MARKETING ACTIVITIES OF YARN IN KNITWEAR CAPITAL OF INDIA

Dr. SeethaNaik*

Abstract: *This paper has been conducted to analyze the buyer preference and satisfaction level with special reference to textile yarn in Tirupur. The paper described the future growth in the market to identity the variations in the yarn requirements. This paper examines the seasonal requirements of yarn. Also the paper explores an improve the overall performance of the organization.*

Key words: *Buyer preference, satisfaction, future growth performance, yarn*

*Assistant Professor, DOS in Business Administration, University of Mysore, Mysore

INTRODUCTION:

The Indian Textile Industry is traditional, after agriculture, the only industry that has generated huge employment for both skilled and unskilled labor. The textile industry continues to be the second largest employment generating sector in India. It offers direct employment to over 35 million in the country. India is the second producer but India will lead in all. According to the Ministry of Textiles, the sector contributes about 14% of industrial production, 4% of the country's gross domestic product (GDP) and 17% to the country's export earnings. The share of textiles in total exports was 11.04% during April-July 2014, as per the Ministry of Textiles. It is estimated that India would increase its textile and apparel share in the world trade to 8% from the current level of 4.5% and reach US$80 billion by 2020. During 2013-2014, Indian textiles industry was pegged at US$55 billion, 64% of which services domestic demand.

India is the second largest producer of fibre in the world and the major fibre produced is cotton. Other fibres produced in India include silk, jute, wool, and man-made fibers. 60% of the Indian Textile Industry is cotton based. The strong domestic demand and the revival of the Economic Markets by 2013 has led to huge growth of the Indian Textile Industry. In December 2014, the domestic cotton price was up by 50% as compared to the December 2013 prices. The causes behind high cotton price are due to the floods in Pakistan and China. India projected a high production of textile (325 lakh bales for 2013-14). There has been increase in India's share of global textile trading to seven percent in five years. The rising prices are the major concern of the domestic producers of the country.

TIRUPUR TEXTILE INDUSTRY:

Tirupur is the "knitwear capital" of India. It has spurred up the textile industry in India for the past three decades. Its economic boom boosts the morale of Indian industrialist. It contributes to a huge amount of foreign exchange in India. Tirupur has the largest and fastest growing urban agglomerations in Tamil Nadu. Tirupur stands as the life for millions of people in Tamil Nadu. The knitwear industry which is the soul of Tirupur has created millions of jobs for all class of people. There are nearly about 3000 sewing units, 1326 knitting units, 730 dyeing units and other ancillary units which are un-countable.

The annual for-ex business for the year 2013 stands at Rs. 8,000 crore and 12,000 in 2014. Due to the climate and availability of raw material and work force Tripur has had made a

large contribution to the export of knitwear garments. Tirupur is the largest exporter of garment in India. There are 3,820 firms but most of the firms have a turnover less than 10 crores. After decades in the business, there are more companies like KPR Mills, Eastman Global Clothing, S.P. Apparels Ltd ('Crocodile' brand), followed by Poppy, Centwin, Dollar, etc., many in above 100 Cr mark.

INTERNATIONAL BRANDS:

It is called the Knit Capital of India as it caters to famous brands retailers from all over the world. Nearly every international knitwear brand in the world has a strong production share from Tirupur.

ECONOMY:

Tirupur is the "knitwear capital" of India. It has spurred up the textile industry in India for the past three decades. Its economic boom boosts the morale of Indian industrialists. It contributes to a huge amount of foreign morale of Indian industrialists. It contributes to a huge amount of foreign exchange in India. As of 2005, when Tirupur was a part of Coimbatore district, Coimbatore was the highest revenue earning district in Tamilnadu, but when tirupur grew more the city increased its status as a District, thus separating it from Coimbatore. The city being enriched as a knitwear capital of India, and exports Rs. 12,000 Crore. The numbers differ because the export numbers are 12,000 cr but another domestic segment which does not bring FOREX but huge business is another few thousand Cr. in addition also international holdings by the Tirupur owned companies present.

COMPANY PROFILE:

Annapoorani yarns, founded in 1989 by Mr. R.Jayachandran as a knit-fabrication unit and transformed into cotton yarn trader in 1999. The company is strategically well positioned amongst spinning mills and garments manufacturing industries in southern part of Tirupur. In 90s the company was very small with an annual turnover of Rs. 20 lakh per annum but now the company has recognized as the one of the leading yearn trader in Tirupur with the annual turnover of above Rs. 89 crores. And has also diversified its concentration from textile to ENERGY generator by installation of 1WM turbine in 2011.

OBJECTIVES OF THE STUDY:

Primary Objectives:

The primary objective of the study is to find out the willingness of the garment manufacturer's to appoint M/s Annapoorani yarns as a sole agent for all their yarn requirement.

Secondary Objectives:

- To identify the customer perception about the company
- To identify the future growth in the market
- To identify the variations in the yarn requirements
- To identify the seasonal requirements of yarns
- To improve the overall performance of the organization.

RESEARCH METHODOLOGY:

The Study is based on both Primary and Secondary Data

Primary Data

The information, which is followed on fresh for the first, time and thus happen to be original in character. Primary data is collected through survey and the method is used for :

- Questionnaire

Secondary Data

Secondary data are those which have already been collected by someone else and which have already been passed through the statistical process. Some of the sources are as follows:

- Company internal records
- News papers
- Magazines
- Other published sources
- Directories
- Websites etc

SAMPLING METHOD:

The sampling method is the way the sample units are to be selected. The sampling taken in the survey as convenience sampling due to time constraints.

SAMPLE SIZE:

This refers to the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large, nor too small. It should be optimum. The size of sample is 180. Sampling area will be Tirupur percentage method tools used.

DATA ANALYSIS AND FINDINGS

Percentage Method

Table -1 : Channels of Yarn Procurement

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	Spinning mills	17	9
2	Merchants	48	27
3	Agents	101	56
4	Brokers	14	8
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 56 percent of the respondents are procure yarn from agents 27% from merchants, 9% spinning mills and 8% from brokers.

Table -2 : Business Growth in Next 12 months

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	2X current size	08	4
2	Little larger	43	24
3	Same size	92	51
4	Little smaller	35	19
5	Lot smaller	02	2
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 51 percent of the respondents does not expect any growth in the consumption, 24% expects little larger, 19% expects little less, 4% expects double of consumption and 2% expect 1/2 the yarn consumption.

Table -3 : Yarn Purchased from Annapoorani Yarns

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	1% - 25%	18	10
2	26% - 50%	36	20
3	51% - 75%	69	38
4	76% - 99%	54	30
5	100%	03	2
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 38% of the respondents purchase more than 51% of their yarn requirement from M/s Annapoorani Yarns, 30% says more than 76%, 20% says more than 26%, 10% says less than 25% and 2% say 100% of their yarn requirement is filled by M/s Annapoorani Yarns.

Table - 4 : Competition for Yarn

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	Very strong	54	30
2	Strong	82	46
3	Neutral	43	24
4	Low	1	0
5	Very low	0	0
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 45 percent of the respondents say there is a strong competition in yarn market, 30% says very strong competition, 24% says neutral competition.

Table - 5 : Preferred Yarn from Annapoorani Yarns

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	100% cotton	139	77
2	Blended yarns	4	2
3	Colour Melange	0	0
4	Dyed yarns	0	0
5	Fancy yarns	37	21
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 77% of the respondents prefer to buy cotton yarn, 21% prefer to buy fancy yarns and 2% prefer to buy blended yarns from M/s Annapoorani Yarns.

Table - 6 : Overall Performance

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	Strongly agreed	30	16
2	Agreed	102	57
3	Neutral	36	20
4	Disagreed	12	7
5	Strongly disagreed	0	0
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 57 percent of the respondents agreed by the overall performance of the company, 20% says neutral, 16% strongly agreed, 7% was disagreed by the overall performance.

Table -7 : Period of Purchasing Yarn from the Company

Sl.No	Particulars	No. of Respondents	Percentage (%)
1	1-3 years	133	74
2	3-5 years	19	11
3	5-10 years	17	9
4	More than 10 years	11	6
	Total	**180**	**100**

Source : Computed from Primary Data

Inference:

The above table infers that, 74 percent of the respondents says that, they procure yarns for the past 3 years from M/s Annapoorani Yarns, 11% from last 5 years, 9% from last 10 years and 6% for more than 10 years.

FINDINGS:

- From the survey it is found that, 56% of the respondents prefer to buy textile yarn from Agents.

- According to the survey, 51% of respondents do not expect any growth in their business for the next 12 months.

- Company fulfill maximum of 75% of the yarn requirements for 38% of the respondents.

- 45% of the respondents say that there is a strong competition for textile yarn.

- Cotton yarn is preferred by more than 77% of the customers from M/s Annapoorani Yarns.

- 57% of the respondents agreed by the overall performance of the organization.

- The company has more number of new customer's (74%) for the past 3 years.

SUGGESTIONS AND CONCLUSIONS

Suggestions:

- The survey clearly states that the requirement of cotton yarn is very high, but the company is not strong in this sector because of huge competition.

- The company has good brand value that many customers prefer to appoint M/s Annapoorani Yarn as a sole agent for all their yarn requirements.

- The company should develop marketing and promotional activities to attract new customers.

- The company should give after sale service and get continues feedback from the customers to retain them.

- The company should frequently check the quality of the yarn to ensure customer satisfaction.

- The company can enlarge its product profile by adding more fancy yarns.

- As textile yarn is an industrial products and the company has a good brand value and strong marketing team it can directly integrate to acquire spinning mills.

CONCLUSION:

This study is carried out to know the customers perception and to improve the organization effectiveness of M/s Annapoorani yarns. The main aim of any organization is to create a positive perception by creating awareness about their brand products and to retain their consumers by satisfying them is the most important task to be focused often.

From the study it is identified that, the perception of the consumers on M/s Annapoorani yarns is good. Most of the customer's buys textile yarn products for their industrial consumption, so considering the various parameters discussed above is more important. Many consumers to the company are new this show the overall marketing effectiveness and they accepted to appoint M/s Annapoorani yarns as their sole agent this shows the consumers are loyal to the company.

This study concludes that, the company should make efforts in promoting textile yarn in order to retain the existing consumers and to attract other garment manufactures. To create a good perception and to increase the existing perception level of consumers, the M/s Annapoorani yarns should go for advertisements and with various promotional activities.

BIBLIOGRAPHY

Books:

1. C.R. Kothari "Research Methodology" – New Age International (P) Ltd. Publishers, New Delhi, Second Edition.

2. Hawking and Regar "Consumer behavior" TATA McGraw – Hill Company, Publishers.

3. S.P.Gupta "Statistical Methods" – Sultan Chand & Sons, New Delhi, Forty First Edition.

Websites:

1. http://www.tea-india.org

2. http://en.wikipedia.org/wiki/Textile_industry_in_India

3. http://en.wikipedia.org/wiki./Tirupur

4. http://en.wikipedia.org/wiki/Consumer_expectatons_test.

5. http://en.wikipedia.org/wiki/Consumer_behaviour