

Problems and Marketing Strategy of Handloom

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Abstract - Marketing is a major constraint for the handloom sector. The middlemen play a major role in selling the cloth to the consumer. If the family is very poor, any delay in marketing of the cloth, creates harm to the weavers. The power loom dominates textile production in India and have encroached upon the handloom sector traditional market because of lack of proper marketing. Still the appropriate marketing strategy has not been evolved as a whole by the handloom sector. It is observed that handloom industries have rare demand for the products due to the ineffectiveness of marketing strategies and knowledge used in the industries activities. Therefore what effective marketing strategies need for the development of handloom industries in Thanjavur is identified as the research problem of the study. The objective of the study is to find out the effective strategies for the development of the industry. For the purpose of finding out the level of effectiveness of marketing strategies for the handloom industries, the research considered four types of marketing strategies as conceptualization. Those are product, price, place and promotion related strategies. Data was collected through structured questionnaire. 200 samples were randomly selected from involving entrepreneurs of entire eight G.N. divisions of Thanjavur. The collected data were analyzed by using SPSS with Univariate measures, such as mean, mode and standard deviation. Evaluation was made based on the average mean values of the strategies such as ineffectiveness, moderate effectiveness and effectiveness. Those are product, price, place and promotion related strategies. In this paper, need for market assessment, problems, marketing strategy & marketing mix and suggestions for the development of handloom sector and it's market are discussed.

Keywords: Marketing Strategies, Product, Price, Place and promotion.

I. INTRODUCTION

The market for handloom products in the country is included the self-consumption sector, rural market (where weavers do the marketing themselves), the distant domestic market (largely urban and which is beyond the reach of weavers) and export markets. Master weavers and private traders are both together marketed 90 percent of handloom products in the country. The traders either retail these products through their own outlets or act as intermediaries supplying wholesalers or retailers. The bulk of exports are handled through merchant exporters and manufacturer exporters-the former getting their supplies from manufacturers and master weavers while the later having their own production facilities.

II. NEED FOR MARKET ASSESSMENT

Whole textile industry also can be classified into two different segments, organized (mill) and unorganized (handlooms and power looms). Specific analysis of

handlooms and textile market is important because there are different players in the market like handloom, power looms and mills. if we look into the handloom sector there are different channels and number of players at various levels. Due to the complexity of its nature there is a need of market assessment, which would enable us to know the position of other competitors that would help us in preparing a competitive marketing strategy.

In textile industry, roles of different government agencies are not well defined. Within handloom also there are various agencies, which deal with different issues without any coordination with others. This increases the repetition of job as well as creates confusion about roles and responsibilities. NHPC, HEPC, HHEC, NIFT and Ministry of textiles and commissioner of handloom etc., are some of the organizations/agencies working at the national level and various co-operative societies are also working in the same region with same focus. Due to lack of coordination and communication among agencies and institutions the efficiency of these are deteriorating. To have the proper

coordination and to know where the gaps are we need to assess the handloom sector.

Handloom sector is a peculiar sector with the complex trading practices. The trading practices vary from place to place and the structure of the business also differs from one weaving center to another. What ever may be the business model and the practice of the trade, it helps the traders or master weavers but not the weavers who put their efforts in production. When the weavers produces value added and specialized products then they will have higher benefits.

PROBLEM RECOGNITION

Handloom producers who are engaging in production and marketing of handlooms, operate small and large scales, being marketed their products at many places in the country but has rare demands for their products. Therefore, this comprehensive research is carried out to improve the effectiveness of marketing strategies for Handloom industries.

OBJECTIVES

The objectives of this research study are to find out proper product related strategies, price related strategies, place related strategies and promotion related strategies for handlooms industries.

CONCEPTUAL FRAMEWORK

Product Strategies Product strategies are related with the product aim, benefit, position, and differentiate advantage offer over competitors product in the market. Marketing is fundamentally about providing the correct bundle of benefits to the end user, hence the saying “marketing is not about providing products or services. It is about providing changing benefits to the changing needs and demands of the customer” (Levit, 1981).

Price strategies

An organization can adopt a number of pricing strategies. The pricing strategies are based much on what objectives the company has set itself to achieve. Penetration pricing, skimming pricing, competition pricing, product line pricing, bundle pricing, psychological pricing, premium pricing and optional pricing are the examples of pricing strategies that could be adoptable (Philip Kotler, 2011).

Place strategies

Most producers do not sell their goods directly to the final users. Between producers and the final users stands a marketing channel. Most producers work with marketing intermediaries to bring their products to market. Depending on the type of product being distributed, there are three common distribution strategies available. They are intensive distribution, exclusive distribution and selective distribution. If a manufacturer decides to adopt an exclusive or selective strategy, they should select an intermediary

which has experience of handling similar products, credible and is known by the target audience (Philip Kotler, 2011).

Promotion strategies

Modern marketing calls for more than developing a good product, pricing it attractively and making it accessible to target customers. Handlooms industries must also communicate with their present and potential customers. Marketing communication is focus on overcoming awareness, an image or preference gap in the target market. Presently communication is the management of the customer buying process over time, during the pre-selling, selling, consuming and post consuming stages due to different customer (Philip Kotler, 2011).

III. METHODOLOGY

Sample selection The target population for this study includes all the families who are involving in the industry in Thanjavur. According to this 200 sample elements have been selected as sample size.

Sampling and data collection

For this research 200 samples were randomly selected from the families related to handlooms industries in Thanjavur.

Table 1: Sampling

| Category of Family | No of Family | Sample size |
|-----------------------|--------------|-------------|
| Fully engaged family | 210 | 100 |
| Partly engaged family | 240 | 100 |
| Total | 450 | 200 |

(Source: DS office, Thanjavur – 2017)

This study was carried out based on primary and secondary data sources. Primary data was mainly collected by questionnaires including personal and research data. Secondary data was collected from statistical hand book and interview.

Table 3: Likert Scale

| Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|-------------------|----------|---------|-------|----------------|
| 1 | 2 | 3 | 4 | 5 |

(Source: develop for the research purpose)

IV. METHODS OF DATA PRESENTATION AND ANALYSIS

For this research, data collected from questionnaire is analyzed using univariate analysis. Univariate analysis consists of mean, median, standard deviation, percentage etc. Based on the univariate analysis, establishment of each variable in conceptual frame work have been arrived.

Method of data evaluation

Based on the value indicated in the questionnaire, the average value for each factor is considered for evaluation. The average (mean) value will lie in the range 1- 5. There are three different possibilities for mean value of a variable

and the decision criteria for the mean value are indicated in table 4.

| Range | Decision Rule |
|-------------------------|---------------------------------|
| $1.0 \leq X_i \leq 2.5$ | Lower level of effectiveness |
| $2.5 < X_i \leq 3.5$ | Moderate level of effectiveness |
| $3.5 < X_i \leq 5$ | Higher level of effectiveness |

V. RESULTS AND DISCUSSION

Product strategies

The variable product strategy consists of quality input, attractiveness, finishing of the product, specific of the logo and new technology. Dimension, quality input has a mean value of 3.14. It is denoted that quality input will give effective position to the sector, but sector has to involve in the market research for their product development and understand the customer preference. Considering attractiveness, mean value is 3.585. It means attractiveness will provide higher level of effectiveness to the industry. If customers are satisfied with attractiveness of product, market will be able to expend their market. Dimension finishing of the product has a mean value of 3.435. It is in moderate level of effectiveness to the industry. Considering the specific logo, mean value is 2.045. It is ineffective position. Industry needs to find solution to run the business and develop the logo. Logo is major identity in market. Customer can easily identify the specific product. Dimension of new technologies has mean value of 2.045. It is ineffective position and threat to the specific sectors. Such sector has to introduce new technology and appropriate training on this. Overall mean value of product strategies is 2.885. This is within the range of $2.5 < X_i \leq 3.5$. This clearly shows that the element of product strategies has moderate level to contribute to handloom industries in Thanjavur.

Price Strategies

Price strategy includes the dimension of total cost, retailer and whole seller, low price, income group, and input prices. Mean value for total cost was 2.47. It shows as the ineffective position to the industry. Therefore industry has to consider the all kind of cost in their production to run the industry for long term. Both retail and whole sellers are vital to reach the product to the final users. Mean value of this variable was 3.47. It is effective position as well as great opportunity to run the business performance very well. Sector has to adopt several strategies to keep strength position favour of retailer and whole seller such as well package and labeling, promotion activity. Prices are indicating the value of product and quality. According to the analysis, result of mean value of the low price was 2.87. It is moderate level to the industry. When comparing with competitors product in market, they are offering the product in low price. In case of Thanjavur handloom industries, they have to get whole raw material from abroad. In this context, handloom industries has pass the message to

government to make a proper action to reduce the cost of production and expand the activities of industries.

Mean value of the dimension, income group was 2.45. This ineffective level is threat to the industry but sector has to try to make an efficiency pricing system to cover all income groups. Then industry may expand their product line for blue collar jobs. Considering input prices, it mainly indicates as experience skill person will able to enter into the production very easily at lower wages. Therefore it got the mean value of 3.575. It is effective position to the sector and giving more opportunity to sector. Overall mean value of price strategy is 2.973. This is within the range of $2.5 < X_i \leq 3.5$. This clearly shows that the element of price strategies has moderate level to contribute to handloom industries in Thanjavur.

Place Strategies

Place strategy includes the dimensions of middle man, display centre, distribution mode and channel, availability of transport service and location of the factory. It is in moderate level having a overall mean value of 2.778 because strategies related to the dimension of display center and availability of transport service are effectively adopted in the industry, but strategies related to middle man, distribution mode and location of factory are ineffective with the mean value of 2.39 and 2.43 respectively.

Promotion Strategies

Regarding the variable promotion strategies, overall mean value was 2.218. It is ineffectiveness because lack of wages (2.45), lack of skill development training (2.37), lack of sales representatives (2.005), lack of interest of youth to engage in the sector (2.44) and low quality of packaging system (1.825).

VI. CONCLUSION

According to the analysis and its findings, this study provides the most comprehensive test for analyzing the marketing strategies and how handloom industries will make the strategies positively to attain the target goals. Form the analysis, conclusion for research, the marketing strategies criteria such as product, price, place, and promotion strategies determine the strategies favor of specific goals and services. These strategies were divided into several parts and prepared the questionnaire related with handlooms industries to analysis of the strategies.

Handloom industries are having traditional method to products. They will be able to adopt new technologies in production process. New technology covers most of the customer first choice. 4Ps have all types of strategies, if the industries follow suitable strategies favor of production and marketing. They will be able to make fruitful development process in Thanjavur district as well as support the country economic growth through reduction of poverty and unemployment level in rural area.

VII. RECOMMENDATIONS

Marketers have to ensure that their product gives satisfaction to the customer and consumers complying with their belief, value, norms and taste. This will lead to occupy the entire market. Handlooms product quality has to maintain accordance with the customer preferences. Handloom industries need to know the market segmentation to realize the target market for each product. The entire product has to market under specific logo and brand name. It will lead the industries in positive approach. Entrepreneur has to try to introduce the modern technology on their process to make better and low cost in output.

Price is vital factor to run the firm that only factors to be giving income to the sectors. So handloom industries have to consider whole cost of production. When determine the price for the product should be aware the income of the specific target group. Producers can make separate pricing strategies for each product. Pricing strategies have to attract the customer. Product price has to cover the whole sellers and retailers.

Congenial working environment be ensured for employees. Place has to be easy access for customers and raw materials. Display center has to make attractive to the customer.

Industries must involve in research activities to aware the market position and to identify the target segments and analyze the marketing environment. Employee retention plan be established considering their different talent and advertisement as well as promotional activities be developed. Training be provided to employees to enhance their skill towards the production. Hand loom industries have to attract the new investors in this field to develop the industries as well as get assistance from the government to reduce the vulnerability in this field.

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