Khadi Consumer Awareness in Delhi/NCR Region: Exploring Influencing Factors

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Abstract

Khadi, also known as "Khaddar", is India's signature brand which came into existence during the pre-independence era. Khadi have seen favoritism from the natives of India for the better of decades. Due to increased usage of internet tools, people now can reach information about Khadi easily but the consumer's mind is affected by many factors which impacts their awareness about the purchase they are going to make. This study investigates the factors that influence consumer awareness when buying Khadi products. A primary research survey was conducted in the Delhi/NCR region and 171 samples were finalized for data analysis through a structured questionnaire. This study identifies, measures and classifies 37 research items into variables, namely advertisement, purchase intention, price, authentication/quality consciousness, consumer knowledge and source of information. These six factors can be used to explain consumer awareness level in the context of Khadi products.

Keywords: Consumer, Consumer Awareness Level, Khadi Products, Marketing, Consumer Knowledge.

Introduction

Awareness is an element that appears in the human automation process which involves conscious or unconscious come of action (Chartrand, 2005). Consumers may or may not be conscious about the features of the product they are going to consume. The level of awareness depends on the knowledge being held by consumers about their rights. The awareness shapes the consumer behavior towards any particular product or services. The aim of the paper is to find the factors affecting the awareness regarding Khadi products in the consumers and the resulted consumer behavior. The concept of Khadi is not new to India. The existence of Khadi dates back to the time when India was struggling for its independence. As consumers have become more brand conscious, it is quite a difficult task to create awareness regarding a particular product but the case with Khadi is different. People recognize Khadi more as a medium for independence and less as a brand. As more and more modern organic brands are entering the Indian market, the space for Khadi is getting smaller which requires an urgent awareness and promotional campaign for Khadi. As a result, famous designers like Ritu Kumar, Neeru Kumar, Pranavi Kapur and Madhu Jain are working closely with Khadi weavers and trying to highlight Khadi in the light of fashion apparels so that more and more youths are attracted to Khadi to make Khadi a part of their modern life. Some designers work privately and some are appointed by the government for promoting and creating awareness through fashion shows. Government is also trying to create awareness by promoting the use of Khadi in various departments like government hospitals, railways and airlines by providing mini samples (Gupta, Rastogi and Thakur, 2018). The Khadi sector is growing at around 30 per cent at present and there is more potential to grow. The government is doing promotion on a large scale and despite this, not many people are aware about the Khadi. The present paper targets this issue of awareness level of Khadi products amongst people of Delhi/NCR

region and will try to recognize the factors contributing for greater awareness and knowledge.

Significance of the study

As Khadi has always been in the heart of India but now it seems the case is not the same as consumers are getting swayed towards other branded and non-branded hind end products which are easily available in the market; beating Khadi behind in terms of marketing. Khadi products are no less than any organic products available in the market but their approach towards consumers is questionable. This paper analyses and study the factors affecting the consumer awareness in the context of Khadi products. The Present work addressed the research gap between Khadi products and other brands products available in the market is Promotion and Marketing efforts being put in the market. Greater the marketing; Greater the raised awareness. The results from the paper can be used in the future research for studying consumer awareness. Delhi/NCR region was selected for the present study because since its inception, developers in the NCR have been striving to improvise retail formats to make shopping a convenient experience, based on the consumer's lifestyle by bringing up various sectors like IT, manufacturing and Real Estate which further led the development of supermarkets (Raina et al., 2017).

Objectives

To explore the factors affecting the awareness level of consumers regarding Khadi products.

SCOPE OF THE STUDY

The study tries to identify the factors which can impact consumer awareness in the context of Khadi products. It can be found that previous research on Consumer awareness of Khadi reviewed in this study focused mainly on advertisement/social media/electronic media as factors which affects the consumer's awareness of Khadi products. The previous researches were too narrow to include any other factor and stuck to basically advertisement only. Our study strives to identify more different factors other than advertisement which affects the awareness level of Khadi consumers. As the study is based on the

consumers of Delhi/NCR, it tries to capture the existing awareness level of the consumers and factors they take in mind while making a purchase being aware of the product. Consumer behavior towards Khadi products can also be researched based on our findings. Moreover, the constructs this study has tested and identified can be adapted in future research for testing other market segments. It is recommended that future research should carry out empirical tests on causal relationships between the factors identified in this study and consumer awareness level for Khadi products.

Methodology and Measures

By modifying items (or questions) from previous studies, the validity of selected constructs has been ensured. There were two components to the questionnaire/scale. The questionnaire has seven questions in the first portion (based on nominal scales) and 37 questions in the second section (based on five-point Likert scale). The recommended sample size is at least 300 participants, and the variables that are subjected to factor analysis each should have at least 5 to 10 observations (Comrey & Lee, 1992). In this research we took a sample size of 300 and each variable had at least 5 observations.

In this study, a web-based survey was employed for data collection and the convenience sampling technique was used. Data were collected from consumers in the age group of 18 to 24 (100% of respondents belonged to the category of college/university students) of the Delhi-NCR region and in India. 325 questionnaires were sent electronically through Google -Forms with a response rate of 95%. 300 (92.30 percent) responses were identified appropriate for the analysis. are Near equal gender participation was ensured with a ratio of 57% male (students) as compared to 43% female (students)? For data collection, the research team along with their faculty colleagues were involved for almost six months (one full semester

Analysis and Interpretation

Meanwhile the demographic profile of respondents revealed that 66.08 were male and 32.7 were female. In terms of age 55.55% respondents were in the age group 15-25, 38.59 % were in the age group 26-35, 4.09% were in the

age group 35-45 and the rest 1.75% were above the age 45. In terms of occupation, 17.54% were into business, 34.50% were working on salary bases, 35.08% were students and the rest 8.77% were unemployed. Regarding Education, 2.33% were only 10th pass out, 16.95% were 12th pass out, 44.44% were graduated ,32.74 were post-graduated and the rest 3.50% hold other unmentioned qualifications. In terms of Income, 0.58% earned between 10000-20000, 23.97% earned between 20000-30000, 12.86% earned between 30000-40000, 14.03% earned above 40000, 12.86% earned below 10000 and rest 35.67% didn't disclose their income. In terms of Residence area, 57.8% belonged to urban area, 25.73% belonged to rural area, 7.01% belonged to semi-urban area and rest 9.35% belonged to semi-rural area. In terms of Marital status, 257% were married, 71.34 were unmarried and the rest 2.92% belonged to other status.

THEORETICAL MODEL

The following factors has been identified from the previous studies which are as follows: - Consumer Knowledge

From a consumer behavior perspective, knowledge has been defined as "the information stored within memory" (cf. Engel, Blackwell, & Miniard, 1990, p. 281). A number of early consumer researchers (e.g., Engel et al., 1990; Howard & Sheth, 1969; Nicosia, 1966) sought to develop models of the consumer purchase decision-making process, and realised that this relied heavily on the notion of consumer knowledge. Consumer knowledge has been found to influence the extent of information search (Beatty & Smith, 1987; Moore & Lehmann, 1980; Veale & Quester, 2007a), and the types of information used in decision making (Brucks, 1985; C. W. Park & Lessig, 1981; Puthankurissi Raju et al., 1995). From a marketing perspective, what a consumer knows about a product or service, i.e., their consumer knowledge, is crucial to how it is marketed. Consumer knowledge affects all aspects of the marketing strategy developed to satisfy target segments. Based on the discussion, the first hypothesis can be specified as:

Advertisement

According to Morden (1991), Advertising may be used to push a simple cognizance of the products or services into the brain of the probable customer, or to help develop deeper knowledge of it. As a promotional move, marketing helps in establishing product awareness and conditioning the human brain of a probable customer to consider the final purchase decision. The main objective of the advertiser is usually to attract customers and influence their attitudes and purchase tendencies (Ayanwale et al., 2005 and Adelaar et al., 2003). Advertisers" priority is certainly to attract probable customers and motivate their shopping for tendencies and enhance awareness. They dedicate surplus money to maintain purchasers" focus on their things. Bolatito (2012) has analysed how advertisement is important in company assortment and how clients give decision to a particular brand within the telecommunication marketplace. The scholarly review used top quality, availability, advertising and price as variables influencing unit preference among unique businesses in Nigeria. Both females and males were undoubtedly influenced by advertisements.Nair and Dhanuraj (2016) were of the opinion that entry barriers to the Khadi sector should be removed. Also, Khadi should be made available at private retail stores at competitive prices. Appropriate marketing techniques like awareness campaigns among the youth on Khadi fabrics featuring its quality can help to increase the demand for Khadi products. The major problem encountered with KVIC'S product Khadi is marketing. The sales are ensured only through KVIC aided institutions with an internal arrangement done by KVIC. Many Khadi retailers do marketing of products themselves. Exhibitions and fairs are organised by KVIC as part of promoting Khadi at national level but small retailers do not benefit from it. For growth, the marketing game should be quite strong. After evaluating both demand side problem and supply side problem in Khadi, marketing was a common problem on both sides (Goel and Jain, 2015). Based on the discussion, second hypothesis can be formed as:

Quality Consciousness

Product quality is one of the decisive factors which have a certain impact on consumers'

purchase, therefore several quality labels have been introduced to guarantee the quality and the originality of products. Furthermore, consumers can easily distinguish high quality products and make better decisions related to their purchase (Košičiarová, Nagyová, Holienčinová, & Rybanská, 2016). Kotler and Keller (2014:131) explained quality is a totality of the feature and characteristic of the product or service which are able to satisfy the needs. Next, according to Goetsch & Davis (1994) and Tjiptono & Diana (2003), the definition of quality is a dynamic condition associated with product, service, human, and environment which is fulfilling or exceeding the expectation. Moreover, quality is an ever-changing condition for example what is considered the current quality is considered less qualified in the future (Tjiptono dan Diana, 2003).A good quality can increase the purchase decision of the customers on the product or service. It is in line with the result of a study performed by Shaharudin (2011), who revealed to find the level product decision is based on eight dimensions of framework quality and the relationship to the customer purchase behavior. Furthermore, this study supports an opinion of Tjiptono (2008), product quality is a combination of the nature and characteristic which determines the extent to which an output can meet the customers' needs or assess the extent to which the nature and characteristic fulfill the customers' necessity. Next, this result is in line with a study by Anwar (2015), who postulated Product Quality is significantly and positively affecting Purchase Decision. Lastly, this research result is in line with a study result of Anis (2015), posited product quality is positively affecting purchase decisions. Based on the discussion, third hypothesis can be formed as:

Product Knowledge

Greater product knowledge elevates the potential for understanding how well a product's utility aligns with a customer's needs and expectations, and thus contributes to developing relationships (Steward et al., 2009).From a customer perspective, in addition to knowing that they are getting the best deal the store has to offer, increasingly, customers also look for reassurance that it is the best deal in the market, which can only be provided if the salesperson possesses knowledge about competitors' products. Product knowledge is the perception of knowledge possessed by consumers of a particular product, including the experience of consumers in using previous products. Jayachandran, K. Hewett, P, (2004) The existence of product knowledge can build and assist consumers in evaluating a product so that it can feel the value of the product consumedS. U. Sumarwan. Perilaku konsumen, (2011) Product knowledge also includes the entire scope of information stored in consumer memory and can influence the actions to be taken next, including the intention to repurchase intentions of products that have been previously purchased as a whole. Indicators for product knowledge according to Aertens et al., are subjective knowledge, objective knowledge, and experience knowledge J. Aertsens, K. Mondelaers, (2011) Subjective knowledge is the level of knowledge consumers have for a product. Objective knowledge is how much information is stored in consumer memory related to the brand, attributes, situation of use, type and class of a product. Also, experience knowledge is additional information obtained on a product after buying and using a product. Based on the discussion, fourth hypothesis can be formed as:

Price Consciousness

Price strongly affects consumers' purchasing decisions. Consumers who are unwilling/unable to pay a higher price or primarily focus on a product's price during the decision-making process have been called 'price conscious', 'price sensitive', 'value conscious', 'value oriented', 'price oriented', 'deal prone', 'thrifty', and so on lford, B.L.; Biswas, A. (2002). Here, we refer to those individuals as 'price consciousness'. Consumers' level of price consciousness greatly influences their decision-making processes and purchasing behaviors. Price conscious consumers place greater emphasis on a product's price and carefully weigh the potential benefits of the purchase against the cost of the goodBye, B.K.; Campbell, B.;(2014). Price consciousness is defined as "the degree to which the consumer focuses exclusively on paying a low price" (Lichtenstein et al., 1993). Sinha and Batra (1999) consider price consciousness as an attitude-like enduring predisposition that varies in intensity across individuals. It is, some

individuals are simply more conscious of the prices they pay than others. Therefore, different consumer segments can be distinguished based on their price consciousness (eg., high vs. low). Based on the discussion, the fifth hypothesis can be formed

Information Source
Social influence has been described as one of the primary factors that affect consumers' decisions. Indeed, Yang and Allenby (2003, p. 291) suggest that "people live in a world in which they are interconnected, information is shared, recommendations are made and social acceptance is important." Therefore, it is not surprising that the research studying social influence has found that the social environment can shape and sometimes misconstrue consumers' opinions, preferences, and choice behaviors as they strive for social acceptance (e.g., Argo, Dahl, and Manchanda 2005; Bear- den and Etzel 1982; Dahl, Manchanda, and Argo 2001; Rat-ner and Kahn 2002).Social information processing theory (Salancik and Pfeffer 1978) addresses mechanisms by which peers influence individuals' behavior and attitudes. According to this theory, social information consists of comments and observations made by people whose views an individual considers relevant.

Researchers have shown the effects of social influence in different spheres (see, e.g., Dolinski, Nawrat, and Rudak 2001). Consumer's susceptibility to interpersonal influence (CSII) has been a source of interest for marketing researchers. This construct relates to the extent to which consumers are amenable to influence from different sources of information. Researchers opine that this is a general trait that varies across people earden, Netemeyer, and Teel 1989; McGuire 1968). Bearden, Netemeyer, and Teel (1989) and Deutsch and Gerard (1955) point to the different dimensions of CSII: (a) normative influence, that is, the tendency to conform to the expectation of others; and (b) informational influence, that is, the tendency to accept information from others as evidence about reality (Deutsch and Gerard 1955, p. 474).Park and Lessig (1977) suggest that in the case of informational influence, consumers may search for information from other consumers whom they regard as knowledgeable, or they form their judgments and decisions by observing others. Previous research has also shown an impact of informational influence on consumer behavior (see, e.g., Burnkrant and Cousineau 1975; LaTour and Manrai 1989; Lord, Lee, Choong 2001; Park and Lessig 1977).
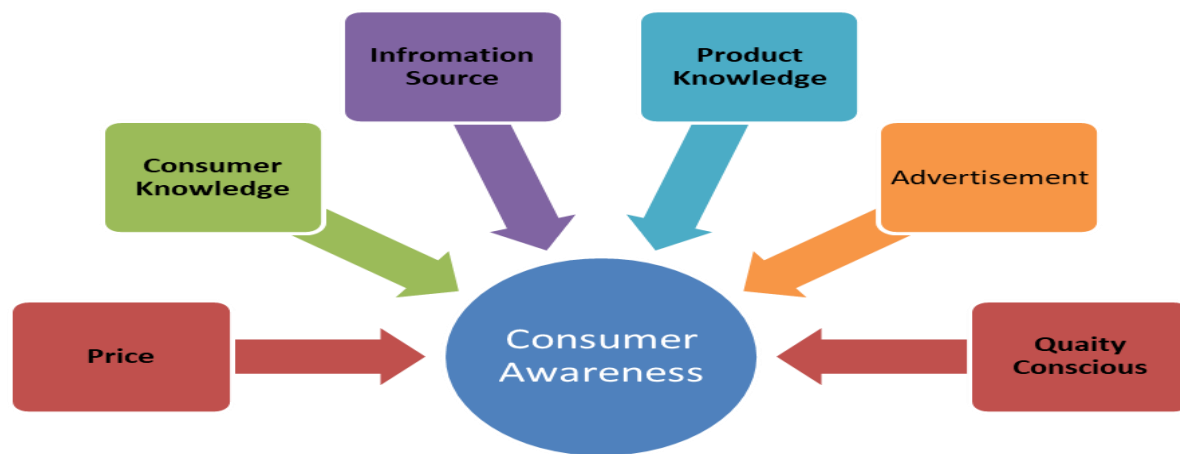
As no theoretical evidence exists for my study, we propose the following factors that impact the awareness of consumers regarding the products. The proposed factors and their impact on the awareness level was analyzed by using Confirmatory Factor Analysis.

MEASURES
Selected constructs have been ensured their validity by adapting the items (or questions) from earlier studies. The questionnaire/scale comprised two sections. The first section of the questionnaire contained seven questions (based

on nominal scales) and the second section contained 34 questions (five-point Likert scale). Appendix shows the measurement items along with factor loadings and the sources from where they were taken. Questions in Section A were related to the respondents' primary demographic data. Section B of the questionnaire was based on the integrated model included Consumer Knowledge (CK), Information Source (I), Quality Consciousness (Q), Product Knowledge (PR), Price (P) and Advertisement (A).

Results and Interpretation

Results of the tests carried out are reported in this section. The results of the reliability analysis showed that of the 35 items in the scale, Cronbach's alpha = 0.636 had a satisfactory discriminating power (Mansour, 2015). The results indicated the satisfactory level of construct validity and internal consistency of this modified questionnaire. Bartlett's (1950) test of sphericity was investigated given that there were sufficient items per variable($\chi2$) = 10464, df=34, p < .001) (Worthington & Whittaker, 2007). The reliability test of the constructs (Table 3) depicts that all the Cronbach's alpha values were well above the minimum threshold limits, i.e., above 0.6.

Table 3. The Reliability Test of the Key Constructs

| Construct	Cronbach's Alpha	Number of Item
Consumer Knowledge	0.636	8
Advertisement	0.751	5
Quality Consciousness	0.768	6
Product Knowledge	0.612	5
Price Consciousness	0.716	5
Information source	0.727	6

Measurement model testing

The measurement model was put to the test using confirmatory factor analysis. The model-fit measures were verified using the model's suggested fit indices (viz., 2/df, GFI, CFI, NFI, IFI, TLI, RMSEA, and RMR) to validate the overall goodness of fit index, and all values were well above their respective criterion (common minimum acceptance) thresholds (Hair et al. 2006). All model fit indices were within the threshold ranges, according to Table 4.
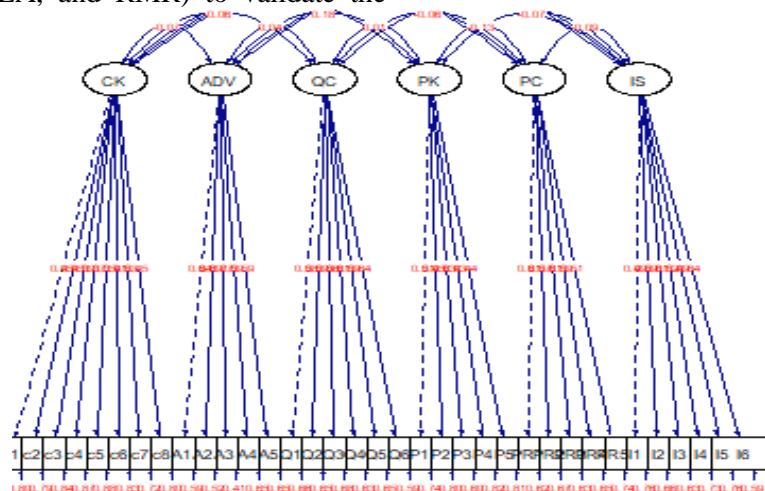
Table 4. Fitness indices for the measurement model

Model Criteria Obtained	Chi Square	Df	Chi Square/Df	GFI	RMSEA	RMR	NFI	CFI	IFI	TLI
Criteria	164.510	99	$1 \leq CS/DF \leq 3$	≥ 0.9	$<0.08<.1$	$<0.08<.1$	≥ 0.90	≥ 0.90	≥ 0.90	≥ 0.90
Obtained			1.66	0.953	0.04	0.050	0.807	0.919	0.916	0.896
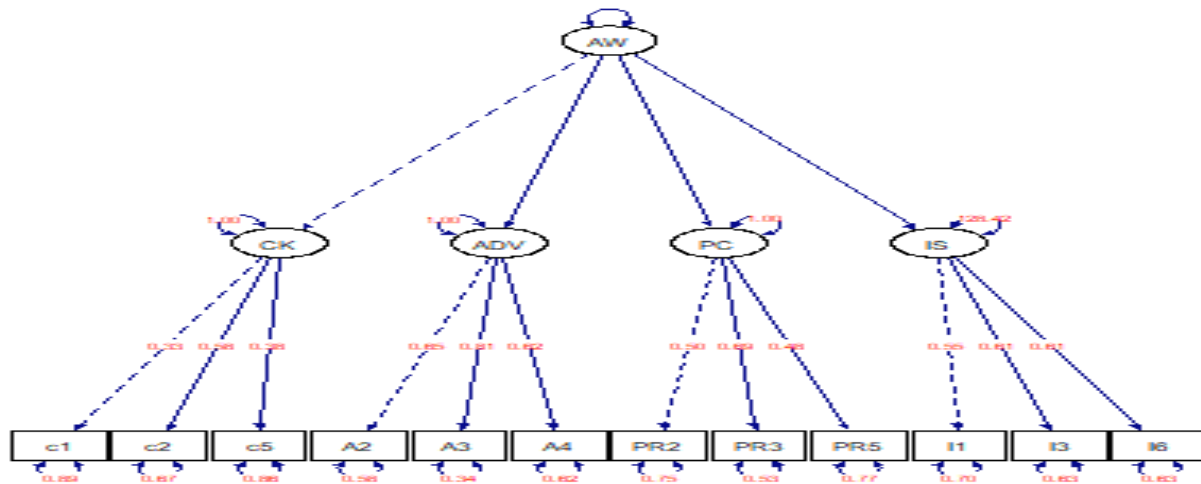
Table: Reliability Analysis

Items	Sample Units	Cronbach Alpha	Bootstrap 95% CI based on 1000 Samples	
			2.5%	97.5%
35	300	0.636	0.547	0.703

Table 2: Bartlett test of homogeneity of variances

Bartlett's K-squared	df	p-value
10464	34	0.001

LIMITATIONS AND FUTURE RESEARCH

Despite meeting the objectives that were set out for this research, there were few limitations that were encountered during this study. This research had an objective to find out the factors affecting the level of consumer awareness regarding Khadi products and, hence, results are better suited to the Indian market as Khadi is an Indian brand and is used enormously by Indian consumers only. The findings of this study cannot be directly generalized or applied to the countries or regions where economy, culture and technology differs. Even the sample size selected for this research was found to be acceptable, a selection of larger sample size could have resulted in more convincing assessment of the awareness level about Khadi products amongst the consumers.

Conclusion

This study has identified six factors which could influence consumer awareness level in the context of Khadi products. The result of exploratory factor analysis identified advertisement, purchase intention, price, authentication/quality consciousness, consumer knowledge and authenticity as factors which could have impact on consumer awareness, consumer buying behavior and purchase making decisions for Khadi products. Khadi has been existing in India from pre-independence time till date but still people are not much aware about the Khadi products and their originality because the common man's shelf has been overtaken by various modern and global products through excellent marketing and promotional activities. This study was done with a major objective to understand what affects the awareness of Khadi in consumers and we got the six major factors. The Indian economy is driven mainly by Youth and that's the reason we included all age groups starting from consumers who were15 years old as Khadi is a fluid brand which does not segment its consumers on any demographic basis as the products can be used and worn by anyone irrespective of gender also.

With a very high growth trajectory, there is a need for increased understanding of consumer awareness and constructs impacting it, which may result in win-win situations for both seller and buyer as buyers will gain greater perspective in choosing a product whereas sellers can understand the needs of the consumers like authenticated product and correct pricing. In future, in-depth interviews and semi-structured surveys can be conducted with open ended questions, revealing a degree of knowledge.

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