CHAPTER I
INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

The textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labour. The textile industry continues to be the second largest employment generating sector in India. It offers direct employment to over 35 million in the country. It is predicted to grow by 12 to 15% every year. Indian textile is witnessing great growth and development in the industrial sector in India as well as abroad. The significance of the textile industry is entirely based on the clothing that is manufactured which includes kid's clothing, men's and women's clothing. Textile sector contributes to the country's GDP after agriculture and it has been one of the key growth engines of the economy.

Retail textile industry occupies a key role in the world economy and India has occupied a remarkable position in global textile retail rankings; the country has high market potential, low economic risk, and moderate political risk. India's net retail sales are quite significant among the developed nations. The Indian textile retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. International textile retailers are seeking entry into the country. India is now on the radar of global textile retailers. Accelerated development of the textile retail industry in the country and building value of domestic products is essential not only for marketing the customer products more efficiently, but also for the development of retail industry.

One of the primary needs of human being is clothing. Now a day, it has been leaped to fashion and lifestyles with growing advancement in human civilization. Clothing is a highly symbolic product category due to its high visibility. The growing demand of textile for clothing as well as fashion consciousness among various socio-economic background of population around the world and in India is linked with the success of the organized retail textile business. It reflects people's lifestyles and shows their social and economic status. In the entry stage of organized retail textile showrooms, they enter with a new price appeal, limiting product offerings and limited services. After that it became very challenging as the customer needs where changing according to the new trend and fashion.

Over the past years there have been sweeping changes in the textile retailing business, which was once strictly a made-to-order market for clothing which has now changed to a ready-to-wear market. The retail textile business has been substantially diversified on the basis of fashion, climate, region, culture and fiscal factors. Flipping through a catalogue, picking the color, size and type of clothing a person wanted to purchase. Today majority of the people got used to purchase their clothing through a wide variety of organized retail textile showrooms as the retail outlets exist in every nook and corner. They make shopping convenient to the customers. All the businesses including the retail textile showrooms have started considering "customer" as the sovereign. Thus, it has been necessary for all the organized retail textile showroom owners to adopt or cater the needs of the customers to succeed in their business. With the increase in competition in organized retail textile showrooms, the owners and the managers has to make various marketing plans to retain their customers with good image by providing them with best customer service and satisfaction. Thus, the study was necessary to find out the customers attitude, perception and service quality of organized retail textile showrooms.

1.2 STATEMENT OF THE PROBLEM

Retail textile business is one of the most important businesses in the world. Retail textile business is entirely reliant upon the customers not only for its survival but also for its growth and development. Understanding the factors influencing customer behavior is one of the techniques used in contemporary marketing of retail textile business. This technique could be employed to create a retail textile business strategy attracting and advertising to target customers. Retail textile business need to have long-term view of customers changing attitudes and attributes to sustain in the market. Stability in the service quality would ensure long-term trust and held the retail textile business to use their power to exercise the tangible benefits that the customers get from their shopping experience in the textile showrooms.

Retail textile products are composed of many physical attributes, their preferences may depend on the joint influence of factors that includes price, design, prints, colors, quality and brand. At the same time there has been a dramatic shift in the cultural trend among people especially among new generation and middle aged groups who have been exposed to western ideology in the wake of Globalization. Thus, for the last two decades there has been a remarkable and rapid growth in product innovation, product line, pricing and promotional strategies by the

businessmen and to the preferences, tastes, culture etc., of the customers have manifested the business environment and led to transformation from sellers market to buyers market. Therefore, today, the customers have become a king and his buying behavior has acquired the focal point of consideration by the business world, marketing agencies, researchers and academicians as well.

As more organized retail textile showrooms are opening up, more difficult it would be for them to keep customers. Sensing this issue some retailers have started spending marketing efforts for gaining customer loyalty for them. The need of the hour is to attract the footfalls, convert them into customers and try to retain them as long as possible. The greatest growth for customer relationship programs is in retailing and readymade textile retailing in particular, effectiveness of these loyalty programs is important for customer retention, this became very important in modern retailing marketing concept and this research attempts to study the same. These issues have been considered as the base for the study to analyze the customer attitude, perception and service quality towards selected organized retail textile showrooms.

1.3 SCOPE OF THE STUDY

The study can be used by the marketers of the organized retail textile showrooms to focus on the most valued factor of the customer. Organized retail textile showrooms can differentiate the necessities and the luxuries in the organized retail textile showrooms (i.e) the degree of importance to be accorded to the attributes of the textile showroom thereby ensuring proper allocation of funds and service quality. The organized retail textile showrooms can also improvise the products according to the customer taste and preference due to the change in fashion. Therefore it alleged that, the current study will throw useful insights to the marketers of the organized retail textile showrooms.

1.4 OBJECTIVES OF THE STUDY
1. To analyze the customer attitude, perception and purchase pattern towards organized retail textile showrooms.
2. To identify the factors influencing and determinants affecting the choice of customers towards organized retail textile showrooms.
3. To study the level of satisfaction, problems of customers and service quality of organized retail textile showrooms.

1.5 SIGNIFICANCE OF THE STUDY

The research carried out is based on the concept of customer attitude, purchase pattern and service quality of organized retail textile showrooms. It is valuable to a marketer in retaining the market and increasing the customer. Retail textile business in Coimbatore is characterized by severe competition. In such a case, it is important to look beyond the customer attitude and service quality of organized retail textile showrooms. It is very important to know about the purchase pattern of customers and the retail textiles should focus on service quality to withstand the competition. In other words, this study tries to strike a balance between the attitude of the customers and the service quality of the organized retail textile showrooms.

1.6 METHODOLOGY OF THE STUDY

This project is based on information collected from primary sources. After the detailed study, an attempt has been made to present comprehensive analysis of organized retail textile showroom. The data had been used to cover various aspects such as customers purchase pattern, attitude and service quality towards the organized retail textile showrooms.

I. Sources of Data

➢ The study is mainly based on primary data. Questionnaire has been designed for the customers who have made purchases in organized retail textile showrooms.

➢ A pilot study has been carried out by collecting primary data from 50 respondents through questionnaire and the remark of the survey have necessitated certain changes for the final structuring of questionnaire based on the reliability test.

➢ Cronbach's alpha test has been applied to test the reliability of the research. The alpha coefficient has been found to be ranging from 0.75 to 0.85 which is the standard value (proposed by Nunnally, 1978) of 0.70. This shows that the data for the research analyzes is reliable.

➢ Primary data has been collected through questionnaires filled by 474 respondents.

➢ Secondary data has been sourced from various journals and websites.

II. Sample Selection

➢ **Criteria for Sample Selection**

There are many textile showrooms in Coimbatore City but only the select seven textile showrooms have been considered because there is more footfalls in theses textile

showroom when compared to others. The textile showrooms taken for the study is as follows : Pothys, The Chennai Silks, Sri Ganapathy Silks, Sree Devi Textiles, PSR Silks, RMKV and Mahaveer's Silk House.

➢ **Parameters taken for selection of the Textile Showrooms.**

- Number of employees working in the showrooms.
- Area of the showrooms.
- Number of customers visiting the showrooms.
- Volume of Sales.

➢ **Determinants of Foot Prints**

Textile Showroom taken for the study	Average Footfall in a day	Average footfall per hour per showroom @	Actual Samples Collected
Pothys	8000	666.7	67
The Chennai Silks	10500	875	87
Sri Ganapathy Silks	10500	875	87
Sri Devi Textiles	9000	750	75
PSR Silks	6000	500	50
RMKV Wedding Silks	7000	583.3	58
Mahaveer's Silk House	6000	500	50
Total	57000	4750	474

▸ @ Since the selected textile showrooms are located inside city and there is hardly 100 meter difference between each textile showrooms, it is very much possible that the persons visiting a textile showroom will also visit the nearby textile showroom and to avoid overlapping of the cases in determining sample size, hourly samples were taken. The samples were collected at different time points spending sufficient time for each textile showroom. It is also verified by the textile showroom managers regarding the average footfalls.

➤ Out of 474 respondents, 67 respondents have been drawn from Pothys, 87 from The Chennai Silks and Sri Ganapathy Silks, 75 from Sree Devi Textiles, 50 from PSR Silks, 58 from RMKV and 50 from Mahaveer's Silk House are drawn based on per hour foot print.

III. Sampling Technique

For the purpose of the study random sampling method has been adopted for the selection of the sample.

IV. Area of Study

The area of the study is within Coimbatore city.

V. Tools Used

- ➢ Simple Percentage Analysis
- ➢ Descriptive Statistics
- ➢ Chi-square
- ➢ Mean Rank
- ➢ Kendall's (w) Co-efficient of Concordance
- ➢ t-test
- ➢ ANOVA
- ➢ Regression
- ➢ Gap Analysis
- ➢ Path Analysis

VI. Period of the study

The period considered for the study was 2017 - 2018.

VII. Hypothesis

A suitable null hypothesis has been framed.

1.7 LIMITATIONS OF THE STUDY

- The study was confined only to Coimbatore city and hence the result cannot be generalized to other areas.
- Only selected organized retail textile showrooms have been taken for the study.
- The information collected from the customers is assumed to be unbiased.

1.8 CHAPTER SCHEME

Chapter I depicts the introduction of the study, statement of the problem, scope of the study, objective of the study, research methodology, limitations, period of the study and geographical area of the study.

Chapter II discusses about the review of literature related to the study.

Chapter III summarizes the theoretical background about the textile industries growth and strategic perspective, role of Indian textile industry, factors influencing the choice of customer behavior in textile showrooms, service quality, customer satisfaction, and the profile of organized retail textile showrooms.

Chapter IV analyses the demographical profile of the customers, their attitude, perception and purchase pattern in organized retail textile showrooms.

Chapter V identifies the factors influencing and determinants affecting the choice of the customers towards organized retail textile showrooms.

Chapter VI presents a Gap Analysis to examine the relationship of service quality, Path Analysis to study the level of customer satisfaction and problems faced by the customers in organized retail textile showrooms.

Chapter VII consists of summary of findings, suggestions and the conclusions drawn from the study.

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