

# EXPLORING CUSTOMERS' AWARENESS ABOUT GEOGRAPHICAL INDICATION TAGGED PRODUCTS AND THEIR WILLINGNESS TO PURCHASE IT THROUGH ONLINE

S. Ramesh Babu, N. Senthil Kumaran  
MEPCO Schlenk Engineering College (Autonomous), Sivakasi

**ABSTRACT**-Indian online business is having a very wide unutilized market. The manufacturers of GI Tagged products can exploit this opportunity if they create awareness among the customers about the GI tagged products and its availability in online. The objective of this study is for creating awareness about the GI tagged products among the customers by measuring their level of willingness to buy them in online. 24 GI tagged products from Tamilnadu were taken and the awareness level of these products has been measured with the 150 samples collected from Madurai, Virudhunagar and Sivakasi through structured questionnaire. The factors like quality, price, pride, emotional attachment and remembrance of place of visit were considered to determine their level of influence on the purchase of GI tagged products. The people prefer GI tagged products mainly due to emotional attachment towards the product.

**KEYWORDS**-Online Marketing, GI Tagged Products, Emotional Attachment, Customer Awareness

## INTRODUCTION AND REVIEW OF LITERATURE

Products that naturally possess qualities, reputation or characteristics specific to a region are legally protected in India through registration under Geographical Indication of Goods (Registration and Protection) Act, 1999 are called as GI Tagged products. The products registered under the act are classified as agricultural, natural, manufactured goods or handicrafts and food stuff (Anson, 2012). Producers can differentiate their market offering from the competitors with the help of the unique characteristics of their products (Ranjani Ayyar, 2015). The small scale manufacturers who produce geographical indication tagged products have customers throughout India. Their products were sent to various places for consumption even though they are concentrating only on the local stores sales (Sudhakar, Sangeetha Kandavel, 2014). The geographical indication tagged products manufactured in Tamil Nadu were given in the table 1.

**Table 1: Geographical Indication tagged products of Tamil Nadu**

S. No	Product	Industry
1	Salem Fabric	Handicraft
2	Kancheepuram Silk	Handicraft
3	Bhavani Jamakkalam	Handicraft
4	Madurai Sungudi	Handicraft
5	Coimbatore Wet Grinder	Manufactured
6	Thanjavur Paintings	Handicraft
7	Temple Jewellery of Nagercoil	Handicraft
8	Thanjavur Art Plate	Handicraft
9	E. I. Leather	Manufactured
10	Salem silk	Handicraft
11	Kovai Cora Cotton	Handicraft
12	Arani Silk	Handicraft
13	Swamimalai Bronze Icons	Handicraft
14	Eathomozhy Tall Coconut	Agricultural
15	Thanjavur Doll	Handicraft
16	Nilgiri (Orthodox) Logo	Agricultural
17	Virupakshi Hill Banana	Agricultural
18	Sirumalai Hill Banana	Agricultural
19	Madurai Malli	Agricultural
20	Pattamadai Pai ('Pattamadai Mat')	Handicraft
21	Nachiarkoil Kuthuvilakku	Handicraft
22	Chettinad Kottan	Handicraft
23	Toda Embroidery	Handicraft
24	Thanjavur Veenai	Handicraft

Source: [www.ipindia.nic.in/girindia/journal](http://www.ipindia.nic.in/girindia/journal)

The availability of many products in the market makes the customers confused in identifying and selecting the quality product (Pavlov, 2013). When the manufactures of GI tagged products create awareness for the products in online they can prevent the confusion in purchased decision of the customers (Soma Basu, 2016).

The consumers recognize region of origin as quality and emotional cues for making the purchase decision for a product (Felice, Adinolfi, 2011). The emotional attachment created by the GI tag for a product acts as the primary influencing factor and the quality perception about the product as the secondary impact variable (Dhamotharan P G et al, 2013). Once the customers are aware of the Geographical Indications of the products they can distinguish and buy the quality products from the local markets. In this context, making the consumer aware of the GI tagged products from Tamil Nadu will increase the marketability of those products (Anson C J., 2012).

Most of the organizations in the modern corporate world use digital marketing to meet the needs of “always on” consumer (Bourton, B. 2007a). The engaging experience of the customers in online market depends on their deep knowledge about the product, the devices they use to connect to the company and the content they observe (Bourton, B. 2007b). The volumes for accesses and transactions on the internet are large and still growing very fast (Clark, M. 2012).

The number of Internet users in India has reached 205 million in October 2013 as given in the report of I-Cube 2013 by the Internet and Mobile Association of India (IAMAI) and IMRB International. The report also estimates that in India the number of internet users, is expected to overtake the US in mere future. The following table highlights the number of internet users in India from the year 2000:

**Table 2: Internet users in India**

Sl.No.	Year	Users	Population
1	2000	5,500,000	1,094,870,677
2	2001	7,000,000	1,094,870,677
3	2002	16,500,000	1,094,870,677
4	2003	22,500,000	1,094,870,677
5	2004	39,200,000	1,094,870,677
6	2005	50,600,000	1,112,225,812
7	2006	40,000,000	1,112,225,812
8	2007	42,000,000	1,129,667,528
9	2008	49,000,000	1,147,677,000
10	2009	81,000,000	1,156,897,766
11	2010	100,000,000	1,173,108,018
12	2011	110,000,000	1,210,193,422
13	2012	137,000,000	1,210,193,422
14	2013	164,810,000	1,210,193,422
15	2014	302,000,000	1,210,193,422
16	2015	375,000,000	1,251,695,584
17	2016	432,124,989	1,266,883,598

Source: <http://www.internetworldstats.com/asia/in.htm>

Mr. Rajan Anandan, Chairman, IAMAI, says that the Internet in India took more than a decade to move from 10 million to 100 million and only 3 years from 100 to 200 million. From here on, India can hope to develop a robust Internet ecosystem with a multitude of local and global players and a thriving Internet economy. Internet is now, clearly, mainstream in India (IAMAI, 2013).

In US there are only 207 million Internet users and 94 percent of them are utilizing the e-commerce for their regular purchase. In India we are having equivalent internet users but only 19.2 million are utilizing the e-commerce option. Their purchase behavior has not changed much even though there is an increased level of change in their education and accessibility to internet.

Proper utilization of collaborative marketing may open-up new marketing opportunities and lead to improved return on marketing investments (Schultz, D E et al, 2013). In this study, the researchers explored the awareness level of the people and their willingness to buy GI tagged products through online.

## RESEARCH METHODOLOGY

The researchers gathered data from people In Virudhunagar, Madurai and Sivakasi market. 150 samples were collected from these regions with the help of structured questionnaire. The researchers visit the customers in person and explain the questionnaire and then gathered their opinions. The questionnaire consists of four parts i) demographic profile of the people ii) awareness level of people regarding the GI tagged products, iii) willingness to buy the GI tagged products in online and iv) Reasons to buy GI tagged products.

The researcher identified 24 GI tagged products in Tamilnadu and found the awareness level of the people by using bar chart.

Listed the 24 GI tagged products of Tamilnadu in the questionnaire and then check willingness of the people to purchase it by asking them to mark their opinion in a 5 point scale where 5 - Very high... 1 - very low. By calculating the mean value of each product, we found the willingness of the customers to buy GI tagged products.

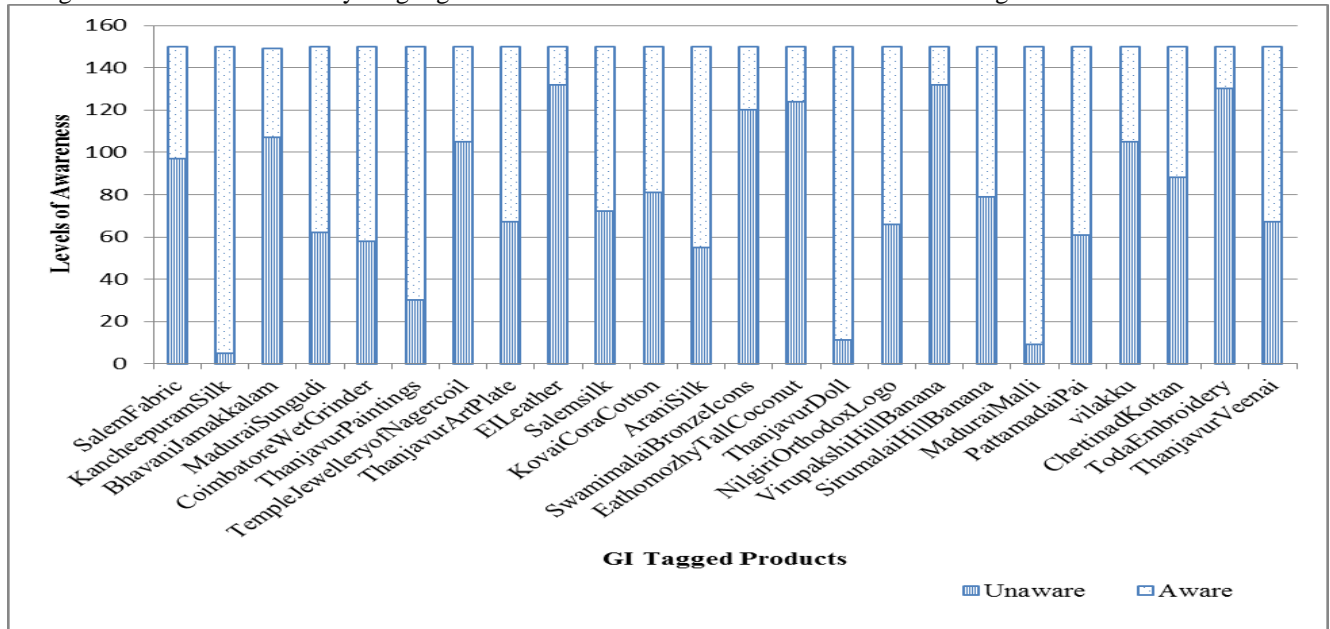
To identify the reasons for purchasing the GI tagged products, the researchers consider the quality of the product, price of the product, pride / status of having it, emotional attachment with the product and remembrance of their visit. The responses were designed based on Likert scale where 5 - very high 4 is high 3 - moderate 2- low and 1- very low and the mean was found.

Linear regression was used to know the impact of those factors in purchasing the GI tagged products. Liner regression was conducted between the reasons to buy GI tagged products and Willingness to buy the product online in future for each of the GI tagged product.

**RESULTS AND DISCUSSIONS**

The customers' awareness levels for the GI tagged products in Tamilnadu are significantly less especially among the younger generation. The GI tag previously has been used as a colloquial name to identify the famous product in a particular place by the elder generation but it has been faded from the minds of younger generation due to the infrequent use of the name among the people.

Kanchipuram Silk, Thanjavur Doll, Madurai Malli and Thanjavur Paintings are the common terms used among the people and they are more familiar in their mind. Yet it is not the same with the other 20 products. Out of 150 samples only 18 people are aware of E.I.Leather and Virupakshi Hill Banana and for Tode Embroidery it is only 20. The colloquial name usage has not been properly transferred from the elder generation to the younger generation. The awareness levels for the various GI tagged products are coming down from the minds of younger generation. The awareness levels are shown in the fig.1.



**Fig.1: Levels of Awareness for the GI Tagged Products**

More than 2/3<sup>rd</sup> of the samples have not consumed even 50% of the GI tagged products from Tamilnadu. Swamimalai Bronze Icons is in the top of not yet purchased GI products list with 122 people and Virupakshi Hill Banana stands next to it with 121 people not yet purchased from among the taken sample. Kanchipuram Silk, Coimbatore Wet Grinder, Thanjavur Doll and Arani Silk are having wider distribution hence many people are able to consume it even from the local market.

Since the people from southern districts are having greater access to Madurai City, nearly 102 people of the selected sample have purchased the products while visiting the place. Equal number of customers have made direct purchase of Kanchipuram silks (55 out of 150 sample) and also purchased the same from the local market (51 out of 150 sample). The number of purchases made through various modes of purchase has been given in table.1:

**Table.3: Present purchase conditions for the GI tagged products**

#	GI Products	Direct Purchase	Relatives / Friends	Local Market	Not Purchased
1	Salem Fabric	19	17	6	105
2	Kancheepuram Silk	55	25	51	19
3	Bhavani Jamakkalam	5	13	16	114
4	Madurai Sungudi	28	7	21	91
5	Coimbatore Wet Grinder	9	12	43	83
6	Thanjavur Paintings	25	22	6	95
7	Temple Jewellery of Nagercoil	16	8	8	116
8	Thanjavur Art Plate	18	13	9	108
9	E.I. Leather	4	6	10	127
10	Salem silk	17	22	24	85
11	Kovai Cora Cotton	18	11	16	102
12	Arani Silk	10	16	35	87
13	Swamimalai Bronze Icons	9	6	11	122
14	Eathomozhy Tall Coconut	6	15	9	117
15	Thanjavur Doll	49	32	37	32
16	Nilgiri Orthodox Logo	30	11	28	78
17	Virupakshi Hill Banana	7	8	11	121
18	Sirumalai Hill Banana	15	12	30	90
19	Madurai Malli	102	10	22	13
20	Pattamadai Pai	16	15	22	95
21	Nachiarkoil Kuthuvilakku	3	10	23	112
22	Chettinad Kottan	8	14	16	109
23	Toda Embroidery	3	6	20	119
24	Thanjavur Veenai	12	9	7	119

Source: Primary Data

While discussing about the factors influencing the purchase of GI tagged products the emotional attachment to the products stands first with the highest mean value of 4.59. Next to the emotional attachment people buy GI products greatly for the pride (3.80 mean) associated with the consumption of that products. The other influencing factors like remembrance of visit (3.65 mean), price (3.65 mean) and quality (3.57 mean) are also having equal impact on the purchasing of the GI tagged products. The GI products greatly attract most of the customers because of its high caliber to meet the emotional needs of the customers. The mean values along with the rank for the influencing factors in the purchase decision of the GI tagged products are given in table.2:

**Table.4: Influencing factors to purchase the GI tagged products**

#	Influencing Factors	Mean Values	Rank
1	Emotion	4.59	1
2	Pride	3.80	2
3	Remember	3.65	3
4	Price	3.65	4
5	Quality	3.57	5

Source: Primary Data

The customers are showing high level of willingness to buy Thanjavur Paintings through online and Salem Fabric stands next to it. The customers have also shown high level of readiness to buy many of the GI products through online and the mean values for these products are given in the table 3.

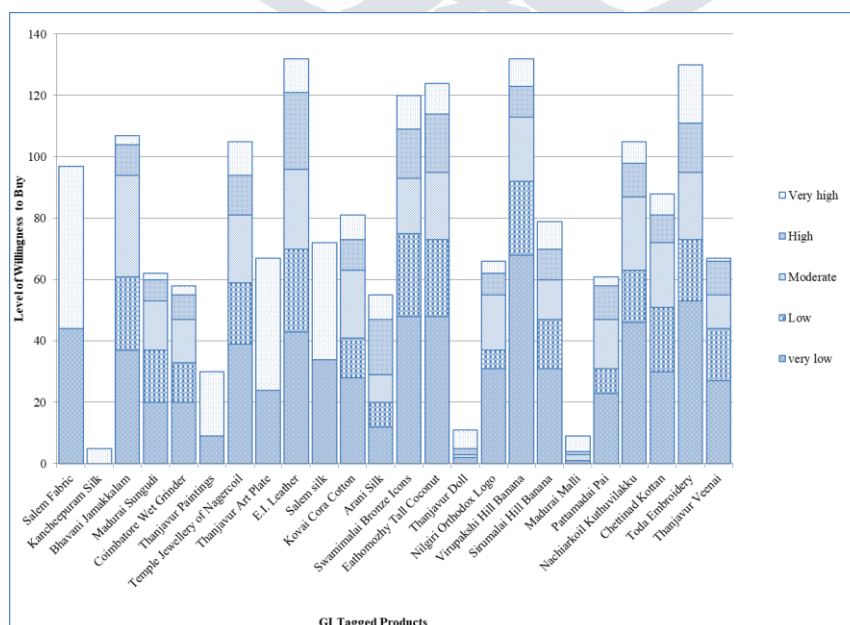
**Table.5: Readiness to purchase the following GI tagged products**

#	Products	Mean	Rank
1	Thanjavur Paintings	4.01	1
2	Salem Fabric	3.85	2
3	Thanjavur Art Plate	3.59	3
4	Salem silk	3.43	4
5	Thanjavur Doll	3.40	5
6	Kancheepuram Silk	3.36	6
7	Madurai Malli	3.25	7
8	Coimbatore Wet Grinder	3.22	8
9	Arani Silk	3.14	9
10	Pattamadaai Pai	3.06	10
11	Kovai Cora Cotton	3.03	11

Source: Primary Data

The customers’ unawareness about the products affects their willingness to purchase it. Out of 97 people who are unaware of Salem fabric 53 are ready to buy the product through online. The numbers of proportion remains to be the same for Thanjavur Art Plate, Salem Silk and Thanjavur Paintings. For the remaining products the customers were unaware of the products and they are also not highly willing to buy the products. But they are in the moderate category with mean values greater than 3.

The customers unaware of the GI products but later on showing their willingness to buy the product in online were given in the Figure.2:



**Fig.2: Levels of Awareness for the GI Tagged Products**

The impact of the influencing factors and the level of willingness to buy the GI tagged products were analyzed using regression.

**Table.6: Influencing factors and willingness to buy Salem Silks in online**

Factors	Coefficient of Influencing factors to buy Salem Silks in online	Sig.
Intercept	1.671195	0.027879
Quality	0.01155	0.019616
Price	0.03952	0.028439
Pride	0.190609	0.019135
Emotion	0.47607	0.001646
Remembrance	0.12966	0.004220

Source: Primary Data

The coefficient of factors influencing the purchases of Salem Silks through online is given in the following equation:

$$Y = 0.01155 X_1 + 0.03952X_2 + 0.190609X_3 + 0.47607X_4 + 0.12966X_5 + 1.671195$$

X1 = Quality,

X3 = Pride

X5 = Remembrance

X2 = Price

X4 = Emotion

People consider the emotional attachment with the product influencing them to purchase Salem Silks through online and also there is a significant relation between them.

**Table.7: Influencing factors and willingness to buy Thanjavur Art Plate**

Factors	Coefficient of Influencing factors to buy Thanjavur Art Plate in online	Sig.
Intercept	1.145574	0.044604
Quality	0.02886	0.039018
Price	0.053208	0.027858
Pride	0.152064	0.028467
Emotion	0.454676	0.002038
Remembrance	0.048552	0.035765

Source: Primary Data

The coefficient of factors influencing the purchases of Thanjavur Art Plate through online is given in the following equation:

$$Y = 0.02886X_1 + 0.053208X_2 + 0.152064X_3 + 0.454676X_4 + 0.048552X_5 + 1.14557$$

X1 = Quality,

X3 = Pride

X5 = Remembrance

X2 = Price

X4 = Emotion

Emotional attachment with Thanjavur Art Plate is having more impact in purchasing it through online and also there is a significant relation between them.

**Table.8: Influencing factors and willingness to buy Thanjavur Painting**

Factors	Coefficient of Influencing factors to buy Thanjavur Painting in online	Sig.
Intercept	2.660204	0.047717
Quality	0.243672	0.024241
Price	0.14492	0.040549
Pride	0.22012	0.023478
Emotion	0.507172	0.000125
Remembrance	0.34839	0.013673

Source: Primary Data

The coefficient of factors influencing the purchases of Thanjavur Painting through online is given in the following equation:

$$Y = 0.243672X_1 + 0.14492X_2 + 0.22012X_3 + 0.507172X_4 + 0.34839X_5 + 2.660204$$

X1 = Quality,

X3 = Pride

X5 = Remembrance

X2 = Price

X4 = Emotion

For purchasing Thanjavur Painting in online the people are giving more importance to the emotional attachment with the product and there is a relationship between reasons for buying GI tagged products and purchasing it through online.

**Table.9: Influencing factors and willingness to buy Salem Fabric**

Factors	Coefficient of Influencing factors to buy Salem Fabric in online	Sig.
Intercept	0.27138674	0.028563
Quality	0.46516434	0.047541
Price	0.10181777	0.03601
Pride	0.3052002	0.032159
Emotion	0.62225565	0.000029
Remembrance	0.1434468	0.036078

Source: Primary Data

The coefficient of factors influencing the purchases of Salem Fabric through online is given in the following equation:

$$Y = 0.4651643X_1 + 0.101817X_2 + 0.30520X_3 + 0.622255X_4 + 0.14344X_5 + 0.2713867$$

X1 = Quality,

X3 = Pride

X5 = Remembrance

X2 = Price

X4 = Emotion

For purchasing Salem Fabric in online the people are giving more importance to the emotional attachment with the product and also the quality of the product. There is a significant relationship between reasons for buying GI tagged products and purchasing it through online

It is inferred from the above analysis the people are purchasing GI tagged products through online because of the emotional attachment they are having with those products

### CONCLUSION

The customers' awareness for many of the GI tagged products are low and this also affect their readiness to buy them online. The purchase decision for products with GI tag is mainly influenced by their emotional attachment towards the product. The given questionnaire creates only the awareness about the name of the GI Tagged products and the customers are unable to visualize the products and its uses. Further study can be done to create emotional attachment to the product and then measuring the level of readiness to buy the product.

### REFERENCES

- [1] IAMAI (2013), Internet Users in India Crosses 200 Million Mark [http://www.iamai.in/PRelease\\_detail.aspx?nid=3222&NMonth=11&NYear=2013](http://www.iamai.in/PRelease_detail.aspx?nid=3222&NMonth=11&NYear=2013)
- [2] Pavlou, P.A. (2003), "Consumer acceptance of electronic commerce: integrating trust and risk with the technology acceptance model", *International Journal of Electronic Commerce*, Vol. 7 No. 3, pp. 101-34.
- [3] Ranjani Ayyar (2015), "Market for golu dolls goes online" accessed at <http://timesofindia.indiatimes.com/city/chennai/Market-for-golu-dolls-goes-online/articleshow/49236367.cms>
- [4] Soma Basu (2016), "A new wave for fine count weaves" accessed at <http://www.thehindu.com/features/metroplus/society/a-new-wave-for-fine-count-weaves/article8532542.ece>
- [5] Statistics on geographical indication tagged products manufactured in Tamil Nadu accessed at [www.ipindia.nic.in/girindia/journal](http://www.ipindia.nic.in/girindia/journal)
- [6] Sudhakar, Sangeetha Kandavel (2014), "Buy halwa online" accessed at <http://www.thehindu.com/news/national/tamil-nadu/buy-halwa-online/article6428002.ece>
- [7] Burton, B. (2007a), Results of Business Intelligence and Performance Management Maturity Survey, Gartner Inc. Research, Stamford, CT.
- [8] Burton, B. (2007b), Toolkit: Maturity Checklist for Business Intelligence and Performance Management, Gartner Inc. Research, Stamford, CT.
- [9] Clark, M. (2012), Single View of the Customer in UK Businesses and the Emerging Role of Big Data, The SAS Institute, Marlow
- [10] Alfnes F & Rickertsen K, European consumers' willingness to pay for US beef in experimental auction market, *American Journal of Agricultural Economics*, 85 (2) (2003) 669-682.
- [11] Ridley W, Shook S & Devadoss S, Estimation of consumer demand for local beef, Conference proceedings, International Food Product Marketing Research Symposium, 20-21 June 2013, Budapest, Hungary.
- [12] Frank C A et al., Consumer preferences for color, price, and vitamin C content of bell peppers, *Hortscience*, 36 (4) (2001) 795 – 800.
- [13] Anson C. J., Marketing flexibilities in Geographical Indications (GI) and trademark: a Comparative Study, *International Journal of Marketing, Financial Services & Management Research* Vol.1 Issue 11, November 2012
- [14] Felice Adinolfi, Marcello De Rosa, Ferruccio Trabalzi Source: Dedicated and generic marketing strategies: The disconnection between geographical indications and consumer behavior in Italy *British Food Journal* Volume: 113 Issue: 3 2011
- [15] Merlin David Stone and Neil David Woodcock., Interactive, direct and digital marketing A future that depends on better use of business intelligence, *Journal of Research in Interactive Marketing* Vol. 8 No. 1, 2014 pp. 4-17
- [16] Schultz, D. E. and Peltier, J., "Social media's slippery slope: challenges, opportunities and future research directions", *Journal of Research in Interactive Marketing*, Vol. 7 No. 2, 2013 pp. 86-99.
- [17] Dhamotharan P G, Selvaraj K N, "Determining consumer preference and willingness to pay for GI registered Bananas", *Journal of Intellectual Property Rights*, Vol. 18, November 2013, pp 576-583