Research Paper Commerce

A Study On The Future Market Potential Towards Coir Products Export With Special Reference To Pollachi

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ABSTRACT

Indian coir industry has been fortunate to get boost in the form of the ever increasing awareness about eco-protection. Coir, being a natural fiber which is environment-friendly in the strictest sense of the term, is the fiber of the future today. The eco-friendly quality of coir will help it to hold its ground even as it battles competition from synthetic fibers in today's developing world. The development of geotextiles, which helps protect the soil and in turn the environment, by acting against soil erosion, is the best advertisement for coir in recent times

The pattern of exports and product mix has changed very much drastically. With the level of fiber and yarn exports, India is an exporter of goods with added value. Which in turn led to a significant change in total volume and value of export.

KEYWORDS

INTRODUCTION

The coir industry has a glorious past in the domestic as well as international markets. It had a strong export orientation too even during the domination of the European business enterprises. However, the volume of export of coir products declined continuously during the period 1970 to 1990, even though the export earnings increased. There are many factors contributing to such a situation. After independence, the prominent European business enterprises involved in the coir industry were replaced by native units. This has altered the structure and production relations and caused the pattern of exports and product mix to vary drastically.

The industry provides direct employment to more than 3.5 lakhs workers, majority of whom are female. It is mainly concentrated in coastal districts of the State. The major constituents in the coir sector are Co-operatives, Private, Public, Government undertakings and unorganized manufacturing units. But, over a period of time, the coir sector has not grown appreciably and has remained almost stagnant. In order to ascertain the causes for the present unsatisfactory situation, Coir Board decided to conduct a Status Study of the industry, which will identify the problems of the various segments of the industry and arrive at likely solutions so that necessary policy measures can be initiated and further promotional and other schemes intended to mitigate the current problems in the industry can be launched

OBJECTIVES OF THE STUDY

Primary Objective:

The primary objective of the research is

1. To study the scope and future market potential for Coir product export from Pollachi.

Secondary Objective:

The secondary objectives of the study include the following.

1. To analyse the major problems faced by coir exporters
2. To know the functions of Coir Board
3. To analyze the level of satisfaction of coir exporters in Pollachi.
4. To suggest recommendations for the improved performance of coir export

METHODOLOGY OF THE STUDY

Data Collection

The present study is based on the primary data and secondary data, the primary data are collected from 200 sample respondents by using well-structured and pre-tested questionnaire.

Research Design

Research design will ensure that the research project is conducted effectively and efficiently. The research design adopted in this project is descriptive research.

Sampling Technique

The sampling technique adopted in the project was Random Sampling. This method was convenient and suitable for the study.

Nature and Source of Data

The data collected for this study were Primary data and secondary data. Primary data were collected from the respondents through questioner and secondary data through journals and websites.

Area of the Study

The area of study is limited to Pollachi.

Period of Study

The survey to know about "A study on future market potential towards coir products export with special reference to pollachi" for the period of six months.

Statistical Tools Used

Simple percentage analysis and Chi – Square analysis, weighted average, one way ANOVA and Friedman Ranking are the statistical tools applied to analyze the data collected and the analyzed data were presented in the form of column chart and pie chart.

LIMITATIONS OF THE STUDY

In spite of detailed analysis made in the present study, this study is not free from limitations. The following are the important limitations:

1. The study is purely based on the views of 200 respondents only and hence the results may not be universally applicable.

2. The geographical area of this study is confined only to Pollachi.

3. The same consumer's opinions may vary at different times because of their psychological instincts.

Review of literature

1. Chandrasenan [2000], in his article requested the Central Government to retain Floor Price for coir and coir products in order to protect the interests of coconut producers, lakhs of poor coir workers and coir producers. This is not against agreement as domestic market price is less than international market price. He puts forward several arguments for maintaining or raising MEP as it affects adversely lakhs of coir workers and small producers, most of whom live below the poverty line.

2. Goel [2001], in his paper stressed the necessity of strengthening the domestic market for coir goods. He also explained the reasons why consumers are not attracted towards coir products. According to him the masses in general are not aware of the various uses and utility of coir and products made of coir. The Government owned undertakings have failed to generate that awareness and thereby attract consumers. Their showrooms are not well maintained and wear a shabby outlook. They do not have sufficient varieties and designs that are presentable. Their style of packing is crude, conventional and remote. He also added that, the participation of private sector in promoting sales of coir goods is a must and for this a suitable policy be chalked out.

ANALYSIS AND INTERPRETATION

1. PERCENTAGE ANALYSIS

TABLE NO: 1

TABLE SHOWING THE TYPE OF EXPORTERS

Type of exporters	Frequency	Percentage
Manufacture exporter	62	31
Merchant exporters	129	64.5
Both	9	4.5
Total	200	100.0

Source: Primary Data

INTERPRETATION:

From the above table, it is clearly stated that 31% of the respondents are 'Manufacturer Exporter' whereas 64.5% of the respondents are 'Merchant Exporters' and 4.5% of the respondents are Both merchant and manufacturer exporters.

Majority 64.5% of the respondents are 'Merchant Exporters'.

2. CHI SQUARE ANALYSIS

H_0: There is no significant association between the type of exporter and risk faced by the exporters

TABLE NO:2

TABLE SHOWING THE TYPE OF EXPORTER AND RISK FACED BY THE EXPORTERS

TYPE OF RISKS	Exporter Type			
	Manufacture Exporter	Merchant Exporter	Both	TOTAL
Political Risk	33	24	2	59
Social Risk	19	52	6	77
Economical Risk	2	23	1	26
Export Risk	7	30	1	38
TOTAL	61	129	10	200
CHI SQUARE TEST RESULT				
CALCULATED VALUE			TABLE VALUE	D.F
30.468			12.592	6

In the above analysis, the calculated value is greater than the table value at the level of 5% significance. Hence the null hypothesis is rejected. Thus it can be inferred that there is a significant association between exporter type and risk faced by the exporters.

3. ANALYSIS OF VARIANCE (ANOVA)

ORGANIZATION AND FREQUENCY OF EXPORTS

AIM:

To find out the significant association between organization and frequency of exports

H_0: There is no significant association between organization and frequency of exports

TABLE NO: 3

TABLE SHOWING ORGANIZATION AND FREQUENCY OF EXPORTS

SOURCE	SUM OF SQUARES	DF	MEAN SQUARE	F	SIG.	REMARKS
Between Groups	3.662	3	1.221	1.133	0.337	ACCEPTED
Within Groups	211.093	196	1.077			
Total	214.755	199				

Source: Primary Data

INFERENCE

The data indicates the probability value of ANOVA at 5% level of significance established a good relationship between organization and frequency of exports. Therefore the null hypothesis is accepted and it is concluded that there exists no significant difference between organization and frequency of exports.

WEIGHTED AVERAGE:

To estimate and compare the mean opinion on various factors in export services using rating score, for this purpose the qualitative data is converted into quantitative one using 3 point, 4 point and 5 point scaling technique. Here 5 point rating scale is used by assigning:

1. For Strongly Disagree
2. For Disagree
3. For Neutral
4. For Agree
5. For Strongly Agree

TABLE NO 4

TABLE SHOWING MEAN AVERAGE SCORE ON THE LEVEL OF OPINION ON VARIOUS FACTORS IN EXPORT SERVICES

FACTORS	MEAN SCORE	RANK
Highly demanded in the home country	3.47	1
Highly demanded in the overseas	3.33	3
Delivery support	3.40	2
Supply chain activities are properly maintained	2.8	4
Better distribution channel.	2.49	5

Source: Primary Data

It is observed from the above table that the mean average score on various factors in export services opinion by the respondents are 'Highly demanded in the home country' is the highest, followed by the 'Delivery support ', 'Highly demanded in the overseas', 'supply chain activities are properly maintained' and 'better distribution channel'.

It is finally interpreted that the mean average score on various factors in export services opinion by the respondents is high with respect to 'Highly demanded in the home country' and lowest with respect to 'better distribution channel'.

FINDINGS

1. Most of the exporters are 'Merchant exporters' and a very few of them are 'Manufacturers exporters'.
2. With respect to organization they have influence on type of goods mostly export mostly and with respect to exporter type have influence on risk faced by the exporters. With respect to exporting countries have influence on demand of the product.
3. There exists no significant difference between organization and frequency of exports
4. The mean average score on mean average score on various factors in export services opinion by the respondents is high with respect to 'Highly demanded in the home country' and lowest with respect to 'better distribution channel'
5. The result inferred that 'Scarcity of skilled labor' secured 'Rank1' and 'Migration of labor' secured '8th Rank' which acts as the last rank

SUGGESTIONS

1. The Government should help the coir exporters by providing the necessary infra physical hoards required at the transition stage to the self-employed people in the industry to follow the modem technology.
2. Establishing more fibre-extracting Mills with combing machines, which would enable to increase spinning and manufacturing in the Pollachi region, where there is fibre shortage.
3. Considering the importance of improving the quality of coir and coir products, fibre cleaning machines should be made available in the major coir producing centers.
4. Co-operative sectors may be encouraged to start still more fibre extracting units in places where workers are not available for beating husks. If the co- operatives fail to start them it may be allowed to the private sector.
5. More semi-automatic coir weaving looms should be introduced in the production front engaging women workers to provide employment to the displaced workers

CONCLUSIONS

The results discussed on future market potential for coir products export with special reference to Pollachi. Accordingly; it was found that the coir industry in Pollachi region has been significantly export oriented and a valuable foreign exchange earner. Both in terms of volume and value of coir and coir exports India occupies an importance place. The Central Government and State Governments, Coir Board and NGOs should take necessary steps to increase the coir and coir products exports from India by improving the quality of coir products with International standards, and also conduct export campaign. The Coir Board has sought higher allocation in the Indian budget to overcome the prevailing economic slowdown and the resultant impact on coir product exports, and the Board has taken a few steps to achieve that.

REFERENCES

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