



Future Destination of Textile Industries in Kannur: A Case Study on Mascot Industries

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ABSTRACT

Mascot is a home textile industry which dealing its domestic and international transactions even from 1950's and now a day being at the top of Kerala home textile manufacturing and marketing sectors with wide variety of products like Black printed bed cover, Silk bedding, Duret covers, Sofa bed, Bedding, Designer kids bed, Curtains, Table mat, Floor mat etc. This paper made an attempt Future Destination of Textile Industries in Kannur: A Case Study on Mascot Industries.

KEYWORDS : Manufacturer, textile industry

Introduction

The textile industry have been established in 1950, its entrepreneur Mr. C. Raman in its formal name 'Sri. Viswajanan Weaving' with moral excellence or right business of their performance, exactness, availability and development and admired by its dealers. On the other hand, without the inhibitions of a new comer it thought against the competition and changing technology by the weaving legacy of Kannur, city of looms and lore's

MASCOT has completed 35 successful years in the field of Handloom exports in India. The company is certified under the ISO 9001:2000 quality management system and also has the approval of European departmental stores for the eco-labeling of its products. Recently the company has been successfully audited for BSCI standards. Mascot Includes centralized dyeing unit, in house warping & winding facility. They have 2 manufacturing units, once at Azhikkode in Cannanore and the other at Kulappuram 35 kms away. These units are equipped with 120 regular handloom and 45 jacquard looms.

Need for the Study

Textile industry is the most traditional and important source of revenue earning sector to the Government. In matter of textile manufacturing, Kerala shows domination in the planet, and besides that, Kannur owns an unchallengeable legacy and supremacy in its production and marketing. The present study on the "Future Destination of Textile Industries in Kannur: A Case Study on Mascot Industries".

Objectives

- To analysis the Future Destination and dominance of Mascot Industries in textile sector.
- To examine the current marketing channels of mascot industries.

Data Collection

For the data which are to be processed as the information where be collected from two sources fundamentally from primary sources and secondary sources. Both the sources are inevitable to conduct a proper study on the marketing department of mascot industries

Source of Data

Primary Data

The Primary Data is collected through questionnaire survey to customers.

Secondary Data

Information is gathered from company profile, website and book client satisfaction author by Loudon and Della Beta

Sampling

Population-100 Retailers
Sample Size-10 Retailers
Unit-Customers/Retailers of Mascot Products

Marketing Department of Mascot

Mascot as a leading textile manufacturer, which has a dashing history of success, mainly concentrates on export or international trade. Now they are not entering domestic supply. As the Managing Partner

opined, "In future we may turn into domestic supply but we never made an attempt so far". It reveals that on this particular current period they have tremendous order up to their production capability.

Generally other industries engage in their demand fulfilling operations, with a certain magnitude of demand forecasting and demand planning accompanied by a marketing research or test marketing. Mascot plays a different ball game. They produce according to the orders, not by the anticipation of demand. For the marketing of a product to overseas Mascot, as a textile producer following the below steps;

1. Overseas Designers, 2. New colour trends, 3 New Sample developments, 4. Orders, 5. Buyer Selection, 6. Exhibition and 7. Production.

From the analysis of the above figure, we will get a clear idea about the marketing strategy of Mascot industries; it is engaged with order fulfillment in an international arena.

Another important matter to be consider while marketing to abroad is, nothing but seasonal fluctuations, as an exporter we can't export the things disfavor to the host. Season, which means company should be rational at marketing rather than strategic.

In the Mascot industries, they possess a giant production capacity of 80,000 meters of fabrics per month, it indicates that, they can also fulfill the order without dead stock in addition the highly remarkable thing is that an exporter they can market the demanded volume even before 2 months of the due date.

Marketing Channels

For the Marketing purpose, business can be resorted various channels or the paths, through which the products are flows to the customers. It consists of a group of producer, wholesaler, retailer and final customers. On the basis of length, businessman can classify the channel into zero level, one level, two level and three level.

Mascot follows four types of channels to market their products to the ultimate retailers. They are portrayed below,

- Manufacturer \rightarrow Final retailer
- Manufacturer \rightarrow Importer \rightarrow Final retailer
- Manufacturer \rightarrow Importer \rightarrow Wholesalers \rightarrow Final Retailer
- Manufacturer \rightarrow Indian Agent \rightarrow Importer \rightarrow Wholesalers \rightarrow Final Retailer

For market a product to abroad, a company should be resorted to any of the above 'path'. Depends on the time, volume and marketing strategy each a company shows their diversity.

Mascot explains that, the lowest lengthy channel that placed first is a situation where the company directly sends the product to the final retailers and there is no mediator ship.

But on the second, there is a foreign importer who accepts the ex-

ports and handover them to the final retailers.

Then the third channel carries a wholesaler too, just below the retailers.

Then the final channel is the longest and which participates an Indian or domestic agent also to help the exporter to fulfill the export formalities who bringing together various companies engaged in the export purposes. So these are the vast array of market channels.

Export Formalities

Mascot as an exporter, who has send goods outside the country, has an obligation to satisfy the Reserve Bank of India that he has received payment from his overseas buyer. The government doesn't allow any exporter to export for any other consideration. The exchange control regulations require all the exporters to obey some stipulations. Some of the export directions are as follows;

1. Make a declaration on the prescribed form to the collector of customs.
2. Negotiate all shipping documents and ensures received payments by an approved method.
3. If there is any delay from the time limit he can be extended through prove that the delay.
4. Exchange control regulations require an exporter to fill certain specific forms and submit them to the customs authorities.
5. The goods that are exports may subject to certain permits, so it is important to cover those under marine insurance.

Analysis With Respect to the Set of Objectives

The consumption in last 5 years of Mascot industries is given below on a tabular form, from this table, I would tried to measuring the trend through using linear trend method. So the table is shown below;

Linear Trend Method

A straight line trend can be fitted to the data by the method of curve fitting based on the most popular principle called principle of least squares. Such a straight line is also known as a line of best fit. This method is an algebraic device and widely used. It gives us a straight line from which the sum of the deviations on either side will be equal to zero. That is the point on the other scale of the straight line, when sum of the deviations of these deviations will be least. Let the line of best fit be described by an equation of the type $y = a+bx$. Where the y is the value for dependent variable, a and b are two unknown constants whose value are to be determined.

Year	2011	2012	2013	2014	2015
consumption of fabrics	70114095.46	89683043.00	99289971.00	56306702	

Year (t)	Production of fabrics	(x) = t-2012	Xy	x ²
2010	70114095.46	-2	-140228190.92	4
2011	89683043.00	-1	-89683043	1
2012	99289971.00	0	0	0
2013	56306702.00	1	56306702	1
2014	53104233.00	2	106208466	4
	368498044.46	0	-67396065.92	

Let the equation of straight line be,

$$y = a+bx$$

The normal equations are $\sum Y = na+b\sum X$ and

$$\sum XY = a\sum X + b\sum X^2$$

Since $\sum X = 0$, $a = \frac{\sum Y}{n}$ and $b = \frac{\sum XY}{\sum X^2}$

I.e. $a = \frac{368498044.46}{5} = 73699608.892$

And $b = \frac{67396065.92}{10} = -6739606.592$

The question of the straight line trend is

$$Y = a+bx$$

I.e. $y = 73699608.892 + -6739606.592$

The trend values are obtained bu putting various values for 'x' in the equation

$$y = 73699608.892 + -6739606.592 x$$

When $x = -2$, $y = 73699608.892 + -6739606.592 (-2) = 87178822.076$

When $x = -1$, $y = 73699608.892 + -6739606.592 (-1) = 80439215.484$

When $x = 0$, $y = 73699608.892 + -6739606.592 (0) = 73699608.892$

When $x = 1$, $y = 73699608.892 + -6739606.592 (1) = 66960002.30$

When $x = 2$, $y = 73699608.892 + -6739606.592 (2) = 60220395.708$

The most likely the consumption in 2015, is

$$73699608.892 + -6739606.592 (3) = 53480789.116$$

So, the above analysis on the marketing department of 'Mascot' shows an unfavorable forecasting of its consumption and sales volume in an year. So, it has revealed that, company facing still competition from the power loom sector. So it should be installed quickly by the organization.

Conclusion

As stated by the critical and surgical analysis, the textile industry increasingly being recognized as an important sector of every economy. The research on Future Destination of Textile Industries in Kannur: A Case Study on Mascot Industries" is about recognizing just how much of the Kerala economy lies in mention and significant with the Kannur's textile industry. The study was conducted among the Mascot Industries Private Limited. This reveals the different levels of future forecasting factor in the Kannur textile industry. From the study it is understood that, after the economic recession, textile industry is satisfied with an increasing trend. But yet, it doesn't achieve the desired level. So efforts must be made to provide them a good result. Government should take into aspect; it is the back bone of Indian rural and regional development. And companies also are understood that, they can achieve their bright future, and the organizations and the industry lies in their satisfaction. The industry should be keen to organize and conduct many activities like market research, market forecasting and export evaluation programmes discussions etc. this will ensure a prospectus future to the organization

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