

**A STUDY ON CUSTOMER SATISFACTION TOWARDS  
THE KHADI AND VILLAGE INDUSTRIAL PRODUCTS  
IN COIMBATORE DISTRICT**

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### **Introduction**

India is a country with enormous resources which attracted many countries to utilize and enhance their economy at the maximum level. In India, villages are providing the base for the economic development of the country. The village artisans had command over raw materials, assured demand for their products and services and an assured return. It was the British who destroyed not only the glorious Indian trade but also the rural industries. The East India Company pursued a policy which was detrimental to the development of industries in India. The Industrial revolution in England thrived at the cost of India while the artisans of the country were out from the industrial scene. Only at this stage, khadi was introduced by Mahatma Gandhi as an important instrument for remaking the Indian economy. It is well known, that congress movement introduced Khadi in 1920, primarily with a political interest to boycott foreign goods in general and in particular to provide an opportunity for every human being about the self discipline and self sacrifices as a part of non –cooperative movement.

Khadi is a handspun and woven material made from cotton, silk and woolen yarn. It is a mixture of any two or all such yarns. Started with the spinning on Takli, 2-Spindle new model Charkha, 4-Spindle, 8-Spindle, 10-Spindle and 12-Spindle new model charkas have been introduced in spinning of khadi yarn. Under the guidance of Mahatma Gandhi, the Father of the Indian Nation the provisional activities of khadi was started in 1922, when khadi was the symbol of “Fight for

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Freedom". The khadi programme was thus closely linked with the struggle for freedom. Village industries otherwise called cottage industries provide immediate large-scale employment and offer a method of ensuring a more equitable distribution of national income and facilitate an effective mobilization of capital resources and skill. According to KVIC, any industry located in a rural area village or town with a population of 20,000 and below and per capita investment of Rs. 50,000 in plants and machinery is classified as a village industry. At present the KVIC has approved about 115 industrial units as village industries.

In Tamil nadu, the Tamilnadu sarvodaya sangh was established in 1958, with its head quarters at Tirupur, to continue khadi work in the state. After the starting of Tamilnadu sarvodaya sangh, khadi and village industries had development to a great extent in Tamil nadu. The Tamil Nadu sarvodaya sangh started decentralization in 1961. The study focuses on the level satisfaction of usage of products among customers.

### Need of the Study

In today's world of rapidly changing technology, customer taste and preferences are also characteristics by fast changes. To meet this changing environment a firm has to constantly innovative and understands the latest customer needs and wants. Customer satisfaction is a function of the products perceived performance and his expectations. Recognizing the high satisfaction leads to high customer who are aiming for "TCS – Total Customer Satisfaction". Losing customer can dramatically impact a firm's profit. Therefore, the organization main task is customers retention.

Companies now-a days concentrate more on rural segment, develop the product on meeting of special needs of customer requirement based on the market segmentation. Rural customer preferences based on the Khadi and Village Industrial products are changing and become highly diversified. The customer behaviour on developing the rural and urban KVI products are always analyze to determine the underlying currents and cross-currents in the customer minds.

### Objectives

- To find out the consumers preference towards the Khadi and Village Industrial products.
- To examine the factors influencing the preference for Khadi and Village Industrial products.
- To identify the consumer satisfaction towards Khadi and Village Industrial products

## METHODOLOGY

The methodology adopted for the present study consists of five parts they are

### **Nature of research design**

The research design adopted in the study was descriptive design, which is concerned with the descriptive of a group. In descriptive research in such a way that the respondents is able to understand clearly what the researcher wants and provides distinct information to measure the data

### **Area of the study**

The area of the study is in Coimbatore city

### **Sources of data**

The study is based on primary data collection. The data has been collected from the users of khadi and gramodyog products. The secondary data was collected from the articles, journals, newspapers and various websites; it has been used in the review of literature, chapter and profile of the organization.

### **Sampling design of the study**

The sampling technique in this project is convenient sampling. The sample size comprises of different types of users who are using khadi and gramodyog products. A sample of 200 respondents was taken into account for finding the satisfaction of Khadi products.

### **Tools used for analysis**

The following are the tools applied on the responses given by the respondents to analyze and derive the result.

- ❖ Percentage analysis
- ❖ Chi – square analysis
- ❖ Ranking technique

## LIMITATIONS OF THE STUDY

- ❖ The area was wide since it is confined only to Coimbatore city so results cannot be universally accepted.
- ❖ The study is limited to the sample size of 200 respondents only. So this cannot be a “full proof”.
- ❖ Non – respondents are high.

- ❖ The researcher has collected data by convenient sampling using questionnaire and there is a possibility of certain deviations.

## REVIEW OF LITERATURE

Shivaji Sarkar (2000) in his article explains the growth of the IT sector recent years and the less employment generated by the Khadi sector. According to his opinion the Khadi sector has to come out of the traditional mode to usher in a revolution that IT sector has envisaged, reaching the remotest corner to unite the world not through the web – but through the independent economic status of the poor workers

Kumar P.S. (2003)<sup>5</sup> has pointed out that Khadi and village Industries Board keeping with its mission to uplift the rural poor, provides financial assistance for establishing Village Industries make use of locally available raw materials and help to build up a strong rural economy in terms of money and wealth

PTI (2003)<sup>6</sup> has pointed out that the government has setup a core Group to enable adequate and timely flow of credit to the handloom sector, a ontime special rebate scheme fair sale of handloom fabrics with a provision of Rs 100 crore was also under finalization for liquidating existing handloom stocks. A special contributory insurance scheme covering one million weavers would launched soon

## ANALYSIS AND INTERPRETATIONS

### a)Percentage Analysis

Monthly income of the respondent, level of satisfaction is presented using percentage analysis.

**Table 1**

**Family income of the Respondents**

Family income	Respondent	Percentage
Up to Rs 10000	39	20
Rs10000- Rs20000	59	30
Rs20000- Rs30000	35	17
Rs30000- Rs40000	33	17
Above Rs40000	34	16
<b>Total</b>	<b>200</b>	<b>100</b>

Thus the above table indicates that out of 200 respondents, 59(30%) of the respondents having family income of Rs. 10000 – 20000, 20(39%) of the respondents having family income of Rs. upto 10000, 35(17%) of the respondents having family income of Rs.20000-Rs.30000,33 (17%) Rs.30000-Rs.40000 and 34(16%) of the respondents having family income Above Rs.40000. It is the clear that the majority of the respondents are comes under the family income of Rs.10000 – 20000.

**Table 2**  
**Satisfaction level of variety of products**

Sati. Level	Respondents	Percentage
Highly satisfied	50	25
satisfied	60	30
Average	40	20
Dissatisfied	30	15
Highly dissatisfied	20	10
<b>Total</b>	<b>200</b>	<b>100</b>

Thus the above table indicates that out of 200 respondents, 60(30%) of respondents are satisfied , 50(25%) of the respondents are highly satisfied,40(20%) of respondents satisfied Averagly,30 (15%) of respondents are Dissatisfied and 20(10%) of the respondents are Highly dissatisfied. It is clear, majority of the respondents are satisfied .

### CHI – SQUARE TEST

**Hypothesis:** There is no significant relationship between Age of the respondents and Period of Using the Products by the respondents.

**Table – 1**  
**Age of the respondents and Period of Using the Products.**

Age	Period of Using the Product					Total
	Less than a	1-2	2-3	3-4	Above 4	

	year	years	years	years	years	
Below 30 Years	10 (6)	14 (7)	2 (5)	3 (6)	2 (7)	<b>31</b>
30-40 Years	13 (7)	9(8)	7 (6)	5 (7)	3 (9)	<b>37</b>
40-50 Years	9 (8)	11(9)	8 (7)	7 (8)	5 (8)	<b>40</b>
50-60 Years	5 (11)	6(11)	11 (8)	19 (10)	12 (13)	<b>53</b>
Above 60 Years	3 (8)	3(8)	4 (6)	5 (8)	24 (9)	<b>39</b>
<b>Total</b>	<b>40</b>	<b>43</b>	<b>32</b>	<b>39</b>	<b>46</b>	<b>200</b>

df (r-1)(c-1) = 16

Level of significance = 5%

Calculate value = 68.36

Table value = 26.296

**Result:**

The calculate value  $\chi^2$  is much more than the table value. The **hypothesis is rejected**. Hence there is significant relationship between Age of the respondents and Period of Using the Products by the respondents.

**AVERAGE RANKING ANALYSIS**

Average ranking method was used to find out which is the primary factors that influence the usage of khadi and gramodyog products

**Table - 3**  
**Ranking Factor Influencing By the Respondents**

Factor	7	6	5	4	3	2	1	Total	Mean	Rank
Price	31	33	28	24	29	15	40	200		
Score	217	198	140	96	87	30	40	808	4.04	<b>2</b>
Quality	30	29	31	27	26	27	30	200		
Score	210	174	155	108	78	54	30	809	4.05	<b>1</b>
Durability	33	28	22	21	37	29	39	200		
Score	231	168	110	84	111	58	39	801	4.00	<b>4</b>
Availability	21	27	23	28	33	30	38	200		

Score	147	162	115	112	99	60	38	733	3.67	<b>6</b>
Design	12	36	27	26	38	29	32	200		
Score	84	216	135	104	114	58	32	743	3.72	<b>5</b>
Discount	9	25	21	34	25	41	45	200		
Score	63	150	105	136	75	82	45	656	3.28	<b>7</b>
Others	37	21	28	31	23	28	32	200		
Score	259	126	140	124	96	56	32	806	4.03	<b>3</b>

### Result:

The above table reveals that the respondents have assigned “Quality” was the primary factor (Rank I) and “price” as the next factor (Rank II), Third Rank to Others i.e., [Quantity, Offers, Gift, Store Location], Fourth Rank to Durability, Fifth Rank to Design, Sixth Rank to Availability, Seventh Rank to Discount.

### FINDINGS

- ❖ Majority of the respondents are comes under the family income of Rs.10000 – 20000.
- ❖ Majority of the respondents are satisfied
- ❖ There is significant relationship between Age of the respondents and Period of Using the Products by the respondents.
- ❖ Majority of the respondents gave first rank to quality, second rank to Price, Third Rank to Others Quantity, Offers, Gift, Store Location, Fourth Rank to Durability, Fifth Rank to Design, Sixth Rank to Availability, Seventh Rank to Discount.

### SUGGESTIONS

- ❖ The products manufactured by the KVI do not have high marketing potential for the customers are not widely using these products. While, the products are not attractive packings, catchy advertisements and comparatively user friendly therefore improvements are an essential requirements on all these aspects
- ❖ KVI should concentrate more on the quality of products and improve the attractive packing.

- ❖ The Government is to take special initiative to sell these products through department stores.
- ❖ The products made are mostly handicraft items, Honey, food items, leather and khaddar products etc. KVI should develop innovative ideas in bringing out new varieties of products.
- ❖ As good number of user feels that the service was low so more services should be provided.

## CONCLUSION

Advertising at large scale needs to be done to increase the sale of products. Introducing of user friendly goods and attractive packaging will help expanding metro urban markets as well customers. By creating awareness about khadi products among youth and introducing different varieties and colors to suit the customer preference. Easy availability of products would help to increase in sales. So more franchisees should be introduced in urban areas. Innovative marketing channels should be needed to attract young generation. Many village people don't know about khadi products. So the khadi education should be introduced in education system, so that people get aware of gandhian ideology and khadi products. The village industries are not entitled for any production subsidy which indicates its interest strength. So as to increase the production of village industries goods, the production subsidy may be given. Credit facility which is offered to khadi products may be extended to village industries goods so as to boost the sales. By Introducing new design and technologies the production could be increased. Khadi institution should not concentrate on same variety of products; it should promote their products by giving diversified products. The government may offer incentives for improved technology in case of village industries goods.



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