabric. Weaving technique are still alive in diverse geography.

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Some centres attained excellence and are known for their uniqueness of products. Different centres offer a wide variety of products ranging from conventional items to the items of modern living needs. It includes sarees; dress material; home furnishing items like table cloth, bed cover, curtain and tapestry; kitchen items like napkin, mitten; floor coverings like carpet, durries and door mats; shawls; towels; and wall hangings etc. Jamdani and brocade of Benaras; patola of Patan; ikat of Pochampally; jamavar shawls of Kashmir, towels of Madurai, home furnishing items of Karur, Panipat and Kannur; floor coverings of Mirzapur; sarees of Kanchipuram, Benaras, Baluchari, Chanderi, Gadwal, Ilkal, Maheshwar, Kota, Shantipur, and Venkatgiri; and shirtings of Salem and Chirala are some of the legendary handloom varieties from diverse parts of the country. Like other handicrafts of India, handloom industry too occupies a place of eminence in preserving the country’s heritage and culture and plays a vital role in the economy. It demonstrates the luxury and multiplicity of Indian culture along with creativity of weavers. Indian handloom industry is intensely embedded in our socio-cultural and economic life. The handloom fabrics with intricate design, vibrant colours and also depicting the regional as well a cultural specialty cannot be replicated on mechanized looms. Further, every weaver is an artist who puts his mind in every thread of the fabric. Those were the artists who used to make mulmul, that was so thin that the entire saree could pass through a ring; brocade, where very intricate designs are woven with perfection; and ikat, where designs are created by the very dyeing of warp and weft yarn itself, a few mentioned here from a long list of artistic weaving varieties.

Handloom has been an important source of employment for large population of the country after agriculture. According to National Council of Applied Economic Research, Handloom Census of India 2009-10, about 3.85 million families depend on handloom for their livelihood. The figure is even projected to be about twelve and a half million weaving families not including the loom and reed makers, dyers, warp-winders, sizers and other specialists who supply ancillary support (Uzramma, 2003). As, chiefly, it provides employment to rural people, it is an alternative source of employment to peasants when they have time off their pasture activity, it checks migration from rural areas to cities, thereby, helping in not increasing the burden on cities. Moreover, unlike modern employment system, it engages the whole family, thereby creating an emotional bondage of interdependency for holding the family members together.

Like other traditional industries, handloom industry too doesn’t require much capital to start. It suits to the environment and uses locally available raw materials and renewable energies. The technological skills involve large number of people and are propagated through generations. These technologies are embedded in their societal context, with in-built systems for skill dissemination. From these centres handloom
production, now, constitute about 15 per cent of the country’s total textile production, which had been much higher earlier. The total handloom cloth production in India reached 6.9 billion square meters in 2012–13, up from 6.6 billion square meters in 2008–09 (www.ibef.org/exports/handloom-industry-india.aspx).

Handloom sector, like other sectors, is also facing serious challenges on different fronts. There is a need to look at the challenges from the marketing viewpoint. It is, therefore, the main objective of this research to study the export marketing processes of Indian handloom industry and to bring out strategic suggestions for a better market performance of this industry. A well-crafted marketing strategy using modern marketing concepts and tools for survival and prosperity of handloom industry which is associated with our culture and plays a vital role in our economy as well may become useful in improving the market performance.

In olden times the handloom products were sold locally, and access of market was not a problem. Now, after opening-up of the market, competition is increasing in the market and therefore, the new marketing tools and techniques are being used to win the competitive race. Though handlooms have the potential to capture growing domestic market, there are only a few players who are doing well. Many of the organizations engaged in handloom marketing are struggling for their survival as they are not able to create value for their products in the market. There are various reasons for success and failure in the marketing/retailing of handloom products. This paper is trying to have an overview on those issues.

As little empirical literature is available on the marketing of handloom, which can identify the key variables that can boost handloom industry, this study was undertaken. In this study an attempt has been made to analyse the marketing dimensions of the industry and suggest the issues of concern to craft a marketing strategy for retailing of handloom products.

The flow of the article is as follows. After having a brief review of the sector in the introduction part, the below section briefly reviews the evolution of handloom retailing in India and also different retail formats. The following section evaluates the performance of handloom sector. The next section develops the framework for analysing the factors that influence the retailing of handloom. After describing the methodology used, empirical results are interpreted in the subsequent section. The last section summarizes the main findings and gives directions for further research.

1.1 Evolution of Handloom Retailing

In the earliest stage the production of cloth was purely for the consumption of villagers only. All the crafts people had to supply their produce to the peasants and get a
fixed share of each year’s produce in exchange. Handloom weavers too, had to supply cloth to the farmers of their respective villages. As the production of cloth started exceeding the requirement in some villages, and production was not able to meet the demand in some other villages; the weavers with their surplus produce had to go to those villages where demand existed. This is how trading of textile started. Gradually as the township started developing, weekly haats were organised where weaver and other crafts people used to bring their produce to sell to a variety of customers coming from different surrounding villages. In this way handloom products started to be sold in the market. With passing of time and evolution of the civilization, markets started developing in semi-urban towns with relatively permanent structure.

The traditional markets for the Indian craft textile has been, for centuries, the local markets; while the high end textile served the court and wealthy elite class. Traditionally producers and customers were transacting directly in the small village community, but later on master weavers came into the picture and the position of traders and master weavers got consolidated as the key suppliers of cloth to distant markets. The master weavers continued to play a leading role in handloom marketing. But master weavers, being in control of market information and capital, tended to take advantage of weaver-labourer. Weavers’ cooperatives came into being in 1940s as an alternative of master weaver structure. Under the cooperative structure, hundreds of primary weavers’ cooperatives formed an apex marketing cooperative. These apex bodies have their showrooms in big towns, thereby becoming the prominent source of linkage between the producer and the urban consumer. A few NGOs also emerged as new intermediaries, whose prime objective was to help weavers get their livelihood through handloom, took up marketing as a necessary support to them by the way of having their showrooms in big cities. The whole retail market of India has experienced a considerable change since the mid 1990s. Goods produced by multinational corporations has entered the retail market and changed the entire retail scenario. Now the game of marketing has changed. The style of presentation (shop interior and display etc); the articles sold (product features); the pricing; and the way they are positioned and promoted have undergone sea change. The marketing of Indian handloom is no exception. The current situation paved the way for the emergence of a significant number of new players in addition to earlier structure of master weaver/cooperative/government emporia and NGO. These range from big chain retail store with a modern retail format to well-established traditional chain including smaller retailer in smaller towns and NGOs seeking to set up market links for the producers they worked with. Some are extremely successful, while some are still trying to find their relevance.
2.0 Handloom Production in India

Handloom has been a major source of fabrics and textile for India since long. Production of handloom is found in all parts of the country with certain unique features and characteristics. It has a very high employment potential giving livelihood to basically rural population with a low investment. It provides employment to agrarian population even on a part time basis, hence check migration from rural to urban areas. An analysis of the production of handloom vis-à-vis total textile production shows a continuous decline in the share of handloom in the textile production and also the declining production of the sector. It is quite evident from the data shown in Table 1 that the share of handloom in textile production has been continuously decreasing from about 25 per cent in 1960–60 to about 12 per cent in 2006–07.

Table 1: Production of Handloom viz-a-viz Total Cloth Production

<table>
<thead>
<tr>
<th>Year</th>
<th>Textile Production</th>
<th>Handloom Production</th>
<th>Share of Handloom in Textile Production</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Increase/Decrease (%)</td>
<td>Quantity</td>
</tr>
<tr>
<td>1960–61</td>
<td>7402</td>
<td></td>
<td>1900</td>
</tr>
<tr>
<td>1968–69</td>
<td>8546</td>
<td>15.5</td>
<td>2201</td>
</tr>
<tr>
<td>1980–81</td>
<td>12444</td>
<td>45.6</td>
<td>3109</td>
</tr>
<tr>
<td>1987–88</td>
<td>17977</td>
<td>44.5</td>
<td>4370</td>
</tr>
<tr>
<td>1995–96</td>
<td>31958</td>
<td>77.8</td>
<td>7202</td>
</tr>
<tr>
<td>1996–97</td>
<td>34838</td>
<td>9.0</td>
<td>7456</td>
</tr>
<tr>
<td>1997–98</td>
<td>37441</td>
<td>7.5</td>
<td>7603</td>
</tr>
<tr>
<td>1998–99</td>
<td>36127</td>
<td>3.5</td>
<td>6792</td>
</tr>
<tr>
<td>1999–00</td>
<td>39208</td>
<td>8.5</td>
<td>7352</td>
</tr>
<tr>
<td>2000–01</td>
<td>40233</td>
<td>2.6</td>
<td>7506</td>
</tr>
<tr>
<td>2001–02</td>
<td>42034</td>
<td>4.5</td>
<td>7585</td>
</tr>
<tr>
<td>2002–03</td>
<td>41973</td>
<td>0.0</td>
<td>5980</td>
</tr>
<tr>
<td>2003–04</td>
<td>42383</td>
<td>0.0</td>
<td>5493</td>
</tr>
<tr>
<td>2004–05</td>
<td>45378</td>
<td>7.1</td>
<td>5722</td>
</tr>
<tr>
<td>2005–06</td>
<td>49577</td>
<td>9.3</td>
<td>6108</td>
</tr>
<tr>
<td>2006–07</td>
<td>53389</td>
<td>7.7</td>
<td>6536</td>
</tr>
</tbody>
</table>

This shows the diminishing role and contribution of handloom sector in Indian textile. Further, looking at the change over the previous period, it is clear that the growth of handloom is less than the overall growth of the textile industry. The textile industry grew more than seven fold from 1960–61 to 2006–07, whereas the handloom production increased less than three and half times in the same period (Figure 1). The handloom sector experienced negative growth in several years such as between 1997–98 and 1998–99; 2001–02 and 2002–03; and 2002–03 and 2003–04. It also experience near zero growth between 1996–97 and 1997–98; 1999–00 and 2000–01; and 2000–01 and 2001–02. Hence, the state of the handloom sector is poor in the post globalisation phase.

Figure 1: Total Handloom Production viz-a-viz Textile Production

Note: the graph is derived from Table 1.

2.1 Retail formats

There are various formats of handloom retailing which prevail in today’s market in India. Some of them are traditional, while many modern formats are evolved. They have their own merit and demerits. An overview of them is discussed in the following section.

Master weavers retail shop: This is the most traditional format of handloom retailing. It is found in almost all handloom clusters such as Varanasi, Kanchipuram, Mysore,
Panipat etc. They have better control over production. Since they showcase the products from one centre only they have specialised but limited product range. These shops are not well organised and have weak visual appeal, store layout and store facilities. Normally the area of the store is small.

Small retailers in town: In all the small, medium and big towns various street corner shops have collection of different items from different handloom clusters. As they procure the products from different clusters, they try to maintain a wide range of products and have better market information. They are relatively better organised. Usually they have small floor areas.

Emporia of primary weavers cooperatives: A number of primary weavers’ cooperative societies in different handloom clusters have their own retail outlets. Like the master weavers retail shop, since they sell products from a specific cluster, they too have a narrow product range. Usually they lack in the store maintenance and have small store area.

Emporia of Apex Marketing Cooperatives: The major apex handloom cooperatives of different states have their chain of store in major towns. They sell a wider range of products from that particular state. They have relatively better display, store layout, store facilities and sales techniques. Floor area of such stores is relatively big. Cooptex (Tamil Nadu), Apco (Andhra Pradesh), Hantex, Tantuja etc., are examples of such retail stores. Handloom House, run by the All India Handloom Society, has its presence in major cities. They showcase the products from entire country. They have big floor area and meet the parameters of modern retail formats.

Government Emporia: There are several retail outlets run by the central and state governments. They have resources and big shops area. With very few exceptions, same as cooperatives, they lack modern approach to retailing. Mrignayani, Priyadarshini and Central Cottage Industries (CCI) run by central government are the examples of such retail stores. Out of these, CCI is doing fairly well with large range of products and basically targeting the foreign tourists.

Craft mela/Exhibition: Exhibitions and Craft Melas are organised from time to time with the state initiative in different places to give opportunities to weavers to interact directly to the consumers. Some such exhibitions are successful. Dilli Haat, Surajkund Mela, Gandhi Craft Bazaars etc., are the examples of such initiatives.

NGOs Retail Outlet: Apart from the welfare of weavers, effort on linking market to the producers they work with. They sell craft as a statement of social development rather than commerce. Showrooms have better look and facilities complimented with the careful selection of product. DAMA, DESI, URMUL, REHWA, SASHA etc.
Big and small private stores with modern retail format: Stores are usually big in area with modern style. No stereotype ‘ethnic’ staff. Every surface, garment and object handcrafted in the best traditional technique married to the best contemporary design, vibrant colour combination and varying fabric texture. Such stores pay proper attention to the interiors and use modern marketing tools and techniques. Fabindia, Anokhi, Tulsi, Trendy Fab are some examples.

3.0 Statement of Problem

The worrying poor condition of handloom sector prevails despite several supports of the government through various schemes with respect to yarn availability at reasonable price; financial support in the form of rebate, loan and credit facilities at subsidized rates; welfare schemes such as housing, general and health insurance; infrastructure development schemes; and marketing schemes such as organizing expos and craft mela, organizing buyer-seller meet, developing handloom marketing complexes, publicity and awareness drive, promotion of exports and promotion of handloom mark etc. It is evident from the Figure 2 that despite the relatively increasing trend visible in the fund allocation by the government, the production of handloom shows a declining trend.

As a result of globalisation, in this era of consumerism, the domestic market is getting open to the manufacturers and vendors from across the globe through importers and multinationals, and the local manufacturers are getting a bigger market. Hence the new market scene is offering opportunities and threats together simultaneously for industries, which the handloom industry is probably unable to cope with.

While diagnosing the reasons for this ailment caused to the handloom industry, given the facts, the probable reasons relative decay in handloom production might, therefore, be a reflection of market, marketing system and marketing processes which makes the real base for any industry. A general observation reveals that neither the market of handloom is organised well nor it is geared up to match the competitive environment of textile marketing and publicity approaches.

3.1 Objective of the study

The main objective of this paper is to study the retail marketing processes of Indian handloom industry and to bring out strategic suggestions for a better market performance of this industry. A range of issues on marketing of handloom have been acknowledged and discussed by various authors. The different articles and papers suggest that the marketability of handloom products need to be strengthened, besides
governmental support and other measures. For escalating the marketability of handloom products in domestic market, a marketing strategy is to be developed taking into account various product mix dimensions. In absence of any empirical study focused on developing such strategy, an empirical investigation is required to study the causal relationship of different marketing mix variables. It is, therefore, the scope of this study to investigate into the construct of the different variables in the marketing of the handloom products and to suggest the handloom marketers an appropriate design of their strategies for improving market performance in the domestic retail market.

Table 2: Share of Handloom in Textile Sector viz-a-viz Government Support to Handloom

<table>
<thead>
<tr>
<th>Year</th>
<th>Share of Handloom in Textile Sector</th>
<th>Fund Allocation by the Govt. for Handloom</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997-98</td>
<td>20%</td>
<td>250 crore rupees</td>
</tr>
<tr>
<td>1998-99</td>
<td>15%</td>
<td>200 crore rupees</td>
</tr>
<tr>
<td>1999-00</td>
<td>10%</td>
<td>150 crore rupees</td>
</tr>
<tr>
<td>2000-01</td>
<td>15%</td>
<td>200 crore rupees</td>
</tr>
<tr>
<td>2001-02</td>
<td>10%</td>
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<td>2003-04</td>
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<td>200 crore rupees</td>
</tr>
<tr>
<td>2005-06</td>
<td>10%</td>
<td>150 crore rupees</td>
</tr>
<tr>
<td>2006-07</td>
<td>20%</td>
<td>250 crore rupees</td>
</tr>
</tbody>
</table>


3.2 Significance of the study
The outcomes of this study will give directions to the practitioners of handloom industry viz. retailers and manufacturers to focus their attention on the particular issues
in the marketing of their products, besides offering suggestion for government to improve the performance of the industry. The marketing strategy guided by the outcomes of this study will give the base for positioning of the handloom products, and improve their marketability in domestic as well as global market. With the help of this, the non-users can be converted into users and the low users can be converted into heavy users. When the sale of handloom goods increases, handloom industry becomes an attractive and profitable industry, and handloom weavers get more work and remain associated with handloom activities only. Therefore, the fear of unemployment of handloom weavers can be minimised.

A healthy growth and development of handloom industry will gift the weavers with rewarding engagements on one hand and will prevent the social evils caused by unemployment of a large population on the other, besides the economic gains through retail of handloom products. The significance of this study lies ultimately for the cause of society through employment of handloom weaver by improving marketability of handloom products.

4.0 Review of Literature

Very little empirical researches have been done in the area of marketing of handloom products. The available studies are mostly conceptual and lack the empirical orientation. Of course the authors from varied background from the academicians to the freelance writers to the area experts have come out with their suggestions for improving the marketability of handloom products. The suggestions are with respect to better understanding of consumers, product and design development, pricing, positioning and promotion of handloom, presentation, in-shop convenience, efficient supply chain management, quality and comprehensive market orientation of handloom products.

The empirical study done by Dasgupata (1999) come out with results about the decision process in textile buying. It found that the level of awareness about handloom is low. Attitude of the consumers towards handloom is not very positive on the parameters of exclusiveness and comparison with mill fabrics etc. Appearance and durability were found to be most dominating serviceability factors. Revathy (2001) analysed the comparative cost of handloom with powerloom and concludes that the cost of production of handloom is high, which needs to be reduced urgently with the help of upgradation of looms, innovation and technological resilience because customers are most cost conscious. Another empirical study by Karunakaran and Karthikeyan (2002), while discussing the customer behaviour, studied the nature and extent of use of handloom fabrics, analysed the factors influencing buying behaviour of consumers; and the post
purchase behaviour towards handloom fabrics. According to his study quality, price and fineness of the fabric are the factors influencing consumers while buying handloom products, along with colour, design performance and skin complexion consideration, domestic usages, social acceptance and relatives competence. The post purchase level of satisfaction of the people surveyed for the purchase level of satisfaction of the people surveyed for the purchase of handloom goods was found to be satisfactory on the parameters of quality, durability, design, colours, price and variety. Murugan and Gnandhas (2003), while analysing the market performance of SSI sector in general find the factor responsible as laissez faire, lack of attention to brand image, economy of size, absence of diversification, poor sales promotion, decline in demand, and problem of providing quality product.

Rao, et.al (2004) analysed the consumers’ behaviour and examined the factors that influence the buyers to buy handicraft articles. Quality and durability come out to be influencing rational factors whereas the psychological satisfaction as the emotional factor. People buy handicraft items for gift purpose and majority of the handicraft consumers were satisfied with the quality. Nagraja (2004) discussed the changing tastes and preferences of the young generation as the area of concern for the handloom sector. The author suggested a complete shift in product specialization. Pravin Durai (2005) conducted a survey of handloom cooperative societies in Tamil Nadu to appreciate the production and marketing problems of handloom sector. The findings indicate that changing tastes and preference along with high prices of handloom product and lack of innovative designs are the major factors.

5.0 Issues in Handloom Retailing

The success and failure of these retailers depend significantly on the understanding of the kind of demand for handloom produce and on the proper insight of some marketing issues, chiefly being the lack of market orientation. There is a visible gap between market expectations and the industry production pattern. Successful retailers such as FabIndia Anokhi, Tulsi, DAMA and SASHA estimate the demand in the market; organize and change the production pattern and design to promote their sale. There are many related issues which are discussed separately below.

Market Orientation: Realising the market dynamics and growing impact of globalization a carefully crafted marketing strategy can improve the performance of the industry (Gurumurthy and Rengachari, 2005). Soundarapandian (2002) suggests that the weaving industry must develop collective market orientation, and respond to the changing market environment. A market orientation by systematically exploring the changes in market
(Rao and Naik, 2002); response to the changing market environment (Soundarapandian, 2002) and regulating the product range accordingly (Rao, 2001) can make the industry sustainable. Kak (2003) opines that people cannot be forced to buy the product, but a want can be created among the people through educating them to buy the craft-products. Mehta (2004), while analysing the current market situation, concludes that in the changing global situation, markets become more competitive; consumer perception has changed; domestic markets are flooded with foreign brands which give tough competition to our own crafts and handloom; fashion dictates the life style; and products from China and Korea are available at much cheaper price. In this situation the need and pressure to be a professional is felt more than ever before. Shah (2004) emphasizes better value-for money to customers. Niranjana (2004) tried to establish that the ability to keep pace with changing market trend and shift from niche markets to large market could be a major strength. Syamasundari (2007), while discussing needs and challenges of handloom industry concludes that there was a significant mismatch between production and marketing; and faulty institutional mechanism of marketing; and also feels that the handloom industry should prepare itself to work in a more open market by striving to build value in the domestic market. However, Ramaswamy (2002) cautions to maintain the originality of handloom and denounces the idea of departure from the conventional way of weaving and dying.

Product Innovation and Development: In the changing environment, to remain competitive in the market, it is necessary to innovate the products extensively. Kumar (2007) stresses the importance of product development and design innovation. Syamasundari (2007) asks handloom retailers to emphasize on innovativeness led by consumer taste. Manufacturers and retailers should offer something new to the consumers (Sood, 2004) such as man-made fiber and blended fabric (Rao, 2001) on handloom. New products, new designs, new colour combinations, new product usage and new fabric textures should be worked out with the help of skilled and experienced weavers. Experiments with the new blend of yarn and different combination of value addition can be tried. According to Soundarapandian (2002) product innovation should suit the preferences of upper class people. The producer must drop or change the product if the existing market becomes saturated, and try those products in the new markets. Kumar (2004) feels it necessary to distinguish handloom products from machine made products. Old designs and production techniques of handloom can be adopted successfully on the products of modern life style. For example Kalamkari and Ikat can be tried with home furnishing items such as bed cover, cushion cover, curtains, upholstery and kitchen linen etc. Retailers like FabIndia, Anokhi and REHWA are doing

**Design:** Design, pattern and colour scheme always play the important role in textile and clothing market. Handloom manufacturers should realize the importance of design system (Annapurna, 2006) and should have a design strategy (Rajan, 2004) so that a proactive design development (Kumar, 2007) and frequent design changes (Niranjana et. al., 2006) are encouraged. Product innovation and development is broadly guided by creativity in designing. Market information is translated into saleable products through creative thinking of a designer. Venkatraman and Majumdar (1986) emphasized on computer aided design development. Designs, shapes, patterns, and colour combinations should be developed keeping the target consumer is mind and moreover from the customers feedback through the retail points. Retailers like FabIndia, Anokhi and REHWA realize the issue very well and pay the due attention to the designing of new product. For better and creative designing of handloom products, role of National Institute of Fashion Technology (NIFT), National Institute of Design (NID) and other design centers in addition to Weavers Service Centres (WSCs) can be significant through better coordination between these institutions and handloom weaver entrepreneurs.

**Quality:** Quality for handloom products means conformity of standard on many physical parameters such as fabric weight, density, width, colour, design and weaving etc. Handloom manufacturers should pay attention to quality parameters (Annapurna, 2006; Syamasundari, 2007) and quality control (Rao, 2001; Kumar, 2007). Quality is considered to be of prime importance for marketing of handlooms by many retailers such as DESI and Anokhi who never compromise on best quality. A system should be in place to check the product at every system stage starting from the raw material stage till the product finally reaches to the consumer’s hands. A common quality complains about handloom is colour bleeding which needs to be paid attention by the manufactures. For good quality product, handloom industry should implement Indian standards in its operation and also cover its production under ISI certification mark scheme. Iyer (2000) emphasized the need to create quality consciousness to meet international quality standard.

**Positioning and Branding:** Success of a product, apart from several other factors depends heavily on proper positioning of the product. For successful positioning a proper market segmentation is necessary. Market segmentation can help putting marketing efforts for handloom goods (Jha, 1986). Positioning attempts at occupying the space in consumers mind by identifying and building on its ‘Unique Selling Proposition’ (USP). Tyabji (2004) feels that the craft should be sold with pride not apology, by providing creative solutions through some unique selling proposition like ‘handloom’ or
‘handmade’ or ‘handmade’ or ‘handcrafted’ as positioning strategy. Introduction of branding to the handloom products is another important measure that has the potential to increase their marketing ability. Branding helps the customers to identify their products from the rest in the multi-brand environment. By building brand equity, advantage of new market opportunity can be taken specially attracting the young consumers. Introduction of branding of the handloom products is an important measure that would increase the marketability of their products (Soundarapandian, 2002). Liebl and Roy (2003) through surveying the Indian handicraft sector in the background of rapid globalization emphasize the need to develop brand image. Annapurna (2006) suggests that, to market handloom products on a large scale, firms dealing in handloom have to concentrate on brand presence. Kumar (2007) stresses the importance of branding and building sector-wide brand equity. Bissel (2005) advocated the need of craftmark for handloom products. Majority of handloom retailers lack their attention on this issue. However, there are a few companies who insist on selling their handloom products under their own brand names. FabIndia and Anokhi have focused on building the brand. Launching of handloom mark by the government of India is a step in right direction.

**Pricing:** Pricing has always been a sensitive matter in marketing. Issues involved in pricing are both physical and psychological; physical aspects such as cost of raw material, labor and transportation; and psychological aspects such as perceived value of the product. The pricing depends upon the target customers, image of the brand and the positioning of the product. If the target consumer is ready to pay a premium for ethnicity of handloom products, the crafts people should not be frightened of charging good price for their work. Housego (2003) feels that the crafts people should not be frightened to charging good prices for their work because hand made things are beautiful and unique. High prices, sometimes, can be used as a strategy of conveying a sense of high quality. But it needs to be handled very cautiously.

**Promotion:** Promotion is an integral part of marketing and is becoming more significant in the competitive market environment where lot of sellers try to win the attention of consumers. Annapurna (2006) suggests that, to market handloom products on a large scale, firms dealing in handloom have to concentrate on promotion. Advertisement is the most widely accepted form of promotion, the purpose of which is to create awareness among the consumers and urge them to buy the particular product from the particular vender. It also helps in building confidence among the consumers. In case of handloom, first of all, there is need to create awareness about the features and advantages of handloom products. Moreover, advertisement can help build brand equity of handloom in general and more specifically of the individual vendors too. Bissel (2005) advocated the need of celebrity endorsed advertising for handloom products. But as the advertising
is becoming a costly affair, it is difficult for the relatively small companies to advertise frequently for a bigger slot so as to have considerable impact; it is advisable to advertise either through consortium or through some association of handloom marketers or by the government. Jaitly (2005) suggests promotion of handmade crafts and textiles among the general public. Handloom retailers, despite advertisement, should relent to various sales promotion measures such as discount, free gift etc. Several other measures such as exhibition and display of handloom products at public places may also be adopted to popularise the handloom products among the general public.

**Store Attributes:** Store attributes can be defined as retail environment, which arouse consumers’ mind to purchase. It is another important input that leads to customers’ perception about the store (Darden et al., 1983). It refers to ambience (store atmosphere and convenience), design (visual characteristics and social factors such as attitude of employees (Turley and Milliman, 200). The categorywise logical arrangement of storing of the product, and such a layout of the shop which allows the customers to move around and reach the place where they want to go in the shop, make the shopping convenient to the customers. The assistance from the sales staff and ease in delivery and billing that ensures quick disposal also make the shopping convenient. Visual appeal is increasingly becoming more associated with the ability to sell more. Not every customer is aesthetically inclined; some need help and direction; and so visual merchandising at the point of sale helps. Appearance and aesthetic display of the product; appealing look of the store; and interiors such as design and color of furniture and lighting arrangement etc., are some of the aspects in visual appeal. The market outlet needs to be extended to cover the consumers belonging to upper income strata (Soundarapandian, 2002). Few handloom retailers, realizing the importance of these purely retailing aspects has put the system in place but many have still to realize. The handloom retailers need to pay attention to this aspect and give contemporary look to their retail outlets.

**Supply Chain:** Production of handloom, predominately rural, is dispersed and spreads all over the geographical stretch of the country; whereas the market is located at the distant places in urban towns. Verma (2007) stresses the importance of easing up of the supply of raw material used in handloom industry and the availability of finished products. Liebl and Roy (2003) emphasize the need to develop market channels. For ensuring the smooth and timely availability of handloom goods at the retail points, in accordance with the consumers’ requirement, a properly designed supply chain is a must. If production is properly linked with the market the products can be made in right design, color, shade in right quantity and made available at the retail points at the right time. An efficient supply chain can take care of seasonal factors which are very prominent in case of all fashion and clothing related products. The supply chain should be fast and backed by the use of
the modern information technology to accomplish the market requirements. Handloom products can be made available through establishing craft museums, organizing local haats on the pattern of Delhi Haat in the major cities and putting stalls at all major railway stations and airports (Jain, 2003; Jaitly, 2003).

**Market Information:** This is the era of consumerism. Consumer is the focus of all marketing activities. The successful marketers or retailers formulate their marketing strategies after segmenting the market properly and knowing the potential segment. This sector faces the problem of lack of access to market information (Niranjana, 2001). It is inevitable to keep track of their preferences, wants, demands and changes therein. Jaitly (2005) suggests that the producers need to keep their ears to the ground, their market research reader tuned and their fingers on the pulse of their target market to integrate themselves into what the fashion and life style gurus have ordained to the most suitable colours, shapes, sizes and objects of the season. Though the demand for ethnic and culturally specified goods are expanding globally (Liebl and Roy, 2003), analysis of consumers’ preference (Rao, 2001) and addressing the shift from traditional consumption needs to modern consumption need is required to improve the marketability of handlooms. Empowering the weavers with access to information about consumers (Pamarthy, 2006), and market (Annapurna, 2006) will improve handloom marketing. Modern techniques of marketing research can be used to draw useful inferences from the market information.

**Market Expansion:** People involved in marketing of handloom products should create new markets for their existing products lines by way of entering into new customer categories that are, so far, not using handloom products; and new geographical locations on a regular basis. Products need to be developed and modified for design, colour, fabric texture and product usage etc. for retaining the existing market and for capturing the new markets segments as well. Liebl and Roy (2003) surveys the Indian handicraft sector in the background of rapid globalization and indicate that in spite of the fact that the demand for ethnic and culturally specified goods are expanding globally, the overall trend in the domestic market reflects a gradual shift from traditional consumption needs to modern consumption needs, hence, target must be on adopting to new buyers. Dastkar Andhra (2004) suggests need of market exploration, whereby, different segments of the market can be reached with different products. Syamasundari (2007) feels the need of market development and market exploration. Singh (2007) feels that there is a need to keep alive and further create markets for handloom, because the wave of ethnic revivalism would be able to withstand any kind of competition. Kumar (2004) feels that the growth of organized urban markets and presents and immense opportunity for Indian handicrafts to expand from niche markets and break into mainstream retail market.
6.0 Research Methodology

This research is exploratory as well as descriptive. Exploratory because it tries to explore the research issue, define the problem precisely and segregate key variables in the retailing of handloom; and descriptive also because it tries to describe the phenomenon or characteristics associated with the subject of retailing of handloom products and to discover association among different variables for formulating retail marketing strategy (Cooper and Schindler, 2006).

6.1 Exploratory investigation

Initially several visits were made to the areas dominated by the weavers community in Varanasi to look into the variety of the problems of handloom sector. Many weavers’ representatives, master weavers and retailers were also contacted. Several visits were made to the Indian Institute of Handloom Technology, Varanasi to meet the faculty members there, and the knowledgeable persons of the areas of handloom. An exploratory qualitative investigation was undertaken to better understand the key dimensions of marketing of textile and handloom in general and retailing in particular. For this purpose, personal in-depth interviews, comprising of open ended questions with the consumers, retailers, manufactures and master weavers were conducted. Several respondents from each category were selected randomly and interviewed. The in-depth interviews were focused on the issues such as how consumers evaluate a textile product while making a purchase; and how do retailers view the behaviour of consumers, and how they sell handloom products.

Data Source: The basic information about the handloom industry was gathered through many secondary sources such as Economic Survey Reports of various years published by the Government of India, various document related to different Five Year Plans published by the Planning Commission, Government of India, data published by Ministry of Textiles, Government of India, data published by Directorate General of Commercial Intelligence and Statistics, data published by Handloom Export Promotion Council and various reports published by state and union governments.

6.2 Primary investigation

For the research objectives mentioned earlier it was decided to gather primary data because of un-availability of an appropriate secondary data. For developing the domestic strategy for marketing of handloom products, the information were needed directly from the grassroot level. This information can be obtained from consumers and retailers. Consumers’ attitude, perception and behaviour can guide in identifying the key
variables, which have their implications in the marketing of handloom products. Consumers’ responses about their perception and attitude towards textile purchase; and their opinion about handloom may lead to some useful inferences for the formulation of marketing strategy.

Design of Survey Instrument: To survey the consumers a questionnaire was designed and developed from the inferences obtained through the review of the subject and from the exploratory studies. For understanding the consumers’ behavior towards purchase of handloom in the domestic retail market, the behavioral aspects consisting of the variables relating to product, pricing, channel and promotion along with a few general behavioral aspects and the population characteristics were identified and framed for this study. The questionnaire consists of 47 items including the items related with population characteristics. The items on behavioral aspects consists of the questions on different aspects of textile purchase such as the motivating factors and general behavioral aspects; various product features like designing, color, comfort, durability, quality, innovativeness, value-addition, eco-friendliness, etc.; pricing; promotion; and channel related variables like look of the store, atmospherics, services and relationship etc. Some questions relating to the consumer’s view about the handloom were also included. The opinion of the consumers were sought on a five point Likert Scale as (5: Strongly Agree; 4: Agree; 3: Neither agree nor Disagree; 2: Disagree; 1: Strongly Disagree; and 5: Extremely Important; 4 Very Important; 3: Not very Important, 2: Somewhat Important; 1: Not Important at All). The structured questionnaire has items carefully worded, properly selected and logically sequenced. Items affecting the sentiments of the respondents were avoided. Questionnaire was neatly typed on paper of good quality to ensure proper presentation.

Pretesting of the Questionnaire: As any questionnaire should be pre-tested with a small sample for the purpose of improvement in it (Malhotra, 2005), this questionnaire was pretested for the purpose of improving the questionnaire by identifying and eliminating potential problem (Malhotra, 2005). In this research work the process of pretesting was completed in two stages. In the first stage the questionnaire was tested for the content validity with the help of academicians and the experts. In the second stage the questionnaires were tested through pilot study with 10-12 respondents in category of consumers. As a result of pretesting and pilot survey several questions were removed from the questionnaires to bring the number of items/questions to the optimum level from the view point of the respondents’ ease. A few questions/items were added afresh in accordance with the research objective. Further, the wordings and sequence of many items were changed to get the desired sense of the questions and ensure smooth flow of the questionnaire so that the respondents may find the questionnaire interesting.
Pretesting and pilot survey were found to be very useful in giving the final shape to the questionnaires.

**Sampling:** Information about the characteristics of population may be obtained by taking a census or a sample or a sample. A census involves coverage of complete population, whereas a sample is a sub-group of the population selected for participation in the study. When the population is small, the data can be obtained through census; but otherwise, when the population is relatively larger, a representative subgroup in taken for obtaining information. Here in this research project as the sizes of the target population for the study is relatively larger; therefore, samples are selected for survey. For this study the target populations is selected and defined as consumers—people from the general public who take decision about the purchase of textile for self or the family. Consumer for this survey is defined as the people from the general public who take decision about the purchase of textile products for self or the family. For collecting data from the consumers, it was decided to serve questionnaires to those customers who come to the retail stores for their purchase. As there are about 35 items in the questionnaire about ten times of the number of items can be the sample size (Hair et al., 2006). Accordingly it was decided to survey about 350 consumers.

**Data Collection/Field Work:** For collecting data several retail stores in Chennai, NCR and Varanasi were visited and questionnaires were given to the visiting customers. Some of the customers filled the questionnaires by themselves; many of them sought the help of the researcher or the volunteers to record their answers; a few took the questionnaires with an assurance to return the completed ones to the respective retail shop although they did not do so; and many customers declined to respond because of their busy schedule and probably due to unwillingness to share the personal information. While collecting data 81 consumers from Delhi & NCR, 87 consumers from Chennai and 139 consumers from Varanasi were surveyed. Hence, responses from 307 consumers could be obtained, out of which 211 (68.7%) respondents are male whereas 96 (31.3%) are female. Out of the total respondents, 28 (9.1%) are below 25 years of age, 113 (36.8%) are in the age group of 26-35 years, 105 (34.2%) in the age group of 36-45 years, 55 (17.9%) in the age group of 46-55 years and 6 (2%) above 56 years. In the space provided for the free comments, many respondents came out with their own ideas. Many respondents liked the subject, enjoyed replying the questions and even acknowledge with their complementary comments.

**Data Analysis:** The collected data, after checking and editing was entered into the SPSS 12.0 (Special Package for Social Science) for analysis. Different statistical tools were used depending upon their suitability and requirement for the analysis. To test the significance of each variable in isolation, one-sample t-test was applied to each item of
the questionnaire. In order to formulate the marketing strategy, the task was to eliminate the weak variables, picking the minimum number of the predictor variable and measuring the proportionate contributions made by each significant variable to the explanation of performance differential, a stepwise multiple regression analysis of the data was carried out (Clawson). Cronbach’s alpha was calculated to measure the internal consistency of the data, that is, the degree to which instrument items are homogeneous and reflect the same underlying construct (Cooper & Schindler). The detailed data analysis is dealt on all the above mentioned dimensions in the separate chapter on Data Analysis.

7.0 Results and Discussion

In order to develop marketing strategy for handloom products in the domestic market it was decided to have an insight into the consumer behaviour when they intend to buy textile products through a number of variables of consumer affect and cognition; consumer behaviour and consumers environment with respect to product, price, channel and promotion of textile purchase in general and with respect to handloom purchase too were identified after going through the existing literature. The questionnaires consisting of these items were put in the survey of the consumers and the retailers to know the minds of the respective segments. For testing the internal consistency of data Cronbach’s alpha for all these items along with personal data was calculated for consumers survey and was found to be 0.705, which is in the acceptable range for further analysis.

7.1 Regression analysis

In order to eliminate weak or duplicate variables, to pick-up the minimum number of strong predictor variables and to measure the proportionate contribution made by each significant variable to the explanation of performance differentials of many types, the step wise multiple linear regression analysis was applied on the responses of the consumer’s survey. Keeping usage of handloom products as the dependent variable, different variables were put to carry-out stepwise multiple linear regression analysis through SPSS 12.0. The stepwise regression works-out different models by including strong variables one-by-one. The final model is presented in the Table 2.

This model, with $R^2 = 0.827$ and adjusted $R^2 = .815$, explains about 82 percent of the total variance in the purchasing of handloom products. This 82 percent variance is explained by 21 predictor variables with Durbin-Waston d measure of 2.065 showing independence of observation and standard error of estimate .472 as shown in Table 2.
Table 2: Multiple Regression Analysis of Consumers’ Preference on Handloom Textiles

<table>
<thead>
<tr>
<th>Regression</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residual</td>
<td>63,503</td>
<td>285</td>
<td>.223</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>367,967</td>
<td>306</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\[ R^2 = .827 \]  
\[ \text{Standard Error of Estimate} = .472 \]  
\[ \text{Durbin-Watson 'd' statistics} = 2.065 \]  
\[ \text{Adjusted } R^2 = .815 \]

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Unstandardised B</th>
<th>Standardised B</th>
<th>T</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price Comparison</td>
<td>-.336</td>
<td>-.342</td>
<td>-8.910</td>
<td>.574</td>
</tr>
<tr>
<td>Awareness about handloom</td>
<td>.446</td>
<td>.226</td>
<td>7.481</td>
<td>.671</td>
</tr>
<tr>
<td>Indian should use indigenous goal</td>
<td>.372</td>
<td>.359</td>
<td>10.333</td>
<td>.503</td>
</tr>
<tr>
<td>Shopping of textile in market area</td>
<td>.353</td>
<td>.242</td>
<td>7.953</td>
<td>.657</td>
</tr>
<tr>
<td>Intangible dimensions of textile product</td>
<td>-.427</td>
<td>-.230</td>
<td>-7.456</td>
<td>.636</td>
</tr>
<tr>
<td>Tangible dimensions of textile products</td>
<td>-.368</td>
<td>-.227</td>
<td>-5.344</td>
<td>.335</td>
</tr>
<tr>
<td>Services provided by the store</td>
<td>.168</td>
<td>.117</td>
<td>3.091</td>
<td>.420</td>
</tr>
<tr>
<td>Shopping of textiles on festivals</td>
<td>-.083</td>
<td>-.092</td>
<td>-2.962</td>
<td>.628</td>
</tr>
<tr>
<td>Newness in products</td>
<td>-.599</td>
<td>-.374</td>
<td>-9.138</td>
<td>.361</td>
</tr>
<tr>
<td>Shopping of many items in one visit</td>
<td>.120</td>
<td>.102</td>
<td>3.199</td>
<td>.601</td>
</tr>
<tr>
<td>Store look</td>
<td>-.406</td>
<td>-.284</td>
<td>-9.217</td>
<td>.637</td>
</tr>
<tr>
<td>Worth of the product</td>
<td>.752</td>
<td>.429</td>
<td>10.753</td>
<td>.380</td>
</tr>
<tr>
<td>Sales promotion measures</td>
<td>.283</td>
<td>.269</td>
<td>8.384</td>
<td>.590</td>
</tr>
<tr>
<td>Store Layout</td>
<td>.264</td>
<td>.182</td>
<td>5.094</td>
<td>.475</td>
</tr>
<tr>
<td>Value addition</td>
<td>-.224</td>
<td>-.184</td>
<td>-6.428</td>
<td>.733</td>
</tr>
<tr>
<td>Payment through credit cards</td>
<td>.173</td>
<td>.190</td>
<td>5.738</td>
<td>.551</td>
</tr>
<tr>
<td>Family income</td>
<td>.137</td>
<td>.141</td>
<td>4.684</td>
<td>.664</td>
</tr>
<tr>
<td>Packaging</td>
<td>-.084</td>
<td>-.080</td>
<td>-2.079</td>
<td>.404</td>
</tr>
<tr>
<td>Imported and mill goods are better</td>
<td>-.066</td>
<td>-.071</td>
<td>-2.311</td>
<td>.646</td>
</tr>
<tr>
<td>Shopping a pleasure</td>
<td>.087</td>
<td>.090</td>
<td>2.523</td>
<td>.472</td>
</tr>
<tr>
<td>Branded products</td>
<td>-.092</td>
<td>-.076</td>
<td>-2.355</td>
<td>.582</td>
</tr>
</tbody>
</table>

Dependent variable: Share of handloom in total textile purchase
The model shown in Table 2 exhibits the unstandardized correlation coefficient, standardized beta coefficient and t-value for each predictor variance with corresponding p-value. To assess the effect of multicollinearity, the collinearity statistics of Tolerance and Variance Inflation Factor (VIF) are also calculated and given in the table. The above table shows the beta, standardized beta, t-value and the corresponding p-value for each variable in the model. The variables, which are found significant, are discussed here.

The first variable to enter the model is the tendency of the consumers to compare the price with different retailers while purchasing textile items (B = -.336, beta = -.342, t = -8.910). It indicates the importance of price comparison in purchasing of textiles. It also suggests that the consumers who purchase more handloom products are less worried about comparing the price with many retailers, whereas the non-users and low users of handloom have the high tendency of comparing the prices. Their less quantity of purchase of handloom can be attributed to the poor ability of handloom retailers to keep sharp and competitive prices though it is highly important for the consumers. The next variable to enter the regression model is the awareness about the advantages of using handloom products. This is a vital factor, which affects the quantity of purchase of handloom products. The purchasers of high volume of handloom products, are better informed about their merit; and those who are less aware purchase less handloom products (B = .446, Beta = .226, t = 7.481). It can be concluded here that the increase in the level of awareness results in the increase in the quantity of purchase of handloom. Therefore, it is necessary to increase awareness among general public about the properties of handloom and the benefits in using them, for increasing the use of handlooms. A feeling of using indigenous goods also play a vital role for the choice of handloom products as it is the next variable to enter the regression model (B = .372, Beta = .359, t = 10.333). Thus the feeling of using indigenous products and helping the domestic industries in the changed gloablised market environment, somewhere works to motivate the consumers to purchase handloom products for self and the family. It is, therefore, pertinent to infuse this feeling in the consumers through various means to encourage them to use handloom goods, which manufactured indigenously.

The next variable to enter the multiple regression model is the preference of the consumers to do shopping of the textile items from the prime market areas (B = .353, Beta = .242, t = 7.953). It suggests that people, in general, like to make their purchases of textiles from the retail outlet that is situated in the prime market locations. It can also be concluded that the handloom retail outlets are mostly in the main markets. “Intangible dimensions of the product such as comfort and durability” is the next significant variable that enters the regression model (B = -.427, Beta = -.230, t = -7.456). It indicates that such dimensions of products which are not visible in the physical appearance of the product
play important role in purchase of textiles. The heavy users of handloom do not bother much for these dimensions whereas the low and non-users of handloom attach much importance to it and usually do not get satisfied with the handloom products. Therefore, in order to convert the non-users into users’ category and the low users into the heavy users’ category attention must be paid to this aspect of product by the handloom retailers and manufactures. Next variable to enter the multiple regression model is the tangible dimensions of product such as designing and colour combination. (B = -.386, Beta = -.227, t = -5.344). It indicates that visible physical dimensions of the products matter much to the consumers who consume less handloom goods. Therefore, in order to attract those consumers the physical appearance of handloom product should be comparable to the mill, powerloom and imported goods. Hence, the retailers and manufacturers should pay more attention in creating more contemporary designs and the colour combination as per the colour forecasting for different seasons.

Newness is another aspect which affects the purchase of handloom product, as it is the next variable to enter the multiple regression model. (B = -.599, Beta = -.374, t = -9.138). From the above statistics it is evident that people want to see new things whenever they visit the handloom / textile outlets. And the offerings by the handloom retailers are not upto their satisfaction. It can be inferred from the above information that innovativeness lacks in the manufacturing of handloom products. Those who use the handloom products more, may not be complaining about the lack of innovativeness and they may continue to extend their support, but the people who either do not use handloom or use handloom product in less quantity expect higher degree of innovativeness. It can therefore be concluded that much attention need to be paid to creativity and innovativeness in design, product and usage of handloom goods. There must be continuous improvement in the existing products, and new products must be displayed regularly on the retail shelves. Another important variable is the store attributes which enters the regression model (B = -.406, Beta = -.284, t = 9.217). With negative Beta and t-value, it suggest that those who give more importance to the look of the store purchase less handloom products. In other words it can be inferred that the look of the store, is important for textile shop but the handloom stores lack the attractiveness in their look. Handloom retailers must, therefore, try to understand the consumers regarding the look of the store, and give their store a contemporary look which should be able to attract the attention of customers.

Those who feel that the worth of the product is important for handloom products, purchase more handloom products. In other words the heavy users of handloom buy the handloom product for the worth of the product. (B = .752, Beta = .429, t = 10.753). It is therefore always desirable to justify the price of the product of it’s
worth and value. Consumers are ready to pay the price for right kind of product. Therefore, the retailer must pay special attention to ensure that the product should justify its worth which is reflected in its price. Another important marketing aspect which is significant in the multiple regression model is sales promotion. (B = .282, Beta = .269, t = 8.384). The model suggests that the sales promotion measures affect the quantity of purchase positively. It is, therefore, necessary for the retailers to introduce some innovative sales promotion schemes from time to time to retain the customers and getting the new customers as well. Layout of the retail store is also an important predictor variable which affect the consumers choice for handloom products (B = .264, Beta = .182, t = 5.094). Layout of the store should be such that the consumers can move in the stores freely and find the products of their choice easily. This adds to the consumers’ confidence for buying goods from the particular stores, because it makes the shopping comfortable and easy.

Another predictor variable which is entering the multiple regression model is value addition. (B = -.224, Beta = -.185, t = -6.428). The consumers who consume more handloom products may not be giving more importance to value addition; on the other hand the low users do otherwise. Possibly they are not satisfied with the level of value addition in the handloom products. Therefore, such consumers can be attracted towards handloom by adding value to the handloom products. It can be done through some kind of stitch work and embroidery, painting/printing, converting the running cloth into garment or made-ups items etc. In the changing market environment, the ease in the mode of payment is becoming significant day by day. Nowadays paying through credit card is a facilitating factor that is included in the multiple regression model as a significant predictor variable on which the purchase of the customer depends (B = .173, Beta = .190, t = 5.738). From the result it is clear that the peoples’ purchasing of handloom/textile is directly influenced by the credit and facility. It is, therefore, advisable to the handloom retailers to facilitate their customers so that they can pay through any credit card. Total income of the family through all means is also a significant predictor variable in the regression model as higher the income, higher the propensity to purchase handloom products (B = .137, Beta = .141, t = 4.684). The model indicates that the higher income group is the real appreciator and patron of handloom goods. It is, therefore, necessary to retain this segment of the consumers; and at the same time to encourage the lower and middle income people to purchase handloom products through developing such products, which suit to their budget. The product diversification should be in the direction of developing economical products of mass consumption.
7.2 Findings

The above analysis of the behaviour of consumers towards purchase of handloom and textile products leads to many key findings. The study reveals that the heavy users of handloom belong to upper income strata. They are aware of the merits and advantages of using handloom products. In addition to it, they have passion for using indigenous products. They are not hesitant to pay for the right kind of product where prices are charged for the worth of the product. They prefer to pay by Credit cards. On the other hand the low users of handloom or the non-users belong to relatively lower level of income. They are characterised with the high tendency of comparing the price with different vendors. They are more conscious about the visible features of textiles such as designing and colour combination; and intangible feature such as comfort and durability, which they do not find to their expectation in handloom. Such consumers are less aware of the merits and advantages of handloom items.

Handloom products can be developed and offered with distinction to two different segments—high end products for the elite class, maintaining the artistry and uniqueness; and products for mass consumption with ability to attract the commoners. Greater emphasis is needed on innovativeness in designing; colour combination; comfort and durability; and value addition such as embroidery, hand painting/printing and stitching work etc. Products specially of the later category should have the ability to compete with the mill, powerloom and imported textile product. Therefore, more serious efforts are needed in product development. The high end products with exclusiveness in its designing and other features can fetch higher prices from the customers, as they are consumed by the class belonging to the higher income segment. Handloom manufactures and retailers should not be frightened of charging high price from the elite class for right kind of products. On the other hand the price for the products of mass consumption should be sharp because the consumers from this segment have tendency of comparing the prices with others. Therefore, pricing of the later category of products should be comparable with powerloom, mill and imported textiles.

The preferred location of handloom outlets is the prime market area, because of convenience. The attractiveness and look of the store matters much to the customers along with the inner arrangement or the layout of the store. Therefore, the handloom retailer should pay attention on giving their store a contemporary look from the outside and making it rich in the interior dimensions of in-shop convenience, coupled with the facilities like accepting payments through credit card. The importance of sales promotion schemes and their impact on the sale of handloom products is well supported by the outcome of the study. Various sales promotion schemes such as cash discount, quality discount, sweepstakes, elite membership and coupons etc. should be used with
innovative ideas by the handloom retailers. The impact of advertising is not adequately supported by the outcome; preference should be given to sales promotion measures over advertising. As the non-user or low user segment of handloom consumer is less aware of the advantages of using handloom products, and is also less concerned with the passion of using indigenous goods, the awareness drive is suggested to be launched among general public. As it is not possible at the individual level due to high investment required, an association of weavers or handloom retailers can undertake this task.

Government has been supporting the handloom sector through various support measures in the form of several development, welfare and marketing schemes and research development and marketing institutions. Government spends substantially through various rebate schemes. It is suggested to the government of India to increase its expenditure on launching the awareness campaign to inform the general public about the merit of handloom and motivating them to use it.

8.0 Conclusion

Handloom, a traditional cottage industry which employs millions of Indians, can be revived to its glory in the current competitive market environment by adapting it to modern retailing trend. Success of handloom retailing, in whatever retail format, depends on proper linking of production with market. Product development with innovations therein governed by consumer choice conveyed to the manufacturer through efficient market intelligence system, by translating this information into reality with the help of designers is the key to success. The delivery of such product conforming to the quality standards through efficient supply chain to the retail points is another important aspect. If handloom products are properly positioned, and brand equity is built, the fair prices can be charged for right kind of products. Promotional efforts can be attributed to the right positioning and brand equity of handloom. In today’s environment the visual appeal of the product and the store’s display and interiors; and the customers’ convenience also need attention to be paid by the handloom retailers. Finally the key factor underlying all the other is the commitment to the craft. Handloom retailers should be committed to itself. There should be honest efforts to promoting handloom, obviously, with profit. This profit and benefit should be shared reasonably to the weavers. If they get the fair wages of their hard work, definitely the other members of the chain will be earning good profit. A few players in handloom retailing, realizing the significance of these aspects, have adopted these marketing practices with unique balance; but still, it is yet to become culture in handloom retailing. If this happens, then handloom will be sold with pride not apology; and the tradition of handloom will continue with glory.
8.1 Limitations and directions for further research

No study can be completely comprehensive and free from limitations in all respect because of financial and intellectual resources constraints. This research too has certain limitation. As the present study covers only southern and northern parts of India, similar studies covering the western and eastern parts of the country are suggested. Due to certain limitations the sample size for this study was not so big, further studies can be undertaken by taking a relatively bigger sample size. As various dimensions of marketing mix were not studied in detail further studies may uncover many more dimensions of the marketing mix. Detailed studies can be undertaking separately for studying the product aspects, pricing strategy, promotion of handloom and the retail channels. A separate detailed study on the government support system and its effectiveness can give a comprehensive insight on making the government support measures more focused for the development of the industry. An exclusive study is also suggested to survey the handloom manufacturers to appreciate their real problems, which they face.

References


