

A Study on Performance of Child Wear Garment Exporters with Special Reference to Tirupur District

T. SHENBHAGAVADIVU¹

¹ Sri Krishna Arts and Science College, Coimbatore

Abstract -- This research was conducted to investigate the performance of childwear garment exporters in tirupur. This paper aims to attempt out the market potential and opinion about the indian market for export of garments in tirupur. 50 exporters were invited to participate in the questionnaire survey. A cross sectional study was used to trace out the level of satisfaction and the problem faced by exporters regarding child wear exporters. Descriptive analysis, chisquare and gratt ranking analysis were employed to analyse the data. This information was represented in the form of tables and charts with suitable interpretation

Indexed Terms: Childwear, Performance, Level of Satisfaction, Demographics, Textile Industry

I. INTRODUCTION

India is the world's second largest producer of textiles and garments after china. It is the world's third largest producer of cotton after china and the usa and the second largest cotton consumer after china. The textile and garment industry in india is one of the oldest manufacturing sectors in the country and is currently its largest. The indian textile industry has a significant presence in the economy as well as in the international textile economy. Its contribution to the indian economy is manifested in terms of its contribution to the industrial production, employment generation and foreign exchange earnings. It contributes 20 percent of industrial production, 9 percent of excise collections, 18 percent of employment in the industrial sector, nearly 20 percent to the country total export earning and 4 percent to the gross domestic product. India is a major exporter of fabrics and accessories for the global fashion industry. The textile and garment industry fulfils a pivotal role in the indian economy. It is a major foreign exchange earner and, after agriculture, it is the largest employer with a total workforce of 35 mn.

II. GARMENT INDUSTRY

The garment industry in india is betting on technology as one of the major growth factors for the industry. The indian apparel industry, which took off in the mid 60s, is worth around \$15 billion now. The growth over the years has been significant, and technology does have a role to play in that. In fact, the industry has evolved gradually in terms of technology adoption and has reached a critical mass today. There are more than a thousand garment manufacturing units in the country today, out of which less than 200 are big players while the rest are in the small and medium enterprises (sme) segment. One of the major restrictions in terms of using technology is the huge initial investment.

III. INDIA'S MAJOR COMPETITORS IN THE WORLD

To understand India's position among other textile producing the industry contributes 9% of GDP and 35% of foreign exchange earnings, India's share in global exports is only 3% compared to Chinas 13.75% percent. In addition to china, other developing countries are emerging as serious competitive threats to India. Looking at export shares, korea (6%) and taiwan (5.5%) are ahead of India, while turkey (2.9%) has already caught up and others like thailand (2.3%) and indonesia (2%) are not much further behind. The reason for this development is the fact that India lags behind these countries in investment levels, technology, quality and logistics. If India were competitive in some key segments it could serve as a basis for building a modern industry, but there is no evidence of such signs, except to some extent in the spinning industry.

IV. OVERVIEW OF CHILD WEAR GARMENT INDUSTRY IN TIRUPUR

Tirupur is an important trade center of India which is famous for its knitted garment wears. It is situated near Coimbatore which is known as "The Manchester of South India". Tirupur is a major source of foreign exchange for the country because of its exports. It is famous for the export of all knitted garment wears such as t-shirts, polo - shirts, sweat shirts, banyans, pajamas & night dresses on various fabrics like single jersey, interlock, fleece, polar fleece, pique jersey, pointelle jersey, rib, pointelle rib, drop needle etc. Tirupur, in Tamil Nadu, (located 55 km to the east of Coimbatore city) accounts for 90 % of India's cotton knitwear export, worth an estimated Rs 4,000 crores. Knitwear industry has clearly identified the definition of fashion meaning thereby combination of many things put together and corresponds to feeling of something. Fashion is mainly dependable on industry and society in probationary manner.

V. THE SCENARIO IN THE APPAREL INDUSTRY IN TERMS OF TECHNOLOGY ADOPTION

As far as deployment of technology is concerned, Indian apparel industry is far better than any other country. The industry realizes that investing in technology would provide a competitive edge to the industry. Exporters from Tirupur are far better in adopting technology. It is the only place which has utilized the tufts to the maximum. Over the years, exporters from Tirupur have invested more than Rs 1000 crore in technology up gradation. High-end software, CAD, CAM, designing tools, ERP are used in the garment industry.

VI. INDIA: CHILDREN'S GARMENTS BEING EXPLORED

Knitwear exporters in the hosiery town of Tirupur have started paying serious attention to children's wear, particularly of the expensive varieties - made of organically grown cotton, for example. One media report says as many as 40 out of the 250 registered exporters based in Tirupur are already into children's wear, catering to the 0-24 month's age group.

Exports have already come close to the US\$100-million mark, and are growing at an estimated rate of about 20% per annum. The labor component is much higher in children's wear. A typical children's wear product fetches a price of about US\$5, whereas t-shirts and knitted tops for women generally have to be sold in the range of US\$3-4 apiece. On the other hand, while a piece of apparel for an adult generally consumes more than one meter of knitted fabric, one meter of knitted fabric generally produces three pieces of children's wear.

Price Realizations are of course going to come down as more and more suppliers compete in the same markets, but children's wear is definitely a segment by itself, within the broader apparel industry. Besides, one unique advantage manufacturers have is that India has a well-developed market for children's wear - the custom tailor is almost completely non-existent and the readymade garment industry meets almost the entire demand, which is growing at a healthy pace.

VII. REVIEW OF LITERATURE

- Maria Rosaria Marcone (2013)
Analyze the different positioning strategies of the firms within the chain of production of Italian knitwear manufacturers who operated both in international consumer and business markets.
- Karuppusamy (2012)
Concluded that the exports have increased manifold in spite of problems like lack of skilled labor, frequent power cuts, fluctuating yarn prices, poor transportation facilities etc. due to their entrepreneurial skills.
- Saravanan Et. Al. (2013)
In their study on the challenges faced by Tiruppur Garment Exporters found that irrespective of the order size the exporters are able to produce woven wear and knitwear at lower cost but are constrained by occasional delays in delivery and failure to meet quality standards. Non-tariff barriers like environmental, social issues and personal safety norms also emerged as a challenge in the non-quota system.

- Kavitha Et. Al. (2014)

Highlighted the main problems of garment exporters are finance, transport, infrastructure, advanced technology, dyeing and currency fluctuation. The study concluded that Tiruppur has the potential to be a leader in the field of garments exports only if proper solutions are provided by the stakeholders

VIII. OBJECTIVES OF THE STUDY

- To study the levels of satisfaction towards child wear garment exports.
- To find the market potential of child wear garment with reference to tirupur.
- To study the overall performance of child wear garment exports in tirupur district.
- To find the problems faced by the exporters in exporting child wear garments in tirupur district.

IX. RESEARCH METHODOLOGY

A convenience sample consisting of 50 childwear exporters participated in the study. Questionnaires were administered to trace out the level of satisfaction and the problem faced by exporters regarding child wear exporters. Descriptive analysis, chisquare and gratt ranking analysis were employed to analyse the data. This information was represented in the form of tables and charts with suitable interpretation.

X. ANALYSIS AND INTERPRETATION

| Catogery | Group | No. of Responde nt | Percentag e |
|---------------|-------------------------|--------------------|-------------|
| Organisatio n | Sole proprietorshi p | 26 | 52% |
| | Partnership | 18 | 36% |
| | Private limited company | 5 | 10% |
| | Public limited company | 1 | 2% |
| | Others | 0 | 0 |
| Category | Manufacture r exporter | 25 | 50% |

| Catogery | Group | No. of Responde nt | Percentag e |
|--------------------------------------------------------------|-----------------------------|--------------------|-------------|
| | Merchant exporter | 13 | 26% |
| | Manufacture r and merchant | 12 | 24% |
| Experience of the organizatio n in years | Less than 10 years | 18 | 36% |
| | 10 to20 years | 22 | 44% |
| | 20 years & above | 10 | 20% |
| Reason to choose garment exporting business | Urge to be an entrepreneur | 13 | 26% |
| | Family business | 14 | 28% |
| | Attractive profitability | 10 | 20% |
| | Friends or relatives | 2 | 4% |
| | Social status | 2 | 4% |
| Selection of particular place for business | Self employment | 9 | 18% |
| | Climate factor | 10 | 20% |
| | Personal factor | 9 | 18% |
| | Infrastructur al facilities | 16 | 32% |
| | Production feasibility | 14 | 28% |
| Friends & relatives | 1 | 2% | |
| ISO Certificatio n | Yes | 26 | 52% |
| | No | 24 | 48% |
| Status of the organizatio n as recognized by the governmen t | Exporter house | 30 | 60% |
| | Trading house | 13 | 26% |
| | Start trading house | 7 | 14% |
| Exporting child wear garment | Yes | 50 | 100% |
| | No | 0 | 0 |
| Other types of garments exporting from the | Men's wear | 10 | 20% |
| | Women wear | 12 | 24% |
| | Inner wear | 25 | 50% |
| | Leather | 2 | 4% |

| Catogery | Group | No. of Responde nt | Percentag e |
|-------------------------------------------------|---------------------------|--------------------|-------------|
| organization | Others | 1 | 2% |
| Countries the product is exporting | U.S.A | 14 | 28% |
| | Germany | 10 | 20% |
| | Canada | 9 | 18% |
| | U.K | 11 | 22% |
| | Others | 6 | 12% |
| Opinion regarding availability of raw materials | Very easily available | 6 | 12% |
| | Easily available | 21 | 42% |
| | Moderately available | 19 | 38% |
| | Availability is difficult | 4 | 8% |
| Raw Material consistent with desire quality | Yes | 40 | 80% |
| | No | 10 | 20% |

| Catogery | Group | No. of Responde nt | Percentag e |
|------------------------------------------------------------|------------------|--------------------|-------------|
| Level of satisfaction towards the supply of electric power | Highly satisfied | 8 | 16% |
| | Satisfied | 32 | 64% |
| | Not satisfied | 10 | 20% |
| Alternative Sources of Power | Generator | 43 | 86% |
| | Wind mill | 6 | 12% |
| | Others | 1 | 2% |
| Market potential of the child wear. | Yes | 47 | 94% |
| | No | 3 | 6% |
| Problems in exporting child wear garments | Yes | 31 | 62% |
| | No | 19 | 38% |

Table 1: Descriptive Statistics

| S.NO | FACTORS | | HIGHLY SATISFIED | SATISFIED | NEUTRAL | DISSATISFIED | HIGHLY DISSATISFIED | TOTAL |
|------|----------------------------|-----|------------------|-----------|---------|--------------|---------------------|-------|
| 1 | Profit from the child wear | No. | 13 | 26 | 11 | 0 | 0 | 50 |
| | | % | 26 | 52 | 22 | 0 | 0 | 100% |
| 2 | Demand of child wear | No. | 5 | 26 | 19 | 0 | 0 | 50 |
| | | % | 10 | 52 | 38 | 0 | 0 | 100% |
| 3 | Growth of the organization | No. | 5 | 25 | 19 | 1 | 0 | 50 |
| | | % | 10 | 50 | 38 | 2 | 0 | 100% |
| 4 | Credit period | No. | 1 | 17 | 26 | 4 | 2 | 50 |
| | | % | 2 | 34 | 52 | 8 | 4 | 100% |
| 5 | Government support | No. | 5 | 9 | 28 | 8 | 0 | 50 |
| | | % | 10 | 18 | 56 | 16 | 0 | 100% |

Table 2: Level of Satisfaction about the Child Wear Exports

From the above table it shows that, 52% of the exporters are satisfied toward profit, 52% of the exporters are satisfied towards demand, 50% of the exporters are satisfied towards growth of the organization, 52% of the exporters are neutral towards credit period, and 56% of the exporters are neutral towards government support.

| S.no | Profit factors | | Strongly agree | Agree | Neutral | Disagree | Highly disagree | Total |
|------|--------------------------------|----|----------------|-------|---------|----------|-----------------|-------|
| 1 | High production | No | 13 | 29 | 8 | 0 | 0 | 50 |
| | | % | 26 | 58 | 16 | 0 | 0 | 100% |
| 2 | Low cost of raw materials | No | 1 | 21 | 26 | 3 | 0 | 50 |
| | | % | 2 | 42 | 52 | 6 | 0 | 100% |
| 3 | Easy availability of man power | No | 3 | 21 | 16 | 9 | 1 | 50 |
| | | % | 6 | 42 | 32 | 18 | 2 | 100% |
| 4 | High cost of sales | No | 2 | 15 | 29 | 4 | 0 | 50 |
| | | % | 4 | 30 | 58 | 8 | 0 | 100% |
| 5 | Low risk | No | 4 | 11 | 21 | 8 | 6 | 50 |
| | | % | 8 | 22 | 42 | 16 | 12 | 100% |

Table 3: Level of agreeability towards the profit from child wear

From the above table it shows that, 58% of the exporters are agree with high production, 52% of the exporter are neutral in low cost of materials, 42% of the exporters are agree with easy availability of man power, 58% of the exporter are neutral in high cost of sale, 42% of the exporters are neutral in low risk.

| S.No | Factors | Total Score | Rank |
|------|------------------------------------|-------------|------|
| 1 | Non-availability of funds | 239 | 1 |
| 2 | Not taking repayment seriously | 184 | 5 |
| 3 | Quality related problems | 218 | 2 |
| 4 | Payment related problems | 216 | 3 |
| 5 | Customs formality related problems | 164 | 7 |
| 6 | Buyer formality related problems | 169 | 6 |
| 7 | Others | 210 | 4 |

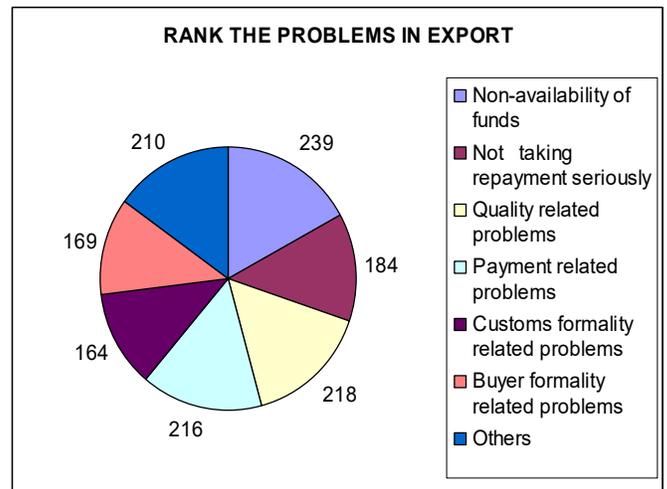


Table 4: Problems in Export

| S. No | Factors | Chi – Square Value | Degree of Freedom | Table Value | Result |
|-------|----------------------------------------------------------|--------------------|-------------------|-------------|-----------------|
| 1. | Forms of organization vs. Profit from child wear exports | 28.2079 | 28 | 41.337 | Significant |
| 2. | Category vs. Credit period given to customers | 8.1667 | 8 | 15.507 | No significance |
| 3. | Experience of organization vs. Growth of child wear | 23.2902 | 12 | 21.026 | Significant |
| 4. | Other types of garments vs. Demand of child wear | 12.1175 | 16 | 26.296 | No significance |

Table 5: Chi - Square Analysis

XI. CONCLUSION

The Indian Textile Industry is currently one of the largest and most important sector in the economy in terms of output foreign exchange earnings and employment in India. The textile industry has the potential to scale new height in the globalized economy. The textile industry in India has gone through significant changes in anticipation of increased international competition. The industry is facing numerous problems and among them the most important once are those of liquidity for many organized sector units, demand recession and insufficient price realization. The long-range problems include the need for sufficient modernization and restructuring of the entire industry to cater more effectively to the demands of the domestic and foreign markets for textiles as per the needs of today and tomorrow.

- [6] P.J. Divatia, Indian Industries in the 21st Century p46, Deep & Deep Publications Pvt Ltd, New Delhi, 2003.
- [7] Francis Cherunilam, Industrial Economics Indian Perspective p457, Himalaya Publishing House, 1994.

REFERENCES

- [1] Karuppusamy R (2012). Tiruppur Exporters and Their Strength. Global Research Analysis, Volume 1, (5), 5 – 14, ISSN 2277-8160
- [2] Kavitha N & Sangeetha. J (2014). A study on Problems of Garment Exporters in Tiruppur. Paripex - Indian Journal of Research, Volume 3, (9), 9 – 10, ISSN 2250-1991.
- [3] Marccone Rosaria Maria (2013). Strategic Market Change and New Product Development: The Case of the Italian Knitwear Sector. 12th International Marketing Trends Conference, ESCP Europe - European School of Management - Paris, January 17-19.
- [4] Saravanan S & Mohanraj S (2013). A study on the challenges faced by Tiruppur Garment Exporters. International Journal of Research in Commerce, IT & Management, Volume. No. 3, (10), 5-7, ISSN 2231-5756.
- [5] Kothari .C.R, “Research methodology”, Wishwa Prahasam (2004).