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1. Introduction

1.1 Background of the study:

India is one of the leading countries in the world in the production of handloom products. The demand for such products exists in huge proportions not only in state /national market, but even in international markets. The nature of this demand has shown variations overtime. Consumer preference has ranged from traditional to contemporary to decorative to utilitarian.

Having traditional skills, people behind manufacture of such products are increasingly dependent on information related to design and market trends. Currently, they are reliant on intermediaries for raw material, design, working capital, production facilities and eventual sales of their products. Thus, at all times, they're not able to bargain effectively for their fair share of the value margin. Their earnings are abysmally low and their work orders seasonal, compelling many of them, especially the young among them to abandon skilled work for unskilled Labour markets.

1.2 Literature review

The documents and Literature available with a private handloom and handicraft trading enterprise, *Maitreyi weaves and crafts pvt. Ltd.* were reviewed. CARE India and Andhra Pradesh Rural Livelihood Program (APRLP) have done work in the clusters of Pochampalli in Andhra Pradesh under the "*Creation of Livelihood Resource Center*" programme. The reports of their program were thoroughly studied to know in detail about the product and the market structure. Related journal articles and documents on marketing research were reviewed.

Based upon the literature review, sufficient background knowledge about the various existing product lines and the characteristics of the market was obtained. With this background knowledge, the field research and the subsequent analysis was carried out.

1.3 Study Rationale

For an effective market strategy for the growth of handloom sector, it is important to collect secondary and primary information, that is necessary for the study from different sources, including government and private organizations and institutions. A market research report is required for the formulation of marketing strategies that are beneficial for the handloom weavers and the development of handloom sector. It is also hoped that the results of the study would also be transformed into strategies for advocacy and policy development. This effort is to develop critical market information that would help in the formulation of pricing and promotional strategies, given the competition and growth of demand for handloom sector.

1.4 Study Objective:

The objectives of the study are;

i. Enlisting and survey of current markets/outlets/channels where handloom products/their forms are being sold.
ii. Enlisting of similar and competing non- handloom products/ their forms.
iii. Determine level of customer segment to target, either by price or by quality.
iv. Determining possibilities of product range variants and their listing, through design intervention.
v. Suggested market channel/ outlets/markets- geographically, SEC type.
vi. Strategies (including product and design development) to be followed to keep abreast of market information and latest trends.

1.5 Product portfolio:

i. Ikkat based handloom fabrics & accessories.
ii. Kalamkari block printed textiles & accessories.

1.5.1. Ikkat based handloom fabrics and accessories

The process of tying and dying yarn and then weaving it into a geometrical pattern on the fabric is called Ikkat. This technique is unique to the states of Andhra Pradesh and Orissa.

Currently following products are typically produced and marketed in ikkat:

Cotton based bed linen: Single bed cover, Double bed cover, Pillow cover, Cushion cover and Bolster cover.

Cotton based table linen: Table cover, Table mats, Table napkins and Table runner.

Silk fashion accessories: Duppattas and Stoles

Cotton and silk fabric for dresses and furnishings.

1.5.3 Kalamkari block printed textiles & accessories:

Kalamkari is the craft of painted as well as printed fabrics. Pedana, a small town in Machalipatnam, AP, is one of the largest hand block-printing clusters in India.

Currently following products are typically produced and marketed in Kalamkari block prints:

Cotton based Bed linen: Single bed cover, Double bed cover, Pillow cover, Cushion cover, Bolster cover, Bed runner and quilts.

Cotton based table linen: Table cover, Table mats, Table napkins and Table runner.

Cotton based Fashion accessories: Duppattas and Stole**.**

2. Research Methodology

2.1 Sampling frame

A pre-decided sample of six cities was taken — Delhi, Mumbai, Chennai, Bangalore, Ahmedabad and Jaipur. The sampling frame was chosen taking into consideration the size of the market, purchasing capacity of the consumers, popularity of a destination as a tourist place, the cosmopolitan nature of the city, etc. Two major cities were selected in each of the three zones of the country, the southern zone, northern zone and the western zone.

2.2 Sampling

A mix of *judgmental sampling* and *random sampling* was used to collect primary data. In a city the handloom / departmental stores to be interviewed were chosen on the basis of the following criteria:

- Availability of media information
- Product profile of the store with regards to handloom products.
- Size and scale of operation of the store
- The consumer strata the store is catering to.

Once the stores were identified based on the above criteria, then convenient random sampling was used to visit these stores.

Within the stores, judgmental sampling was used to identify the store manager or the merchandising manager and get the required information from them.

2.3 Tools for data collection

2.3.1 Secondary Data

- Literature available with Maitreyi Weaves and Crafts was used to get an understanding about the handloom product portfolio and the various clusters therein.
- Relevant documents of the ministry of textile and the textile policy were referred.
- Internet sites of related handloom stores were referred to get a better understanding about their product portfolio and the existing demand in the market.

2.3.2 Primary Data

- *Structured as well as unstructured questions* were used to collect information. Some of the questions were also dichotomous in nature.
- **Scale:** Both *ordinal* as well as *interval scale* was used to frame the questionnaire and collect the data. *Ordinal scale* was used in only one case where a ranking of the attributes was needed. In all other case a *likert scale* was constructed with the

number of scale categories ranging from 1—3. The number of scale categories chosen was small so as to make it convenient for the respondents to give responses.

- *Pretesting of questionnaire was done in Bangalore before making final questionnaire.*
- *Checklist was also used to collect data in the initial phases of the research regarding the production processes and the techniques involved.*

2.4 Research Design and approach

In the beginning **exploratory research** methodology was used. The objective of the exploratory research was to 'gain insight' for developing an approach to the problem and to isolate key variables and relationships for further examination. A visit was made to the clusters in Koyyalagudem and Machlipatnam to get an insight about the production process. The pretesting of the questionnaire at Bangalore followed this. In the exploratory research phase in-depth interview was conducted with the weavers.

Exploratory research was followed by **Descriptive research**. Descriptive research was used to:

- Describe the characteristics of the relevant groups such as consumers, merchandising manager, market areas, etc.
- Estimate the percentage of units in a specified population exhibiting a certain behavior.
- Determine the degree to which marketing variables are associated
- Make specific predictions

In the descriptive research, in depth interview was conducted with the merchandising manager or the store manager of the various stores visited.

Multiple cross sectional design of research methodology was used while collecting information from the respondents.

2.5 Reference year

The time period during which the study was carried was from 10th October to 17th December 2005. Out of this, the fieldwork part took around forty days (15th October to 24th November) And the rest of the time was used in report writing.

2.6 Analysis of data

- The analysis of the data collected in the field has been done using Microsoft excel and SPSS version 11.1.
- Pictorial representation of the data collected using bar chart and pie chart has been done wherever necessary.
- Statistical tools like measures of central tendency, co-relation and chi square test have been used.
- Factor analysis has also been used

2.7 Study regions

The area where the marketing research was carried included six major cities of India---------------- *Delhi, Mumbai, Chennai, Bangalore, Ahmedabad and Jaipur*.
The study also includes the production sites at:

- Koyyalagudem
- Machlipatnam
- Pochampalli

2.8 Limitations of the study

- Time was a limiting factor, as the number of respondents could have been more.
- The research was carried at the time when there are some major festivals like Diwali, Dussehra, and Id. As this is a major time for shopping in India so some stores did not give as much time as was required for the questionnaire leading to *Response Error*.
- In some cases the respondents were not completely aware about all the aspects of the product leading to *Inability error*.
- There has been *surrogate information error* while collecting the data. This is just limited to one question where information was needed about procurement price but it was obtained for selling price.
- Some element of *social desirability* has also creeped in while collecting the data.

3. National and International scenario

3.1 Indian textile industry

The worldwide approachability of the Indian fabric makes it one of the fastest growing industries of India. India has the advantage of cheap labor thereby reducing the production cost and the quality of the fabric used is also world class. Most important of all, the textile industry has a strong socio-economic significance in India's economy. Some of the salient features of the Indian textile industry are:

- It is the second largest producer of cotton yarn and silk.
- Over 10,000 small garment units and a fragmented textile industry.
- India is big in production but small in market reach. It has barely 4% of the global textiles market and less than 30% share of apparel.

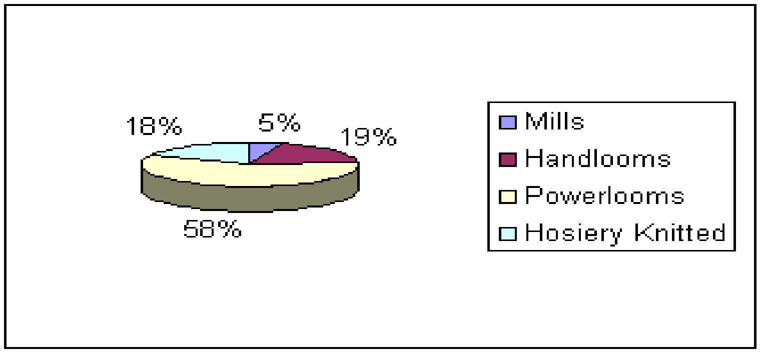
Just to double our market share in five years, we need to invest:

- Rs 50,000 crore in fabric processing
- Rs 25,000 crore in garment sector
- Rs 37,000 crore in spinning sector
- Rs 25,000 crore in weaving units
- Rs 3,000 crore in knitwear industry

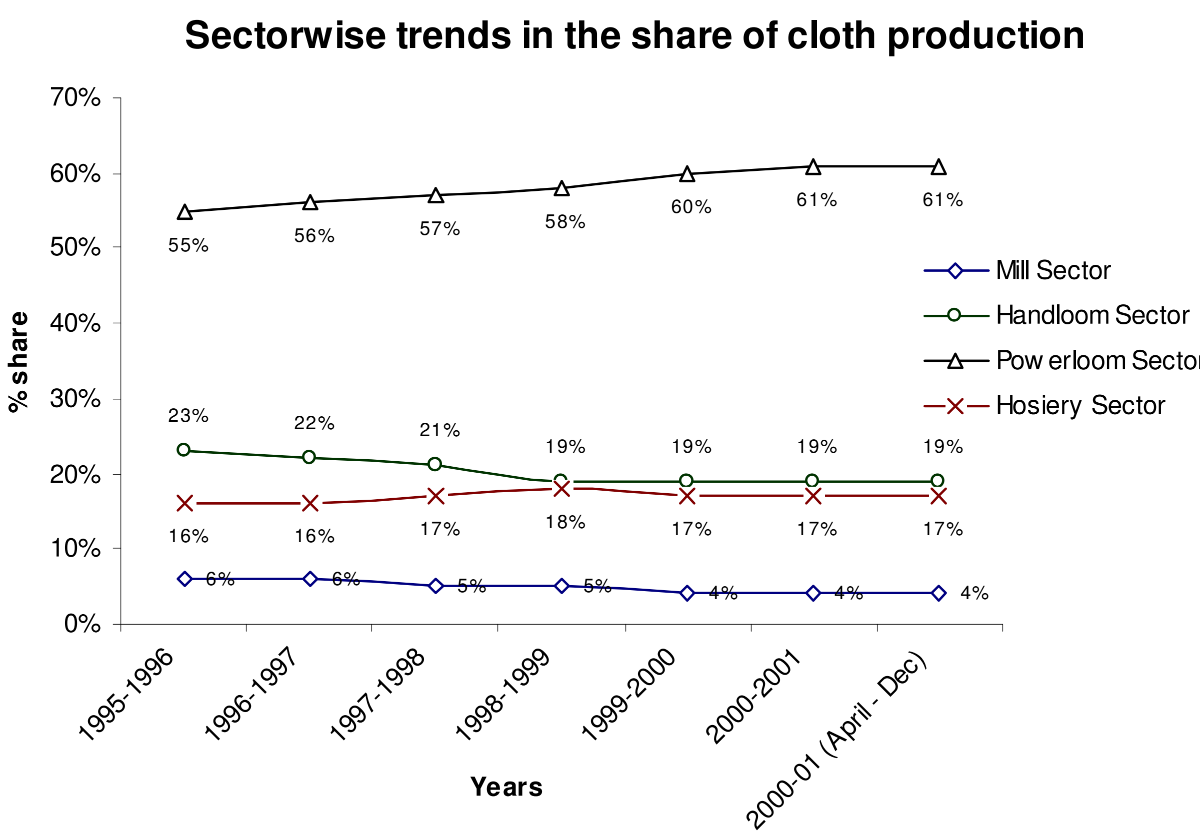
(Source: Outlook, 15 November 2004)

The Indian Textile Industry's myriad spectrum ranges from the hand-spinning and hand-weaving operations to a highly sophisticated, capital-intensive and high speed manufacturing activity. Between the two extremes, the industry manufactures a staggering range of fabrics, sufficing for an even larger variety of end uses. The process of economic liberalization which begun in the last decade, has compelled the industry to strive for competitiveness - not only in terms of price, but also quality. The professional attitude towards business and the urge to excel globally is on the rise. Unfortunately, the emerging challenges and opportunities are not within the core sphere of the individuals and firms at the lower rung of the industry, due to their preoccupation with day-to-day struggles of life.

Figure 3.1: The share of the different sectors in cloth production in the year 1998-99 is as given below:



Source: http://www.texmin.nic.in



3.2 Handloom Sector

Despite the presence of the power loom sector in a big way along with all its advantages, the handloom sector has been able to withstand the competition. It has also proved its indispensability on certain fronts. Wave of ethnic revivalism and effective state intervention through financial assistance and implementation of various developmental schemes have brought about more than tenfold increase in the production of handloom fabrics.

This sector contributes nearly 19% of the total cloth produced in the country. During the year 1996-97, a total production of 7,457 million sq. meters of cloth was achieved. The Handloom Act passed by the parliament in 1985 aimed to shield handloom weavers against power loom and textile mill operators by reserving certain textile articles (presently eleven in number) for exclusive production by handlooms. However, these have to go in wake of the new economic regime's heralding in India. *Now, handloom fabrics would have to survive and move on the basis of its quality rather than protectionist measures*.

In terms of employment, the handloom sector is next only to agriculture. It provides livelihood to nearly 12.4 million persons engaged on 3.8 million looms. About 60% of the handloom weavers are women as per an estimate of Ministry of Textiles. Generally, the cost-effectiveness of the powerloom cloth scores over the handmade appeal of handloom cloth, thus offsetting the potential opportunity.

4. Discussions & Results

4.1 Sample city – Bangalore

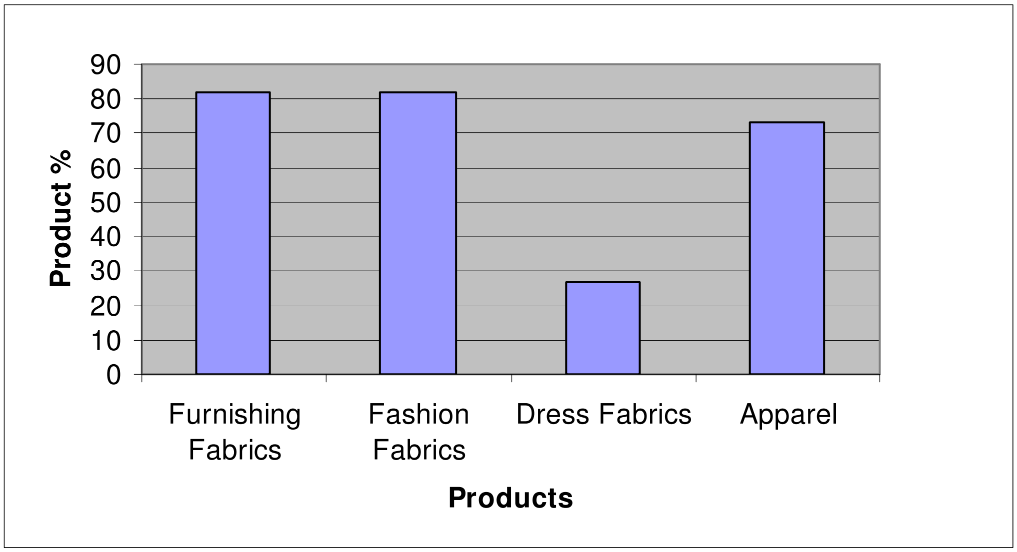
4.1.1 Profile of the stores visited:

Out of the 11 stores interviewed in Bangalore, the profile of the stores is as follows:

- 3 stores were exclusively handloom furnishing stores
- 6 stores had a combination of home furnishings and apparel with them.

4.1.2 Handloom products and its availability:

Figure 4.1: Range of products available in Bangalore.

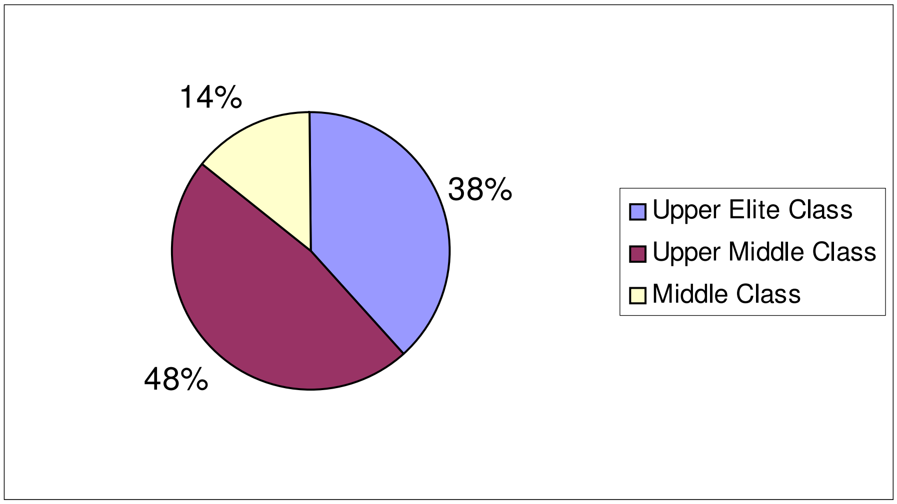


- Out of the 11 stores visited in Bangalore, 82% of the stores kept furnishings, fabrics, accessories and fashion accessories.
- 74% of the stores had apparel and only 25% of the stores had dress fabrics with them.
- In the furnishing and fabrics 54% of these stores had above 50% of the products in handloom.
- In case of fashion accessories only 36% of stores kept above 50% of handloom products.
- In dress fabrics and apparel, 54% of the stores had above 50% of the products in handloom.

This limited research shows that in Bangalore, handloom products are more in demand in furnishings, accessories and dress fabrics.

4.1.3 Consumer segments

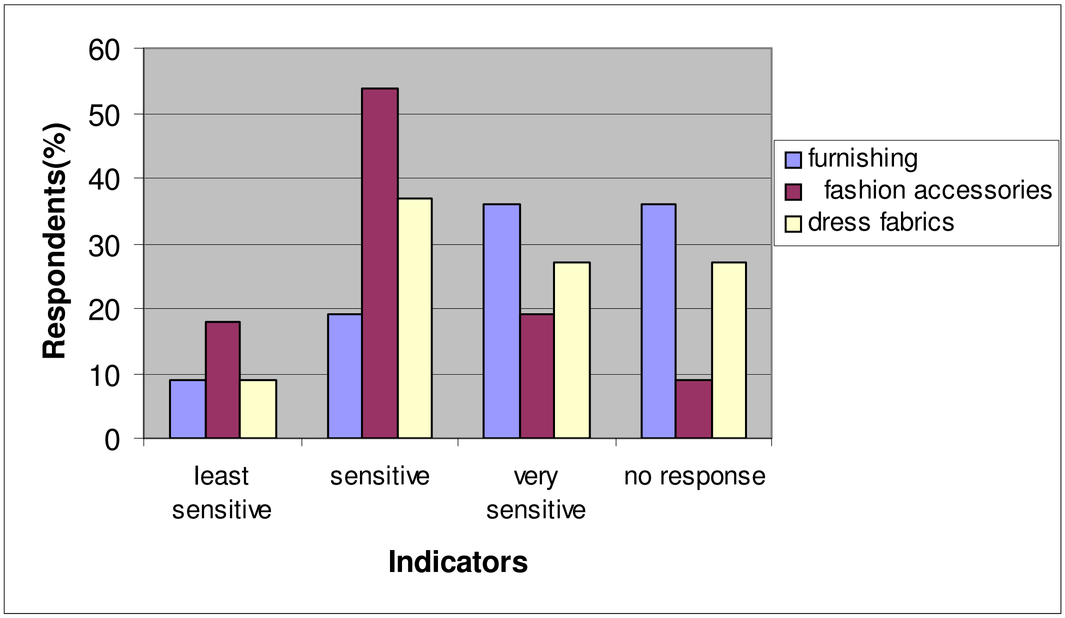
Figure 4.2: Consumer segments emerging in Bangalore (Socio Economic Class wise):



The majority of the buyers in Bangalore are from the upper middle class (48%), while the middle class just forms a meager 14% of the buyers and elite class is 38%.

The classification of the consumers into different socio-economic class is based upon the NCAER estimates: Middle class consists of consumers whose income ranges between 2 lakhs to 4 lakhs per year. The upper middle class consists of consumers with an income ranging between 4 lakhs to 10 lakhs. The elite class has an income range of above 10 lakhs per annum.

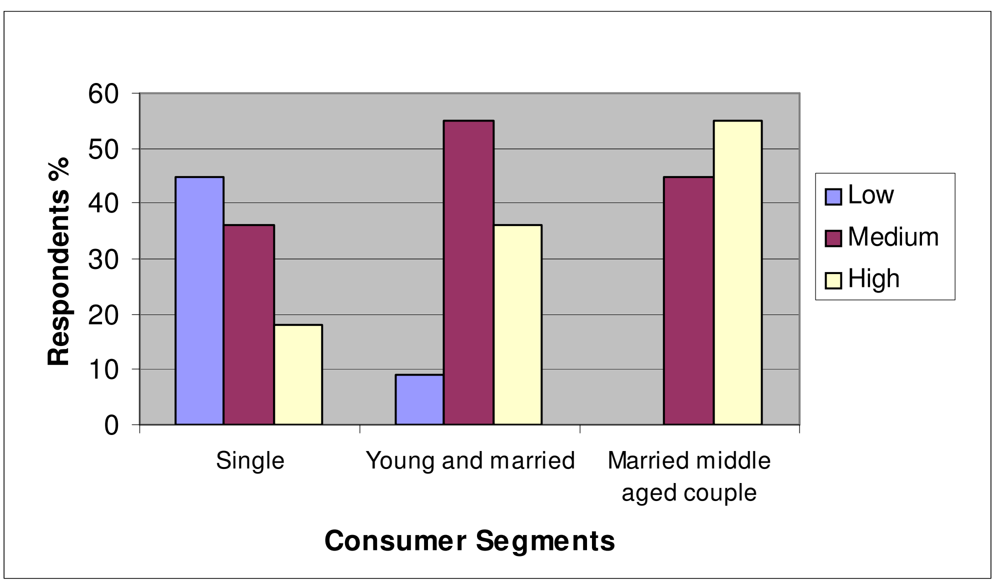
Figure 4.3: Price sensitivity in Bangalore



The customers in Bangalore are sensitive to the price of these products.

Only 9% of the respondents in the furnishing and dress fabrics and around 18% of respondents in the fashion accessories appear to be non-sensitive to the prices of these products. This clearly shows that the Bangalore market is price sensitive.

Figure 4.4: Consumer segments in Bangalore (Age wise):

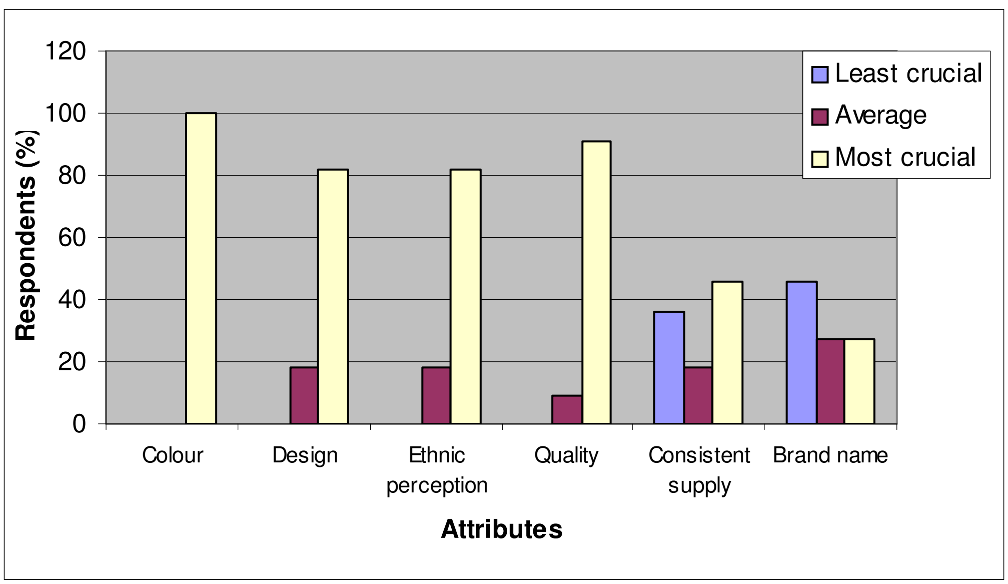


- The middle-aged people (40+) are more frequent buyers for the handloom product. Around 55% of the middle aged customers visit these stores more frequently
- Compared to the middle aged, just 37% of young and married and 18% of singles are frequent buyers. The frequency of visit of young and married couple is almost average.

This clearly shows a reason of price sensitivity of the customers. As more of the customer base is that of the middle aged people, they are bound to be more price sensitive because of their need for more value for money. It is the single and the young and married who show more of an impulse buying and less price sensitivity. As this segment does not form a major chunk of the buyers so the consumer segment exhibits price sensitivity.

4.1.4 Attributes important for sale of products:

Figure 4.5: Attributes important for sale of products in Bangalore.

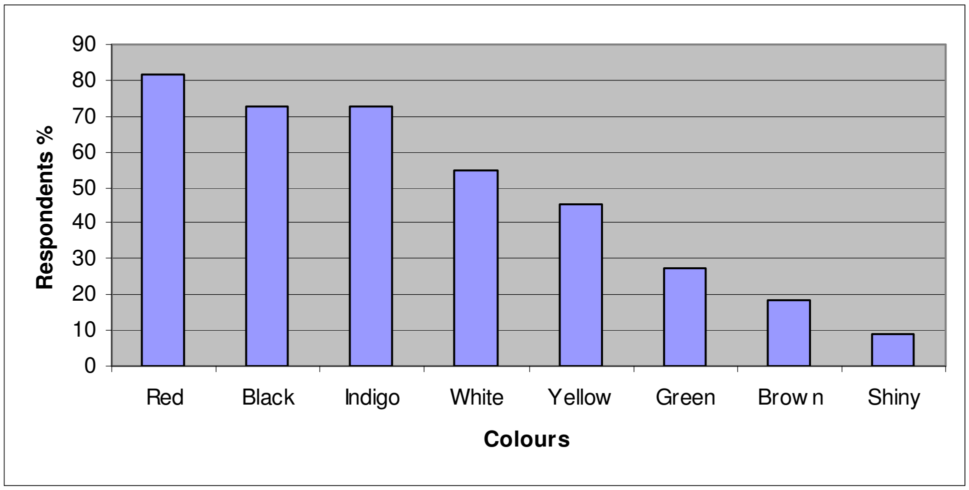


- Brand name is not important as far as sales of the product is concerned. One reason that can be attributed is that the younger section of the population is not that frequent buyer of handloom product in Bangalore. It is this section only that is usually brand sensitive.

- Color combination, ethnic perception, quality and design all are very important as far as the sales of the product is concerned.

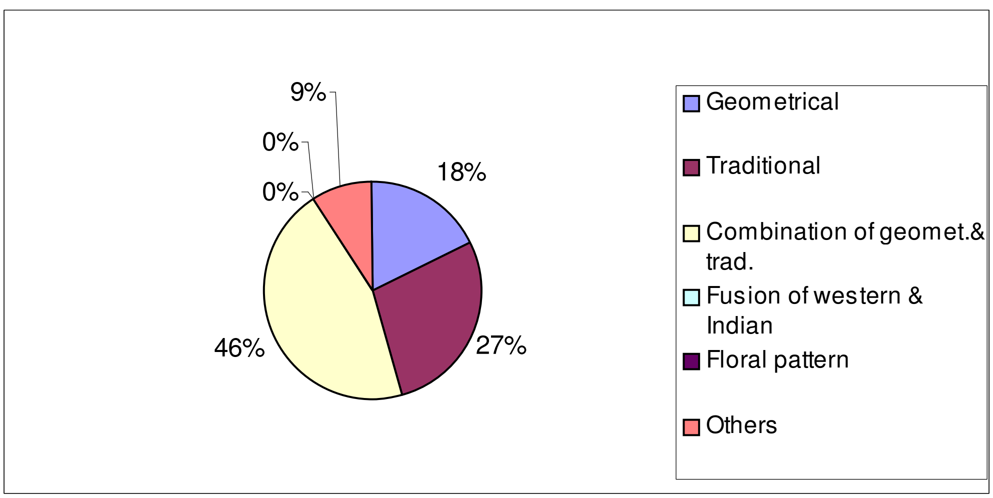
4.1.5 Design trends and colour preferences:

Figures 4.6: Colour preferences in Bangalore.



76% of the consumers prefer bright colors like red, black, indigo and white.

Figure 4.7: Latest design trends in Bangalore



46% of the consumers prefer a combination of geometric and traditional pattern. As far as traditional designs are concerned, they are not very popular in Bangalore.

4.1.6. Designs:

- Around 80% of the people said that they were aware of the Ikkat design, while 100% of the people were aware about Kalamkari designs.
- Dress fabrics and apparel are the most in demand product in each of the above categories.
- In furnishings Kalamkari has a dominant presence with around 78% of the stores having furnishings in Kalamkari.
- In the fashion accessories Kalamkari has a dominant presence. On the whole it can be said that both Ikkat and Kalamkari products have presence in Bangalore market.

4.1.7 Promotion strategies followed:

- Most of the stores in Bangalore give advertisements in magazines and have a customer database. They maintain a database of regular customers and keep them informed about the products arrival.
- Very few stores go to participate in the exhibitions as they feel that exhibitions will dilute the premium appeal of their product.

In store promotion strategy:

- As far as the in store promotion strategy is concerned, 37% of the stores have no in store promotion strategy.
- Majority of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers or to customers who buy goods of Rs 5000 or more worth.

The sale of handloom products in Bangalore is not seasonal. Around 82% of the respondents said that the sales are constant throughout the year. But still there are basically two lean months—September and March when the sales are usually low because of school exams and religious reasons.

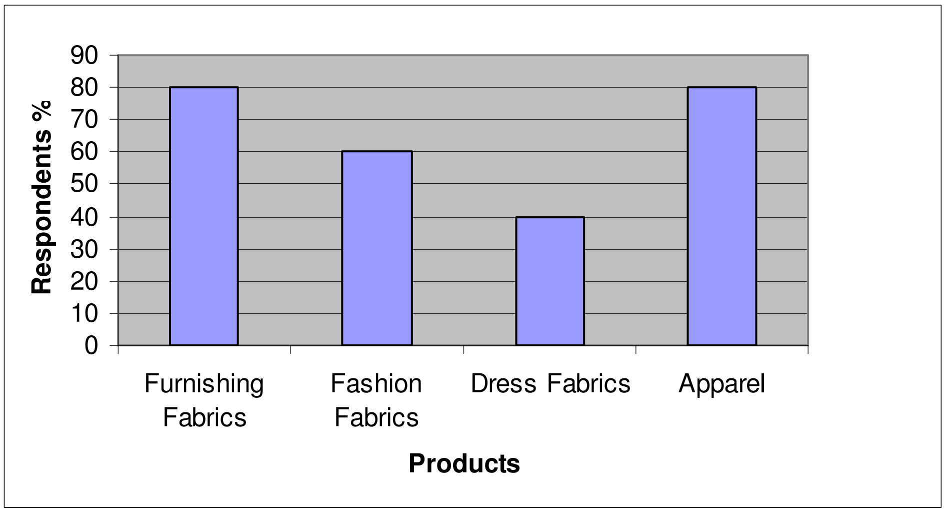
4.2 Sample City - Chennai

4.2.1. Profile of the stores visited

- The total number of stores interviewed in Chennai was 10. Out of the 10 stores visited, 3 stores had exclusively furnishing material.
- 6 stores had both home furnishing as well as apparel.

4.2.2. Handloom products and its availability

Figure 4.8: Ranges of products available in Chennai.

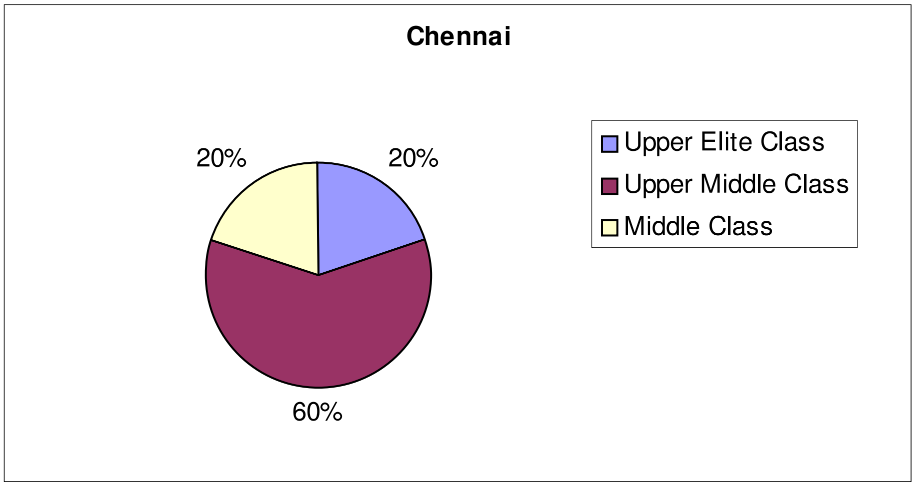


- Out of the 10 stores visited in Chennai, 80% of these stores kept furnishings, fabrics, and accessories.
- 60% of the stores kept fashion accessories.
- Only 40% of the stores had dress fabrics and 80% of the stores had apparel with them.
- In the furnishing and fabrics 70% of the stores had above 50% of furnishings and apparel in handloom.
- In case of fashion accessories 60% of stores kept above 50% of handloom products.

This shows that in Chennai, the handloom products are popular and in all the above product categories they are predominantly found.

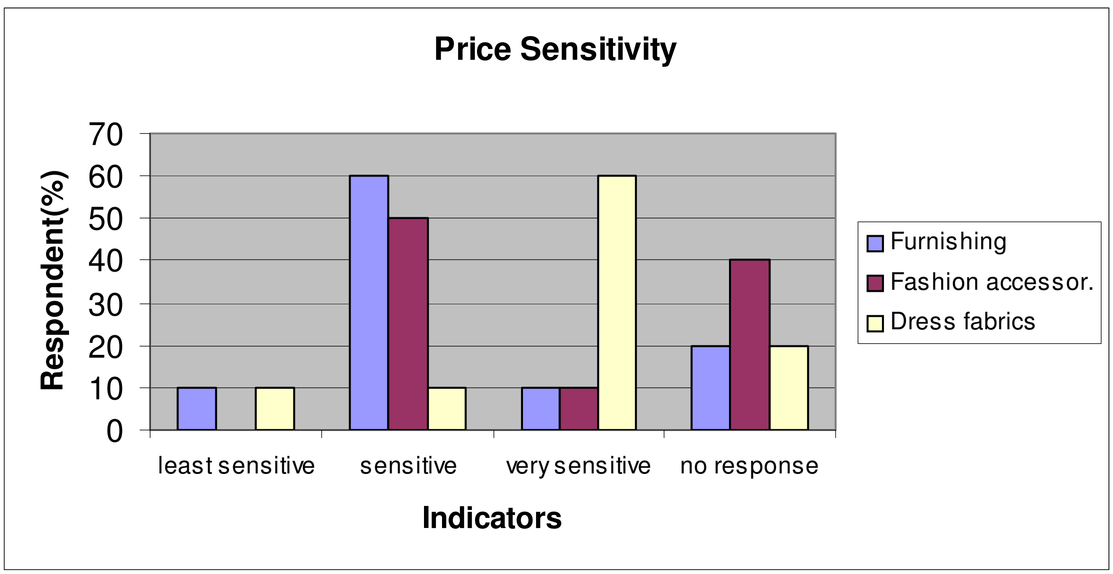
4.2.3 Consumer segment:

Figure 4.9: Consumer segments emerging in Chennai (SEC Wise)



The majority of the Consumers in Chennai are from the upper middle class (84%), while the middle class just forms a meager 24% of the buyers.

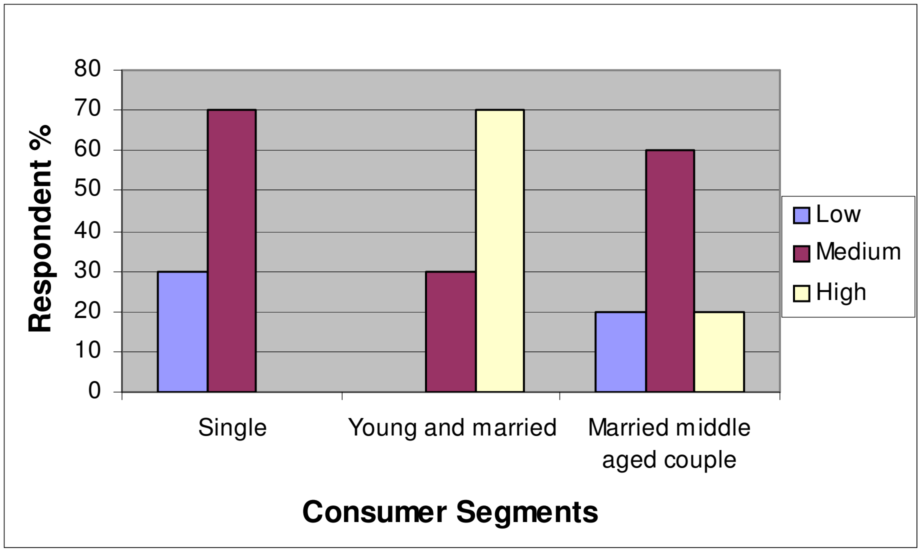
Figure 4.10: Price sensitivity in Chennai



The consumers in Chennai are sensitive to the price of the handloom products. Only 9% of the respondents in the furnishing appear to be non-sensitive to the prices of these products.

There is a marked characteristic of the Chennai market that around 60% of the respondents are very sensitive to the price of the dress fabrics and apparel. This shows that the consumers are more sensitive as far as the price of dress fabrics and apparel is concerned than the furnishings and fashion accessories.

Figure 4.11: Consumer segments in Chennai (Age Wise)

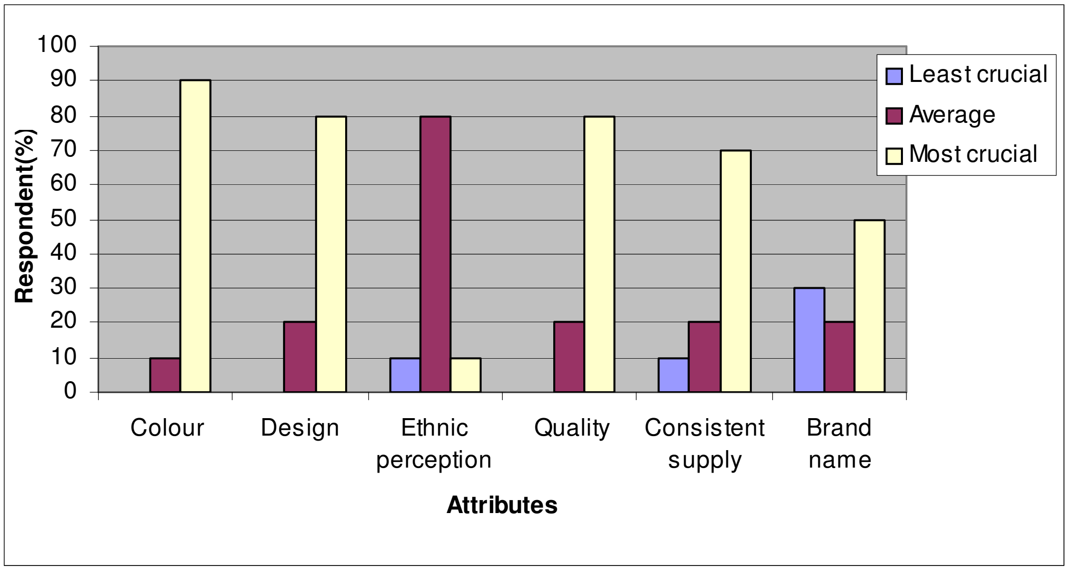


- The young and married (25- 35) and the single are more frequent buyers for the handloom product. Around 70% of this consumer segment shows a high buying behavior as far as handloom is concerned.
- The frequency of visit of married middle-aged couple is just average.

As major chunk of the buyers are young and married and single so it may be concluded that the high sale of the dress fabric and apparel is because of this reason.

4.2.4 Attributes important for sale of products:

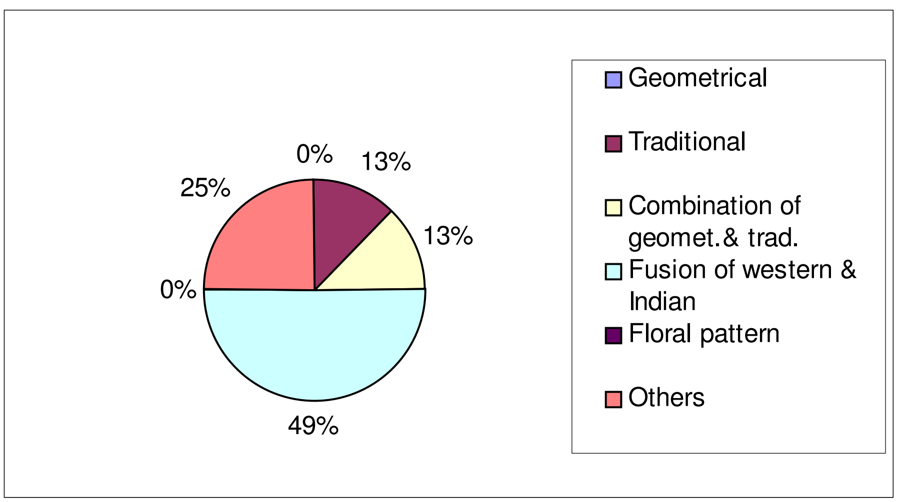
Figure 4.12: Attributes important for sale of products in Chennai.



- **Colour, Design, Quality and consistent supply** are the most important parameters as far as the sales of the product is concerned.
- Ethnic perception and Brand names are not that important an attribute as far as the sales of the product is concerned.

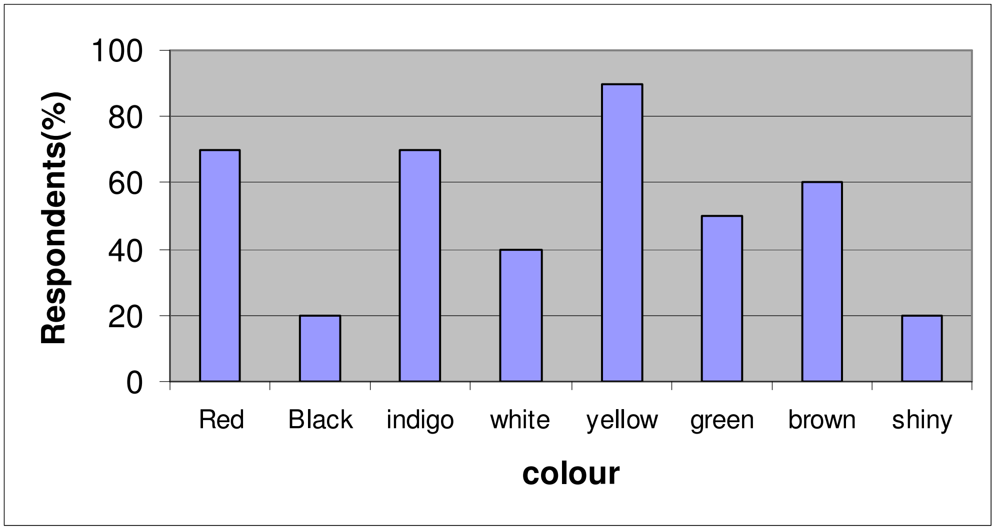
4.2.5 Design trends and colour preferences:

Figure 4.13: Design trends in Chennai



The design trend that is popular in Chennai is a fusion of Indian and Western. One of the reasons that can be attributed for the popularity of this design trend is that most of the consumer base for the handloom products in Chennai consists of young and newly married people.

Figure 4.14: Colour preferences in Chennai.



As far as color preferences are concerned, bright colors like red and indigo are very popular. Yellow seems to be the most popular color as far as the consumer preferences is concerned. The middle-aged people have shown a preference for the earthy colors like green and brown.

4.2.6 Designs:

- Almost all the respondents are aware about Ikkat and kalamkari designs.
- Dress fabrics and apparel are the most in demand product in each of the above categories.
- In furnishings, Kalamkari has a dominant presence with around 78% of the stores having furnishings in Kalamkari.
- In the fashion accessories Kalamkari has a dominant presence. On the whole it can be said that both Ikkat and Kalamkari products have presence in Chennai market.

4.2.7 Promotion strategies followed:

- Giving regular advertisements in newspapers and magazines is one of the most popular promotion strategies followed by the stores.

- Around 40% of the stores also participate very frequently in the exhibitions. Direct mailing is not that popular method in Chennai.
- As far as the in store promotion strategy is concerned, 30% of the stores have no in store promotion strategy.
- Majority of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers or to customers who buy goods worth Rs 5000 or more.

4.3 Sample City - Delhi

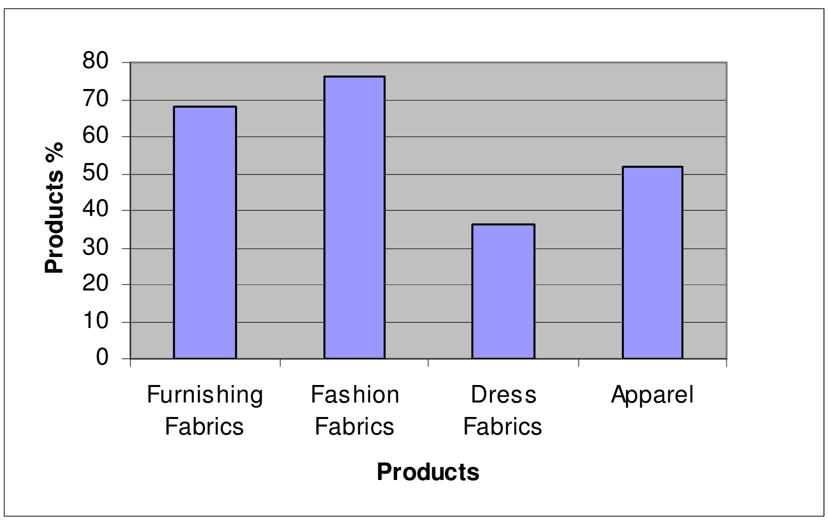
4.3.1 Profile of the stores visited

The total number of stores visited in Delhi was 25.

- Out of the 25 stores visited, 7 stores had exclusively only furnishing material.
- 16 stores had furnishings and apparel with them.

4.3.2 Handloom products and its availability

Figure 4.15: Range of products in Delhi.



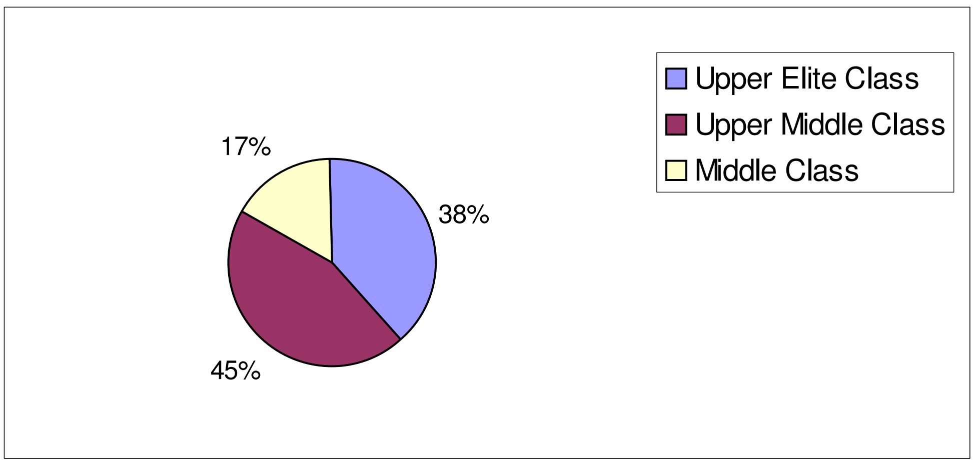
- Out of the 26 respondents contacted, 69% of them claimed to have furnishing fabrics while 75% of them claimed to have fashion accessories with them.
- Dress fabrics is not that popular while around 55% of the stores claimed to have apparel with them.

- As far as percentage of handloom is concerned, 55% of the stores keep above 50% of handloom products in furnishing and fabrics.
- 35% of the stores have apparel above 50% in handloom with them.

It is quite clear that in Delhi the stores have a mixture of powerloom, mill based and handloom products. On an average a store keeps around 40-50% of the handloom products with maximum thrust being in furnishing, fabrics and accessories.

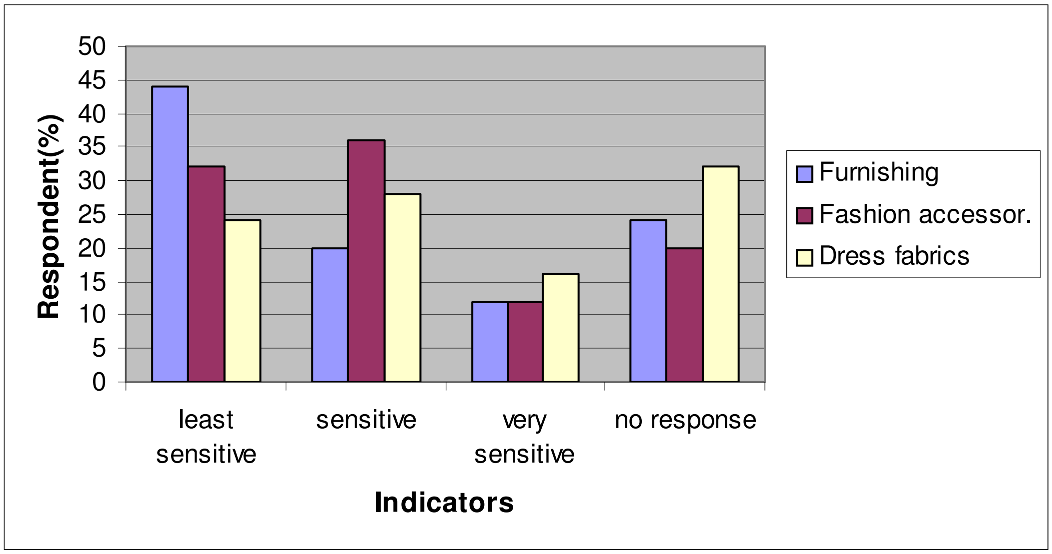
4.3.3 Consumer segment:

Figure 4.16: Consumer segment emerging in Delhi (SEC Wise)



In Delhi majority of the consumers belong to the elite class (70%) and upper middle class (82%). The participation of middle class consumers as far as handloom is concerned is very low.

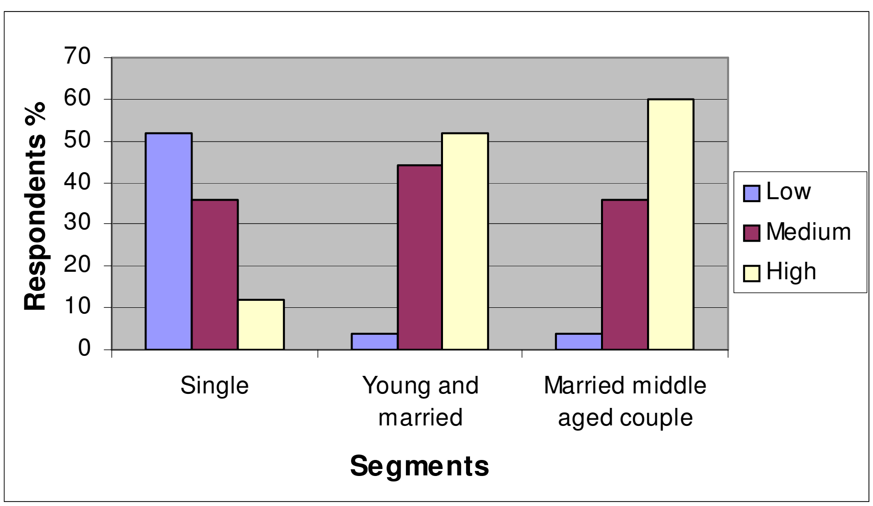
Figure 4.17: Price sensitivity in Delhi



- Around 45% of the respondents are least sensitive as far as the prices of furnishing fabrics and accessories is concerned.
- Customers are sensitive to the price of fashion accessories and apparel.

But, it can be said on the whole that as the consumer base in Delhi is slightly more skewed towards the elite and upper middle class, so the sensitivity towards price is not that high.

Figure 4.18: Consumer segments in Delhi (Age Wise)

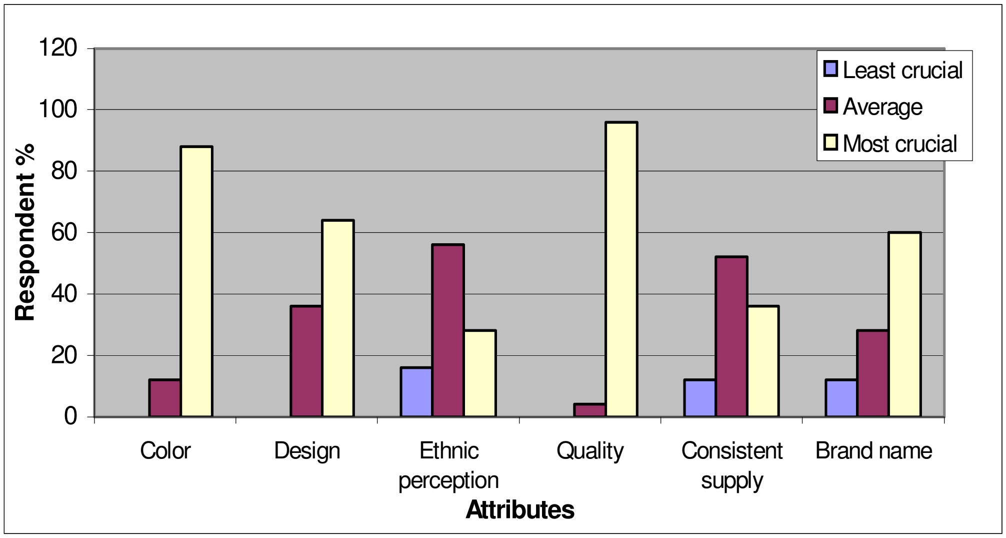


- The buying frequency of the married middle-aged couple is high. Around 60% of the middle aged people visit these stores very frequently.
- The frequency of visits of the young and married is also high (52%).

- The single people do not show much of interest as far as the handloom products is concerned. This clearly shows that the younger generation is more influenced by brands and advertisements (two elements which are distinctly lacking in the handloom sector.)

3.3.4 Attributes important for sale of products:

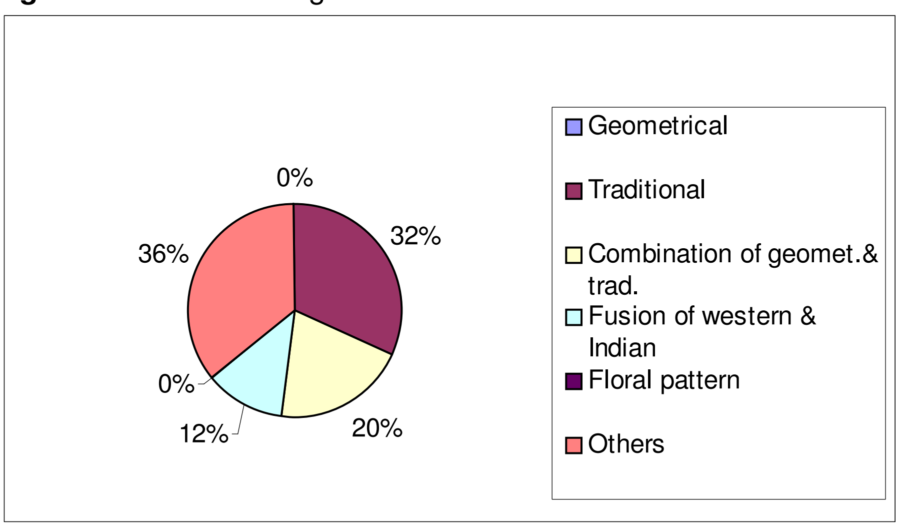
Figure 4.19: Attributes important for sale of products



The attributes, which are considered to be the most important for the sales of the product, are color, design, quality and consistent supply by the suppliers. Ethnic perception and the brand name of the product is not important as far as the sales of the product is concerned.

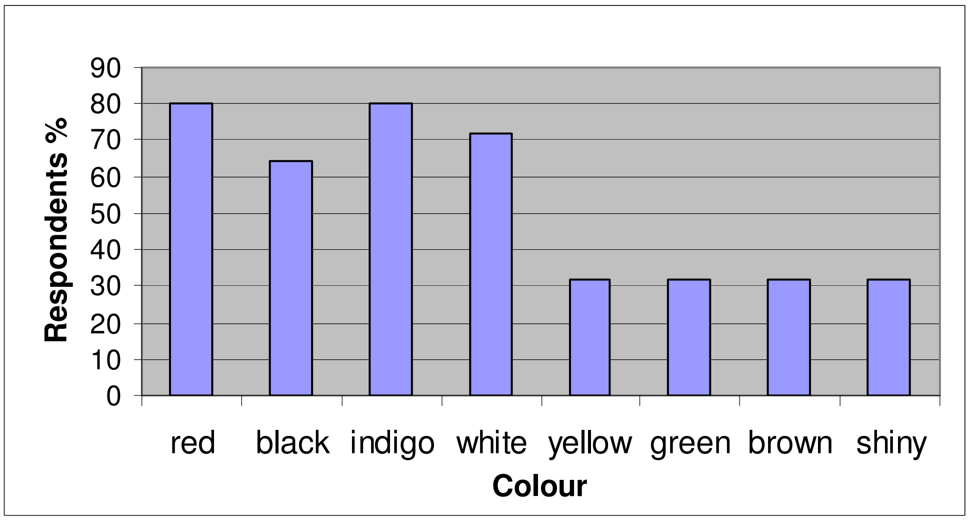
4.3.5 Design trends and colour preferences:

Figure 4.20: Latest design trend in Delhi



Traditional designs are very popular in Delhi. Around 32% of the respondents said that traditional designs are very popular in Delhi. **Subtle and more classic designs** are also in demand. **Checks** and **stripes** are also very popular amongst the consumers. Gradually there is a shift towards fusion of Indian and Western wear, with people preferring something which has a fusion element in it.

Figure 4.21: Colour preferences in Delhi



- Bright colors seem to be very popular in Delhi. The consumers prefer to wear bright colors like red, black, indigo and white. The preference for pastel colors is very less.
- There is a clear-cut season demarcation in Delhi. People wear brighter and darker colors in winter and lighter colors in summer.

4.3.6 Designs

The awareness level about all the designs is high (> 50%), with the highest being in case of block prints. All the respondents were aware about the block prints, but as far as the awareness about Kalamkari block printing is concerned it was low.

- Ikkat is popular as far as furnishings are concerned. Kalamkari has average demand in all the three categories - furnishing, fabrics, fashion accessories and apparel.

4.3.7 Promotion strategies followed

- The most prominent ways of promotion in Delhi are through newspapers, magazines and direct mails to the regular as well as potential customers.

- Participation in exhibitions is negligible.
- Organizing theme-based events is also a popular method of promotions. Some of the stores also organize their own fashion shows to promote their latest designs.

Around 30% of the stores do not follow any specific in store promotion strategy. Some of the major in- store promotion strategies followed are giving discounts to customers which can be either in the form of annual sales or on purchase of a fixed amount of goods. Giving gifts on purchases is also one of the major in store promotion strategy.

4.4 Sample City – Jaipur

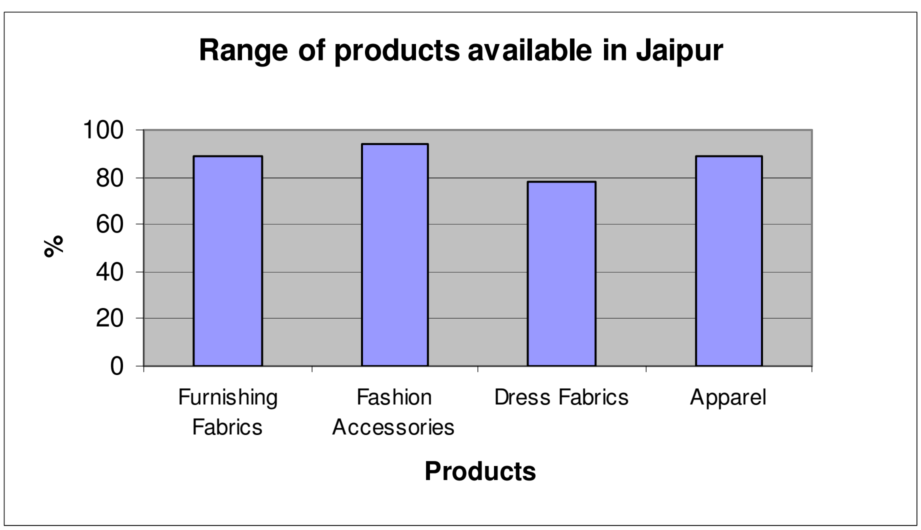
4.4.1 Profile of the stores:

The total numbers of stores visited in Jaipur were 18. Out of these the number of respondents interviewed were eighteen.

- 4 stores had exclusively furnishing material with them
- 14 stores had both handloom and furnishing material with them.

4.4.2. Handloom products and its availability:

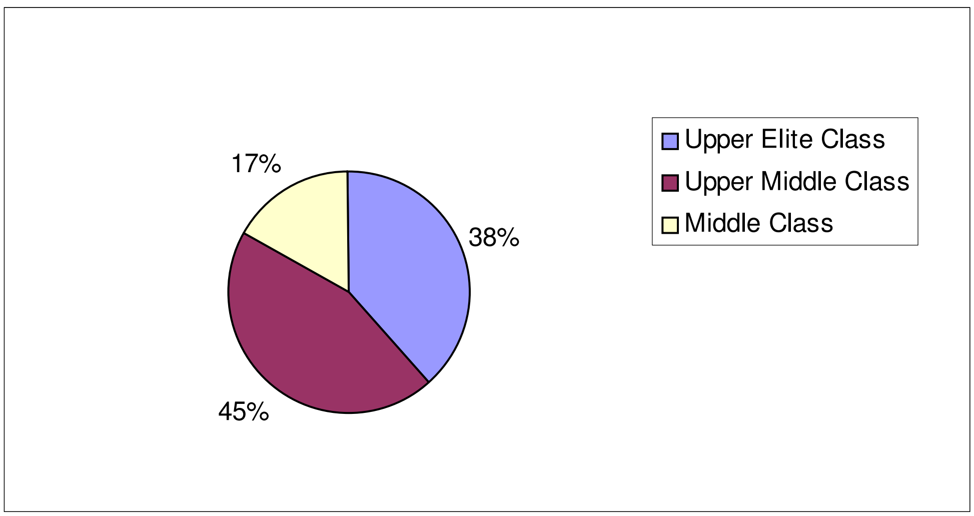
Figure 4.22: Range of products available in Jaipur



- Most of the stores had all the product ranges available with them. Fashion accessories were predominantly found in almost all the stores.
- Jaipur is a big tourist destination and foreign tourists come to this place in a large number. Handloom products are very popular amongst the foreigners, so most of the stores have almost all the ranges of products available with them
- Around 60% of the stores had more than 50% of the products in handloom available in all the product ranges.
- Some of the stores (around 10%) also had products in handloom below 25%.

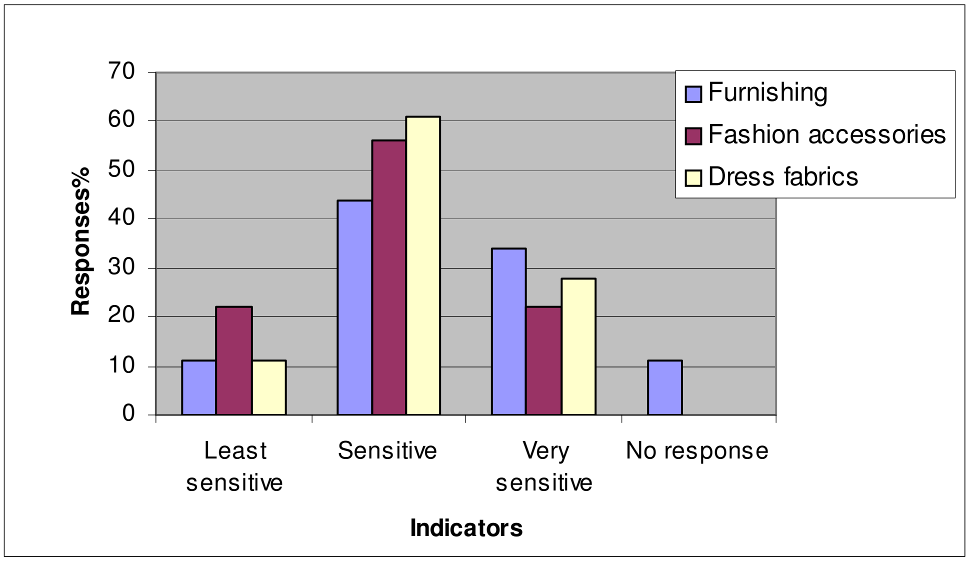
4.4.3 Consumer segments:

Figure 4.23: Consumer segments emerging in Jaipur (SEC Wise)



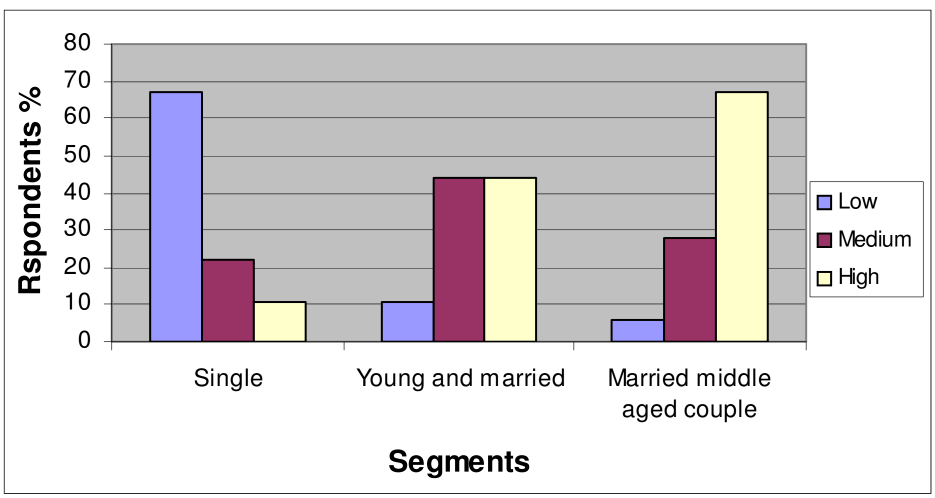
- The upper middle class visits the stores more frequently. Around 90% of the buyers belong to the upper middle class.
- Elite class is also frequent visitors in these stores.
- Middle class does not visit these stores that frequently.

Figure 4.24: Price sensitivity of Jaipur:



- The sensitivity of the consumers to the prices of the products is not high. The sensitivity towards price is just average.
- Consumers appear to be more sensitive to the price of apparel and fashion accessories.
- As far as furnishings is concerned their sensitivity is just average.

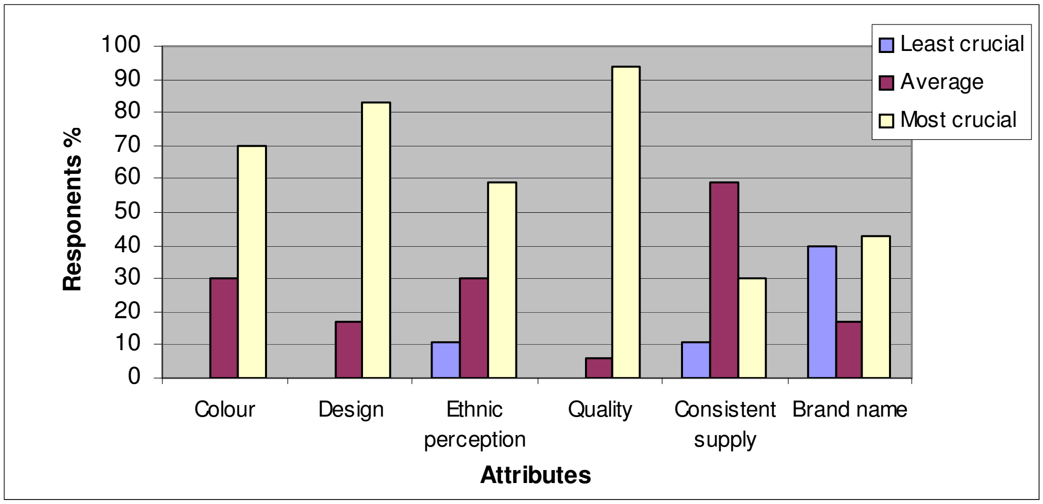
Figure 4.25: Consumer segments in Jaipur (Age Wise)



- The married middle-aged couple visits these stores more frequently i.e. 67%.
- The frequency of visit of the young and married couple is medium.
- The frequency of visit of singles is very low.

4.4.4 Attributes important for sale of products:

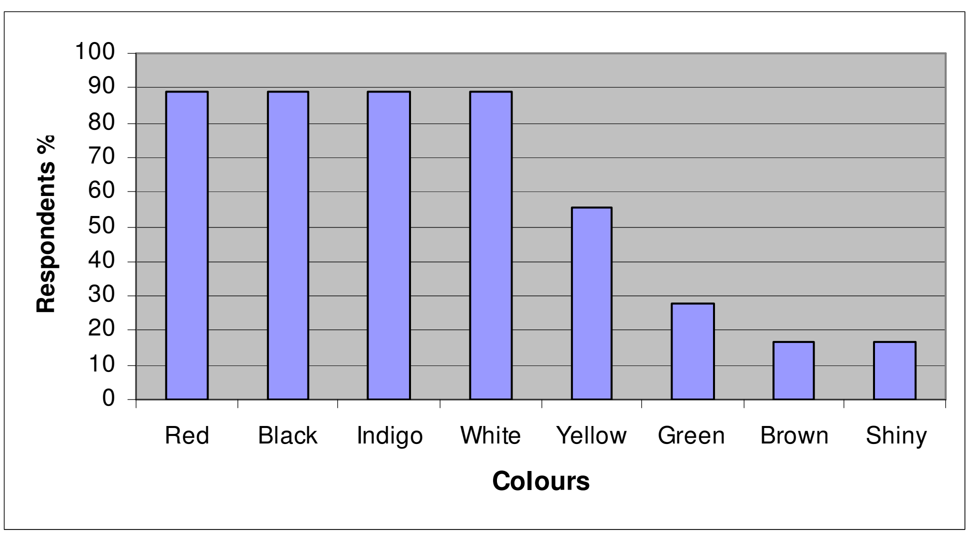
Figures 4.26: Attributes important for sale of products in Jaipur



- The attributes that are important for sale are **colour combinations, design pattern and the quality consistency.** 60 % of the respondents feel that *ethnic perception* is also important for sale.
- Brand name & timely supply plays a minor role in product sales.

4.4.5 Design trend and colour preferences:

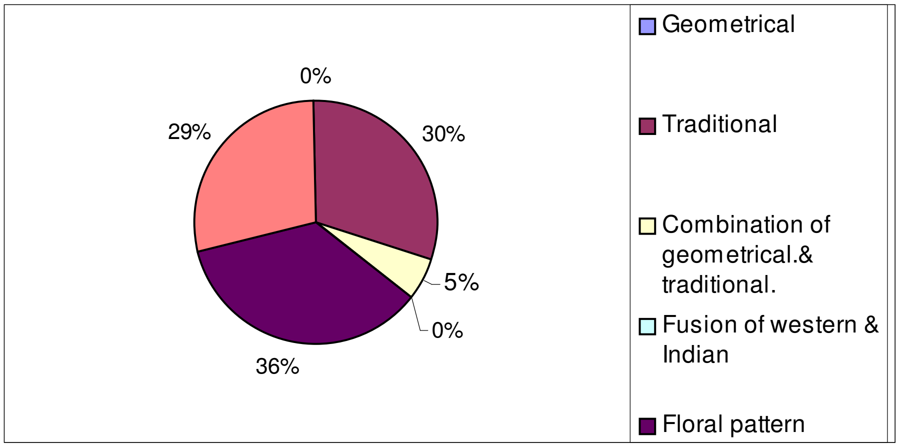
Figure 4.27: Colour preferences in Jaipur



- The bright colours like red, black, indigo and yellow are found to be prominent colours in Jaipur.

- Pastel colors are not popular in Jaipur.

Figure 4.28: Latest design trends in Jaipur



- Floral pattern was found very common in Jaipur. Floral designs are basically the traditional designs of Jaipur. Jaipur is known for its floral designs.
- A fusion of Indian and western or a combination of geometrical and traditional designs was totally absent in Jaipur.
- The USP of Jaipur is its floral pattern and it is this design, which has made Jaipur handloom popular throughout the world.

4.4.6 Designs:

- Demand for ikkat designs is very less. Whatever little demand exists, is found only for apparels.
- Block prints are popular in apparel and home furnishings. The major demand for block prints being in the apparel.
- Around 89% of the respondents said that they were aware of the Block prints. Awareness about kalamkari block prints was low as Jaipur has its own traditional block printing design.
- Awareness level for ikkat products was found least.

4.4.7. Promotion strategies followed:

- Most of the stores visited advertise in the city info and Jaipur vision. These are the two popular magazines used extensively by the tourists.
- None of the stores used direct mailers or participated in exhibition to promote their product.
- Around 50% of the stores do not have any in store promotion strategy. As the major buyer segment consists of foreign tourists and the domestic tourists, so there is hardly any annual sale.
- The only discount offered to the consumers is when they buy goods above a certain value and then they are offered some concession on the total purchase value.

4.5 Sample city - Ahmedabad

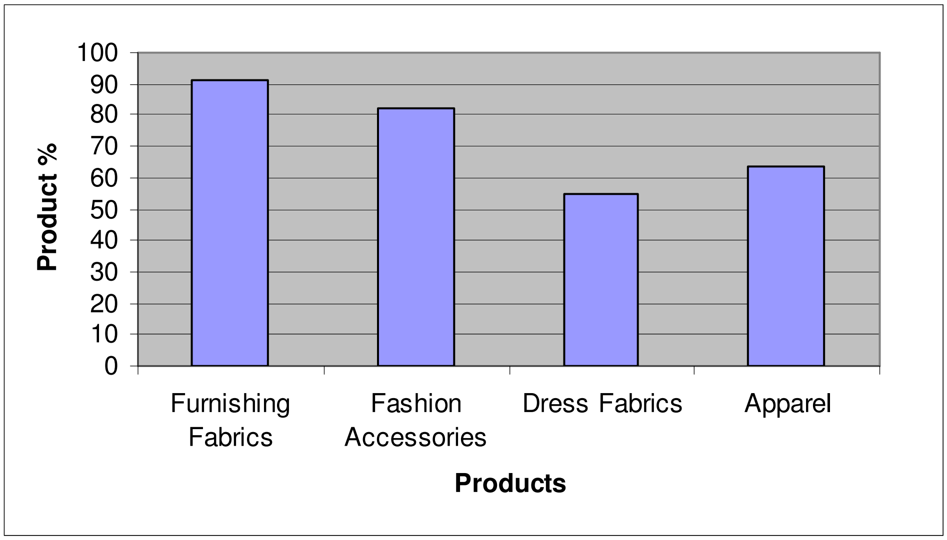
4.5.1 Profile of the stores visited

Out of the 11 stores interviewed in Ahmedabad, the profile of the stores is as follows:

- 2 stores were exclusively handloom furnishing stores
- 6 stores had a combination of home furnishings and apparel with them.

4.5.2 Handloom Products and its availability:

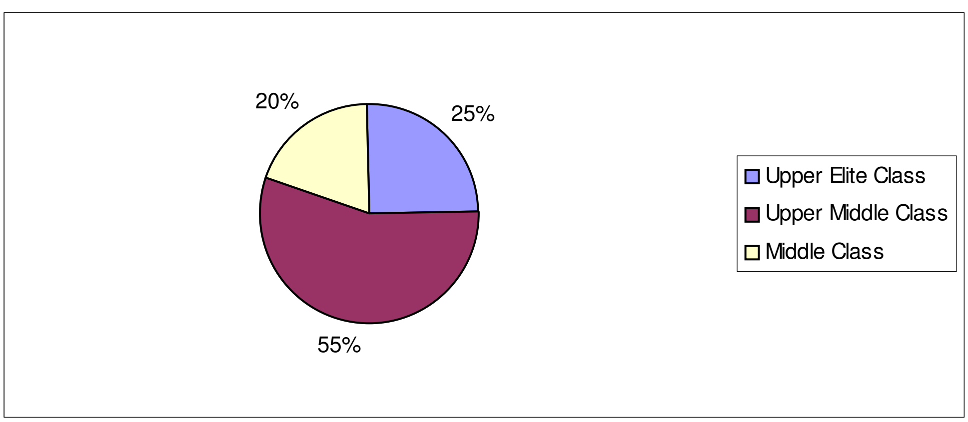
Figure 4.29: Range of products available in Ahmedabad



- Out of the total respondents, the most common product range available was furnishing (91%) followed by the fashion accessories (82%), apparel (64%) and the dress fabrics (55%).
- The demand of handloom products was found to be more in case of the furnishing and fashion accessories.
- 75 % of the above stores had more than 50% of the handlooms products in all the product variants. From this it can be inferred that handloom products have their distinct presence in the Ahmedabad market.

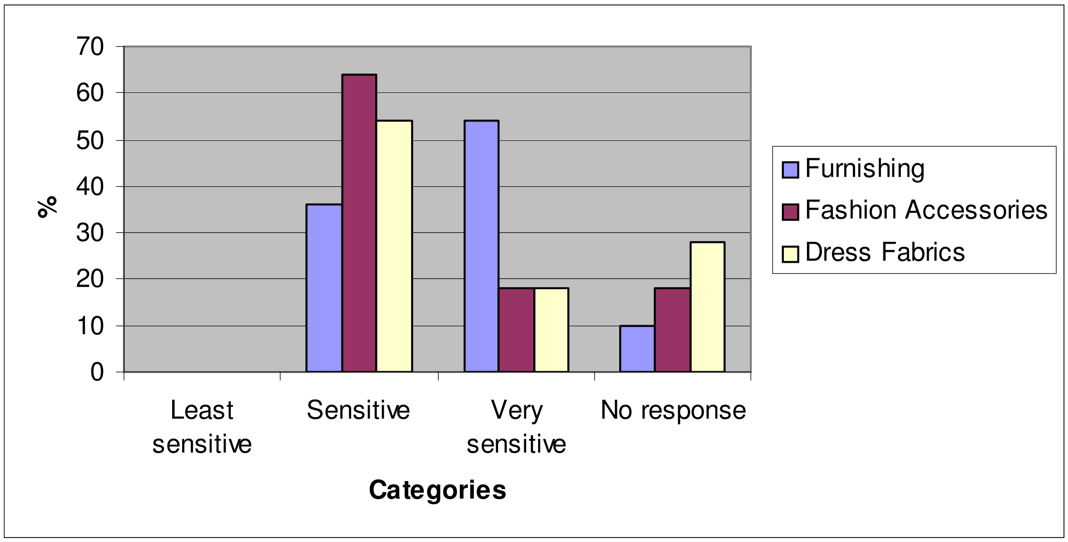
4.5.3 Consumer segments:

Figure 4.30: Consumer segments emerging in Ahmedabad (SEC Wise)



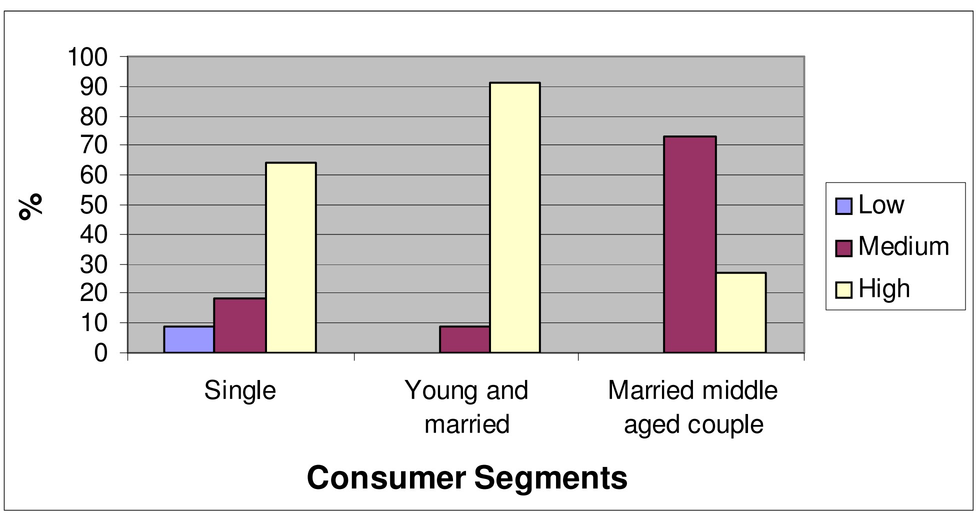
- Majority of the buyer visiting the stores belongs to the upper middle class. It is found that in all the stores visited the most frequent buyer were upper middle class followed by the upper elite class.
- The frequency of visits made by the middle class is generally low.

Figure 4. 31: Price sensitivity in Ahmedabad



- Ahmedabad market is very price conscious and sensitive as far as furnishing fabrics and accessories is concerned. They look for value for the money.
- Consumers are found to be sensitive towards the prices of fashion accessories and dress fabrics.

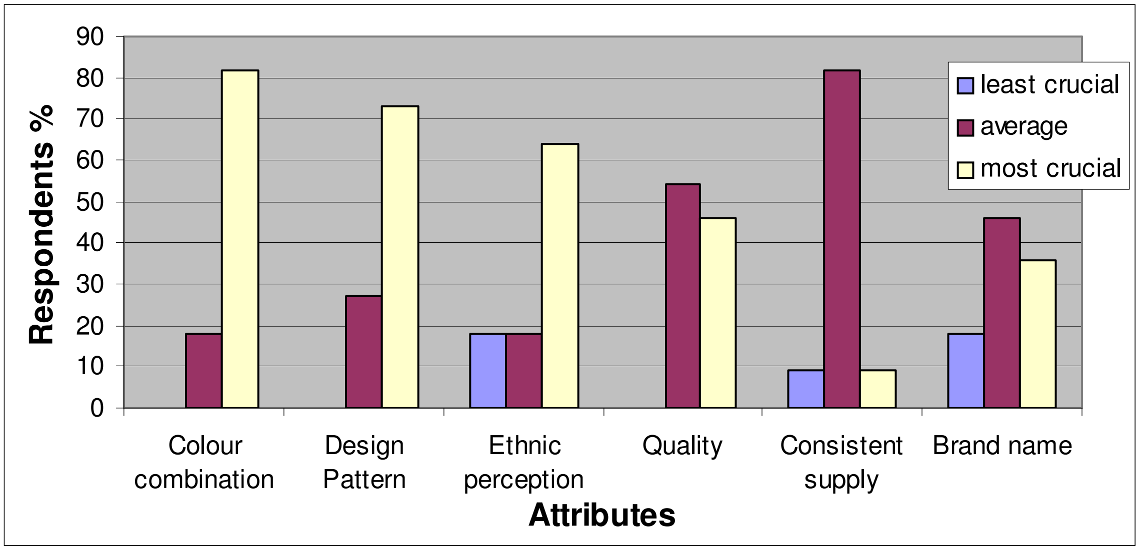
Figure 4.32: Consumer segments in Ahmedabad (Age Wise)



The young and married are found to be more frequent buyers for the handloom product. Around 91% of the young and married consumers visit these stores very frequently. The frequency of visit of married middle-aged couple is medium.

4.5.4 Attributes important for sale of products in Ahmedabad:

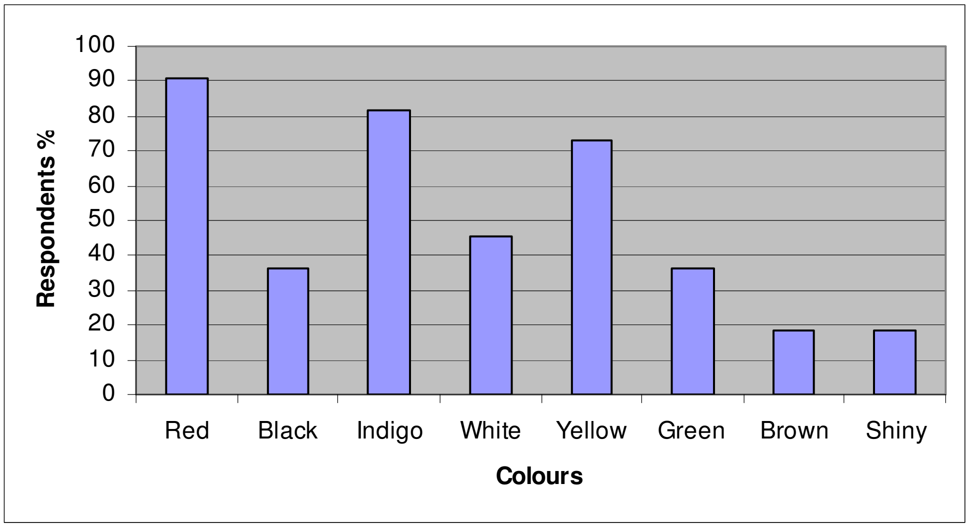
Figure 4.33: Attributes important for sale of products in Ahmedabad



- The attributes that emerged out to be important for sales were colour combinations, design pattern and ethnic perception.
- The Quality consistency, consistent supply and the brand name are considered just average as far as the sales of the product is concerned.

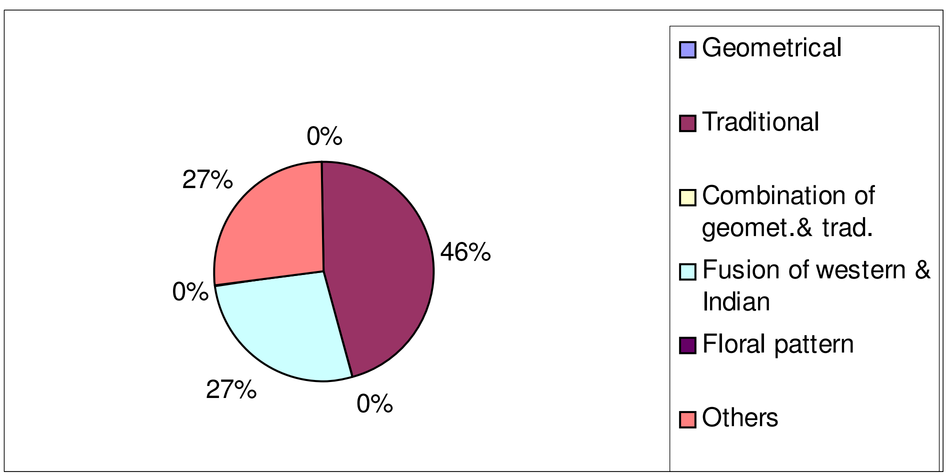
4.5.5 Design trend and colour preferences:

Figure 4.34: Colour preferences in Ahmedabad



- The red, indigo and yellow were found to be prominent colours in Ahmedabad.
- The consumers did not prefer pastel colors. One of the reasons for it can be that the majority of the consumers belong to the young and married group.

Figure 4.35: Latest design trends in Ahmedabad



- Traditional designs are popular in Ahmedabad. Around 46% of the consumers go for traditional designs.
- There is also a strong liking for the fusion like a fusion of Indian and Western wear and geometrical and traditional pattern with around 50% of the consumers going for such designs.

3.5.6 Designs:

- 91% of the respondents said that they were aware of the kalamkari block prints.
- 73% of the respondents were aware about Ikkat fabric and cotton & blended handloom fabrics.
- In furnishings and accessories the stores had both ikkat and Kalamkari
- Kalamkari designs are popular in dress fabrics and apparel.

4.5.7 Promotion strategies followed:

- Most of the stores in Ahmedabad give advertisements in magazines and newspaper. They also participate in exhibition but the participation rate is just 21%.
- As far as the in store promotion strategy is concerned, 64% of the stores give discounts to the customers. These discounts are generally given at the time of annual sales.

4.6 Sample city – Mumbai

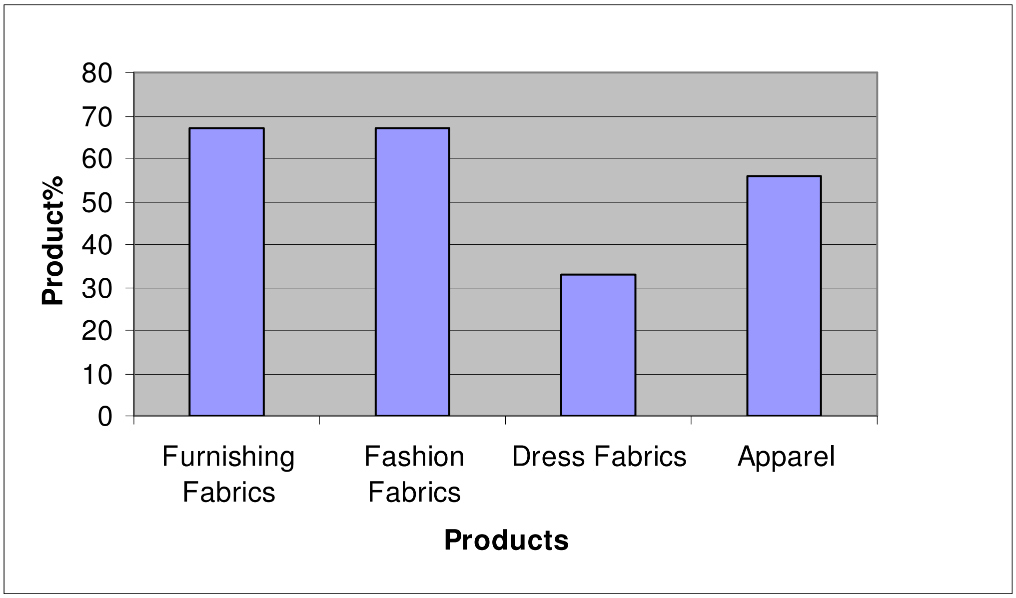
4.6.1 Profile of the stores visited:

Out of the 18 stores interviewed in Mumbai, profile of the stores is as follows:

- 5 stores were exclusively handloom furnishing stores
- 10 stores had a combination of home furnishings and apparel with them.

4.6.2 Handloom products and its availability:

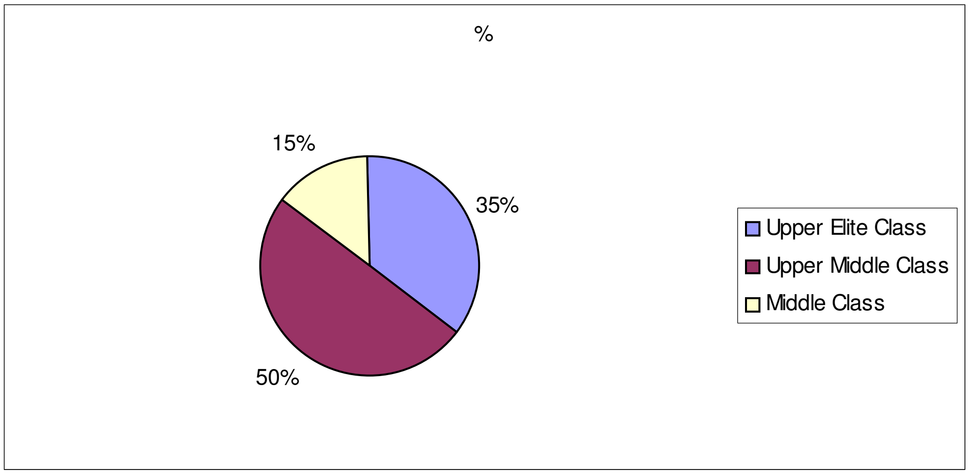
Figure 4.36: Range of products available in Mumbai



- The most common product variant available in the stores visited were furnishing material and fashion accessories (around 70%) followed by apparel (56%) and the dress fabrics (33%).
- Around 60% of the stores visited had more than 50% of handloom in furnishing, fabrics, fashion accessories and dress fabrics.

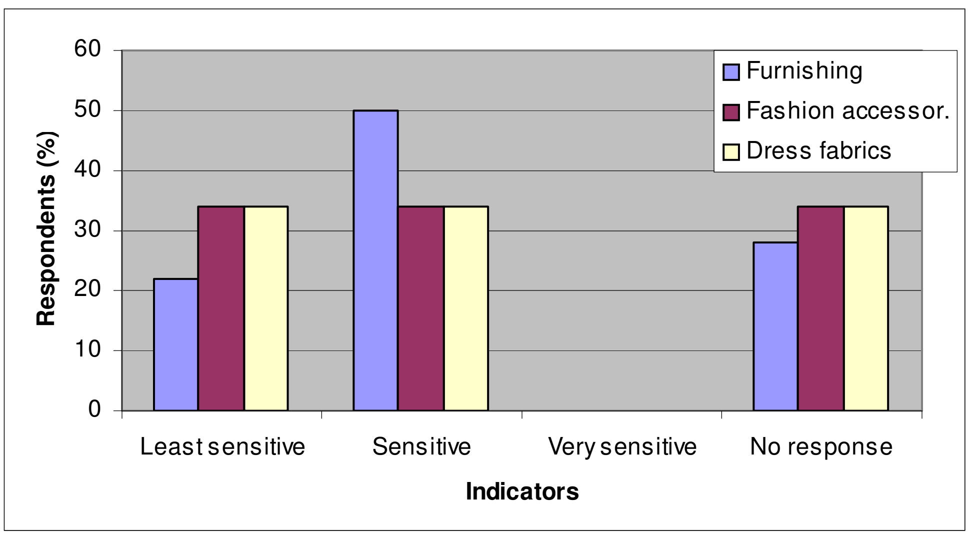
4.6.3 Consumer segments:

Figure 4.37: Consumer segments emerging in Mumbai (SEC Wise)



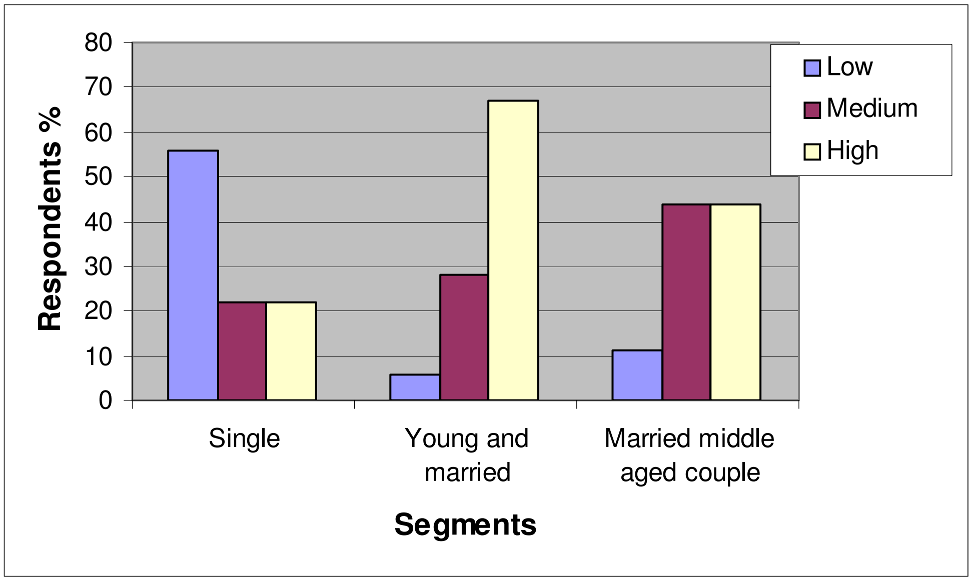
- Majority of the consumers visiting the stores belong to the upper middle class.
- Upper elite class also forms a sizeable portion of the total consumer base.
- Middle class consumers are just an insignificant portion of the total consumers.

Figure 4.38: Price sensitivity in Mumbai



Sensitivity toward the prices of the entire product is just average. About 30% of the respondents said that the customers are least sensitive toward the prices of handlooms products.

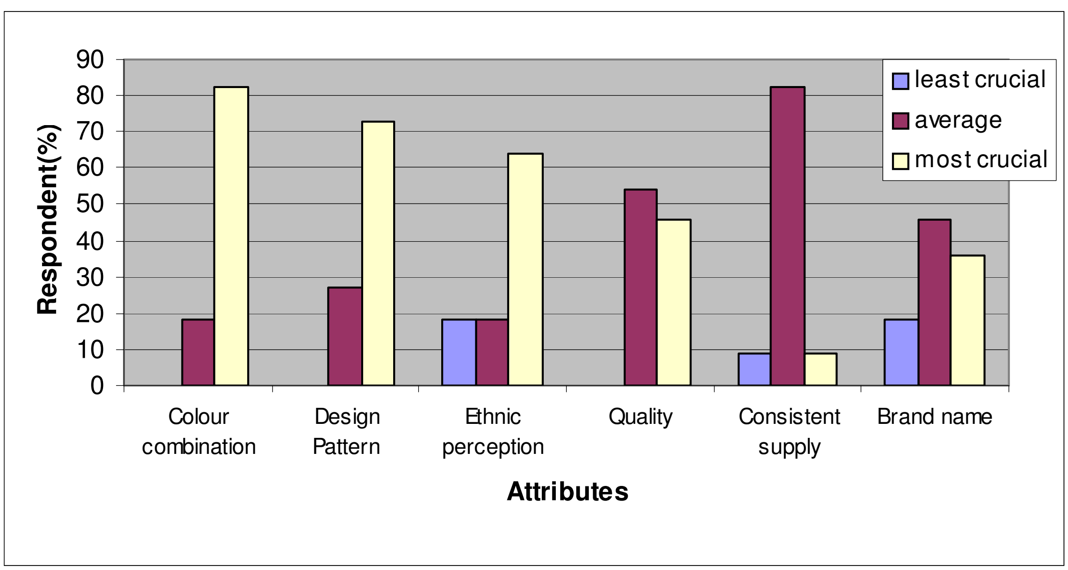
Figure 4.39: Consumer segments in Mumbai (Age Wise)



- The young and married category was found to be the most frequent buyers for the handloom product i.e. 67% of the respondents said that the young and married form a sizeable portion of the total consumer base.
- The frequency of visit made by the married middle-aged couple is also quite high (44%).
- The frequency of visit of single category is very low.

4.6.4 Attributes important for sale of products:

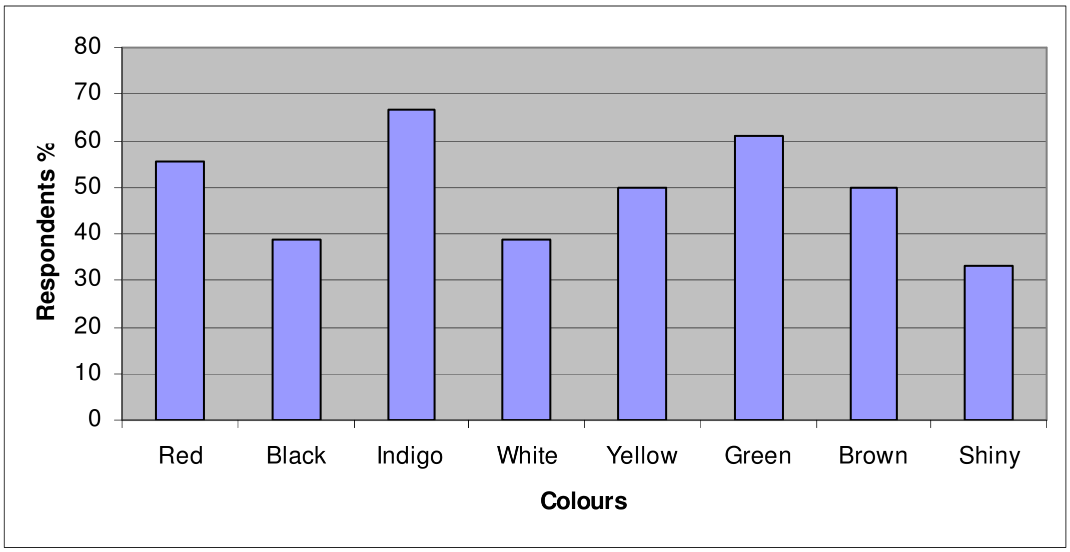
Figure 4.40: Attributes important for the sale of products in Mumbai:



- The attributes of the products, which were found to be crucial for the sales of the product, are **colour combination, design pattern and the ethnic perception**.
- The attributes like quality consistency, consistent supply and brand name are considered average as far as the sales of the product is concerned.
- Mumbai market is not very quality conscious.
- The consumers are more dictated by the fashion trends and the look of the apparel.

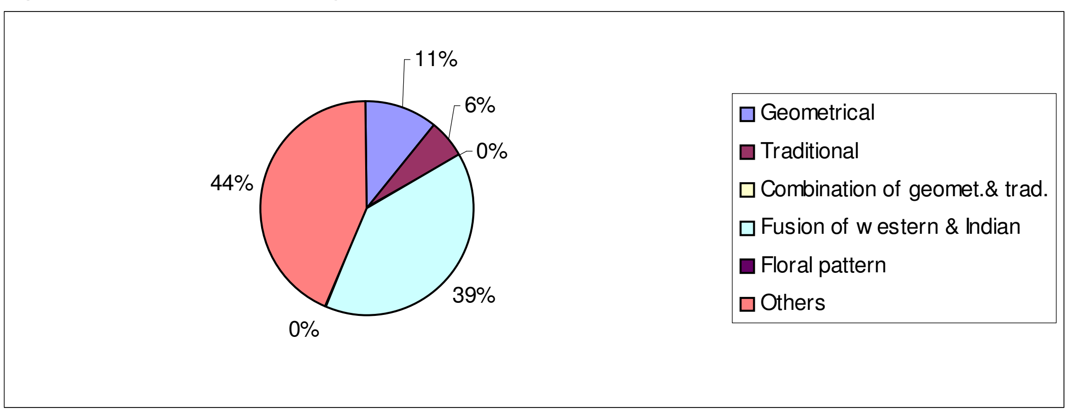
4.6.5 Design trends and colour preferences of the customers:

Figure 4. 41: Colour preferences in Mumbai



- The red, and indigo are found to be prominent colors in the bright colors segment that are very sought after.
- Earthy and pastel colors are also popular like green, brown and yellow.

Figure 4.42: Latest design trends in Mumbai



- The design pattern popular in Mumbai is a fusion of western and Indian designs.
- Apart from these, lot of printing variations and experiments are done as per the preferences of the customers. Embroidery work is also common.
- It was also found that colour and international markets dictate design pattern.

4.6.6. Designs:

- Ikkat products are not very popular and very few stores were found to be keeping it despite a high awareness level of around 61% for ikkat products. Most in demand products made of Ikkat is dress fabrics and apparel.
- Kalamkari & blended handloom fabrics are mostly used as dress fabrics and apparel.
- Around 72% of the respondents were aware of the kalamkari block print.
- Awareness about ikkat is also good with 61% of the respondents claiming to be aware about ikkat designs.
- Almost all the respondents were aware about cotton and blended handloom fabric.

4.6.7. Promotion strategies followed:

- Most of the stores in Mumbai give advertisements in magazines and newspapers.
- 23% of stores do participate in the exhibitions also.
- As far as the in store promotion strategy is concerned, 55% of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers.

5. Analysis and Inference

5.1 Southern Region

Two major cities were covered in the southern region of the country, namely Bangalore and Chennai. The total numbers of respondents interviewed were 21.

The profile of the stores visited was:

- 5 stores had exclusively only home furnishing material.
- 12 stores had both furnishing as well as apparel with them.

Some of the important characteristics that emerged from the southern region are:

1. Furnishing, fabrics and accessories are kept by most of the stores. Around 80% of the respondents contacted had furnishing and fabrics.
2. Fashion accessories were also predominantly found and around 70% of the stores had fashion accessories.
3. Most of the stores had apparel (mostly for ladies) and very few stores were found to keep dress fabrics with them. With the help of designers and keeping with the latest fashion trends, many new interventions were done as far as designing apparels is concerned.
4. Around 50% of the stores have above 50% of the handloom products kept with them in furnishings, fabrics, accessories and apparel.
5. In fashion accessories there is a marked difference in the Bangalore and Chennai market. While in Bangalore very little fashion accessories is kept in handlooms, it is the reverse in Chennai where around 60% of the fashion accessories kept are in handloom.
6. Consumer segment:

- The majority of the consumers in Chennai and Bangalore for the handloom products are from the upper middle class. Around 25% of the customer base is from the elite class and the middle class also.
- There is a marked difference as far as the buying behavior of consumers is concerned in Chennai and Bangalore. In Bangalore the majority of the buyers are from the middle-aged class (40+) whereas in Chennai the majority of the consumers belong to the newly married class (25+). The reason that can be attributed to this are:
    i. The decadal growth rate of population in Bangalore in 1981-91 was 38.44%, but this fell down to 34.80% in 1991-2001. In Chennai the decadal growth rate has fallen from 15.39 in 1981-91 to 11.19 in 1919-2002. But the urban population growth rate has increased from 13.32% in 1981-91 to 42.79% in 191-2001.
    ii. The growth of MNCs started in Bangalore in the mid 80s.The population from across India started migrating to this city during this time. Although the

population migration is still continuing, but the people who migrated at that time may have become older and joined the group of middle-aged people.

iii. The growth of MNCs in Chennai has taken place in the recent years. Chennai has been ranked first among Indian cities in terms of technology exposure and responsiveness by business world survey, 1999. Tamilnadu registered *fastest & highest* growth rate in software exports- almost 800% in 1998-2001 - from Rs.4.00 billion to Rs.31.2 billion. *Tamilnadu - The largest recipient of investments in India.*

These estimates clearly show that there may be a larger migration of younger professionals in Chennai as compared to Bangalore in recent years, thus a younger consumer group.

- Consumers are sensitive to the price of dress fabrics and apparel in both Chennai and Bangalore. As in Chennai majority of the customers belong to the younger crowd so their sensitivity towards price is higher for apparel.
- Sensitivity towards the prices of fashion accessories and apparel is just average in both the cities.

7. Design trends and colour preferences:

- Bright colors like red and indigo are very popular in both Chennai and Bangalore. Pastel colors are not much preferred in Bangalore. Chennai market has shown a strong preference for " yellow" color.
- The market has shown a strong preference for the fusion fabric like a fusion of geometric and traditional and a fusion of Indian and western wear. Exclusive preference for just geometrical or traditional designs is very less.

8. Design:

- Almost all the respondents contacted showed their awareness about Ikkat and Kalamkari.
- Dress fabrics and apparel are the most in demand product in each of the above categories. In furnishing, Kalamkari block prints were very popular.

9. Promotion Strategy:

- Print media is extensively used for giving advertisements. The stores in Bangalore also maintain a customer database and keep them inform through mails, which is not that popular a method in Chennai. Participation in exhibitions is less by the stores contacted.

- Most of the stores give discount to their customers. These discounts are either in the form of annual sales or giving discounts on purchase of goods worth certain value.