A Study Of Marketing Problems Of Textile Industry In Thane District

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ABSTRACT

Textile industry is one of the significant instruments of economic growth and development in India. The Textile products are the essential parts of every individual's life. The main purpose of this paper is to identify the various marketing problems faces by the textile units especially in the Thane district. In order arrive at the conclusion, researcher has used both primary and secondary data for qualitative analysis. This research paper's finding reveals various marketing problems facing by the textile industry.

Keywords: - Textile Industry, Cotton Industry, Marketing problems, Cotton-textile units.

I. INTRODUCTION

Marketing is one of the significant functions of an industry. Marketing helps textile industry to study customer needs and wants of their textile products. Textile industry is an age-old industry in Thane district. Thane district is famous particularly for handloom industry and power-loom also. After 1991, when the New Economic Policy has been adopted competition in the textile industry is increasing. The taste and fashion of the consumers have also changed. Therefore, the researcher has studied here the marketing problems of textile industry in Thane district.

II. REVIEW OF LITERATURE

Dr. M. M. Mehta (1949)⁴³ in his "Structure of Cotton Mill Industry of Indian" has studied the size and location of Industrial unites in cotton mill Industry of India. This work is a study of the recent tendencies in the size and location of industrial units in the Cotton Mill-Industry of India, and is the result of an investigation extending over a period of three years. This study reveals three broad tendencies; first, the relative spreading out of industrial units into larger dimensions, second the existence of 'typical or 'representative' sizes during each period, and lastly regularity in the dispersion of size about the Average. An enquiry has also been made into the relationship between size and efficiency, and actually some degree of positive correlation between these two variables was found. Finally, an attempt has been made to find out the "optimum-size" of industrial units in the Cotton-Mill Industry of India.

Dharam Kumar, S.P. Nag and L.S. Venkatraman (1965)⁴⁶ in their research study "Resource Allocation in the Cotton Textile Industry" includes three different studies on three different aspects of Cotton Textile Industry. Mrs. Kumar's study deals with the problem of choosing between different types of textiles specifically from the point of view of minimizing the expenditure on foreign exchange.

Sastry D.U. (1984)⁴⁸ in his "The Cotton Mill Industry in India" Oxford University Press Bombay. The industry has been passing through difficult times due to old and obsolete machinery, lack of adequate maintenance and modernization, low productivity, declining capacity utilization, widespread sickness, stagnating domestic demand and sagging exports. However, important changes like the emergence on synthetic and blended fabrics, the establishment of National Textile Corporation, the phenomenal expansion of spinning and stagnation of weaving and the rapid expansion of the decentralized sector, especially power looms, have occurred in the structure of the mill industry. These changes have brought in their wake a number of problems. A systematic attempt has been made in this book to study some of them.

III. OBJECTIVES

- 1. To Study Marketing issues of Textile Industry in Thane district.
- 2. The objective of this paper is to analyze critically the marketing problems in textile industry.

IV. LIMITATIONS

This study is geographically limited to textile industries in Thane district only.

V. HYPOTHESIS

The hypothesis of this paper are as follows:

Null Hypothesis (H₀): The textile Industries in Thane district are facing various problems with reference to Marketing and other areas and that there is no significant difference between the opinions of Owner/Directors and the Workers of textile industries.

Alternative Hypothesis (H₁): The textile Industries in Thane district are facing various problems with reference to Marketing and other areas and that there is significant difference between the opinions of Owner/Directors and the Workers of textile industries.

VI. MARKETING PROBLEMS OF TEXTILE INDUSTRY IN THANE DISTRICT

Textile marketing is unique task. Marketing is becoming hard day by day. Competition is increasing in the market. Multinationals are coming in the field. The researcher has in this section studied various problems related with Marketing. These covers following problems

- 1. Competition from MNCs
- 2. Dumping
- 3. Niche Marketing
- 4. Large Stock Holding
- 5. Changing Taste & Fashions

These problems are analyzed on the basis of responses given by the Owners/ Directors of the textile industries and the workers from the same industries.

A. Problem of Competition from MNCs

Due to globalization, there is perfect competition in the textile market. The researcher has therefore studied the problem of Competition from MNCs. The results are shown in the following table.

Table No. 1: Problem of Competition from MNCs

		Owners/ Directors							
Sr. No.	Intensity	Small	%	Medium & Large	%	Total	%		
1	Severe	58	20.57	4	8.33	62	18.79		
2	Moderately Severe	72	25.53	6	12.50	78	23.64		
3	Average	95	33.69	19	39.58	114	34.55		
4	Moderately Average	32	11.35	14	29.17	46	13.94		
5	No Problem	25	8.87	5	10.42	30	9.09		
	Total	282	100.00	48	100.00	330	100.00		

Out of the total sample of 330 owners/directors 282 belong to small textile units whereas 48 belongs to medium and large textile units in Thane District.

Out of the 282 owners/directors of small textile units in Thane District 58 (20.57%) have reported that the problem of Competition from MNCs is severe, whereas, 72 (25.53%) have opined that the same is moderately severe. On the other hand 95 (33.69%) have expressed the opinion that the problem of Competition from MNCs is average whereas, 32 (11.35%) have expressed the opinion that the problem of Competition from MNCs is moderately average and 25 (8.87%) have given the opinion that there is no problem regarding Competition from MNCs.

B. Problem of Dumping

Dumping means supplying the product at lower rate or at a time when there is no demand. The researcher has therefore studied the problem of Dumping. The results are shown in the following table.

Table No. 2: Problem of Dumping

	Intensity	Owners/ Directors							
Sr. No.		Small	%	Medium & Large	%	Total	%		
1	Severe	59	20.92	4	8.33	63	19.09		
2	Moderately Severe	76	26.95	6	12.50	82	24.85		

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3	Average	92	32.62	17	35.42	109	33.03
4	Moderately Average	41	14.54	16	33.33	57	17.27
5	No Problem	14	4.96	5	10.42	19	5.76
	Total	282	100.00	48	100.00	330	100.00

From the above table following observations can be noted, out of the total sample of 330 owners/directors 282 belong to small textile units whereas 48 belongs to medium and large textile units in Thane District.

Out of the 282 owners/directors of small textile units in Thane District 59 (20.92%) have reported that the problem of Dumping is severe, whereas, 76 (26.95%) have opined that the same is moderately severe. On the other hand 92 (32.62%) have expressed the opinion that the problem of Dumping is average whereas, 41 (14.54%) have expressed the opinion that the problem of Dumping is moderately average and 14 (4.96%) have given the opinion that there is no problem regarding Dumping.

Out of the 48 owners/directors of medium and large textile units in Thane District 4 (8.33%) have reported that the problem of Dumping is severe, whereas, 6 (12.50%) have opined that the same is moderately severe. On the other hand, 17 (35.42%) have expressed the opinion that the problem of Dumping is average whereas, 16 (33.33%) have expressed the opinion that the problem of Dumping is moderately average and 5 (10.42%) have given the opinion that there is no problem regarding Dumping.

C. Problem of Niche Marketing

The researcher has therefore studied the problem of Niche Marketing. The results are shown in the following table.

Table No. 3: Problem of Niche Marketing

		Owners/ Directors							
Sr. No.	Intensity	Small	%	Medium & Large	%	Total	%		
1	Severe	61	21.63	4	8.33	65	19.70		
2	Moderately Severe	76	26.95	4	8.33	80	24.24		
3	Average	98	34.75	23	47.92	121	36.67		
4	Moderately Average	29	10.28	13	27.08	42	12.73		
5	No Problem	18	6.38	4	8.33	22	6.67		

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From the above table following observations can be noted,

Out of the total sample of 330 owners/directors 282 belong to small textile units whereas 48 belongs to medium and large textile units in Thane District.

Out of the 282 owners/directors of small textile units in Thane District 61 (21.63%) have reported that the problem of Niche Marketing is severe, whereas, 76 (26.95%) have opined that the same is moderately severe. On the other hand, 98 (34.75%) have expressed the opinion that the problem of Niche Marketing is average whereas, 29 (10.28%) have expressed the opinion that the problem of Niche Marketing is moderately average and 18 (6.38%) have given the opinion that there is no problem regarding Niche Marketing.

Out of the 48 owners/directors of medium and large textile units in Thane District 4 (8.33%) have reported that the problem of Niche Marketing is severe, whereas, 4 (8.33%) have opined that the same is moderately severe. On the other hand, 23 (47.92%) have expressed the opinion that the problem of Niche Marketing is average whereas, 13 (27.08%) have expressed the opinion that the problem of Niche Marketing is moderately average and 4 (8.33%) have given the opinion that there is no problem regarding Niche Marketing.

D. Problem of Large Stock Holding

Textile marketing suffers from the problem of large stocks. Generally, at every level i.e., retailers, wholesalers, C & F and producers' stock of finished product is very large. This also increases wastages. Slow moving stock can also become obsolete. Large stock holding also increases investment and cost of holding. The researcher has therefore studied the problem of Large Stock Holding. The results are shown in the following table.

Table No. 4: Problem of Large Stock Holding

		Owners/ Directors							
Sr. No.	Intensity	Small	%	Medium & Large	%	Total	%		
1	Severe	77	27.30	4	8.33	81	24.55		
2	Moderately Severe	94	33.33	7	14.58	101	30.61		
3	Average	55	19.50	19	39.58	74	22.42		
4	Moderately Average	33	11.70	14	29.17	47	14.24		
5	No Problem	23	8.16	4	8.33	27	8.18		
	Total	282	100.00	48	100.00	330	100.00		

From the above table following observations can be noted,

Out of the total sample of 330 owners/directors 282 belong to small textile units whereas 48 belongs to medium and large textile units in Thane District.

Out of the 282 owners/directors of small textile units in Thane District 77 (27.30%) have reported that the problem of Large Stock Holding is severe, whereas, 94 (33.33%) have opined that the same is moderately severe. On the other hand, 55 (19.50%) have expressed the opinion that the problem of Large Stock Holding is average whereas, 33 (11.70%) have expressed the opinion that the problem of Large Stock Holding is moderately average and 23 (8.16%) have given the opinion that there is no problem regarding Large Stock Holding.

Out of the 48 owners/directors of medium and large textile units in Thane District 4 (8.33%) have reported that the problem of Large Stock Holding is severe, whereas, 7 (14.58%) have opined that the same is moderately severe. On the other hand, 19 (39.58%) have expressed the opinion that the problem of Large Stock Holding is average whereas, 14 (29.17%) have expressed the opinion that the problem of Large Stock Holding is moderately average and 4 (8.33%) have given the opinion that there is no problem regarding Large Stock Holding.

E. Problem of Changing Taste & Fashions

Customer taste and fashions are ever changing. The demand function for the cloth is a multi-variable function. It is purely based upon a number of psychological factors. Due to changing taste & fashions many times the production i.e., made according to previous state of affairs is a sheer wastage. The researcher has therefore studied the problem of Changing Taste & Fashions. The results are shown in the following table.

Table No. 5: Problem of Changing Taste & Fashions

		Owners/ Directors							
Sr. No.	Intensity	Small	%	Medium & Large	%	Total	%		
1	Severe	66	23.40	4	8.33	70	21.21		
2	Moderately Severe	91	32.27	6	12.50	97	29.39		
3	Average	63	22.34	14	29.17	77	23.33		
4	Moderately Average	37	13.12	18	37.50	55	16.67		
5	No Problem	25	8.87	6	12.50	31	9.39		
	Total	282	100.00	48	100.00	330	100.00		

Source: Primary Data.

From the above table following observations can be noted,

Out of the total sample of 330 owners/directors 282 belong to small textile units whereas 48 belongs to medium and large textile units in Thane District.

Out of the 282 owners/directors of small textile units in Thane District 66 (23.40%) have reported that the problem of Changing Taste & Fashions is severe, whereas, 91 (32.27%) have opined that the same is moderately severe. On the other hand, 63 (22.34%) have expressed the opinion that the problem of Changing Taste & Fashions is average whereas, 37 (13.12%) have expressed the opinion that the problem of Changing Taste & Fashions is moderately average and 25 (8.87%) have given the opinion that there is no problem regarding Changing Taste & Fashions.

Out of the 48 owners/directors of medium and large textile units in Thane District 4 (8.33%) have reported that the problem of Changing Taste & Fashions is severe, whereas, 6 (12.50%) have opined that the same is moderately severe. On the other hand, 14 (29.17%) have expressed the opinion that the problem of Changing Taste & Fashions is average whereas, 18 (37.50%) have expressed the opinion that the problem of Changing Taste & Fashions is moderately average and 6 (12.50%) have given the opinion that there is no problem regarding Changing Taste & Fashions.

F. Summary of Problems Related with Marketing

The researcher has summarized various problems related with Marketing for the sake of application of Chi-Square Test. The results are shown in the following table.

Table No. 6: Summary of Problems Related with Marketing

Sr.	Intensity	Owners/Directors	Workers	Total
1	Severe	68.2	94.8	163
2	Moderately Severe	87.6	106	193.6
3	Average	99	68.2	167.2
4	Moderately Average	49.4	39.8	89.2
5	No Problem	25.8	21.2	47
	Total	330	330	660

Source: Summary of Table No. 1 to 5.

G. Application of Chi-Square Test

The researcher has applied the Chi-Square Test to check whether there is any significant difference between the opinions of the Owners/Directors and the Workers of small, medium and large textile industries in Thane district. The calculation is shown in the following table.

Table No. 7: Application of Chi-Square Test

Sr. No.	0	E	O - E	(O - E) ²	2º Value
1	68.2	81.50	-13.30	176.89	2.17
2	87.6	96.80	-9.20	84.64	0.87
3	99	83.60	15.40	237.16	2.84

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4	49.4	44.60	4.80	23.04	0.52
5	25.8	23.50	2.30	5.29	0.23
6	94.8	81.50	13.30	176.89	2.17
7	106	96.80	9.20	84.64	0.87
8	68.2	83.60	-15.40	237.16	2.84
9	39.8	44.60	-4.80	23.04	0.52
10	21.2	23.50	-2.30	5.29	0.23
					8.79

Table Value: **8.79**, Degree of Freedom – 4, Level of Significance 0.05%

Critical Value - 9.488

On the basis of above calculation of Chi-Square value, the hypothesis is stated as follows –

Null Hypothesis (H₀): The textile Industries in Thane district are facing various problems with reference to Marketing and other areas and that there is no significant difference between the opinions of Owner/Directors and the Workers of textile industries.

Alternative Hypothesis (H₁): The textile Industries in Thane district are facing various problems with reference to Marketing and other areas and that there is significant difference between the opinions of Owner/Directors and the Workers of textile industries.

As it is observed from the Chi-Square calculation that the calculated value of Chi-square at 0.05% level of significance and **4** degree of freedom is **8.79** and the Table Value is 9.488.

As the calculated value of Chi-square is less than the table value **(8.79<9.488)**. Therefore, the Null hypothesis is accepted and alternative hypothesis is rejected.

VII. CONCLUSION

The conclusions of the paper are as follows –

- 1. It is concluded that, out of total 330 owners/directors of small, medium and large textile unit's majority i.e., 39.58% have expressed the opinion that the problem of Competition from MNCs is average as against the lowest i.e., 9.09% have reported that there is no problem of Competition from MNCs.
- 2. It is concluded that, out of total 330 owners/directors of small, medium and large textile unit's majority i.e. 36.67% have expressed the opinion that the problem of Niche Marketing is moderately severe as against the lowest i.e. 6.67% have reported that there is no problem of Niche Marketing.
- 3. It is concluded that, out of total 330 owners/directors of small, medium and large textile unit's majority i.e. 33.03% have expressed the opinion that the problem of Dumping is average as against the lowest i.e. 5.76% have reported that there is no problem of Dumping.
- 4. It is concluded that, out of total 330 owners/directors of small, medium and large textile unit's majority i.e. 30.61% have expressed the opinion that the problem of Large Stock Holding is

- moderately severe as against the lowest i.e. 8.18% have reported that there is no problem of Large Stock Holding.
- 5. It is concluded that, out of total 330 owners/directors of small, medium and large textile unit's majority i.e. 29.39% have expressed the opinion that the problem of Changing Taste & Fashions is moderately severe as against the lowest i.e. 9.39% have reported that there is no problem of Changing Taste & Fashions.
- 6. It is concluded that, there is no significant difference between the opinions of Owner/Directors and the Workers of textile industries regarding the problems related with Marketing.

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