INTRODUCTION

**Genesis:** The selection of this subject for intensive research for a doctoral thesis was the result of a perspective that was brewing in me since my postgraduate student days, when I could not locate literature on marketing management based on studies of conditions in our country. When the actual time of registration arrived, I thought I should limit my inquiry to a particular industry in a specific territory. The cotton textile industry in Gujarat state, though the oldest and the largest one, was having a very conservative distribution structure and composition for its manufactures. If a field-work-based study was made, it could provide (a) original literature for academic use, and (b) a basis for suggesting measures to modernize the distribution structure.

**Scope and approach:** For this study, the cotton fabrics manufactured and marketed by the cotton textile mills located in Gujarat State have been concentrated upon.

Three distinct approaches are usually found followed in the literature on marketing and distribution of industrial products—the product approach, the institutional approach, and the functional approach. I have based this research on the first two approaches.
While the preliminary work was done earlier, the main field-work was completed during the years 1971-1975. Of course, information and data since then have also been incorporated in the discussion and as tail pieces as demanded by the new developments to make the former self-contained.

The Thesis has been divided into 8 Chapters.

Chapter 1 presents a historical review of the cotton textile mill industry in India and in Gujarat and sketches out some salient features like the geographical distribution of mills (in Gujarat), ownership and managerial integration, employment potential and production pattern—both the quantitative and the qualitative aspects. This depicts the supply function.

Chapter 2 describes the structure of the demand for cotton textiles. The discussions centre round two categories of the market for cotton fabrics — (A) The ultimate consumer market. (B) The industrial user market. A detailed analysis is particularly made of the demand determinants classified in five categories — (a) demographic factors, (b) sociological factors, (c) economic factors, (d) behavioural factors, and (e) intra-company factors — pertaining to the former. This is done to study the demand function.
In Chapter 3, the origin and the evolution of distribution patterns have been examined in relation to specific categories of distribution channels as were functioning in the cotton textiles market in Gujarat. A series of 17 original Charts portraying the actual chains and links obtaining in the sphere of distribution have been conceptualised and designed to explain the alternative/multiple channels in vogue.

Chapters 4, 5 and 6 are devoted to the detailed analyses of the structures of the multiple constituents at the wholesale, the semi-wholesale and the retail trade levels as also of the various facets of their respective organisations, working and problems.

Chapter 7 deals with the Government's role in the cotton fabrics distribution since before Independence, and particularly during the recent years.

While specific observations have been made on the drawbacks and limitations related to the functioning of the various channel components and while suggestions in regard to the different facets/issues discussed in the above chapters have been made at appropriate places, wherever corrective action is necessary, Chapter 8 presents a very brief overview to serve as a backdrop for a couple of major recommendations made for integrated global action to
rationalize the entire cotton fabrics marketing and distribution mechanism for increasing its efficiency and efficacy.

**Methodology:** In the first instance, a pilot inquiry was made through personal visits to selected mills, intermediaries and their associations to have a feel of the multiplicity of the organisations and their components as also of the general problems which they faced, that were vast and varied.

At the second stage, the technical designations of the distributive chains and the subcategories of the different channel components were identified and rationalised and the other technical vocabulary was built up and standardised to serve as a sound theoretical base for this empirical research.

At the third stage, separate questionnaires were prepared both for general interviews and depth interviews with (a) the mill chief executives/officers, (b) the wholesalers, (c) the semi-wholesalers, (d) the retailers, and (e) the associations of the mills and the intermediaries.

At the fourth stage, stratified samples and units (where sampling was not feasible) were selected for the study, as follows:

1. Mill units: 20% of 120 — (a) In the Public Sector: 10 units (located at different places in Gujarat).
(b) In the Private Sector: (i) Mill management operating a single unit — Some textiles, Ahmedabad. (ii) Mill management operating more than one units (all located in Ahmedabad and other places in Gujarat) — Sarabhai Group, Lalbhai Group, and Ambica Group. (iii) Mill management operating more than one units (some located in Ahmedabad and other places in Gujarat and the others located outside Gujarat) — Mafatlal Group.

(a) Wholesalers: (a) Independent merchant middlemen: $5 \%$ of 1500. (b) Selling Agents: $10 \%$ of 90. (c) Market Dalals: $3 \%$ of 2,000. (d) Commission Agents: $4 \%$ of 800. (e) Mill Depots: 1. (f) The Gujarat State Cooperative Consumers' Federation Ltd., Ahmedabad.

(3) Semi-wholesalers: (a) Independent merchant middlemen: $1 \%$ of 5000. (b) Market Dalals and Commission Agents: $2 \%$ of 1000. (c) Mill Depots: 1. (d) Central Consumers' Cooperative Stores: 2.


At the fifth stage, the proprietors, the partners, the chairmen, the managing directors, the directors and the
other senior executives/officers of the intermediaries' establishments, the mills and their associations were personally interviewed for discussions and collection of data and information, with the help of the questionnaires. In all, 575 respondents were interviewed.

At the sixth stage, specific case studies were undertaken for detailed inquiry. As the retailers were widely scattered all over the state, in different cities, towns, and big villages, such studies were made of the establishments categorised in (4) above, located both at Ahmedabad and at different places on 4 districts - 2 developed ones and 2 underdeveloped ones.

Case studies were also made in regard to (a) 10 wholesaler in Ahmedabad, (b) the GSCCF, (c) 12 semi-wholesalers in Ahmedabad, (d) 26 semi-wholesalers located in different Talukas in 3 districts, (e) The Maskati Kapad Market Mahajan, (f) 9 Retailers' Associations, and (g) 30 college-going youngsters.

The available published literature, including the Annual Reports, the Chairmen's speeches, Souvenirs, Books, Reports, Journals and Periodicals, has been studied. In addition, an access to some of the primary records of mills, intermediaries and associations was secured. Most of the information and data had to be collected through field-work
as this sphere had been barren and uncultivated by any researcher in the past.

My first visits to the respondents had revealed that most of the mill managements, businessmen and executives were too conservative and unwilling to entertain such an inquiry, much less to disclose specific information and data. This disinclination seemed to have been the consequence of (i) a queer fear complex about different Government legislations, regulations and the implementing & supervising authorities, and (ii) an abnormal tradition-bound trade secretiveness. Efforts had, therefore, first to be made to generate confidence in them through personal element and introductions & references from the Research Guide and my friends and well-wishers. Thus, the process of collection of relevant information and data from them proved to be testing and time-consuming. But, some one had to attempt to tear off the veils of timidity, secrecy and conservatism of these people. I am satisfied that I was successful in the mission and in bringing to light many facets of the subject until unknown to the non-functionaries at the respective trade level segments. For this purpose and for taking care of the non-response, for filling up the gaps, for rectification of discrepancies, for cross verification of the information collected and for drawing correct inferences, repeat visits to and depth interviews of about
60% of the respondents had to be undertaken.

Academic objectivity was maintained in interpreting the facts. Where personal opinions and views were concerned, every care was taken to avoid giving undue weightage to individual or sectional biases of the interviewees, which might have been influenced by subjective considerations. Where evidence was very much in favour of particular points, it was thought fit to make generalisations. In the interest of scientific presentation, isolated instances, though important, were not treated as representative.

The lists of (i) abbreviations used, (ii) the non-English words used and their translations/explanations, and (iii) the Charts (numbered Chapterwise) follow this.

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