

MARKETING PRACTICES OF COIR INDUSTRIES IN COIMBATORE DISTRICT, TAMIL NADU.

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Abstract

The coir industry constitutes a significant segment of the traditional small-scale sector in Tamil Nadu, contributing to both employment generation and rural industrialization. Coimbatore District has emerged as a major hub for coir production and trade, catering to domestic as well as export markets. The present study investigates the marketing of coir products in the district with a focus on examining prevailing marketing practices, distribution mechanisms, pricing strategies, and consumer demand patterns. The study further seeks to identify the constraints faced by producers and traders, including issues related to product diversification, branding, technological adoption and competition from substitute products. Secondary data were supplemented by primary survey findings to provide comprehensive insights into the market structure. The analysis reveals that although substantial opportunities exist for expansion, particularly in export markets and value-added product segments, systematic marketing interventions and policy support are essential to enhance competitiveness and ensure the sustainable growth of the sector. The study is based on primary data collected through Questionnaire and 220 coir units have been selected as the sample for the current study. The study found that the majority of coir units concentrate to produce husk chips, coir pith and coco peat blocks, whereas a smaller number engage in the production of coir yarn, highlighting a concentration of products within certain categories. Entrepreneurs identify significant opportunities in direct marketing and the creation of value-added products, with online sales and environmental appeal also presenting potential prospects.

Keywords:

Marketing, Coir Industries, Direct Marketing and Entrepreneurs and Branding.

Introduction

The coir industry is one of the traditional industries in India, deeply rooted in the rural economy and closely associated with the livelihood of small-scale producers and artisans. Derived from the husk of the coconut, coir fiber and its diversified products hold immense economic and environmental significance due to their biodegradable, eco-friendly and sustainable characteristics. India is the largest producer and exporter of coir in the world, with Tamil Nadu, Kerala and Karnataka being the leading states contributing to its production. Among these, Tamil Nadu, particularly Coimbatore District, has emerged as a prominent hub for coir-based enterprises owing to its abundant availability of raw materials, skilled labor and supportive industrial ecosystem.

Marketing plays a pivotal role in the growth and sustenance of coir enterprises, as the sector is highly competitive and influenced by changing consumer preferences, globalization, and the advent of synthetic substitutes. Effective marketing strategies not only help in creating product awareness but also in establishing brand identity, expanding consumer base and accessing both domestic and international markets. However, the coir industry in Coimbatore continues to face several marketing challenges such as lack of product diversification, limited value addition, weak branding practices and inadequate utilization of modern marketing channels like e-commerce and digital platforms.

The district of Coimbatore holds strategic importance in the coir sector as it is home to numerous small and medium-scale coir units engaged in the production of ropes, mats, brushes, geotextiles, and other value-added items. The presence of cooperative societies and government promotional initiatives has further strengthened the industry. Yet, the effectiveness of these interventions in ensuring sustainable marketing practices requires critical examination. Understanding the dynamics of marketing in the coir sector of Coimbatore is therefore essential for addressing the gaps, exploring new opportunities, and enhancing the global competitiveness of the industry.

This study, “*A Study on Marketing of Coir Products in Coimbatore District*”, aims to analyze the marketing structure, practices, and challenges faced by coir producers and traders in the district. It also seeks to evaluate the role of government schemes, cooperative societies, and emerging marketing channels in strengthening the market presence of coir products. By doing so, the research intends to provide meaningful insights into how the coir industry in Coimbatore can leverage its potential to achieve sustainable growth while preserving its traditional identity. The coir industry, despite being one of the oldest and most eco-friendly traditional industries in India, continues to face several challenges in marketing its products effectively. In Coimbatore District, which is a major center for coir-based production, producers often struggle with issues such as inadequate branding, poor adoption of modern marketing channels, stiff competition from synthetic substitutes, and limited awareness among consumers about the value of eco-friendly coir products. While government schemes and cooperative societies have attempted to strengthen the sector, the extent of their effectiveness in addressing marketing constraints remains limited. Hence, there is a need to systematically study the marketing of coir products in Coimbatore District, with a focus on identifying prevailing practices, analysing consumer demand, assessing distribution and pricing strategies and exploring opportunities for expanding the market reach both domestically and globally.

Objective of the study

The present research study focused to exhibit the marketing Practices of Coir Industries in Coimbatore District, Tamilnadu.

Review of Literature

Marketing of coir products has been studied from the perspective of both domestic and export markets. John (2015) noted that traditional marketing channels for coir products often involve intermediaries, which reduce the margins of small-scale producers. The study suggested direct marketing through cooperatives and e-commerce as effective alternatives.

Research by Pillai and Thomas (2018) revealed that while government support schemes such as subsidies, training and market promotion have improved production capacity, their impact on marketing efficiency remains limited. A critical gap lies in the adoption of modern marketing tools such as digital platforms, branding and international certifications.

Suresh (2019) investigated consumer preferences for coir products in urban areas and found that although awareness of coir products exists, consumer perception is influenced by product design, durability and price competitiveness. The study highlighted the need for innovative product development and aggressive promotional campaigns to attract younger consumer segments.

Tamil Nadu, particularly Coimbatore and Pollachi, has emerged as a leading hub for coir production. According to the Tamil Nadu Coir Board Report (2020), the district contributes significantly to rope, mat and brush manufacturing. Studies by Ramachandran (2017) and Devi (2019) pointed out that while Coimbatore has advantages such as raw material availability and skilled labor, marketing challenges persist due to limited branding initiatives and dependence on traditional wholesale markets.

Anandan (2018) emphasized that cooperative societies in Pollachi and Coimbatore play a vital role in supporting small producers by providing a common platform for marketing. However, the study revealed that lack of product diversification and inadequate penetration into export markets restricts the growth potential. Similarly, Meenakshi (2021) identified e-commerce as an emerging opportunity for coir products in Tamil Nadu, though awareness and adoption among rural producers remain low.

Significance of the Study

The coir industry occupies an important place in the socio-economic framework of Tamil Nadu, particularly in Coimbatore District, where coir-based enterprises contribute substantially to employment, rural industrialization and export earnings. Despite its potential, the marketing of coir products remains a major challenge due to weak branding, inadequate adoption of modern channels and competition from synthetic substitutes. In this context, the present study holds significance for multiple stakeholders.

Research Methodology

The Research study was mainly depends simple random sampling method. Primary data was collected by issuing the questionnaire directly to 203 coir industrialist of interview schedule method in field survey.

The secondary data was collected from published records, newspapers, websites, report of researchers etc., There are 1694 coir units are functioning in Coimbatore District out of which more than 1000 coir units are registered with coir board of them, 220 coir units have been selected as the sample for the current study.

Results and Discussion

Table: 1-Type of Product Producing

S. No.	Name of the Product	Yes	No	Total
1	Coir	25	178	203
		(12.32%)	(87.68%)	(100.00%)
2	Coir yarn	12	191	203
		(5.91%)	(94.09%)	(100.00%)
3	Husk chips	135	68	203
		(66.50%)	(33.50%)	(100.00%)
4	Coir pith	133	70	203
		(65.52%)	(34.48%)	(100.00%)
5	Coco peat block	128	75	203
		(63.05%)	(36.95%)	(100.00%)

Table 1 Interprets the type of products have been produced by the Coir Manufacturers. The highest production levels were observed in husk chips (66.50%), coir pith (65.52%) and coco peat blocks (63.05%). The least produced items are Coir at 12.32% and Coir yarn at 5.91%. The findings reveal that Husk Chips, Coir Pith and Coco Peat Blocks are the predominant products, the output of Coir and Coir Yarn is relatively lower.

Table: 2 Factors Considered for fixing prices

S.No	Factors	Rank
1	Cost of production	1.58
2	Demand	2.39
3	Product quality	2.21
4	Competition in local/global market	4.60
5	Taxes and duties	4.87
6	Currency fluctuation	5.35

The table – 2 displays the average ranks attributed to different factors that impact pricing decisions .The Friedman Rank Test indicates that a lower mean rank signifies a higher perceived importance of the factor among respondents. Key Considerations: Total cost incurred to produce the product (1.58) is identified as the top priority, indicating that pricing strategies are significantly influenced by internal cost structures. Product quality (2.21) and market demand (2.39) are significant internal factors that impact pricing decisions. Factors deemed less significant include competition in the local/global market (4.60), taxes and duties (4.87), and notably, currency fluctuation (5.35). This indicates that external market forces exert a comparatively lesser impact on price determination than internal cost and quality metrics.

Table: 3 Mode of Marketing

S.No	Factors	Rank
1	Direct sales to other units	2.56
2	Trading	2.59
3	To Export companies	2.44
4	Foreign sales agent	2.41

The table-3 presents the mean ranks attributed to different marketing methods employed by coir producers. The Friedman Test indicates that a lower mean rank signifies a greater preference among respondents. The foreign sales agent (2.41) and export companies (2.44) obtained the lowest mean

ranks, indicating a slightly higher preference for international marketing channels. The mean ranks for direct sales to other units (2.56) and trading (2.59) are slightly higher, suggesting a marginally lower preference when compared to export-oriented strategies. Nonetheless, the variations in mean ranks are minimal, indicating that all four marketing modes are employed with a comparable frequency.

Discussion of Findings

The study sought to analyse the marketing practices of coir products in Coimbatore District, with particular emphasis on product diversification, pricing determinants, and preferred marketing channels. The findings obtained through descriptive statistics and the Friedman Rank Test reveal significant insights into the current practices and challenges of the sector.

The results of Table 1 highlight that the predominant products manufactured by coir producers are husk chips (66.50%), coir pith (65.52%), and coco peat blocks (63.05%). These findings suggest a clear orientation of manufacturers towards value-added and export-oriented coir products, which enjoy high demand in both domestic and international markets, especially in the horticulture and landscaping industries. Conversely, traditional coir products such as coir fiber (12.32%) and coir yarn (5.91%) are produced at considerably lower levels. This reflects a structural shift in the coir industry from conventional rope- and mat-based production to high-demand, utility-driven products. The decline in coir and yarn production may also be attributed to competition from synthetic substitutes, changing consumer preferences, and the need for higher margins from diversified products.

Table 2 demonstrates that internal factors such as *total cost incurred to produce the product* (1.58), *product quality* (2.21), and *market demand* (2.39) exert the strongest influence on pricing decisions. This indicates that producers in Coimbatore prioritize cost structures and quality considerations over external forces while formulating pricing strategies. External factors such as *competition in the local/global market* (4.60), *taxes and duties* (4.87) and *currency fluctuations* (5.35) are perceived to have comparatively lesser significance. The emphasis on cost and quality highlights the inward-looking nature of pricing practices among small and medium coir manufacturers, who may lack exposure to dynamic international pricing mechanisms. It also points to the limited integration of local producers into global trade systems where currency fluctuations and global competition are often critical considerations.

As per Table 3, the Friedman Rank Test indicates a relatively higher preference for international marketing channels, with *foreign sales agents* (2.41) and *export companies* (2.44) being ranked more significant compared to *direct sales to other units* (2.56) and *trading* (2.59). Although the variations in mean ranks are minimal, the results suggest that producers are gradually aligning with export-oriented marketing strategies due to higher profitability and growing demand for eco-friendly coir products in global markets. However, the close ranking values also imply that all four modes foreign sales agents, export companies, direct sales, and trading continue to play important roles, reflecting a diversified approach to market access. The sector is undergoing transformation in terms of product diversification and market orientation. While traditional coir yarn and fiber production is declining, manufacturers are increasingly engaging in high-demand products like husk chips, coir pith and coco peat blocks. Pricing strategies remain strongly influenced by internal cost and quality considerations, indicating the predominance of small and medium-scale operational dynamics. At the same time, marketing channels reveal a growing orientation towards exports, suggesting that Coimbatore's coir industry is well-positioned to tap into international markets, though it still relies on multiple modes to mitigate risks.

Conclusion

The present study on the marketing of coir products in Coimbatore District highlights the evolving nature of the industry and its growing alignment with value-added and export-oriented markets. The analysis of product diversification reveals that husk chips, coir pith and coco peat blocks dominate production, while traditional products such as coir fiber and coir yarn are produced at minimal levels. This shift reflects both changing consumer demand and the search for higher profitability through innovative product lines. Overall, the study concludes that the coir industry in Coimbatore is transitioning from traditional production to diversified, globally relevant product lines. However, challenges such as limited branding, inadequate adoption of modern marketing strategies and

dependence on internal cost considerations need to be addressed. Strengthening marketing interventions, promoting product innovation and enhancing export readiness will be essential for ensuring the sustainable growth and competitiveness of the coir sector in Coimbatore District.

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