# Chapter III

## RESEARCH DESIGN

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3.1 INTRODUCTION

The Indian textile and apparel industry is the largest foreign exchange earner for the country. It is also the second largest employment provider after agriculture and plays a key role in the development of the economy. The Indian textile and apparel industry is valued to be worth Rs. 2,700 billion in fiscal year 2013. It has been estimated on the basis of industry interactions. Approximately 65% of the total textile and apparel production (wholesale price level) is consumed domestically. India's domestic textiles and apparel consumption is estimated at Rs. 1,750 billion (wholesale price level), of which apparels account for approximately 71%. India exported US$20 billion worth of textiles and apparel of which 45% are apparel exports.1

The textile and apparel industry is one of the largest and the most important sectors in the Indian economy in terms of output, foreign exchange earnings and employment. It contributes approximately 14% to India’s industrial production, 4% to the country’s GDP and 17% to the country’s export earnings. It provides direct employment to over 35 million people and is the second largest provider of employment after the agricultural sector. Thus the development of this sector has an overall impact on the economy.2 The Indian textile and apparel industry contributes approximately 4% to the global textile and apparel market. Since the textile industry has such economic importance, it has always attracted the

2 Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, 2013.
Government’s attention. Therefore, the Government has introduced policies such as the Technology Up-gradation Fund Scheme (“TUFS”), Scheme for Integrated Textile Parks (“SITP”), low excise duty, high import duty (to discourage imports) and National Textile Policy to develop the textile sector.

3.2 STATEMENT OF THE PROBLEM

Many studies [Prasad and Aryasri, (2011); Nielsen, (2011); Sinha, (2004)] revealed and stated the Problem Recognition (awareness of need) as a matter of perceiving differences between a person’s ideal and actual situations. It is big enough to trigger a decision not satisfied to the consumer. The competition from new retail stores have increasingly resulted in shoppers visiting multiple retail stores and developing loyalties toward a set of stores instead of gravitating to just one store to fulfill a variety of shopping needs and motives.

The consumer is finds it difficult to find the information about the products internally and externally. Internal search problem consists of few factors like lack of memory of previous experiences, products, brands, purchased products. Regarding external search problem the following aspects are identified such as:

1. Friends and family
2. Public sources including various products rating organization (i.e., report, other companies comparable data base)
3. Market-dominants (i.e., advertising, company websites and sales forces).

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It is generally observed that consumers have a wide range of choices for purchasing textile, apparels and they have not clear vision to what they buy (Karthikeyan Sundarraj, 2011).\(^6\)

Consumer evaluation criteria executed by both the objective attributes and subjective factors of price such as their opening about the high cost or high quality (prestige) of textile products caused confusion at the time of preferring the goods in retail market.

While making purchase decisions, consumers are often unable to evaluate all available alternatives in great depth and, thus, tend to use two-stage processes to reach their decisions. At the first stage, consumers typically screen a large set of available products and identify a subset of the most promising alternatives. Subsequently, they evaluate the latter in more depth, perform relative comparisons across products on important attributes, and make a purchase decision (Gerald Haubi & Valerie Trifis, May (2012)).\(^7\) Though the consumers are very clear in the aspects of purchase decisions like what to buy, whom to buy, when to buy, where to buy, terms of sales, sales return norms, showroom attraction and time pressure are very difficult to take correct purchase decision.

Post-purchase behavior of the consumers is very difficult to assess by seller and retain them for extent of perfect competitive marketing environment. If the product falls short of expectations, the consumer is dissatisfied. Consumers who are dissatisfied with a product may complain about it to friends, relatives or even

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the seller. Due to various factors like product discount offer, seasonal sales target, celebrities campaign in media, local celebration, exhibition, new show room inauguration and consumers desires also influences consumer purchase behavior.

With these above attitudes, the researcher has decided to study the retail marketing of textile and apparel products in Chennai city- with reference to consumer behavior.

3.3 SCOPE OF THE STUDY

The present study is a new attempt to outline the behavioural aspects of consumers in the retailing scenario of textile and apparel products in Tamil Nadu. Hence, it has ample scope for generating new dimensions of information catering to the requirements of strategic decision making in the sphere of production as well as marketing of textile and apparel products. Among the cities in Tamil Nadu, Chennai is top in volume of retail textile and apparel products business in Tamil Nadu. So, the researcher has chosen Chennai city for this study.

3.4 OBJECTIVES OF THE STUDY

1. To assess the needs of sample consumers with reference to textile and apparel products in the study area.

2. To study the extent of reliable source of information relating to textile and apparel products in the study area.

3. To analyze the purchase alternatives and factors influencing the purchase decision of sample consumers in the study area.

4. To study the post-purchase consumer behavior in the study area.

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5. To offer suitable suggestions relating to study on the basis of findings.

3.5 HYPOTHESIS OF THE STUDY

*Null Hypotheses (H₀)*

- **H₀**:1. There is no association between personal profiles of the respondents and the opinion about perception of the respondents towards retail marketing of textile and apparel products. (Chi-square test)
- **H₀**:2. There is no significant difference among the respective study area respondents’ opinions about the consumer behaviour factors in retail marketing of textile and apparel products in Chennai city (ANOVA)
- **H₀**:3. There is no relationship between the factors of retail marketing practices identified for the textile and apparel products. (Correlation)

3.6 OPERATIONAL DEFINITIONS

1. **Consumer Behaviour**: It is a process whereby individuals decide whether, what, when, where, how and from whom to purchase goods or services for consumption.

2. **Retailer**: Retailer means the seller or the person in the shop explaining the features of the product or making the sale of the product.

3. **Textile and Apparel Products**: It includes fabric for clothing, cotton, synthetic, silk, polyester, rayon, wool, handicrafts, jute, coir and readymade garments.

3.7 METHODOLOGY OF THE STUDY

Being a marketing study, the study is exploratory in nature. Primary data have been collected from the consumers. The secondary data obtained from magazines, articles, books and etc.
Sampling

The Chennai city has three regions namely, North Chennai, Central Chennai and South Chennai. Each of the regions has wards. There are about 200 wards in Chennai city. In order to collect primary data from the consumers, the researcher adopted Multi-stage sampling. At the first stage, 20 wards were selected (10%) out of 200 ward based on simple random sampling. In the second stage, from each selected wards one Textile and Apparel shop was selected. Therefore, twenty shops were selected from 20 wards. At the final stage, 25 consumers were selected from each selected shop. Thus, the sample of the study consists of 500 consumers. The following table shows the sampling distribution of the present study.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Chennai Regions</th>
<th>No. of Wards</th>
<th>Sampling</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td>No. of Wards</td>
</tr>
<tr>
<td>1.</td>
<td>North Chennai</td>
<td>63</td>
<td>6</td>
</tr>
<tr>
<td>2.</td>
<td>Central Chennai</td>
<td>79</td>
<td>8</td>
</tr>
<tr>
<td>3.</td>
<td>South Chennai</td>
<td>58</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
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**Source:** Chennai corporation

Collection of data

The interview schedules were finalized by conducting a pilot study among 60 consumers of different regions.

Period of study

Primary data were collected from the respondents during the year 2012-2013. The secondary data related mainly to a period of 10 year, commencing from 2002-03 to 2012-13, were collected and used for the study.
Tools for analysis

The data were analyzed by using various statistical techniques such as Chi-square, Correlation, Factor Analysis- Principal Component Analysis (Extraction Method), and ANOVA with the help of SPSS. To arrive at possible solutions, simple percentage analysis was also employed.

3.8 LIMITATIONS OF THE STUDY

This study has the following limitations:

1. The present study is confined only Chennai city of Tamil Nadu. It does not cover any other area of Tamil Nadu. The results of the primary data may vary from time to time.

2. The study is confined only to retail marketing in consumer behaviour of textile and apparel products; other related issues are beyond the purview of the present study.

3. Due to time and cost constraints, the researcher decided that the sample size of the study is 10% of total ward of respective area of Chennai city. Hence, the conclusion drawn is specific and cannot be universalized.
3.9 CHAPTER SCHEME

This study has been presented in six Chapters.

In the First Chapter, Introduction to textile and apparel industry, market size and classification of retail marketing have been discussed.

The Second Chapter deals with review of the literature and presents the previous studies related to the objectives of the present study.

In the Third Chapter, Introduction, statement of the problem, objectives, scope of the study, hypotheses, operational definition, research methodology, and limitations have been discussed.

The textile and apparel sectors global scenario, Indian textile and apparel sector and consumer behaviour in retail marketing is presented in the Fourth Chapter.

An analysis of retail marketing of textile and apparel products in consumer behaviour has been dealt with in the Fifth Chapter.

The Sixth Chapter gives a summary of findings and offers suitable suggestions relating to the study on the basis of findings are presented.
Chapter – IV

Present Scenario of Textile and Apparel Sectors and Consumer Behaviour in Retail Marketing