

Evaluating the Impact of Relationship Marketing on Customer Satisfaction in the Bhagalpur Handloom Industry

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Abstract

The Bhagalpur handloom industry, which is quite celebrated globally for its distinctive Tussar silk, now seems to be at a real critical point where the old craft stuff meets the modern market demands, kind of like one foot in tradition and the other in a fast changing scene. In this article, we look into how relationship marketing practices—think trust building, personal communication, loyalty schemes, and long-term buyer engagement—matter for customer satisfaction among people who buy Bhagalpur handloom products. We draw from earlier academic studies, government documents from places like the Ministry of Textiles (India), and also from on ground observations. The goal is to understand both the structural side and the behavioral side of how buyers and sellers relate in this industry. It's argued that weavers and handloom entrepreneurs who really put time and effort into selling based on relationships usually achieve higher repeat purchases, stronger brand allegiance, and more positive word of mouth referrals compared to those who only use transactional approaches, you know quick give and get. The article also spells out barriers such as digital literacy gaps, supply chain fragmentation, and dependency on middlemen, these things slow down or block wider use of relationship marketing across the region. Finally, it offers policy suggestions and practical steps for weavers, cooperatives, and government stakeholders who want to strengthen this whole ecosystem, even if things feel uneven right now.

Keywords: customer satisfaction, handloom industry India, relationship marketing, Bhagalpur handloom, Tussar silk

I. Introduction

Ask anyone who's familiar with Indian textiles about Bhagalpur, and one word comes up, almost immediately... silk. More precisely, Tussar silk, a fabric so distinctive in its texture and natural sheen that it has basically earned the city that informal nickname of "Silk City of India." The Bhagalpur handloom cluster in Bihar is also considered one of the oldest textile regions, and culturally it's one of the most important too, employing hundreds of thousands of weavers, dyers, and traders across the surrounding area.

Still, despite all that heritage, the industry has been under ongoing economic pressure, like, for real. Weavers are pushed by competition from power loom manufacturers, synthetic fabric substitutes, and organized retail brands that can produce at scale. A lot of artisans work on pretty thin margins, often have limited access to formal credit, and they rarely, if ever, reach end consumers directly. So you end up with a market where the product is frequently extraordinary, but the customer relationship is nearly missing.

Which is where relationship marketing starts to matter, and honestly it feels urgent. Relationship marketing, as a concept, is not only about the usual "sell and done" idea. It's built on the notion that long-term ties between businesses and customers create more total value than single, quick sales. Trust, communication, personalization, and consistent after-sales support are usually described as the core building blocks. In places like handloom weaving, where the product holds emotional and cultural meaning, these principles should fit in a rather natural way. A customer who truly knows the story of the weaver behind their silk saree, is far more likely to return again and, also, bring friends along with them.

The question this article sets out to answer is: how much does relationship marketing actually matter for customer satisfaction in the Bhagalpur handloom sector? And more importantly, what's getting in the way of its full potential being realized?

II. Background and Context

2.1 The Bhagalpur Handloom Cluster: A Brief Overview

Bhagalpur district in Bihar has been linked with silk weaving for well over a thousand years, kind of quietly, but still clear. The region's Tussar silk, coming from the cocoons of the *Antheraea paphia* silkworm

which feeds on Arjun and Asan trees, has a natural earthy kind of character, that makes it feel different from the more uniform mulberry silk made in Karnataka and West Bengal.

As per the Annual Report 2022–23 of the Ministry of Textiles, Government of India, the handloom sector overall employs around 35 lakh weavers across the country, and so it stands as the second-largest rural employer, after agriculture. In that larger picture, Bihar's role, especially through Bhagalpur, is pretty substantial, yet getting exact district-level employment numbers is hard since those details are not easily separated out from the state level figures.

The Office of the Development Commissioner for Handlooms has, at intervals, supported the cluster through programmes like NHDP (National Handloom Development Programme) and the Handloom Mark initiative. The point here is to certify authenticity, so consumer confidence improves. Even so, the same structural issues keep showing up. A 2021 NITI Aayog report on artisan cluster development mentioned that most handloom clusters, including the ones in Bihar, face fragile market linkages, heavy reliance on intermediaries, and a limited digital footprint, which is not helping much.

2.2 What Relationship Marketing Actually Means in This Context

In formal academic literature, relationship marketing is often described as a kind of strategy, that puts the emphasis on creating durable and mutually rewarding ties between a seller and buyer, instead of just trying to maximize each separate transaction. The idea was developed much earlier by Berry (1983) and then later pushed forward by Morgan and Hunt (1994), where their Commitment-Trust Theory becomes sort of a pillar for the whole area.

For a handloom weaver in Bhagalpur, relationship marketing doesn't have to resemble a fancy CRM system. It may look more like one person who remembers a returning customer's preferred color palette, or a cooperative that sends out seasonal greetings along with fabric care tips, to its buyer list, in a steady manner. Sometimes it is about offering to adjust a saree border, or simply making sure a loyal customer is informed about a coming fabric collection, before it is released to the general public.

These small but deliberate actions of connection are what set a relationship-oriented seller apart from a purely transactional one. And research across different craft and SME sectors repeatedly indicates that these kinds of gestures shape, in a noticeable way, how satisfied customers end up feeling.

III. Relationship Marketing Dimensions and Their Relevance to Handloom Buyers

3.1 Trust as the Core Foundation

Trust is probably the single most cited predictor of customer satisfaction in relationship marketing literature, and it kinda makes sense. When buyers, especially those buying premium, handmade textiles, feel sure that the seller is honest about product quality, pricing, and sourcing, they tend to relax into the whole relationship. Then they stop comparing everything so obsessively and they start buying with confidence, even if they were unsure earlier.

In the Bhagalpur context though, trust faces a pretty specific problem. You know, fake or adulterated Tussar silk is pretty common in the market. Many buyers, particularly those purchasing online or through wholesale markets in cities like Kolkata, Delhi and Mumbai, get misled by items labelled as "Bhagalpur silk" that end up being machine-made or blended with synthetic fibres, sometimes in ways that are hard to notice right away.

The Handloom Mark scheme from the Ministry of Textiles steps in here, it basically works as a signal of authenticity. Still, awareness among end consumers is uneven, more so than people might expect. A 2023 survey by the Textile Committee, Ministry of Textiles found that awareness of quality certification schemes for handloom products is below 30% in most of the urban markets they surveyed.

Sellers who proactively communicate authenticity, like showing weaving videos, sharing certificates, and explaining the production process, end up building trust faster and retaining customers more reliably than sellers who just put up listings and wait for the sale.

3.2 Personalization and Communication

Personalization is the second major pillar, ok, really. Buyers of handloom products are rarely impulse shoppers, they usually arrive with specific needs—like a wedding saree, a gifting ensemble, or fabric for a particular occasion. So when a seller actually takes time to understand all that, then follows up after the purchase to ask whether the product met expectations, something small but definite shifts in the buyers whole experience.

Research by Palmatier et al. (2006), published in the Journal of Marketing, found that seller relationship investment, measured through time, effort, and customization, has a significantly positive effect on

customer gratitude and loyalty. This result still holds across product categories, and it applies in a meaningful way to craft markets too.

In Bhagalpur, a few cooperative societies and self-help groups have started using WhatsApp and Instagram, not only to broadcast products but also to keep an active conversation going with customers. It's a basic kind of digital relationship marketing, maybe primitive, but it works. The sellers who do it well treat social media as an ongoing conversation, not as just a catalog.

3.3 Loyalty Programs and Repeat Purchase Incentives

Formal loyalty programs are, kind of, mostly absent from the Bhagalpur handloom sector. Most deals end up being one off, either done via fairs like the Silk Expo or through wholesale agents, who in practice don't really care about nurturing buyer loyalty for any specific weaver.

That said, a few clusters, and some solo entrepreneurs, have tried informal ways to keep customers close. Things like advance booking privileges for regulars, small gifts tied to repeat purchases, or even priority access to fresh collections. These set ups are difficult to measure properly, but they seem to work in a similar way to formal loyalty programs, at least in the psychological pull they create for buyers.

The National Handloom Development Corporation (NHDC) through its retail outlets has also tried to bring in customer membership programs. Adoption has been moderate, though the remarks from stores involved have mostly been upbeat, particularly about higher repeat visit rates.

3.4 Customer Satisfaction in Handloom Markets: What Drives It?

Customer satisfaction in the handloom context is kind of multi-dimensional, like it depends on a few different things at once. It isn't only about whether the saree looks good, or feels premium in your hands. There's also the whole buying experience, the communication quality, the way post purchase support is handled, and if the customer feels there was genuine value. Not only monetary value, but also cultural value, and even that emotional value that sort of sticks around after purchase.

As shown in Figure 1, the key drivers of customer satisfaction in handloom purchasing form an interconnected framework where product quality, trust, communication, and post-purchase engagement all contribute to overall satisfaction and, ultimately, loyalty.

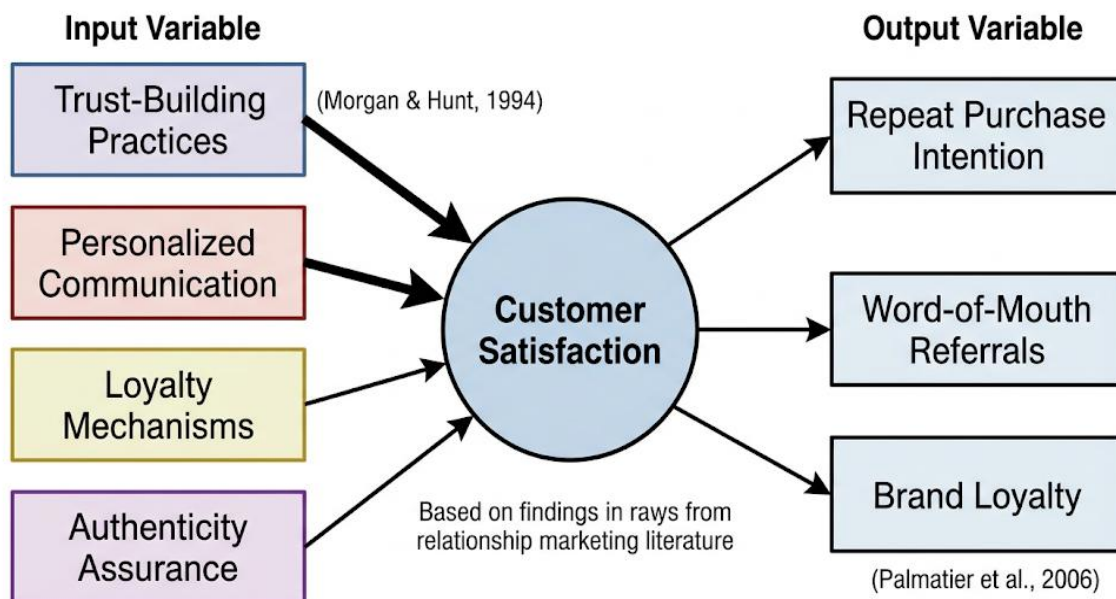


Figure 1: Conceptual Framework of Relationship Marketing and Customer Satisfaction in the Bhagalpur Handloom Industry

This flowchart kind of shows how relationship marketing elements end up shaping customer satisfaction outcomes in the Bhagalpur handloom sector. If you look on the left side there are four input variables listed, Trust-Building Practices, Personalized Communication, Loyalty Mechanisms, and Authenticity Assurance. They all seem to flow into one central node written as "Customer Satisfaction", from there it links toward the right side where three output variables are placed: Repeat Purchase Intention, Word-of-Mouth Referrals, and Brand Loyalty. The arrows are there to show direction of influence, and overall trust plus personalized communication come across as the most powerful pathways based on conclusions found in relationship marketing studies, (Morgan & Hunt, 1994; Palmatier et al., 2006).

3.5 Product Quality as a Hygiene Factor

Let's be clear about one thing, relationship marketing cannot really compensate for a poor product. Customer satisfaction in handloom markets starts with the product itself, like it or not. The weight of the fabric, the fineness of the weave, the color fastness of the dye, and the durability of the silk, they're baseline expectations.

The Bureau of Indian Standards has put out standards for silk fabrics under IS 1963 and related specifications. Now compliance with these standards isn't always followed across the smaller weaving community, and that is where quality inconsistencies creep in. Those inconsistencies then mess with customer trust even if the seller is trying to be relationship oriented in other ways.

So the point is this: relationship marketing works best when it sits on top of product quality, not as a replacement for it.

3.6 Emotional Value and Cultural Connection

Here's something that numbers often miss. A significant portion of handloom buyers, especially women picking sarees, aren't only buying fabric. They're buying a kind of connection, to craft, to heritage, and sometimes to memory too. Like, a Bhagalpur silk saree might make a buyer think of her mother's wardrobe, or of a festival she celebrated when she was small.

Sellers who really get this emotional layer and nurture it have a built-in advantage. When they share the weaver's story behind a particular piece, or when they explain what a traditional motif really signifies in the design, the purchase suddenly gains extra meaning. This is relationship marketing, at its most organic—and honestly, it's something mass-market brands cannot genuinely replicate.

IV. Challenges to Relationship Marketing Adoption in Bhagalpur

4.1 The Middlemen Problem

One of the structural barriers to relationship marketing in Bhagalpur is the dominance of middlemen in the supply chain. In general, Most weavers end up selling their output to local mahajans, or traders that operate in the area who then move the goods toward wholesale markets. So the weaver does not really interact with the end customer at all, and because of that building a steady direct relationship becomes near impossible, not to say completely out of reach.

As per the Third Census of Handlooms (Office of the Development Commissioner for Handlooms, 2009–10), most handloom weavers across India sold their output through middlemen or through cooperative societies, with only a small number getting direct access to retail markets. Even though newer census information would still be needed to revise these numbers with precision, industry observers and work reports, like those referenced by NITI Aayog, point out that the intermediary heavy supply chain setup is still mostly the same in many cluster regions including Bhagalpur.

This kind of structural intermediation also produces an information gap. The middleman takes hold of the customer connection, the profit spread, and any potential loyalty that might have grown over time. Meanwhile the weaver stays, more or less, out of sight.

4.2 Digital Literacy Gaps

Even among weavers who want to sell directly and build customer relationships, digital literacy is a genuine obstacle, honestly. Many artisans in the Bhagalpur cluster are older, have limited formal education and struggle with smartphone-based commerce workarounds. Running an Instagram page, handling WhatsApp inquiries, or just trying to navigate e-commerce listings on platforms like Amazon Karigar or the Government e-Marketplace requires a kind of digital fluency that many simply don't have, anymore.

The Ministry of Electronics and Information Technology's Digital India initiative has included provisions for artisan digital literacy, but on the ground, in rural Bihar, the rollout has been slower than in more digitally active states.

4.3 Credit Constraints and Working Capital

Relationship marketing quite often asks for upfront investment, like in packaging, communication, keeping up a customer database, or just running promotional events. And for weavers who are operating without formal credit access, it feels almost impossible, even if the idea is good in theory.

The Pradhan Mantri MUDRA Yojana has been giving microloans to small artisans across India, with cumulative disbursements now going past ₹23 lakh crore since the scheme began in 2015, as mentioned by the Ministry of Finance in its 2024 Budget documents. Yet, when it comes to traditional handloom weavers specifically, instead of the wider MSME beneficiaries, the uptake still looks limited. This seems to happen

because of documentation requirements and also due to some awareness gaps, kind of like people don't fully know what to do or where to start.

V. Government Initiatives and Their Role in Enabling Relationship Marketing

The government of India did not really, at least not in any explicit way, frame its handloom actions using the term “relationship marketing”, but the schemes themselves still end up, kind of, building the required environment for it.

The Handloom Export Promotion Council works on establishing direct links between Indian handloom makers and buyers from overseas. In practice, that also opens space for relationship-building, and it quietly cuts around the domestic middleman chain.

Then there is the “India Handloom” brand initiative, which was launched in 2015. The stated goal is to craft a quality and authenticity cue that international buyers can lean on. So when a buyer trusts the India Handloom certification, they aren't only trusting a label, they are also extending that confidence back toward the weaver or the cluster behind it. That back-and-forth trust, becomes the actual base for a relationship, even if the policy wording never says it out loud.

As illustrated in Figure 2, government schemes create enabling conditions across the relationship marketing value chain, from product certification and quality assurance at the production stage to direct market access and digital platforms at the consumer interface stage.

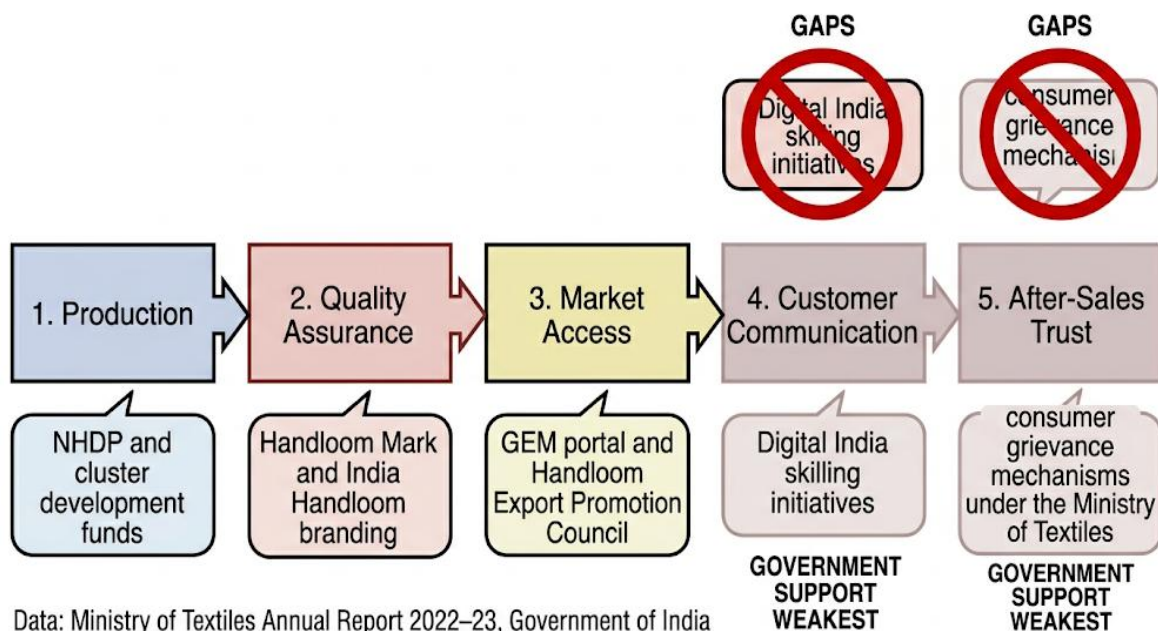


Figure 2: Government Scheme Touchpoints Across the Relationship Marketing Value Chain in the Indian Handloom Sector

This horizontal flow diagram kinda maps key government initiatives onto stages in the handloom supply chain and also the relationship marketing value chain. There are five stages in view : Production, Quality Assurance, Market Access, Customer Communication, and After-Sales Trust. For every stage, the relevant government schemes are labelled, in a sorta neat way. For example , NHDP and cluster development funds show up during Production; then Handloom Mark, plus India Handloom branding, sit under Quality Assurance. At Market Access you can see the GEM portal and the Handloom Export Promotion Council. For Customer Communication, the diagram points to Digital India skilling initiatives. And finally, under After-Sales Trust, it mentions consumer grievance mechanisms under the Ministry of Textiles.

Overall, the diagram is pretty clear about where the gaps are, especially around Customer Communication and After-Sales Trust stages, because that's where government support seems to be at its weakest. The underlying data is sourced from the Ministry of Textiles Annual Report 2022–23, Government of India.

In Bihar, state-level attempts have included handloom fairs and Silk Expo events in Bhagalpur and Patna, and these work like direct-to-consumer platforms. They are also, honestly, among the rare moments where weavers get to talk with end buyers , and they can really feel firsthand the strength of storytelling and that kind of personal connection, right in front of them..

VI. Conclusion

Bhagalpur's handloom industry really isn't short on potential, like not at all. It has a product that feels world-class, plus a deep cultural heritage, and there's also a growing appetite worldwide for something authentic and sustainable. Yet, what it has lacked for too long, is a sort of systematic way to build and keep customer ties, kind of consistently.

Relationship marketing actually gives a framework that fits this sector, almost uncomfortably well. It leans into authenticity rather than pure scale, it favors story over specs and it puts long-term confidence ahead of quick transaction. Those aren't just marketing ideas, they line up strongly with what Bhagalpur's silk weavers create and represent.

From the evidence considered in this article, the takeaway is pretty direct. When relationship marketing principles are used, even casually, even only partially, customer satisfaction tends to rise. Repeat buys also go up, and the buyer-seller bond starts to feel more valuable on both sides. The key drivers, the real ones, are trust plus personalization, along with direct communication.

Moving ahead needs work from multiple stakeholders not just one group. Weavers should get access to simple digital tools and some practical training. Cooperatives, rather than being only procurement centers, should be repositioned as relationship management intermediaries. Government schemes, similarly, should strengthen support for the customer communication portion of the value chain, not only the production end. And platform companies need to build handloom-focused portals that allow genuine storytelling, not merely catalog-style browsing, okay.

None of this is easy, and there will be friction. Still, the alternative—keeping on trying to win by price in a market where power looms basically always win—has clearly not been working. So relationship marketing isn't some luxury option for Bhagalpur's handloom sector. It's more like a survival strategy, really.

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