



A STUDY ON CUSTOMER PERCEPTION TOWARDS MAKE IN INDIA: WITH SPECIAL REFERENCE TO TEXTILE PRODUCTS

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Abstract

India is the second largest producer of textiles and garments in the world so this study was taken place to know how does the concept of Make in India would help the nation in its economic development in terms of strengthening the growth of the country and the job creation by encouraging the foreign players to come to India to produce their products along with the understanding of customer perception towards the foreign brand clothing .

Key Words: Textile, Customer, Economy.

INTRODUCTION

Make in India is an international marketing strategy, conceptualized by the Prime Minister of India, Narendra Modi on 25 September 2014 to attract investments from businesses around the world, and in the process, strengthen India's manufacturing sector. The campaign has been concentrated to fulfill the purpose of job creation, enforcement to secondary and tertiary sector boosting the national economy, converting India to a self-reliant country and to give the Indian economy global recognition. The 'Make in India' also attempts to enforce the inflow of FDI in the country and improve services by partial privatization of loss-making government firms. The campaign is completely under control of the Central Government of India.

TEXTILE INDUSTRY IN INDIA AN OVERVIEW

India is the second largest producer of textiles and garments in the world. The Indian textiles and apparel industry is expected to grow to a size of US\$ 223 billion by 2021, according to a report by Technopak Advisors. This industry accounts for almost 24% of the world's spindle capacity and 8% of global rotor capacity. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub.

The textiles industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14 per cent to industrial production, 4 per cent to the gross domestic product (GDP), and 27 per cent to the country's foreign exchange inflows. It provides direct employment to over 45 million people. The textiles sector is the second largest provider of employment after agriculture. Thus, growth and all round development of this industry has a direct bearing on the improvement of the India's economy.

REASONS TO INVEST IN TEXTILE SECTOR

- India has the second largest manufacturing capacity globally.
- The Indian textile industry accounts for about 24% of the world's spindle capacity and 8% of global rotor capacity.
- India has the highest loom capacity (including hand looms) with 63% of the world's market share.
- India accounts for about 14% of the world's production of textile fibre and yarn and is the largest producer of jute and the second largest producer of silk and cotton.
- A strong production base of a wide range of fibre/yarn from natural fibres like cotton/jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.
- Increased penetration of organized retail, favorable demographics and rising income levels to drive textile demand.



- India enjoys a comparative advantage in terms of skilled manpower and cost of production over major textile producers.
- Abundant availability of raw materials such as cotton, wool, silk and jute.

GROWTH DRIVERS OF TEXTILE INDUSTRY IN INDIA

- Rising per capita income, favorable demographics and a shift in preference for branded products is expected to boost demand.
- Favorable trade policies and superior quality will drive textile exports.
- Increase in domestic demand is set to boost cloth production.
- Pointed and favorable policies instituted by the government will give the industry a fillip.
- With consumerism and disposable income on the rise, the retail sector has experienced rapid growth in the past decade, with many global players entering the Indian market.
- The centers of excellence focused on testing and evaluation as well as resource centres and training facilities have been set up.
- Changing lifestyles and increasing demand for quality products are set to fuel the need for apparel.

FINANCIAL SUPPORT FROM THE GOVERNMENT

- Allocation of Millions of Rupees towards the setting up of a trade facilitation centre and a crafts museum to develop and promote handloom products and carry forward the rich tradition of the handlooms in India.
- Apart from the above, each state in India offers additional incentives for industrial projects. Some of the states also have separate policies for the textiles sector.
- Incentives are in areas like subsidized land cost, relaxation in stamp duty exemption on sale/lease of land, power tariff incentives, concessional rates of interest on loans, investment subsidies/tax incentives, backward areas subsidies and special incentive packages for mega projects.

REVIEW OF LITERATURE

Syed Zia A. R., (2009), “The Impact of Foreign Direct Investment on Employment Opportunities and Development of the Nation: Panel Data Analysis: Empirical Evidence from India” It was found that in the study that there is a long term relationship between Foreign Direct Investment contributing to the employment opportunities and growth and Development of the country.

Singh Y., Bhatnagar A. (2011), “FDI in India and China; A comparative analysis” The study found that both enjoys healthy rates of economic growth but FDI inflow in china is higher than India.

RESEARCH DESIGN

Objectives of the Study

- To Analyze the Customer perception towards foreign brand Garments.
- To understand the customers preference towards purchasing of Foreign Brand Garments.

Hypothesis

(H0): There is no significant relationship between the purchasing decision and Quality of Foreign textile product.

(H1): There is significant relationship between the purchasing decision and Quality of Foreign textile product.

(H0): There is no significant relationship between the purchasing decision and style and design of foreign textile product.

(H1): There is significant relationship between the purchasing decision and style and design of foreign textile product.

METHODOLOGY

Exploratory Type of research was implemented for the study with the sample size of 100 was taken for the study. The sample includes only those respondents who are 18 years and above. The sampling procedure used for the

Study was convenience sampling as in questionnaires are administered at places like college, residences /buildings, Apartments, up market, shopping centers, eating joints at Bangalore and at different companies in Bangalore.

Sampling: The study includes the Convenience sampling process in which most of the Respondents are Students, professionals like software engineers, college professors and Corporate Employees.

Sample Size: The study is conducted with help of 100 samples from Bangalore City only.

Primary Data:The primary data is generated by structured questionnaires for respondents with face to face interviews. Primary data was collected through extensive use of questionnaire for survey. Survey was conducted in Bangalore. Later the data collected was used for the purpose of analysis.

Secondary Data: The secondary data was collected from the news papers and journals, publications brought out by research institutions university library as well as those published on internet or website.

Tools for analysis:In order to analyze the consumer perception of respondents, the following tables of analysis were used to obtain the various objectives of the study with the help of SPSS tool.

Percentage analysis

Percentage refers to a special kind of ratio percentages are used in making comparing between preferences, awareness and satisfaction with various other factors.

$$\text{Percentage} = \frac{\text{Observed data}}{\text{Sample size}} \times 100$$

Chi – square Test: A family of probability distribution, differentiated by this degree of freedom is used to test a member of different hypothesis about variances, proportions, and distributional goodness of fit.

$$\text{Chi-square test } (\chi^2) = \frac{(O - E)^2}{E}$$

ANALYSIS AND INTERPRETATION

1.1 Table showing the Gender wise Classification of the Respondents

	Frequency	Cumulative Percentage
Male	81	81%
Female	19	19%
Total	100	100%

1.2 Table Showing Cross Tabulation of and Age & Gender of the Respondents

		Age				
		18-25	25-30	30-40	40-50	50 and Above
Gender	Male	61	14	3	2	1
	Female	13	3	3	0	0
Total		74	17	6	2	1

Inference: Since most of the Respondents are the college going students so the lion share of the respondents 74% are in the age group of 18-25 and followed by 17% of the respondents under the age group of 25-30 and very minimum of 6% , 2% & 1% respectively 30-40, 40-50 and 50 plus age group.

1.3 Table Showing Cross Tabulation Age and Profession of the Respondents

		Student	Business	Professional	others	Total
Age	18-25	73	1	0	0	74
	25-30	2	8	6	1	17
	30-40	0	3	3	0	6
	40-50	0	0	1	1	2
	50 and Above	0	0	0	1	1
Total		75	12	10	3	100

Inference: The above table clearly depicts the profession of the respondents and the majority of the respondents taken for the study are students 75% who are pursuing their education in bachelor's and master's level degree and rest of the 25% constitutes of Business 12% , professional 10% and others 3%.

1.4 Table showing Respondents preference towards Clothing Brands

		Frequency	Cumulative %
Brand	Foreign Brand	95	95%
	Domestic Brand	5	5%
	Total	100	100

Inference: From the above table it seems to be a very favorable response to the foreign brand cloths in Indian market where the majority of the respondents 95% prefer to go with the foreign brand cloths over the domestic brands which seems to be ignorable 5%.

1.5 Table showing Respondents response towards Foreign brand cloths are superior in quality

Response	Strongly Agree	Agree	Disagree	Strongly Disagree	Can't say
No. of Respondents	89	9	1	1	0

Chi-Square Test:

Chi-square	220.16
Degree of Freedom	3
Asymp. Sig	0

Inference: There is very significant and favorable response to the foreign brand cloths in terms of the quality where 89% of the respondents strongly agree that they have got very high and superior quality products. HO is rejected since the calculated value is greater than the Table value we can conclude that there is a significant relationship between purchasing and Quality (5% level of Significance).

1.6 Table showing Respondents response towards Foreign brand cloths are superior in style & Design

Response	Strongly Agree	Agree	Disagree	Strongly Disagree	Can't say
No. of Respondents	83	16	1	0	0

Chi-Square Test:

Chi-square	114.38
Degree of Freedom	2
Asymp. Sig	0

Inference: HO is rejected since the calculated value is greater than the Table value we can conclude that there is a significant relationship between purchasing and style and Design (5% level of Significance).

1.6 Table showing Respondents response towards foreign brands produced (Make) in India.

	Frequency	Valid Percent
Yes	93	93%
No	7	7%
Total	100	100%

1.6 Table showing Respondents response towards reasons for foreign brands to be Made in India.

Response	Availability of Raw Materials	Availability of labour	To encourage FDI	Others	Total
No. of Respondents	36	33	31	0	100
%	36%	33%	31%	0%	100%

FINDINGS

- Respondents have a strong preference towards the foreign clothing products
- Foreign products are excellent in terms of quality
- Foreign products are superior with respect to style and design
- Foreign products has got a strong image in the minds of the customer
- Customers prefer to have foreign brands produced in India
- There are various reasons including abundant source of Raw materials and labor for producing foreign brands in India.
- Respondents feel that Make in India for Textile products would help the country in its economic Growth.

CONCLUSION

India has already marked its presence as one of the fastest growing economies of the world. It has been ranked among the top 3 attractive destinations for inbound investments. Since 1991, the regulatory environment in terms of foreign investment has been consistently eased to make it investor-friendly. It is definitely true in case of Textile industry as well from the above study it is very clear that producing the foreign brand cloths in Indian market would have a great impact on Indian economy because most of the customers in India mostly prefer to buy foreign products due to various reasons including the quality , design , comfort and style and country like India is rich in its natural resources , availability of raw materials and also human resources which could be used in a proper sense to help the country in its growth and development.

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