5.0 INTRODUCTION

A marketing strategy serves as the base of a marketing plan. A marketing plan contains a list of specific actions required to successfully implement a specific marketing strategy. An example of marketing strategy is as follows: "Use a low cost product to attract consumers. Once our organization, via our low cost product, has established a relationship with consumers, our organization will sell additional, higher-margin products and services that enhance the consumer's interaction with the low-cost product or service." Without a sound marketing strategy, a marketing plan has no foundation. Marketing strategies serve as the fundamental foundation of marketing plans designed to reach marketing objectives. Hence in this chapter a very sincere effort have been made to present the marketing strategies for readymade garments industries and analysed and interpreted the results of my hypotheses which has been formulated for my research work.

5.1 PRODUCT AND MARKET DIVERSIFICATION

Production policies are the general rules that management makes to guide itself in making production decisions. Developing new product, modifying and improving upon the existing ones, diversifying into new areas and markets, branding and
survey of market demand are some of the key areas of product planning. Product policies may be stated in the form of series of either short definition or of question arranged as a check list. (Cundiff and Still). According to Kline “A product strategy is the strategy for improving the companies overall sales and profit position in respect of a particular product as well as to promote the sale of the companies other products and in case this policy hinders the sale of other products of the company it should have a greater potential long range profit than the products in conflict with it”. (Kline)

5.1.2 Product planning and development

Product planning is one of the basic considerations of products policy. Product planning is necessary owing to change in demand, technological change profit less price competition. In a highly competitive market it’s risky for a company to rely exclusively on its existing products. Customers want and expect a stream of new and improved products. Keen competition in the market results in new and improved products for the customers. Product development has been defined in a number of ways. Kotler’s definition of a new product includes original products, product improvements, products modification and new brands that a firm brings into existence through its own R&D efforts.

According to Stanton, “The former embraces all activities which enable producers and middle men to determine what should constitute a companies line of product,
requiring an estimate of the industries market potential, companies sales potential, cost requirement and profit possibilities whereas the later i.e. product development is a more limited term encompassing technical activities of product research, engineering and design.” Stanton adds that the scope of product planning and product development activities include decision making and programming related to the following. (Stanton)

a. Which product should the firm make and which should it buy?

b. What new users are there for each item?

c. Should the company expand or simplify its line?

d. What brand name, package, and label should be used for each product?

e. What should be the product style, design, size, colour and

f. How should product be priced?

5.1.3 Garment Production Planning and development

Garment production planning involves creating a schedule for the mass production of clothing. Producing garments requires a lot of coordination and schedule management. Every production requires different elements, depending on how large the production is and what is being produced. The time frame for a production depends on the elements of the production, but generally speaking, planning for the production is the same. Planning for a production can be very
simple if all steps are followed, assuming have already sourced your materials and subcontractors prior to this stage. Be sure to inspect garments thoroughly before determining a schedule in order to make sure all the elements needed in the garments are included in the production schedule. Local state and city laws regarding certification, permits and licenses that might be needed for garment manufacturing should be checked out as they vary greatly and many times require certification.

5.1.4 Product line extension strategy

Groups of products that are used together, sold and to the same customers and marketed through the same channels are known as product lines. Extension in these product lines is said to occur when same additions in their width or depth are made for holding their position in the market. Their width relates to the number of product and depth refers to number of items in each line. In product line extension strategy different aspects are to be taken into consideration which may vary from firm to firm and from one situation to other situation. A readymade garment industry plans to produce many product lines such as men’s wear, ladies wear, kids wear etc, casual wear, sportswear etc which are consumed domestically and are being exported.

5.1.5 Diversification Strategy
It refers diversifying route of production and market penetration. Whichever a company is endangered by internal or external factors and starts loosing profitability. It becomes necessary to go for diversification. However decision concerning diversification is not merely dependent on profitability but on other factors also. Some companies may add new products line purely for the purpose of growing buying in terms of size where as some others may decide to diversify for capturing or greater share of the market. Internal factors necessitating diversification includes scarcity of skilled labour force, obsolete technology, introduction of close substitute etc whereas external factors are abolition of brand name, policy of the government, and rigid pricing policies of the government.

5.1.6 Market diversification strategy

It is asses in terms of overseas expansion either through import and export activities or by overseas acquisition or in terms of selling the garments in overseas market. It offers new opportunities to garments industries to increase their sales turnover. Marketing diversification strategy may help to create consumer awareness and enhanced the image of a company. In some cases the overseas marketing may also compensate losses arising out of declining sales of a garments company in the domestic market.
5.1.7 Branding strategy

A brand name is a term, sign, symbol, design or combination of any of them. It’s intended to identify the products of one seller to differentiate them from those of its competitors. A brand name may be defined as that part of the brand which may be vocalized and uttered easily. A brand mark as different from a brand name in that part of a brand which can be recognized but not utterable such as a symbol, design, distinctive coloring and lettering.

Brand strategy refers to the task of product differentiation that is distinguishing the product from of one manufacturer to others. It has its ultimate effect on price which a customer unnecessarily pays for the branded article. This strategy is generally adopted by the companies operating in developed countries like India where the product diversification is very necessary for the profitable growth of a business, for people in these countries are more quality conscious rather than price conscious.

Branding strategy in Indian readymade garments industry was particularly adopted by MNCs. They branded their products for capturing the share of the market. Branding strategy formulation which is basic to product development strategy should ensure that the interest of ultimate consumers is safeguarded. Although branding involves substantial cost spending on the part of the manufacturers still they go for branding mainly because of the following reasons.
a. It’s used for identification purpose.

b. It may be used as a legal trade mark to protect the unique features of the product from limitations.

c. It may be used for enhancing the image of the product and the reputation of the firm.

**Stages for brand building process**

In order to ensure that the results meet our intentions, it is important to establish some stages which we must go through before we are able to say that the new brand has been created. The stages are shown in Figure 5.1 (Monika Malinowska-Olszowy, 2005)

**Fig 5.1: Stages of brand building process**

- Determining the needs of customers
  - Determining Identity and building desirable brand image
  - Testing the product
  - Choosing the best project
  - Law protection of brand
  - Introducing brand to the market by means of marketing activity
  - Controlling introduced brand on market
### Readymade garments Brands in India

The major Indian as well as MNC’s Readymade Garments brands is as follows

<table>
<thead>
<tr>
<th>Manage/Owners</th>
<th>Brands</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Arvind</strong></td>
<td>Arrow</td>
<td>Denim</td>
</tr>
<tr>
<td></td>
<td>Fying-</td>
<td>T-shirt, knit wear</td>
</tr>
<tr>
<td></td>
<td>Ex-caiber</td>
<td>Denim</td>
</tr>
<tr>
<td></td>
<td>Wrangler</td>
<td>Denim</td>
</tr>
<tr>
<td></td>
<td>Lee</td>
<td>Sports wear, jeans wear</td>
</tr>
<tr>
<td></td>
<td>Tommy-</td>
<td>Denim</td>
</tr>
<tr>
<td></td>
<td>New-port</td>
<td></td>
</tr>
<tr>
<td><strong>2. Raymonds</strong></td>
<td>Parx</td>
<td>Semi Forma &amp; casual</td>
</tr>
<tr>
<td></td>
<td>Park-Avenue</td>
<td>Forma wear</td>
</tr>
<tr>
<td></td>
<td>Color-pus</td>
<td>Casual wear</td>
</tr>
<tr>
<td></td>
<td>Manzoni</td>
<td>Super-premium range of</td>
</tr>
<tr>
<td></td>
<td>Notting Hi</td>
<td>Economy Casual wear &amp;</td>
</tr>
<tr>
<td></td>
<td>ZAPP!</td>
<td>Children’s wear</td>
</tr>
<tr>
<td></td>
<td>BE:</td>
<td>Designer wear</td>
</tr>
<tr>
<td><strong>3. Zodiac</strong></td>
<td>Zodiac</td>
<td>Premium forma wear</td>
</tr>
<tr>
<td></td>
<td>ZOD</td>
<td>Party wear</td>
</tr>
<tr>
<td><strong>4. Aditya Birla (Madura)</strong></td>
<td>Louis</td>
<td>Premium forma wear</td>
</tr>
<tr>
<td></td>
<td>Van Huesen</td>
<td>Premium shirts</td>
</tr>
<tr>
<td></td>
<td>Allen solly</td>
<td>Premium wear</td>
</tr>
<tr>
<td></td>
<td>Peter Engand</td>
<td>Economy wear</td>
</tr>
<tr>
<td><strong>5. Wills lifestyle (By ITC)</strong></td>
<td>Wills Classic</td>
<td>Work Wear</td>
</tr>
<tr>
<td></td>
<td>Wills Signature</td>
<td>Designer Wear</td>
</tr>
<tr>
<td></td>
<td>Wills sport</td>
<td>Relax Wear</td>
</tr>
<tr>
<td></td>
<td>Wills Club life</td>
<td>Evening Wear</td>
</tr>
<tr>
<td><strong>6. Provogue</strong></td>
<td>Provogue</td>
<td>Premium Wear</td>
</tr>
<tr>
<td><strong>7. Century</strong></td>
<td>Century</td>
<td>Shirts/trousers</td>
</tr>
<tr>
<td><strong>8. Koutons</strong></td>
<td>Koutons</td>
<td>Economy men’s wear</td>
</tr>
<tr>
<td><strong>9. Spykar</strong></td>
<td>Spykar</td>
<td>Denim</td>
</tr>
</tbody>
</table>

**Source:** CRISIL Research, Hyderabad.
**Miscellaneous Branding strategies of readymadegarments**

1. Line extension: this is where an organization adds to its current product line by introducing versions with new features.

2. Brand extension: if your current brand is successful you may use brand names to extend into new or existing areas. E.g. Virgin extends its brand from record to airlines, and mobiles.

3. Multi branding: the company decides to further introduce more brands into a already existing category.

4. New brands: an organization may decide to launch a new brand into a market. A new brand may be used to compete with existing rivals and may be marketed as something new or fresh.

**5.1.8 Packaging Strategies**

An important part of the product decision making process surrounds the packaging of the product. An effective packaging strategy can contribute to the firm’s competitive advantage. Some points to consider when developing a packaging strategy include

**Packaging must be unique one:** The packaging must stand out from the crowd and be different from the competitors.
**Packaging should perform the function required:** Part of the firms packaging strategy maybe to make the packaging a functional part of the product. Some drink cartons follow this strategy, Muller yogurts corner have their packaging divided into two sections where consumers can mix yogurt and fruit as and when they choose. The packaging therefore encourages the consumer to interact with the product. If it is a food product, the packaging must also preserve the product for a period of time. The packaging must also be safe and tested to make sure consumers can safely use it. Many users give up using the product if the packaging makes it difficult for the consumer to access and use the product.

**Packaging should promote product and brand:** Packaging must be designed so it promotes the benefits of the product and promotes the product brand. The brand name must be clearly visible, and the benefits of the product clear for the consumer to see.

**It should be identifiable and reinforces the brand:** When the product sits on the shelf of the retailer the packaging must stand out and be identifiable by the consumer. The packaging of the product must reinforce not just the product brand but also the corporate brand. Will it follow a common color scheme? Will fonts be similar to other products with the range? In essence does the packing have to follow the family brand strategy? This is really important as consumer who walk down an aisle of a shop recognize a product through its packaging strategy and
will often pick up a product without double checking their purchase. Although not a separate part of the marketing mix having a good packaging strategy is an essential part of the marketing strategy of a firm. A good strategy will comprise of the packaging being unique, functional, promotes the brand, reinforces the brand and is easily identifiable by the consumer.

5.2 DISTRIBUTION POLICY

It involves various activities necessary for transferring goods from the producer to consumer. It includes physical handling of goods such as their movement, and storage as well as legal promotional and financial activities involved in the transfer of ownership.

Kotler says that, physical distribution involves planning and implementing the physical flows of materials and their financial transfer from point of origin to points of use or consumption to meet the need of customers at a profit. According to him, the main elements of distribution mix are transportation, warehousing, inventory, carrying, receiving, shopping, purchasing, administration and order pricing.

Managers are now increasingly concerned with the cost of physical distribution which varies from one industry to other and from one situation to other one. Substantial serving can be affected in physical distribution which has been
described by Parker as lost frontier for cost economies (Parker, Donald, and D.2002); Drucker calls it as ‘Economies dark continent’. (Drucker. P 2002)

The basic objective of distribution system is to transfer the final products from the place of manufacture to that of consumption providing best possible services to the consumers. Specific decisions concerning various aspect of distribution network to be adopted, the require market coverage in physical terms. The cost of transportation, commission and credit terms for various intermediaries constitute the overall distribution policy has to be combined to ensure that the product is available to the ultimate customer at a reasonable price.

5.2.1 Distribution Strategy

The Indian RMG industry is highly fragmented in nature. There is intense competition among the players, both in the domestic as well as international (export) markets. However, the competition is not very intense in the designer wear and branded segments due to brand positioning and (usually) targeting the niche market. Thus, the garment industry can be classified into mass market and niche market. The competition in the exports market is more intense than in the domestic market, as Indian exporters face competition from low-cost producer countries like China, Pakistan, Vietnam, Sri Lanka, Bangladesh, etc, in the mass market. In the niche market, India faces competition from Germany, Italy and France, among other countries. Thus, the entities with high volumes get the benefit
of economies of scale and can sustain competition in the mass market while players in the niche market can sustain with high-end fashion designs. While there are no reliable estimates of the number of garment manufacturing units in India, the level of fragmentation can be judged by the fact that there are more than 8,000 exporters registered with the Apparel Export Promotion Council (AEPC, 2009).

**Business models in the Indian Readymade garments Industry**

For any organization, its business model is the mechanism through which it generates revenues and profits. It involves both formulation and implementation of business strategies. Indian RMG players follow various business models. The two key differentiating factors in these models are the strategy to manufacture or procure (purchase or outsource) the apparel and the strategy to distribute it.

The business models in the Indian RMG industry can be analyzed by dividing them into three stages: the manufacturing stage, the branding stage and the distribution stage. The realizations, costs and profits of the organization are dependent on its business model.
Fig 5.2: Business Strategy Model in the Readymade Garments Industry

1. Manufacture the apparel on their own, give their own brand name and sell to end-users through their own stores and outlets.

2. Manufacture the apparel on their own, give their own brand name and sell to end-users through others.

3. Purchase the apparel from job worker(s), give their own brand name and sell to end-users through their own stores.

4. Purchase the apparel from job worker(s), give their own brand name and sell to end-users through others.

5. Manufacture the apparel and sell it to a brand owner, who will sell it either through his own stores or through others, that is, act merely as a job worker.
6. Manufacture the apparel, give them a brand that is purchased and sell to end-users through their own stores.

7. Manufacture the apparel, give them a brand that is purchased and sell to end-users through others.

8. Purchase the apparel from job worker(s), give them a purchased brand and sell to end-users through their own stores.

9. Purchase the apparel from job worker(s), give them a purchased brand and sell to end-users through others.

10. Give designs to job worker(s) and get the apparel manufactured, affix own brand name and sell it to end-users through their own stores.

11. Give designs to job worker(s) and get the apparel manufactured, affix own brand name and sell it to end-users through others.

12. Give designs to job worker(s) and get the apparel manufactured, affix a purchased brand name and sell it to end-users through their own stores.

13. Give designs to job worker(s) and get the apparel manufactured, affix a purchased brand name and sell it to end-users through others.

Above Illustrative list of business models is for players with a single strategy. There are entities with business models created by combining any one or more of the above business models (multiple/compound strategies). The illustrations can
be partly manufacturing and part outsourcing, owning a few brand names and purchasing some from others, selling partly through their own stores and partly through others and various permutations and combinations thereof. (CRISIL Research, Supply & competition 2009)

Raymond (brands - *Park Avenue, Parx, Manzoni*, etc) manufactures apparels on its own and sells it exclusively through its own stores. Players like ITC (brands - *Wills and John Players*) primarily outsource manufacturing of apparels to job workers and then sell them either to multi-brand outlets (MBOs) or through their exclusive brand stores. Players like Arvind (*Excalibur*), Madura Garments (*Peter England, Allen Solly, Louis Philippe, Van Heusen*, etc) Kewal Kiran (*Killer*), Provogue, Mohan Clothing (*Blackberrys*), Zodiac Clothing (*Zodiac, Zod*), etc, mainly sell their garments to MBOs. However, the proportion of sales through their own stores has been increasing. Alok Industries has recently entered the domestic apparel business. Currently, it manufactures on its own and sells exclusively through its own stores under the brand *H&A* (*Homes and Apparels*).

There are some participants of the RMG industry, who are mainly present in unorganized segments. They are:

1. A trader, who purchases garments (branded or not) and sells it through his own retail shop(s) or to others.
2. Commission agents acting as middle agencies between the manufacturer, purchaser and distributor.

5.2.2 Distribution channels in the Indian RMG industry

A distribution channel is a network of outlets through which a product is sold. The company can sell its products through one or more distribution channels. The selection of a distribution channel or channels is one of the management strategies on which the costs and revenues of the company are dependent. The apparel manufacturers either sell the garments in India or export them.

- Domestic market

The domestic market is proving to be the big saviour for the textiles industry. While garment exports has been badly affected by the global economic meltdown, the domestic market for apparels has continued to grow at a healthy pace, growing at 3.5 per cent in 2009. Apparel manufacturers who have a direct presence in retail have however borne the brunt of a sharp increase in lease rentals over the last few years, and have been working at improving their retail productivity by shutting down some of the non-performing stores. Going forward, the domestic market will provide strong growth opportunities for apparel manufacturers. We expect the domestic apparel market to grow at a CAGR of around 7.4 per cent from Rs 1,155 billion in 2009 to around Rs
1,649 billion by 2014. Readymade garments industry to touch Rs 2,156 billion by 2014. CRISIL Research estimates the overall readymade garments industry (domestic and exports) to be worth Rs 2,156 billion by 2014 against Rs 1,582 billion in 2009 - a CAGR of 6.4 per cent.

**Figure 5.3: Readymade garments market size - Forecast**

While garment exports have been badly affected by the global economic meltdown, the domestic market for apparels has continued to grow at a healthy pace in 2009. Going forward, the domestic market will continue to provide strong growth opportunities for apparel manufacturers. CRISIL
Research expects the domestic apparel market to grow at a CAGR of around 7.4 per cent, from Rs 1,155 billion in 2009 to around Rs1,649 billion by 2014. This growth will be primarily driven by strong economic growth in the long term which will translate into higher income levels, thereby leading to increased spending on clothing and apparel. Also, the rising preference for readymade garments vis-a-vis tailored garments will add to the opportunities for domestic apparel manufacturers. The growth in organised retailing, growing urbanisation and changing consumption patterns will further support the growth of the readymade garments (RMG) industry.

**Fig 5.4 All India Demand for Readymade Garments**

The apparel market can be classified into urban and rural segments. 72 per cent of India's total population still resides in rural areas and contributes only 50 per cent
to the total RMG industry in value terms. On the other hand, though the urban population represents only 28 per cent of the total population, its contribution to the RMG industry accounts for 50 per cent (value terms). This can be attributed to the fact that the penetration of RMG is higher in urban areas when compared to their rural counterparts. Also, the value per garment is comparatively higher in urban areas. Going forward, CRISIL Research expects the rural market to be the growth driver for the readymade garments industry.

**Figure 5.5: Demand for RMG in urban and rural areas**

![Bar chart showing demand for RMG in urban and rural areas](image)

Source: CRISIL Research
CRISIL Research expects growth in the domestic market will be led by the rural areas. We expect the rural RMG industry to grow at a CAGR of 8 per cent (a faster pace than in the past) to touch Rs 860 billion by 2014. We expect the urban RMG market to continue to grow at a relatively stable CAGR of 6.8 per cent, reaching Rs 789 billion by 2014.

However, the exports market is expected to show sluggish growth and only those companies that have a competitive advantage through lower cost of production or presence in niche products or strong design capabilities, will tide through the present crisis.

Apparels can be distributed in the domestic market through different channels. Currently, the main distribution channels through which an organization sells apparels in the domestic market are:

- Own stores or factory outlets
- Discount stores
- Retailers
- Shopping malls or multi-brand outlets (MBOs)
- Distributors
The realizations, costs and net margins of the organization *inter-alia* depend on the distribution channel selected for marketing the apparels.

**Own Store or factory outlets**

Own stores are the direct medium of selling apparel to the final consumer, wherein garments are sold from an owned (or rented or leased) retail shop. The main advantage of selling through this channel is high realisation for garments sold (since the middle agency for selling the apparel to end-users can be bypassed). The other advantage of this channel is getting end-user feedback and knowledge of their preferences, which can be a very useful input, especially in case of designer or fashion wear.

Companies like Provogue, Raymond, Century Textiles, Madura Garments (subsidiary of Indian Rayon), Arvind Brands (subsidiary of Arvind Mills), Gini and Jony, Tuscan Verve, Zodiac Clothing, etc, distribute apparel *inter-alia* through this channel.

**Discount stores**

Discount stores/factory outlets are owned by the brand itself. The concept of discount stores is used primarily for selling apparel with minor defects or for selling slow-moving or old stocks. This concept is also used for selling apparel at
lower prices to attract large volumes. Realisations from this channel are very low; as the garment sold through this channel is either defective or old-fashioned or is sold at low prices for gaining big volumes.

**Retailers**

In this channel of distribution, the organisation sells the garments to retailers, who, in turn, sell them through their own stores. Thus, the retailer becomes the middle agency between the organisation and the end-user. Accordingly, realisations from this channel are lower than that earned by selling through own stores, as the retailer provides for his cost and profit while purchasing apparels.

**Shopping malls or MBOs**

This distribution channel, developed in the retail format of garment sales, is gaining momentum in India. In this distribution channel, the apparel is sold by the organisation to MBOs. These MBOs sell apparel of many brands through large retail space, especially in prime locations of various cities and towns. Usually, the MBOs are shopping mall chains with presence at more than one location. Examples include Shoppers Stop, Pantaloon Retail, Westside (Trent), Globus, Life Style, Pyramid, etc. Realisations from this channel are lower than those earned by selling to retailers. This is because MBOs keep higher margins than retailers while purchasing garments, as their costs are higher than the retailers.
Distributors

This distribution channel involves two middle agencies between the seller and the end-user of the garment. The organisation sells the garments to distributors, who, in turn, sell them either to retailers or MBOs. The retailers or the MBOs finally sell the apparel to end-users. Thus, two middle agencies are created between the manufacturer and the end-users. Accordingly, realisations from this channel are lower than those earned by selling through retailers, as in this case, both the distributor and the retailer or MBO provide for their costs and profits while purchasing the apparel.

- Export Market

This is the second way of distributing the finished products to the consumers in various countries. The exports market is expected to show sluggish growth and only those companies that have a competitive advantage through lower cost of production or presence in niche products or strong design capabilities, will tide through the present crisis. With the revival expected in the US and EU economies in 2010, apparel exports too are expected to revive. CRISIL Research expects garment exports to grow at a CAGR of 4.6 per cent from $9 billion in 2009 to $11.3 billion in 2014. Assuming the rupee reverses to its long-term trend of appreciation and assuming an exchange rate of Rs 45/$ in 2014, the growth in rupee terms
will be 3.5 per cent, growing from Rs 427 billion in 2009 to Rs 507 billion in 2014.

Apparel exports have been adversely affected on account of the slowdown in demand from major importing countries like the US and EU. Apparel exports which had grown by 8.8 per cent in 2007 over 2006 (in dollar terms) recorded a muted growth of only 0.6 per cent in 2008 over 007. Though the rupee depreciated against the dollar and euro during 008, it did not translate into much benefits for exporters as they were forced to pass it on to the buyers on account of weak demand from the importing countries.

With the revival expected in the US and EU economies in 2010, CRISIL Research expects exports to pick up and grow at a CAGR of 4.6 per cent from $9 billion in 2009 to $11.3 billion by 2014.

**Fig 5.6: India’s Total Exports**

**Fig 5.7: Destination-wise Exports**

E: Estimated  P: Projected  Source: CRISIL Research
The operating margins of export-oriented units to improve going forward, however, only marginally. The benefit of lower raw material costs will accrue to exporters too. However, they will be forced to pass on the benefit in order to remain competitive in the export market. The net margins of export-oriented units, which dipped in 008-09 on account of mark-to-market losses incurred due to hedging undertaken by them, are expected to improve in the near future. A normal hedging trading policy is required but speculative deals (like derivative instruments) will carry high risks.

**Cost of Distribution Channels**

It includes that expenditure which is incurred on transportation, commission payable to distribution and administrative heads or branches. Transportation cost include packaging and forwarding charges, commission payable to distributors and all the expenses incurred by the authorized distributors of the company and all other out siding expenses made with during the course of service. Branch expenses include salaries of staff at branch office, discount and rebate offered by him, and all other expenses which are incurred by the branch officials in the interest of the business.
Promotion is key element in marketing strategy of a business concern. It is the process of establishing a communication system to develop the corporate and product image among the middle man. Its aim is to communicate the knowledge about the company, its objectives, activities, products, prices and policies.

The basic objective of distribution system is to transfer a fixed product from the place of manufacturing to the place of consumption. Decisions which are concerned with matters such as transfer of distribution network to be adopted, the intended market coverage, the cost of transportation, commission and credit term for various middle men constitute the overall distribution policy of a company.

Some of the most important MBO’s business strategies are being elaborated in the following pages.

1. Pantaloon Retail (India) Limited

Incorporated in October 1987 under the leadership of Mr. Kishore Biyani and became public limited in 1991. The ‘Pantaloons Shoppe’s’ exclusive menswear store was set up in 1994. ‘Big Bazaar’ under the concept of Hypermarket started in 2001. ‘Pantaloons Retail India Limited’ a flagship enterprise of ‘The Future Group’. Its retail sector activities are departmental stores, hypermarkets, supermarkets, malls and specialty stores (www.pantaloon.com)

The Future Group operates through six verticals.
*Future Retail*- covering retail business

*Future Capital*- catering to financial products & services

*Future Brands*- managing all the brands owned or managed by group companies

*Future Space*- managing real estate business

*Future Logistics*- managing supply chain and distribution and

*Future Media*- developing and managing retail media space

**Pantaloons Business Strategy**

Targeting greater market share by entering into formats such as departmental stores, supermarket, hypermarkets, malls etc. Developed a Dual Strategy of opening smaller versions in its flagship stores like ‘BIG BAZAAR’. Opening larger Independent Stores. Currently adopted retail format by the group: Lifestyle Segment, Pantaloon, Central, Value Segment, Big Bazaar, Food Bazaar, and Private Labels. Pantaloon’s apparel retail business derives its 75 per cent of sales from its private label such as, John Miller shirts, JM Sports, Lombard Pantaloon, Bare Leisure Bare Denim, Annabelle Mix Match, Akkriter.

PRIL has entered into 50:50 JV with Gini & Jonny a known brand for kids. The Sole Franchisee of Mark & Spencer, Guess and Women’s Secret in India. PRIL holds a 51 per cent stake in JV with Liberty Shoes called ‘Foot Mart’. 
2. Shopper’s Stop

Established in 1991 by the K. Raheja Group. The group is a well known player in the construction sector. It is a Public Limited Company. Its retail sector activities are departmental Stores, specialty Stores (books, home products, cosmetics, F&B, Baby Care). The key business area of Shoppers Stop is wide variety of international and Indian brands such Kashish, Vettorio Fratini, and Elliza Donatein. The store also offers concessionaire space to brands, whereby the counters are arranged by the employees of the concessionaire. (www.shopperstop.com)

*Its Business strategy*

Primarily catering to the Lifestyle Retailing segment through Departmental Stores
It offers a gamut of products such as garments, accessories, footwear, cosmetics, music, books, leather products, furnishing etc. It ventured to the Value Retailing segment with inception of ‘HYPERCITY’. Apart from these stores, the company also has presence in Niche Retailing format with the brands such as:

*Crossword* – a lifestyle bookstore; these are run in 3 formats ‘Corner Store’, ‘Brand Stores’ and ‘Flagship Stores’.

*MAC* – it’s a tie-up with a cosmetic major, Estee Lauder
Home Stop – it’s a specialty store, caters exclusively to home furnishings and furniture

Mother Care – it’s a franchise agreement with a UK-based Mother care marketing baby clothes, toys, baby care products and maternity clothes.

3. TATA Trent

Established in 1998 as a part of Tata Group and started operations by acquiring the UK-based Littlewoods departmental stores in Bangalore. The company owns a chain of department stores across the country & is also increasing its foothold in the high volume hypermarket sector. The company has initiated a new retail venture called ‘Infinity Retail Limited’ dealing primarily in electronic consumer durables.

It’s Business Strategy

The company has three store formats on which it is currently operating.

Westside stores: Primarily apparel stores comprising a mix of clothes, footwear, and accessories for men, women and children. It established its outlets in Mumbai, Pune, Bangalore, Hyderabad, Chennai, New Delhi and Kolkata. Company acquired a 79 per cent stake in this Chennai based books and music retail chain. The chain has its presence in Bangalore, Mumbai, Vadodara and Chennai.
Star India Bazaar- First store opened in Ahmedabad (Gujarat) with which company entered the Value retailing segment. Store offers wide range of products like staples, perishables, health and beauty products. The company is planning to open such stores in Mumbai and Bangalore as well.

Infinity Retail Limited- The company has set up a new store ‘Croma’ which sells electronic consumer durables. For this a sourcing agreement has been signed with the Australian retailer –‘Woolworths’ company plans to set up around 100 more such stores in coming Year.

4. Arvind Brands Ltd

It is the Subsidiary of Arvind Mills a major garment manufacturing player. It caters to the domestic market and is also involved in exports. It has 3 large manufacturing units, 2 warehouses and 400 sales outlets across the country. The company has its owned brands and licenses from reputed international brands like Lee, Wrangler, Gantt, Arrow and Tommy Hilfiger for selling in the Indian market. It distributes its products through Multi-Brand Outlets (MBO’s), organised retailers and Exclusive Brand Outlets (EBO’s). The company manages various brands like Flying Machine, Newport and Ruf & Tuf in denim trousers and Excalibur in shirts.
It’s Business Strategy

‘Excalibur’ the company’s own brand is revamped as a lifestyle brand expanding the product portfolio to include knits, jackets, t-shirts, blazers and suits and planning to set up 100 Excalibur outlets. Recently entered into a 40-60 Joint Venture with VF Corporation, a US-based lifestyle apparel maker and owner of 50 brands, to market its products in India. VF Corporation owns brands such as Lee, Vanity fair, Wrangler, Nautica, JanSport and Kipling. This tie-up has also made the company an exclusive franchisee of ‘Gantt’. It’s a distributor for the brand across India, Sri Lanka and Bangladesh. VF Arvind brands Pvt. Ltd. Plans to open 13 Nautical Stores. Arvind Mills plans to open around 100 mega mart stores across 100 cities thereby enhancing their existing network 54 outlets in 16 cities.

6. The Raymond Group

Incorporated in 1925, transformed from textile a major to a conglomerate along with manufacturing and brand building. The company has also incorporated in the retail sector in a big way. Raymond forayed into garment manufacturing through ventures like,

Silver Spark Apparel Ltd –for tailored suits, trousers and jackets. The group has its presences in the retail sector through a chain of the following.

*Ever Blue Apparel Ltd* –Jeanswear
Celebrations Apparel Ltd – Shirts

Exclusive stores- ‘The Raymond Shop’. This is the premium retail store offering complete range of men’s wear. Stand alone stores for Manzoni, Park Avenue, Color Plus, Parx, Be: and Zapp. (www.raymondindia.com)

It’s business strategy.

The Raymond Retail Shops are premium retail stores offering complete range of men’s wardrobe. It is the largest one stop retail network in the country. There are over 350 stores exclusive 'The Raymond Shop' (TRS) in prime locations, in 150 cities in India. It has 27 overseas outlets in 15 cities across the Middle East, Sri Lanka, Bangladesh and Nepal. It includes top-of-the-line brands - Raymond, Manzoni, Park Avenue, Colour Plus and Parx. Reach of the brand is spread all over the country across big cities and smaller towns thereby targeting a wide spectrum of consumers and also extended its presence in some of the leading Malls with new retail format.

Brand Stores

Exclusive stand-alone stores for brands - Manzoni, Park Avenue, Parx, Colour Plus, Be and Zapp. Each store makes available to customers the entire product range of garments and accessories. The highlight of these stores is that they provide
customers a unique and leisurely shopping experience. Encompassing a look to suit every new occasion formal, casual, outdoor and travel etc.

Zapp- A fun place for kids to hang out and shop for colourful clothes and accessories

Be: - A chain of 15 stores, presenting customers the best of international fashion from well-known Indian designer, right under one roof

Parx- For a cool trendy and ‘chilled out’ of office look

Color Plus- An exclusive store where one can shop for smart casual shirts, trousers and elegant accessories.

The Park Avenue store offers the perfect premium lifestyle experience and addresses the customers need for Business, Evening, Leisure, Travel and Heritage Wear the Manzoni Luxury Boutique in New Delhi and Mumbai

5.3 PROMOTION POLICY

Promotion is a key element in marketing strategies. First step is to fitting the product and its features to market needs and preferences and second is availability of product in the market through distribution. According to the American Marketing Association, ” the personal or impersonal process of assisting or/and
persuading a prospective customer to buy a commodity or service or to act favorably upon an idea that has commercial significance to the seller”.

According to Stanton, “basically promotion is an exercise in information, precaution and influence”. These 3 terms are linked with each other in the sense that to inform is to persuade and conversely if a person is being persuaded is also probably being informed and influenced.

According to Neil Borden,” The use of influence in commercial relations is one of the attribute of a free society, just as persuasions and counter persuasion are exercised freely in many walks of life such as in our free society, in the home, in the press, in the class room, in the pulpit, in the courts, in the political forums, in legislative halls, and in the government agencies for information.”

Promotion is basically meant for communication. The communication of the product and its distinctive want, satisfying characters, the company as whole, its nature and business, the target customers, the place where the product may be available, and the price which a company charges for the product constitute promotion. It is different from publicity and advertising too.

According to Kotler, The four major tools in making communication mix are as follows.
a. Advertising: Any paid form of non personal presentation and promotion of ideas, goods and services by an identified sponsor.

b. Sales promotion: short term incentives to encourage purchase or sale of a product or service.

c. Publicity: non personnel stimulation of demand for a product, service, or business unit by planting commercially significant news about it in a published medium or obtaining favourable present of it upon radio, television, internet, or stage that is not paid for by the sponsor.

d. Personal selling: oral presentation through conversation with one or more prospective purchasers for the purpose of making sales.

Promotion is the process of making a communication system to improve the image of the company among the various groups of the society. It communicates the knowledge about the company, its product, activity, price and polices, in making terms it aim at conveying to the consumers a message about three elements of the marketing mix i.e. the products distinctive wants satisfying features, its availability i.e. place and the price at which product is offered.

The manufacturers got at the disposal a very wide range of promotional methods; these are promotional selling, advertising, points of purchase display, direct mailing and packaging. Most of promotional campaign involves a combination of
two or more such methods. The factors that affect the optimum level of promotional strategy are the product, market, stage and demand of cost. All business organizations give special emphasis to the sales promotion department. In business houses it’s attached to marketing department. While in other it functions as a separate department.

5.3. Promotion strategies in garments sector

It’s meant to create awareness in the minds of targeted customers about a company and its product with the objective of increasing sales. This is the most vital area of marketing in readymade garments industries. A garment industry can’t afford to ignore promotional activities in a competitive business environment. The most widely used promotional method for small companies is personal selling aided by sales promotion and sales incentive techniques. While the role of advertising in the industry is mostly of the nature of public relations. Publicity is used for research oriented products. Furthermore selling and advertising must be co-ordinate. Advertising portfolio must be prepared. Designing and implementing a comprehensive marketing progress calls for one of the techniques which aid in moving garments from producers to consumers. Solution to the problem how to communicate effectively depends upon the creative promotional strategy. While promoting their products the branded companies take the services of celebrities, models, actors, and cricketer etc.
5.4. Pricing Strategy

It refers to practical application of pricing decisions. Pricing policies are the general rules set by management of a concern to achieve greater share of the market. Taking into consideration the cost structure of a product, its market demand, price of the available substitutes, and the state of economic environment where a pricing strategy involves translating these rules into practice. According to Cundiff and Still Opine, “Pricing strategy is adoption of pricing policies individualize tailoring of pricing decisions t fit particular competitive situations encountered by specific products.”

Kotler says that “pricing strategy is that task of defining in initial price range and planned price movement through time that the company will use to achieve its marketing objectives in the target market.”

It follows from the above that pricing strategy is adopted to determine the price of a product which suits the capacity of the average customers. Pricing decisions should be taken in conjunction with the decision on other elements of marketing mix. This is a complex process and a number of constraints are faced by the decision makers when a pricing policy is translated into actual practice to achieve the objectives of the company.
5.4.1 Pricing Strategies

Pricing is one of the most important elements of the marketing mix, as it is the only mix, which generates a turnover for the organisation. The remaining 3p’s are the variable cost for the organisation. It costs to produce and design a product; it costs to distribute a product and costs to promote it. Price must support these elements of the mix. Pricing is difficult and must reflect supply and demand relationship. Pricing a product too high or too low could mean a loss of sales for the organisation. Pricing should take into account the following factors:

- Fixed and variable costs
- Competition
- Company objectives
- Proposed positioning strategies
- Target group and willingness to pay

Pricing Strategies in Indian garments industries

An organisation can adopt a number of pricing strategies. The pricing strategies are based much on what objectives the company has set itself to achieve.

Penetration pricing: Where the organisation sets a low price to increase sales and market share.
Skimming pricing: The organisation sets an initial high price and then slowly lowers the price to make the product available to a wider market. The objective is to skim profits of the market layer by layer.

Competition pricing: Setting a price in comparison with competitors.

Product Line Pricing: Pricing different products within the same product range at different price points. An example would be a video manufacturer offering different video recorders with different features at different prices. The greater the features and the benefit obtained the greater the consumer will pay. This form of price discrimination assists the company in maximizing turnover and profits.

Bundle Pricing: The organisation bundles a group of products at a reduced price.

Psychological pricing: The seller here will consider the psychology of price and the positioning of price within the market place. The seller will therefore charge 99p instead $1 or $199 instead of $200.

Premium pricing: The price set is high to reflect the exclusiveness of the product. An example of products using this strategy would be Harrods, first class airline services, Porsche etc.

Optional pricing: The organisation sells optional extras along with the product to maximize its turnover. This strategy is used commonly within the car industry.
Pricing Strategies: An Example of Pantaloon

Pricing is strategy used by Pantaloon retail chain to attain maximum market shares. The company offers numerous schemes to attract the new customer as well as to retain the present customers. The company’s schemes are categorized in following groups

1. Value pricing: This approach is used where external factors such as recession or increased competition force companies to provide 'value' products and services to retain sales. The product value will be associated with external factors.

2. Promotional pricing: Pricing to promote a product is a very common application. The application of this done by BOGO (Buy one Get One), BTGO (Buy Two Get One Free) etc.

3. Bundling: Bundling is marketing tool sell two or more complementary product as a package with attractive price. The price is will lesser then individual selling price. Example: A Person needs one T-shirt for a period of time. But bundling with attractive price with more than 3 T-shirts can attract them.

4. Low interest rate financing: Future money helps in asset purchase at 0% interest.
5. Physiological discounting: In India this approach is called as Bata rating system. Organization utilizes this approach when product has emotional value rather than rational value. Example a product is priced for 99 instead of 100. When board shows price reduction from 100 to 99, Consumer looks at 3 digits to 2 digits rather than exact value.

6. Time pricing: The innovative way of attract the customer is Timely pricing it is known that during holidays rate of customer is more. Reduction of profit margin with lot of advertisement will invite new customers. The company has learnt it from strategy made on public holiday 26-Feb. When the turnover of the day reached 30 cores where average is 5 cores. With such experience crowded management is essential so to divert potential customers ‘Wednesday bazaar’ where it will offer less profit margin sales.

7. Bundling Marketing: Technique of offering two or more complementary goods or services together as a package deal. Bundled items are sold at a price attractively lower than the total of their individual selling prices.
5.5 Analysis and Interpretations of Data

5.5.1 Section – A

Profiling of Manufacturer

On the basis of survey conducted the basic information of the Readymade garments’ manufacturer are given that include the ownership, scale of production, No. of Machinery.

Table 5.1
Ownership

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Partnership firms</th>
<th>Sole Traders firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Respondents</td>
<td>22</td>
<td>78</td>
</tr>
</tbody>
</table>

Fig 5.1
Out of 60 respondents under the survey majority were sole traders. The total percentages of sole traders firms are 78% and remaining 22% are partnership firms. Thus it can be concluded that sole trader firm’s constitute the majority in the category of manufacturers in readymade garments industries in India.

**Table 5.2**

**Scale of Production**

<table>
<thead>
<tr>
<th>Scale of Production</th>
<th>Small Scale Industries</th>
<th>Medium scale Industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Respondents</td>
<td>81</td>
<td>19</td>
</tr>
</tbody>
</table>

**Fig 5.2**
On the basis of survey, it is clear that scale of production in the category as small scale Industries as the major scale of production for the readymade garments, which is about 81%. This is followed by the medium scale industries as 19%. It can be concluded that majority of the scale of production is from small scale industries in the readymade garments industries in India.

**Table 5.3**

<table>
<thead>
<tr>
<th>Number of Machinery</th>
<th>No. of Machinery More than 500</th>
<th>No. of Machinery Less than 500</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Respondents</td>
<td>17</td>
<td>83</td>
</tr>
</tbody>
</table>

**Fig 5.3**

![Chart Title]

- More than 500
- Less than 500

- 17%
- 83%
On the basis of survey, it is clear that firms with Less than 500 machines constitute as the major, which is about 83%, this is followed by the More than 500 machines as 17%. It can be concluded that majority of readymade garment industries have less than 500 machineries for their production.

Testing of Hypotheses.

1. H0: Null hypothesis assumes that there is no relationship between owner’s factors such as (ownership, Scale of production, Number of machines) and marketing strategies that is Product, Price, Promotion and Distribution Strategies. Whereas alternative hypothesis H1: assumes that there is significant relationship between Owner’s factors such as (ownership, Scale production, Number of machines) and marketing strategies that is Product, Price, Promotion and Distribution Strategies.

Sub Hypotheses

1A. H0: Null hypothesis assumes that there is no relationship between ownership and marketing strategies that is Product, Price, Promotion and Distribution Strategies. Whereas alternative hypothesis H1 assumes that there is significant relationship between Ownership and marketing strategies that is Product, Price, Promotion and Distribution Strategies.
1B. H0: Null hypothesis assumes that there is no relationship between scale of production and marketing strategies that is Product, Price, Promotion and Distribution Strategies. Whereas alternative hypothesis H1 assumes that there is significant relationship between Scale production and marketing strategies that is Product, Price, Promotion and Distribution Strategies.

1C. H0: Null hypothesis assumes that there is no relationship between No. of machinery and marketing strategies that is Product, Price, Promotion and Distribution Strategies. Whereas alternative hypothesis H1 assumes that there is significant relationship between No. of machinery and marketing strategies that is Product, Price, Promotion and Distribution Strategies.

Table 5.4

Results of ANOVA between Ownership and Marketing strategies

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
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<tbody>
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<td></td>
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<td>75.438</td>
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<tr>
<td>Within Groups</td>
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<td>Total</td>
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<tr>
<td>Pricing</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>50.083</td>
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<td>Within Groups</td>
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<tr>
<td>Promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
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<td>Within Groups</td>
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<tr>
<td>Distribution</td>
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<td></td>
</tr>
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<td>Between Groups</td>
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<td>Total</td>
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</table>
### Table 5.5

**Results of ANOVA between scale of production and Marketing strategies**

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<th></th>
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<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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<td>Between Groups</td>
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<td>Within Groups</td>
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<tr>
<td><strong>Pricing</strong></td>
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</tr>
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<td>Between Groups</td>
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<td>Within Groups</td>
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<tr>
<td><strong>Promotion</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
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<td>Within Groups</td>
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<td><strong>Distribution</strong></td>
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<tr>
<td>Between Groups</td>
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<td>44.305</td>
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<td>Within Groups</td>
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### Table 5.6

**Results of ANOVA between No. of machinery and Marketing strategies**

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<tr>
<td><strong>Product</strong></td>
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<td></td>
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<td></td>
</tr>
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<td>Between Groups</td>
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<td>Within Groups</td>
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<td><strong>Pricing</strong></td>
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<td>Between Groups</td>
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<td>Within Groups</td>
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<tr>
<td><strong>Promotion</strong></td>
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<tr>
<td>Between Groups</td>
<td>41.813</td>
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<td>Within Groups</td>
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<td><strong>Distribution</strong></td>
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<td></td>
</tr>
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<td>Between Groups</td>
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<td>Within Groups</td>
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<td>Total</td>
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</tbody>
</table>
ANOVA has been run onforgone factors (Ownership, Scale of Production and No. of Machinery). Results are almost same in all the cases. In most of the cases F value less than statistic significance level ($\alpha$) this is 0.05. Thus in all the cases Null Hypothesis is rejected. Or in other words it can be stated that owners’ factors has significant impact on marketing strategies of the firms. Reason for this can be attributed to the fact that partnership firms, large scale of production, more no of machineries depict large investment. So the owners who have invested more, their marketing strategies are more successful if same is compared with that of those owners who have invested less.
5.5.2 Section – B

Profiling of Customers

On the basis of survey conducted the basic information of the Readymade garments’ customers are given that include the gender, age, Income.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Respondents</td>
<td>59</td>
<td>41</td>
</tr>
</tbody>
</table>

Table 5.7

Gender

Fig 5.4
Out of 300 respondents under the survey majority were males. The total percentages of males are 59% and remaining 41% are females. Thus it can be concluded that male customer’s constitute the majority of the buyers for readymade garments.

### Table 5.8

**Age**

<table>
<thead>
<tr>
<th>Age</th>
<th>Age between 0-25</th>
<th>Age between 25-50</th>
<th>Age between 50 and above</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Respondents</td>
<td>29</td>
<td>43</td>
<td>28</td>
</tr>
</tbody>
</table>

### Fig 5.5

[Chart showing age distribution with 25-50% for 25-50 age group, 28% for 50 and above age group, and 25% for 0-25 age group.]
On the basis of survey, it is clear that customers in the age group of 25-50 form the major buyers for the readymade garments, which is about 43%. This is followed by the age group 0-25, 29% and 50 and above 28%. It can be concluded that majority of the buyers are from age group of 25-50.

Table 5.9

<table>
<thead>
<tr>
<th>Income</th>
<th>Income between 2 L-5L</th>
<th>Income between 5 L-10 L</th>
<th>Income between 10L and above</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Respondents</td>
<td>29</td>
<td>43</td>
<td>28</td>
</tr>
</tbody>
</table>

Fig 5.6
On the basis of survey, it is clear that customers in the income group of 5 Lakh to 10 Lakh form the major buyers for the readymade garments, which is about 43%. This is followed by the income group of 2 Lakh to 5 Lakh with 29% share and customers with 10 Lakh and above constitute the share of 28%. It can be concluded that majority of the buyers are from age group of 25-50.

5.5.3 Section – C

This part of the survey aims to find out the marketing strategies developed by the retailers and manufacturers in the readymade garments industries in India for providing best services and to judge their customers’ satisfaction level.

Purchase Decision

Under the Purchase Decision survey was conducted to know about the buying behaviors’ of readymade garments customers.

<table>
<thead>
<tr>
<th>Table 5.10 Buying Behaviors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Buying Behaviors</strong></td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td>%age of Males</td>
</tr>
<tr>
<td>%age of Females</td>
</tr>
</tbody>
</table>
Under this question 53% female and 29% males were satisfied with the readymade garments. 43% of males have not given the answer regarding buying of readymade garments because most of the male prefer stitching clothes by tailor. 30% of females were dissatisfied or highly dissatisfied with the buying of readymade garments.

Table 5.11
Customer Preferences

<table>
<thead>
<tr>
<th>Customer Preferences</th>
<th>Highly Satisfied</th>
<th>Satisfied</th>
<th>No Answer</th>
<th>Dissatisfied</th>
<th>Highly Dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>%age of Males</td>
<td>12</td>
<td>30</td>
<td>26</td>
<td>13</td>
<td>19</td>
</tr>
<tr>
<td>%age of Females</td>
<td>9</td>
<td>19</td>
<td>25</td>
<td>22</td>
<td>25</td>
</tr>
</tbody>
</table>

Regarding the Customer Preferences, only 19% of females were satisfied and 25% females were highly dissatisfied, whereas the 30% of males were satisfied. On the basis of responses it can be concluded that customers faces many problems due to lack of quality, good brand and packaging factors.

2. H: The Null hypothesis is that there is no significant difference in overall satisfaction level when it is classified on the basis of age of the customers of readymade garments in India; On the other hand alternate hypothesis is that there is significant difference in overall satisfaction level when it is classified on the basis of age of the customers of readymade garments in India.
Table 5.12

Results of ANOVA between Age Group and Customers Satisfaction Level

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2.796</td>
<td>2</td>
<td>1.398</td>
<td>0.932</td>
<td>0.395</td>
</tr>
<tr>
<td>Within Groups</td>
<td>745.754</td>
<td>497</td>
<td>1.501</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>748.55</td>
<td>499</td>
<td>1.501</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From one way ANOVA test, it is clear that significant value is 0.395 which is more than statistic significance level ($\alpha$) which is 0.05. So it means null hypothesis is accepted at the 0.05 significance level. There is no significant difference in overall satisfaction level when it is classified with the age of customers of readymade garments in India.

3. H: The Null hypothesis is that there is no significant difference in overall satisfaction level when it is classified on the basis of gender in the readymade garments industries in India; on the other hand alternate hypothesis is that there is significant difference in overall satisfaction level when it is classified on the basis of gender in the readymade garments industries in India.
Table 5.13
Results of ANOVA between Gender and Customers Satisfaction Level

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2.763</td>
<td>3</td>
<td>0.921</td>
<td>0.613</td>
<td>0.607</td>
</tr>
<tr>
<td>Within Groups</td>
<td>745.787</td>
<td>496</td>
<td>1.504</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>748.55</td>
<td>499</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the test it is clear that significant value is 0.607 which is more than statistic significance level ($\alpha$) which is 0.05. So here null hypothesis is accepted at the 0.05 significance level. There is no significant difference in overall satisfaction level when it is classified with the gender of the customers of readymade garments.

4. H: The Null hypothesis is that there is no significant difference in overall satisfaction level when it is classified on the basis of income of the readymade garment customers in India; on the other hand alternate hypothesis is that there is significant difference in overall satisfaction level when it is classified on the basis of income of the readymade garment customers in India.
Table 5.14

Results of ANOVA between Income and Customers’ Satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>6.693</td>
<td>3</td>
<td>2.231</td>
<td>1.492</td>
<td>0.216</td>
</tr>
<tr>
<td>Within Groups</td>
<td>741.857</td>
<td>496</td>
<td>1.496</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>748.55</td>
<td>499</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From one way ANOVA test, it is clear that significant value is 0.216 which is more than statistic significance level ($\alpha$) which is 0.05. So it means again null hypothesis is accepted at the 0.05 significance level. There is no significant difference in overall satisfaction level when it is classified with the income.

CONCLUSION

In this chapter the main focus is on the marketing strategies used by the various sectors in the area of production, promotion, distribution and pricing. Executives of different business organizations concentrate their efforts to win the biggest possible share of the targeted market. The field of strategy planning is much wider. A marketing strategy serves as the base of a marketing plan. A marketing plan contains a list of specific actions required to successfully implement a
specific marketing strategy. An example of marketing strategy is as follows: "Use a low cost product to attract consumers. Once our organization, via our low cost product, has established a relationship with consumers, our organization will sell additional, higher-margin products and services that enhance the consumer's interaction with the low-cost product or service." Without a sound marketing strategy, a marketing plan has no foundation.

Production policies are the general rules that a management makes to guide itself in making product decisions, planning products, developing new products, modifying and improving upon the existing ones. Diversifying the route of production, branding and survey of market demand are some of the areas of product policies. Its development directly depends upon the successful implementation of the Product line extension strategy, Product and market diversification strategy, Import and export strategy, Branding strategy. A brand name is intended to identify the product of one seller or group of sellers to differentiate them from those of its competitors. Branding strategy formulation which is basic to product development strategy should ensure that ultimately the interests of customers are safeguarded.

Promotion is key element in marketing strategy of a business concern. It is the process of establishing a communication system to develop the corporate and
product image among the middle man. Its aim is to communicate the knowledge about the company, its objectives, activities, products, prices and policies.

The distribution system is to transfer a fixed product from the place of manufacturing to the place of consumption. Decisions which are concerned with matters such as transfer of distribution network to be adopted, the intended market coverage, the cost of transportation, commission and credit term for various middle-men constitute the overall distribution policy of a company.

The Analysis shows that on the basis of survey conducted the basic information of the Readymade garments’ customers are given that include the gender, age, Income. Out of 300 respondents total percentages of males are 59% and remaining 41% are females. Thus it can be concluded that male customer’s constitute the majority of the buyers for readymade garments. Customers in the age group of 25-50 form the major buyers for the readymade garments, which is about 43% and customers with income of 5 lakh to 10 lakh are the major buyers for the readymade garments, which is about 43%.
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