

Retail Marketing Of Indian Textiles Industry-Current Scenario

¹Mrs. V.R.Soumady, ²Dr.V.Rajagobalan,

¹M.com. M.phil, Asst Prof of commerce, Tagore Arts College, Pondicherry.

²Research Advisor, Principal, Sri venkateshwara college of arts and science.Peravurani,Thanjavur.

Introduction

India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub. It is the world's second largest producer of textiles and garments. The Indian textiles industry accounts for about 24 per cent of the world's spindle capacity and 8 per cent of global rotor capacity. The potential size of the Indian textiles and apparel industry is expected to reach US\$ 223 billion by 2021, according to a report by Techno park Advisors.

The textiles industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14 per cent to industrial production, 4 per cent to the gross domestic product (GDP), and 27 per cent to the country's foreign exchange inflows. It provides direct employment to over 45 million people. The textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the India's economy.

A marketing strategy serves as the base of a marketing plan. A marketing plan contains a list of specific actions required to successfully implement a specific marketing strategy. An example of marketing strategy is as follows: "Use a low cost product to attract consumers. Once our organization, via our low cost product, has established a relationship with consumers, our organization will sell additional, higher-margin products and services that enhance the consumer's interaction with the low-cost product or service." Without a sound marketing strategy, a marketing plan has no foundation. Marketing strategies serve as the fundamental foundation of marketing plans designed to reach marketing objectives. It is important that these objectives have measurable results.

Observing how people shop, when they shop and where they purchase from is crucial for determining future marketing strategies. In 2011, only half of the American populace shopped online. By 2012, that number grew to 65 percent and continued to jump each subsequent year. This reality forced many retailers to expand their Internet presence by purchasing more online

advertising and not just advertising in fashion magazines. In addition, companies were forced to improve or establish their e-stores to allow for convenient shopping. Companies increasingly partner with member-only communities and other merchants to sell product.

Marketing is the process of developing and communicating value to your prospects and customers.

Think about every step you take to sell service and manage your customers:

- Your knowledge of the market and your strategy to penetrate it
- The distribution channels you use to connect with your customers
- Your pricing strategy
- The messages you deliver to your market
- The look and feel of your marketing materials
- The experience you deliver to your market and customers
- The actions of your sales and service reps
- All of the planning, preparation, forecasting and measurement of your investments

the diagram, the main components of a marketing plan can be summarized as:

Component of the plan	Mission statement	A meaningful statement of the purpose and direction of the business objectives
Marketing audit	The way the information for marketing planning is organized.	Assesses the situation of marketing in the business – the products, resources, distribution methods, market shares, competitors etc.
Market analysis	The markets the business is in (and targeting) – size, structure, growth	analysis
An assessment of the firm's current position, showing the strengths & weaknesses (internal factors) and opportunities and threats (external factors)	Marketing objectives and strategies	What the marketing function wants to achieve (consistent with corporate objectives) and how it intends to do it (e.g. Ansoff, Porter)
		budget

MARKET SIZE

The Indian textiles industry is set for strong growth, buoyed by strong domestic consumption as well as export demand. The most significant change in the Indian textiles industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production recorded an increase of 10 per cent and filament yarn production grew by 6 per cent in the month of February 2014. MMF production increased by about 4 per cent during the period April 2013–February 2014. Cotton yarn production increased by about 10 per cent during February 2014 and by about 10 per cent during April 2013–February 2014. Blended and 100 per cent non-cotton yarn production increased by 6 per cent during February 2014 and by 8 per cent during the period April 2013–February 2014.

CLASSIFIED IN RETAIL

Organised retail may broadly be classified into the following formats-

*MALLS

The largest form of organised retailing today. Malls are located mainly in metro cities, in proximity to urban outskirts. This format ranges from approximately 60,000 sq ft to 7,00,000 sq ft and above. They lend an ideal shopping experience with an amalgamation of product, service and entertainment, all under a common roof.

*HYPERMARKETS

They are typically large, starting from 40,000 sq ft plus and are usually located outside the city limits. This format comprises of a multiple division layout, and usually has an “Industrial- look” interior. Hypermarkets generally provide daily necessities and grocery like items. Pricing is competitive and they also offer volume discounts.

*MBOs

Multi Brand Outlets, also known as Category Killers, offer several brands across a single product category. These usually do well in busy market places and metros.

*SUPERMARKETS

Large self service outlets, catering to varied shopper needs are termed as super markets. These are located in or near residential high streets. These stores today contribute to 30% of all food & grocery organised retail sales. Super Markets can further be classified into mini supermarkets -- typically 1,000 sq ft to 2,000 sq ft -- and large supermarkets ranging from a size of 3,500 sq ft to 5,000 sq ft having a strong focus on food & grocery and personal sales.

*DISCOUNTSTORES

As the name suggests discount stores or factory outlets, offering discounts on the MRP through selling in bulk reaching economies of scale or excess stock left over at the season. The product category can range from a variety of perishable/non-perishable goods.

CONVENIENSTORES

These are relatively small stores 400-2,000 sq feet located near residential areas. They stock a limited range of high-turnover convenience products and are usually open for extended periods during the day, seven days a week. Prices are slightly higher due to the convenience premium.

*DEPARTMENTALSTORE

Large stores ranging from 20000-50000 sq ft, catering to a variety of consumer needs. Further classified into localised departments such as clothing, toys, home, groceries, etc.

*EXCLUSIVESTORE

Ranging from a size of 500 sq ft to 5,000 sq ft & above, this format be owned/managed by the Company or through its franchise. These can offer single brand as well as multiple brands.

*SPECIALTYSTORE

These formats focus on a specific product category, medium sized layout in strategic location. Specialty stores provide a large variety base for the consumers to choose from.

Conclusion

The retail industry changes as fast as the weather – and is just as unpredictable. Retailers used to be garment manufacturers’ main customers, but they have now become their competitors. New initiatives were put in practice to meet new challenges to give the buyers value-added products at more competitive prices. Retailers are shifting their cultures to reward and motivate people, creating a positive work environment and establishing loyalty. Global retailing is dominated by large organisations that are developing greater specialisation by product and price, keeping the distribution pipeline filled, which means these retailers are developing strong ties with global suppliers, particularly in not only India but also low-cost countries.

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