Purchase Intention of Customers towards Handloom Textiles with Geographical Indications

Rekha Menon P [1*] iD, **Vasanthakumari P** [2] iD

[1]Vimala College (Autonomous) Thrissur, Department of Commerce, N.S.S College Ottapalam
[2] Centre Head, Department of Management Studies, Dr. John Matthai Centre, Thrissur

Orcid Id: [1]0000-0002-1062-6758, [2]0009-0009-0473-9682
Corresponding Author Email: prekhamenon.nssotp@gmail.com

ABSTRACT: Geographical indications refer to a collective Intellectual property right conferred upon products that draw unique quality on account of the environmental or human skills unique to that place. In Kerala, there are 38 registered Geographical indications. Geographical indications are often viewed as a marketing tool that supports producers and consumers. The producers can use GIs as a product differentiation tool that helps them gain a competitive advantage. Whereas for consumers GIs act as a tool that helps them overcome information asymmetry and therefore choose genuine products. The present study is done to identify the factors determining the purchase intention of customers towards handloom textiles having geographical indications. The sample for the present study is drawn from the customers of Kuthampully Textiles, a geographical indication registered in Kerala. The data collected were analyzed using factor analysis and logistic regression. The factor analysis was done to identify the main factors affecting the purchase intention of GI-tagged textiles and the logistic regression was applied to determine factor interactions.

KEYWORDS: Geographical Indications, Handloom, Textiles, Factor Analysis

1. INTRODUCTION

Geographical indications are a specific class of intellectual property rights that specifies goods as originating from a particular location and draws uniqueness on account of the factors of that location. Geographical indications are often seen as an indication of quality. It helps the consumers identify the real products and thereby acts as a facilitator of product information. All the member countries of the United Nations as per the TRIPS agreement are required to pass a resolution to protect Geographical Indications. UN member nations chose to protect Geographical Indications by passing a separate Act in the Parliament or by extending trademark protection to Geographical Indications.

India has adopted a sui generis mode of protection for Geographical Indication by passing a special Act namely the Geographical Indication of Goods (protection and registration) Act 1999. In India Geographical Indications protection is extended to 432 products as of December 2023 belonging to handicrafts, handloom, food, agriculture, natural produce, etc. In Kerala, there are 31 GI products.

2. HANDLOOM TEXTILES IN KERALA WITH GI TAG

Six of the traditional handlooms in Kerala are given IPR protection under the Geographical Indications Registrations and Protection Act. The handloom protected by GI in Kerala is Cannanore home furnishing, Balaramapuram sarees and fine cotton fabrics, Kasaragode sarees, Kuthampully sarees, Chendamangalam dothies and set mundu and Kuthampully dothies and set mundu.

3. OBJECTIVES

The present research addresses two objectives

i. To measure the level of awareness of customers towards Kuthampully sarees as a GI product

ii. To analyze the factors influencing customers' purchase intention of Kuthampully sarees.

4. RESEARCH METHODOLOGY

4.1 Data collection

The data for the present study were collected from the customers of Kuthampully sarees a GI product from Thrissur district. The respondents were selected by using purposive sampling, for this a question related to the usage of Kuthampully sarees and gender were included in the questionnaire. The data were collected by administering questionnaires among the women customers of Kuthampully saree. A total of 104 responses were received.

4.2 Instrument - Questionnaire

The questionnaire was divided into various segments. The initial questions capture the demographic profile of the customers. It included questions as to gender, age, qualification, and income. The second segment contained questions as to the factors considered while purchasing handloom sarees, the factors considered are price, design, durability, material, and tradition. The Likert scale used for measurement is 0 for insignificant and 4 for severe. The second segment also contained questions about the occasion during which handloom sarees were used and how the customers ensured the genuineness of the Kuthampully saree purchased. The third segment enquired about the awareness of the customers as to the concept of Geographical Indications and the Fourth segment collected data relating to the purchase intention of Kuthampully sarees. The responses of the third and fourth segments were measured using the Likert scale. The awareness level was measured using 0 as not at all aware and 3 as extremely aware. The purchase intention was measured as 0 representing strongly disagree and 4 representing strongly agree.

4.3 Statistical Analysis

Descriptive statistics were used for analyzing the data collected. Exploratory factor analysis was performed to group the factors associated with the customer's purchase intention of Kuthampully sarees which is a handloom with Geographical indications tag. Logistic regression analysis was performed by taking the intention to buy Kuthampully sarees in the future as the dependent variable. The dependent variable is valued at 1 if the customer intends to purchase the Kuthampully saree in the future and 0 if the customer does not intend to purchase the Kuthampully saree in the future. To perform logistic regression analysis of demographic variables and awareness relating to Geographical indications are used. The data were analyzed using Statistical Package for the Social Science (IBM SPSS) software.

5. RESULTS

5.1 Profile of Respondents

Table 1: Demographic Profile of the Customers

Marital Status	Frequency	Percent
Unmarried	23	22.12
Married	81	77.88
Total	104	100.0
Age Group		
20-29	26	25.0
30-39	26	25.0
40-49	52	50.0
Total	104	100.0
Qualification		
School Level	10	9.6
Graduation	15	14.4
Post Graduation	66	63.5
Professional	13	12.5
Total	104	100.0
Monthly Income		
Below 25000	13	12.5
25000-50000	13	12.5
50000-75000	52	50.0
Above 75000	26	25.0
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 1 reveals the demographic profile of the customers. The majority of the customers who took part in the study were married (77.88%). About 50% of the respondents were in the age group 40-49. The qualification of the majority of the customers is post-graduation (63.5%) and the major income group is 50000-75000 pm (50%).

Table 2: Factors of Purchasing Handloom Textile

Factors	Frequency	Percent
Price	26	25
Design	9	8.65
Tradition	27	25.96
Material	29	27.88
Brand	13	12.5
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 2 reveals the factors that customers consider w
purchasing handloom textiles. Regarding the leve
influence material of the textile is of prime importan
the customers with 29% of customers giving it the
highest preference. This shows that when it comes to the
purchase of the handloom textile the originality of the
material is of significance to the customers. The next
important factor in the purchasing decision is tradition
(27%) which is closely followed by the price (26%).

Table 3: The Occasion for Wearing Handloom Textile

Occasion	Frequency	Percent
Special Occasion	26	25.0
Festive wear	65	62.5
Regular wear	13	12.5
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 3 reveals that the majority of customers prefer to
wear handloom textiles as festive wear (62.5%) and the
least customers use handloom as a daily wear option
(13%).

Table 4: Place of Purchase of Kuthampully Sarees to Ensure Genuine

Variable	Frequency	Percent
Purchasing from Kuthampully place	39	37.5
Purchasing from Kuthampully exclusive showroom	65	62.5
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 4 shows that the majority of the customers prefer
to shop for Kuthampully sarees from exclusive shops
(65%).

5.2 Customers Awareness Regarding Geographical Indications

Table 5: Aware That Geographical Indication Is an Intellectual Property Right

	Frequency	Percent
Moderately Aware	26	25.0
Extremely Aware	78	75.0
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 6: Aware That Geographical Indication Is Assigned to Products That Are Unique from A Particular Geographical Area

	Frequency	Percent
Moderately Aware	16	15.38
Extremely Aware	88	84.62
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 7: Aware That a Geographical Indication Tag Can Confirm the Originality of a Product

	Frequency	Percent
Slightly Aware	13	12.5
Moderately Aware	65	62.5
Extremely Aware	26	25.0
Total	104	100.0

Source: Authors' calculation based on survey data collected

Table 8: Aware That Kuthampully Sarees Is a Geographical Indication

	Frequency	Percent
Not at all aware	8	7.69
Moderately Aware	18	17.31
Extremely Aware	78	75.0
Total	104	100.0

Source: Authors' calculation based on survey data collected

Four statements were asked relating to awareness about
geographical indications. The first statement verifies the
awareness of the customers about the fact that
Geographical indication is a form of Intellectual Property
Right. Table 5 reveals that the majority (62.5 %) of the
customers are only moderately aware that Geographical
Indications is an IPR. Second and Third statements relate
to the awareness of the customers about the features of
the Geographical indications. Tables 6 & 7 reveal that the
majority of the customers are aware of the fact that
geographical indications are assigned to products
originating from a particular place (84.62%) and it
indicates the originality of the product (75%). The fifth
statement is regarding the awareness of customers as to
the fact that Kuthampully sarees is a geographical
indication and Table 8 reveals that the majority of the
customers (75%) are aware that Kuthampully saree is a
geographical indication.

Rotated Component Matrix^a

Factor	Items	Component 1	Component 2
Product Diagnostics	I purchase Kuthampully sarees as they reduce the information gap and help in choosing original products	.960	
	I purchase Kuthampully sarees as I trust the quality of Kuthampully textile	.951	
	I purchase Kuthampully sarees as they help me evaluate the genuineness of the product	.936	
	I intend to make future purchases of Kuthampully textile	.936	
	I purchase Kuthampully textiles as it is important for me to purchase high-quality textile	.844	
Purchase Intention	I purchase Kuthampully as I believe that the Kuthampully textile is highly durable	.449	.781
	I will purchase Kuthampully sarees even if the price is on the higher side		.741
	I purchase Kuthampully as the quality of the textile is high		.672
	I purchase Kuthampully sarees as they uphold our cultural heritage	.311	.664

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.^a

5.3 Factor Analysis

Factor analysis is used in this study to reduce the number of variables so that key variables can be identified. In the present study, exploratory factor analysis was performed to identify the key variables responsible for customers' purchase intention relating to the purchase of Kuthampully sarees. A two-factor solution was generated and these two factors explained 74.876% of the total variance (Table 9). The factor model has a Kaiser

Mayer Olkin measure of 0.766 and Barlett's Test of Sphericity were significant.

5.4 Logistic Regression Analysis

Table 10: Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	51.770^a	.253	.464

Binary logistic regression analysis was performed to ascertain the effect of awareness of the features of Geographical indication like 'it represents product from a particular location' and 'it represents originality of product' along with demographic variables like age, marital status, income, and qualification on the purchase intention of Kuthampully sarees. The model explained 46.4% (Nagelkerke R^2) of the variance in purchase intention of Kuthampully sarees and correctly classified 89.4% of cases.

Component Matrix^a

	Component 1	Component 2
I purchase Kuthampully textile as it upholds our cultural heritage	.957	
I purchase Kuthampully as I trust the quality of Kuthampully textile	.926	
I purchase Kuthampully Textile as it helps me evaluate the genuineness of the product	.923	
I intend to make future purchases of Kuthampully textile	.923	
I purchase Kuthampully textiles as it is important for me to purchase high-quality textile	.855	
I will purchase Kuthampully Textile even if the price is on the higher side		.778
I purchase Kuthampully as I believe that the Kuthampully textile is highly durable	.601	.671
I purchase Kuthampully as the quality of the textile is high		.670
I purchased Kuthampully Textile as it reduces the information gap and helps in choosing original products	.442	.585

Extraction Method: Principal Component Analysis.

The statistical significance of the test found that 'Awareness that GI tag indicates the originality of the product', Age group 30-39 and income level added significantly to the model prediction. The model shows that an increase in awareness about GI increases the purchase intention of Kuthampully sarees

Customers between the age group of 30-39 are more likely to purchase Kuthampully sarees in the near future and the purchase intention of customers increases with an increase in income level.

6. DISCUSSION

The majority of the customers who took part in the study were married (77.88%). About 50% of the respondents were in the age group 40-49. The qualification of the majority of the customers is post-graduation (63.5%) and the major income group is 50000-75000 pm (50%).

The factors that customers consider while purchasing handloom textiles. Regarding the level of influence material of the textile is of prime importance to the customers with 29% of customers giving it the highest preference. This shows that when it comes to the purchase of the handloom textile the originality of the material is of significance to the customers. The next important factor in the purchasing decision is tradition (27%) which is closely followed by the price (26%).

Four statements were asked relating to awareness about geographical indications. The first statement verifies the awareness of the customers about the fact that Geographical indication is a form of Intellectual Property Right, the majority (62.5 %) of the customers are only moderately aware that Geographical Indication is an IPR. The second and Third statements relate to the awareness of the customers about the features of the Geographical indications, the majority of the customers are aware of the fact that geographical indications are assigned to products originating from a particular place (84.62%) and it indicates the originality of the product (75%). The fifth statement is regarding the awareness of customers as to the fact that Kuthampully sarees is a geographical indication, the majority of the customers (75%) are aware that Kuthampully sarees is a geographical indication.

Factor analysis is used in this study to reduce the number of variables so that key variables can be identified. In the present study, exploratory factor analysis was performed to identify the key variables responsible for customers' purchase intention relating to the purchase of Kuthampully sarees. A two-factor solution was generated and these two factors explained 74.876% of the total variance. Product diagnostics and Purchase intention are the factors identified.

The logistic regression analysis model shows that an increase in awareness about GI increases the purchase intention of Kuthampully sarees. Customers between the age group of 30-39 are more likely to purchase

Classification Tables					
Observed			Predicted		
			Purchase Intention of Kuthampully Sarees		Correct %
			No	Yes	
Step 1	No	No	6	8	42.9
	Yes	Yes	3	87	96.7
	Overall %				89.4
a. The cut value is .500					

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 1ª	A_2	.225	1.03	.047	1	.828	.798
	A_3	.988	1.25	5.671	1	.017	9.050
	Marital	-.264	1.28	.042	1	.838	.768
	Age			.894	1	.640	
	Age(1)	1.18	2.36	.854	1	.055	8.92
	Age(2)	1.16	1.85	.394	1	.530	.312
	Income	1.42	1.22	3.95	1	.047	11.3
	Qualification	2.73	1.77	2.36	1	.124	.065
	Constant	3.78	4.51	.705	1	.401	44.0

Kuthampully sarees in the near future and the purchase intention of customers increases with an increase in income level.

7. CONCLUSIONS

The study shows that the respondents are aware of the concept of geographical indications and can identify that Kuthampully sarees is a geographical indication. During factor analysis, it was revealed that geographical indications can act as a product diagnostic tool as they provide information about the product being purchased by the customer. The durability of the Kuthampully sarees is of great relevance when it comes to purchase intention. The producers of Kuthampully sarees should concentrate more on women in the age group of 30-39 in the upper-income group as they have high intentions to purchase Kuthampully sarees in the future. Overall, the Geographical indication tag of Kuthampully has a positive influence on the purchase intention of customers.

REFERENCES

Akhter, S.H. (2003) Digital divide and purchase intention: why demographic psychology matters. Journal of Economic Psychology, 24, 321–327.

Alcalde, M.J., Ripoll, G., & Panea, B. (2013) Consumer attitudes towards meat consumption in Spain with special reference to quality marks and kid meat. In Consumer Attitudes to Food Quality Products: Emphasis on Southern Europe (ed. by M. Klopcˇicˇ, A. Kuipers & J.-F. Hocquette), pp. 97–107. EAAP publication No. 133, Wageningen Academic Publishers, The Netherlands.

6

Aprile, M.C., Caputo, V. & Gallina, G. (2009) Attitude and awareness of EU quality labels: an analysis of Italian consumers. Rivista di Economia Agraria, LXIV, 269–289, (Luglio-Dicembre).

Aprile, M.C., Caputo, V. & Nayga, R.M. Jr. (2012) Consumers' valuation of food quality labels: the case of the European geographic indication and organic farming labels. International Journal of Consumer Studies, 36, 158–165.

Borg, E.A. & Gratzer, K. (2013) Collective brand strategy, entrepreneurship, and regional growth: the role of a Protected Designation of Origin (PDO). Journal of World Economic Research, 2, 26–38.

Botonaki, A. & Tsakiridou, E. (2004) Consumer response evaluation of a Greek quality wine. Food Economics - Acta Agriculturae Scandinavica, 1, 91–98.

Bower, J.A., Saadat, M.A. & Whitten, C. (2003) Effect of liking, information and consumer characteristics on purchase intention and willingness to pay more for a fat spread with a proven health benefit. Food Quality and Preference, 14, 65–74.

Bredahl, L. (2001) Determinants of consumer attitudes and purchase intentions about genetically modified foods: results of a cross-national survey. Journal of Consumer Policy, 24, 23–61.

Calvo, D. (2001) Analysis of Quality and Perceived Risk in the Buying Decision-Making Process of Food Products. Doctoral Thesis, Universidade da Coru~na, Coru~na, Spain.

Caporale, G. & Monteleone, E. (2001) Effect of expectations induced by information on origin and its guarantee on the acceptability of a traditional food: olive oil. Sciences Des Aliments, 21, 243–254.

Gangjee, D.E.V.S. (2017), "Proving provenance? Geographical indications certification and its ambiguities", World Development, Vol. 98, pp. 12-24, doi: 10.1016/j.worlddev.2015.04.009.

Kher, S.V., Lynn, J.F., Janneke, D.J., Meike, W., Olivia, H.D., Niels, B.L.L. and Hilde, J.C. (2010), "Experts' perspectives on the implementation of traceability in Europe", British Food Journal, Vol. 112 No. 3, pp. 261-274, doi: 10.1108/00070701011029138.

Maskin, E. and Tirole, J. (1990), "The principal-agent relationship with an informed principal: the case of private values", Econometrica, Vol. 58 No. 2, pp. 379-409.

Menozzi, D. (2006), "Economic aspects of labelling regulations for consumer protection", Progress in Nutrition, Vol. 8, pp. 157-166.

Menozzi, D., Halawany-Darson, R., Mora, C. and Giraud, G. (2015), "Motives towards traceable food choice: a comparison between French and Italian consumers", Food Control, Vol. 49, pp. 40-48, doi: 10.1016/j.foodcont.2013.09.006.

Nazlida, M., Shiem, L.V. and Normalisa, M.I. (2017), "Does the country of origin of a halal logo matter? The case of packaged food purchases", Review of International Business and Strategy, Vol. 27 No. 4, pp. 484-500, doi: 10.1108/RIBS-06-2017-0049.

Pavlou, P.A. and Gefen, D. (2004), "Building effective online marketplaces with institution-based trust", Information Systems Research, Vol. 15 No. 1, pp. 37-59, doi: 10.1287/isre.1040.0015.

Pavlou, P.A., Liang, H. and Xue, Y. (2007), "Understanding and mitigating uncertainty in online exchange relationships: a principal-agent perspective", Mis Q, Vol. 31 No. 1, pp. 105-136.

Piemkhoontham, T. and Ruenrom, G. (2010), "Perception and acceptance towards traceability system in selling meat products", Chulalongkorn Business Review, Vol. 32 No. 123, pp. 73-107.

Poth, S. and Selck, T.J. (2009), "Principal-agent theory and artificial information asymmetry: research and analysis", Politics, Vol. 29 No. 2, pp. 137-144, doi: 10.1111/j.1467-9256.2009.01349.x.

Rahmah, M. (2017), "The protection of agricultural products under geographical indication: an alternative tool for agricultural development in Indonesia", Journal of Intellectual Property Rights, Vol. 22 No. 2, pp. 90-103.