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1. Introduction

1.1 Background of the study:

Maitreyi weaves and crafts private limited (MWC) is a producer based fair trade organization. The organization specializes in working with rural artisans to introduce Skill up-gradation, Product & Design development and Technology enhancement for production and marketing of handlooms & handicrafts to its national and International clientele.

The company was formed in June 2004 by a group of management professionals who have been working for the enterprise development of rural poor, particularly artisans, for the past 3 years in Rajasthan, Gujarat & Andhra Pradesh, as part of NGO – Govt. – International funding agency setup. The idea of establishing a corporate entity came, with the realization that for creating better market access and production processes, mere facilitation and provision of information gives limited success. In order to have lasting impact, the facilitators have to work in a more direct fashion with the communities as well as the market. The idea of establishing a producer-based company has taken two years to evolve and take its present shape, in which the company is working with more than 110 families comprising weavers and the tribal artisan community.

As part of livelihood and enterprise promotion strategy, MWC is working closely with a number of organizations including Govt. Agencies, NGOs, Designers, Retail Chains and Exporters to bring equity and incremental income to the artisan & weaver communities.

The work profile of MWC includes:

- Identification of communities and their potential weaves & crafts, the unique essence of which can be used to create contemporary products of utility value.
- Facilitate new products' design & development in collaboration with designers, Govt. agencies, NGOs etc.
- Facilitate creation of community owned quality production systems.
- Directly provide market access for the new range of developed products and ensure consistent flow of fair wages to the communities.

In order to achieve the above profile objectives, it was felt that a detail marketing research needs to be carried out to feel the pulse of the market for greater reach in term of market segments and product sales for handcrafted and handloom products.

1.2 Literature review:

The documents and Literature available with MWC were reviewed. Care India and APRLP had done work in the *clusters of Pochampalli* and with the *Lambada tribes* in the Deverkonda mandal of Andhra Pradesh under the " *Creation of Livelihood Resource Center*" programme. The report of that study was thoroughly studied to know in detail about the product and the market structure. Related articles and documents on marketing research were reviewed.

India is one of the leading countries in the world, in the production of handlooms / hand made products. The demand for such products exists in huge proportions not only in state /national market, but even in international markets. The nature of this demand has shown variations overtime. Consumer preference has ranged from traditional to contemporary to decorative to utilitarian.

Having traditional skills, people behind manufacture of such products are increasingly dependent on information related to design and market trends. Currently, they are reliant on intermediaries for raw material, design, working capital, production facilities and eventual sales of their products. Thus, at all times, they're not able to bargain effectively for their fair share of the value margin. Their earnings are abysmally low and their work orders seasonal, compelling many of them, especially the young among them to abandon skilled work for unskilled Labour markets.

The report on "**Creation of Livelihood Resource Center"(CARE, India), 2002** highlighted the possible market linkages for the products produced by the Lambada tribes and in the clusters of Pochampalli as mentioned below:

Marketing aspects – convergence possibilities

- **Product mix**

The long-term product mix would be focused on developing high-end value products, which would provide more profitable returns to the artisans. The focus would be on production of 'utility repetitive-buying' products such as home furnishing accessories etc. The possibility of tying up Lambada embroidery craft with other natural crafts can be explored, with special emphasis on the synergy of crafts e.g. jute-craft products, Pochampalli textiles etc.

- **Marketing arrangements**

Marketing linkages are a host of possibilities - with main stress on institutional buyers/export houses (demand led), and another major chunk of the sales to be realized through participation in regional/national marketing meets & exhibitions etc.

"The Indian handicrafts are universally acknowledged to be the very best and also as the true symbol of the spirit of the country. At, present India is one of the major players in the global handicrafts market. There are mainly five export-oriented crafts. They are:

- ✓ Hand Knotted woolen carpet
- ✓ Art metalware
- ✓ Cane and Bamboo products
- ✓ Hand printed textile
- ✓ Woodwares

This clearly indicates the tremendous export potential of the handicraft market"
("Role of Rural Sectors in Indian Economy", Dr. Pervez H. Zaidi & Anis Fatima, Kurukshetra, December, 1999.)

P. Venkateswarlu in his article "Marketing of Handicrafts: A case study of Andhra Pradesh State Handicraft Development Corporation" Published in Indian Journal of Marketing,2001 discusses in detail the profile of the various outlets of the Lapakshi Emporium at different places and the type of consumers who are potential buyers of handicrafts at various centers. The variety of composition of buyers indicates that their requirements for handicrafts may vary widely. Some buyers may like artistic products, some other prefer utility yet some other prefer elegant handicraft articles. It all depends on consumers' tastes, purpose of the purchase and the financial resources at their disposal.

Based upon the literature review, sufficient background knowledge about the various existing product lines and the characteristics of the market was obtained. With this background knowledge, the field research and the subsequent analysis was carried out.

1.3 Study Rationale:

i. Before the production & market expansion, it was necessary for MWC to get the critical market information so as to facilitate the company to achieve the above mentioned profile objectives.
ii. To expand the existing customer base of MWC.
iii. To develop pricing and promotion strategies to be followed to keep abreast of marketing information and latest trends.

1.4 Study Objective:

The objectives of the study are;

i. Enlisting and survey of current markets/outlets/channels where craft products/their forms are being sold.
ii. Enlisting of similar and competing craft / non-craft products/ their forms.
iii. Determine level of customer segment to target, either by price or by quality.
iv. Enlist competing organizations in similar area/business.
v. Enlist collaborative organizations for business development.
vi. Determining possibilities of product range variants and their listing, through design intervention, in each craft.
vii. Suggested market channel/ outlets/markets- geographically, SEC type.
viii. Strategies (including product and design development) to be followed to keep abreast of market information and latest trends.

1.5 Product portfolio of MWC:

Presently MWC is in production of following product ranges:

i. Ikkat based handloom fabrics & accessories.
ii. Banjara embroidered handicrafts.
iii. Kalamkari block printed textiles & accessories.

1.5.1. Ikkat based handloom fabrics and accessories:

The process of tying and dying yarn and then weaving it into a geometrical pattern on the fabric is called Ikkat. This technique is unique to the states of Andhra Pradesh and Orissa.

Currently MWC is in production and marketing of following products in ikkat:

Cotton based bed linen:	Single bed cover, Double bed cover, Pillow cover, Cushion cover and Bolster cover.
Cotton based table linen:	Table cover, Table mats, Table napkins and Table runner.
Silk fashion accessories:	Duppattas and Stoles

Cotton and silk fabric for dresses and furnishings.

1.5.2. Banjara embroidery handicrafts:

The Banjara handicrafts involve mirror and beadwork with embroidery. These colorful handicrafts have great market potential in the form of fashion accessories, apparel accessories, upholstery and home linen. The embroidery is done on cloth and raw materials used are mirror, threads, beats, cotton cloths and silk cloths. Silk jewelry pieces and other metallic pieces are also used.

Currently MWC is in production and marketing of following products in banjara handicrafts:

Cotton and silk based bed linen:	Cushion Cover, Bolster Cover
Cotton based table linen:	Table Mat, Table Napkins, Table Runners.
Fashion accessories:	Hair pin, Key holders, Bags, Hand Mirror.
Decorative accessories:	Wall and Door hanging, Christmas decoratives.

1.5.3 Kalamkari block printed textiles & accessories:

Kalamkari is the craft of painted as well as printed fabrics. Pedana, a small town in Machalipatnam, AP, is one of the largest hand block-printing clusters in India.

Currently MWC is in production and marketing of following products in Kalamkari block prints:

Cotton based Bed linen: Single bed cover, Double bed cover, Pillow cover, Cushion cover, Bolster cover, Bed runner and quilts.

Cotton based table linen: Table cover, Table mats, Table napkins and Table runner.

Cotton based Fashion accessories: Duppattas and Stole**.**

2. Research Methodology

2.1 Sampling frame:

A pre decided sample of six cities was given—Delhi, Mumbai, Chennai, Bangalore, Ahmedabad and Jaipur. The sampling frame used was decided with the help of MWC. This sampling frame was chosen taking into consideration the size of the market, purchasing capacity of the consumers, popularity of a destination as a tourist place, the cosmopolitan nature of the city, etc. Two major cities were selected in each of the three zones of the country, the southern zone, northern zone and the western zone.

2.2 Sampling:

A mix of *judgmental sampling* and *random sampling* was used to collect primary data. In a city the handloom / handicraft / departmental stores to be interviewed were chosen on the basis of the following criteria:

- Availability of media information
- Product profile of the store matching with that of MWC.
- Size and scale of operation of the store
- The consumer strata the store is catering to.

Once the stores were identified based on the above criteria, then convenient random sampling was used to visit these stores.

Within the stores, judgmental sampling was used to identify the store manager or the merchandising manager and get the required information from them.

2.3 Tools for data collection:

2.3.1 Secondary Data:

- Literature available with MWC was used to get an understanding about the product portfolio of MWC and the various clusters with which it was working.
- Relevant documents of the ministry of textile and the textile policy were referred.
- Internet sites of related handloom and handicraft stores were referred to get a better understanding about their product portfolio and the existing demand in the market.

2.3.2 Primary Data:

- *Structured as well as unstructured questions* were used to collect information. Some of the questions were also Dichotomous in nature.
- **Scale:** Both *ordinal* as well as *interval scale* was used to frame the questionnaire and collect the data. *Ordinal scale* was used in only one case where a ranking of the attributes was needed. In all other case a *likert scale* was constructed with the number of scale categories ranging from 1—3. The number of scale categories chosen was small so as to make it convenient for the respondents to give responses.
- *Pretesting of the questionnaire was done in Bangalore before arriving to the final questionnaire.*
- *Checklist was also used to collect data in the initial phases of the research regarding the production processes and the techniques involved.*

2.4 Research Design and approach:

In the beginning **exploratory research** methodology was used. The objective of the exploratory research was to 'gain insight' for developing an approach to the problem and to isolate key variables and relationships for further examination. A visit was made to the clusters in Koyyalagudem and Machlipatnam to get an insight about the production process. Details about the production process and the handicrafts product at Deverkonda were discussed with the MWC authorities. The pretesting of the questionnaire at Bangalore followed this. In the exploratory research phase in-depth interview was conducted with the weavers.

Exploratory research was followed by **Descriptive research**. Descriptive research was used to:

- Describe the characteristics of the relevant groups such as consumers, merchandising manager, market areas, etc.
- Estimate the percentage of units in a specified population exhibiting a certain behavior.
- Determine the degree to which marketing variables are associated
- Make specific predictions

In the descriptive research, in depth interview was conducted with the merchandising manager or the store manager of the various stores visited.

Multiple cross sectional design of research methodology was used while collecting information from the respondents.

2.5 Reference year:

The time period during which the study was carried was from 10th October to 17th December 2005. Out of this, the fieldwork part took around forty days (15th October to 24th November) And the rest of the time was used in report writing and developing an appropriate business positioning for MWC.

2.6 Analysis of data:

- The analysis of the data collected in the field has been done using Microsoft excel and SPSS version 11.1.
- Pictorial representation of the data collected using bar chart and pie chart has been done wherever necessary.
- Statistical tools like measures of central tendency, co-relation and chi square test have been used.
- Factor analysis has also been used

2.7 Study regions:

The area where the marketing research was carried included six major cities of India---------------- *Delhi, Mumbai, Chennai, Bangalore, Ahmedabad and Jaipur*.
The study also includes the production sites at:

- Koyyalagudem
- Machlipatnam
- Devarkonda
- Pochampalli

2.8 Limitations of the study:

- Time was a limiting factor, as the number of respondents could have been more.
- The research was carried at the time when there are some major festivals like Diwali, Dussehra, and Id. As this is a major time for shopping in India so some stores did not give as much time as was required for the questionnaire leading to *Response Error*.
- In some cases the respondents were not completely aware about all the aspects of the product leading to *Inability error*.
- There has been *surrogate information error* while collecting the data. This is just limited to one question where information was needed about procurement price but it was obtained for selling price.
- Some element of *social desirability* has also creeped in while collecting the data.

3. National and International scenario

3.1 Indian textile industry:

The worldwide approachability of the Indian fabric makes it one of the fastest growing industries of India. India has the advantage of cheap labor thereby reducing the production cost and the quality of the fabric used is also world class. Most important of all, the textile industry has a strong socio-economic significance in India's economy. Some of the salient features of the Indian textile industry are:

- It is the second largest producer of cotton yarn and silk.
- Over 10,000 small garment units and a fragmented textile industry.
- India is big in production but small in market reach. It has barely 4% of the global textiles market and less than 30% share of apparel.

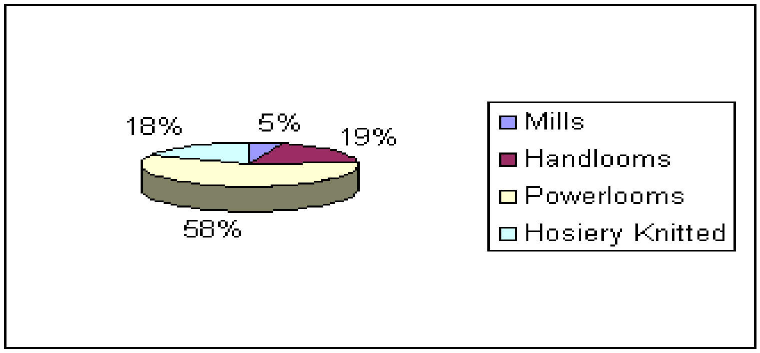
Just to double our market share in five years, we need to invest:

- Rs 50,000 crore in fabric processing
- Rs 25,000 crore in garment sector
- Rs 37,000 crore in spinning sector
- Rs 25,000 crore in weaving units
- Rs 3,000 crore in knitwear industry

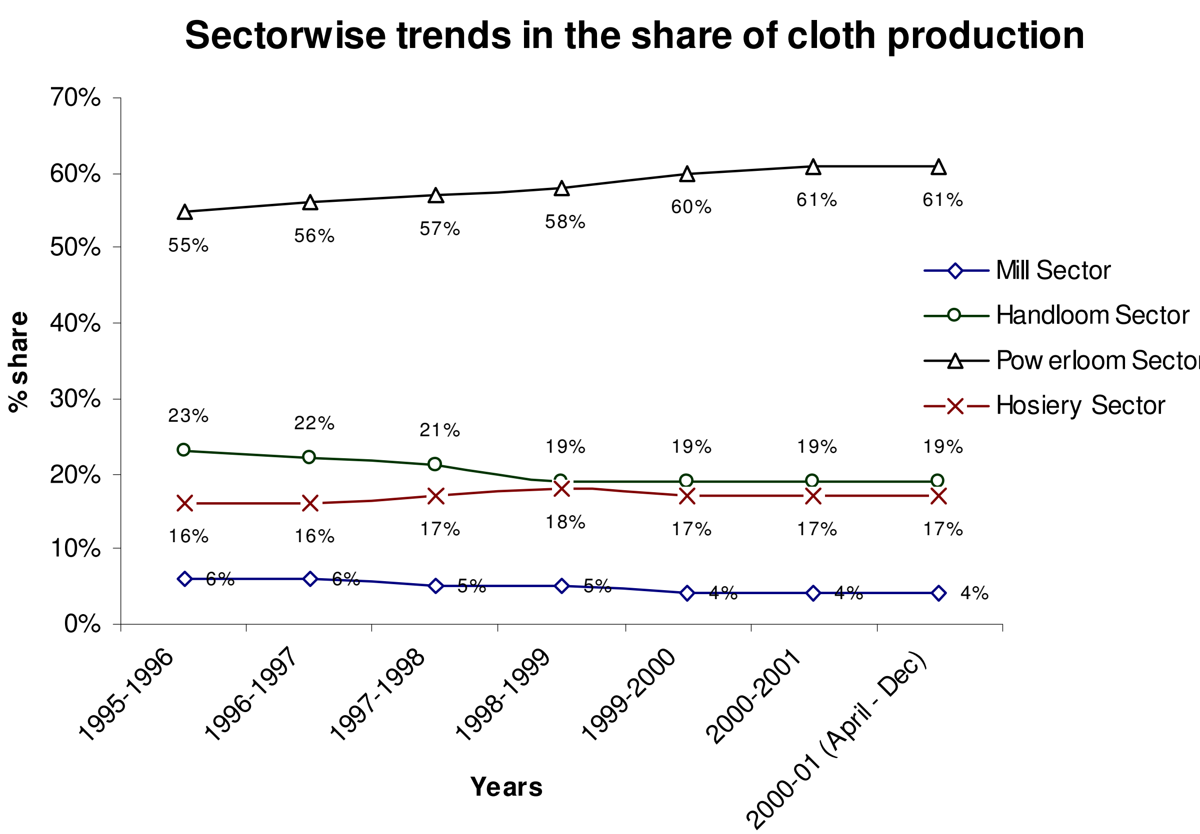
(Source: Outlook, 15 November 2004)

The Indian Textile Industry's myriad spectrum ranges from the hand-spinning and hand-weaving operations to a highly sophisticated, capital-intensive and high speed manufacturing activity. Between the two extremes, the industry manufactures a staggering range of fabrics, sufficing for an even larger variety of end uses. The process of economic liberalization which begun in the last decade, has compelled the industry to strive for competitiveness - not only in terms of price, but also quality. The professional attitude towards business and the urge to excel globally is on the rise. Unfortunately, the emerging challenges and opportunities are not within the core sphere of the individuals and firms at the lower rung of the industry, due to their preoccupation with day-to-day struggles of life.

Figure 3.1: The share of the different sectors in cloth production in the year 1998-99 is as given below:



Source: http://www.texmin.nic.in



3.2 Handloom and Handicraft Textile Industry:

Despite the presence of the power loom sector in a big way along with all its advantages, the handloom sector has been able to withstand the competition. It has also proved its indispensability on certain fronts. Wave of ethnic revivalism and effective state intervention through financial assistance and implementation of various developmental schemes have brought about more than tenfold increase in the production of handloom fabrics.

This sector contributes nearly 19% of the total cloth produced in the country. During the year 1996-97, a total production of 7,457 million sq. meters of cloth was achieved. The Handloom Act passed by the parliament in 1985 aimed to shield handloom weavers against power loom and textile mill operators by reserving certain textile articles (presently eleven in number) for exclusive production by handlooms. However, these have to go in wake of the new economic regime's heralding in India. *Now, handloom fabrics would have to survive and move on the basis of its quality rather than protectionist measures*.

In terms of employment, the handloom sector is next only to agriculture. It provides livelihood to nearly 12.4 million persons engaged on 3.8 million looms. About 60% of the handloom weavers are women as per an estimate of Ministry of Textiles. Generally, the cost-effectiveness of the powerloom cloth scores over the handmade appeal of handloom cloth, thus offsetting the potential opportunity.

3.3 Global competitiveness of Indian textiles, post January 1, 2005.

As the world waits nervously for the big bang on 1 January 2005, when the last and the most significant of the textile quotas are lifted after 40 long years, the China threat is taking on terrifying proportions. The last time quotas were lifted on a range of items from bathrobes to underwear, China upped its marketshare by 22 percent to 45 percent.
China is already the largest exporter of textiles, which at $ 26.9 billion in 2003, accounted for 16 percent of the total textile market, while its clothing export of $ 52 billion accounted for 23 per cent. China has recently set up the world's first supply chain city that has come up in the southern China's teeming industrial center of Dongguan. It heralds a radical transformation in the way garments will be designed, manufactured and sold worldwide. The one stop base will cut down costs dramatically by bringing out garment and accessories from sketchpad to

finished product in record time. A bigger facility of 1.2 million Sq. meters is coming up at Quing Yuan as China sets about altering the post-quota landscape with aggressive modernization, huge investment and innovations to capture larger chunk of global trade.

There is a need for India to worry. Not because the Chinese will push us to the wall but because we are poorly equipped for the battle in the coming years. Indian textile industry is facing a huge capacity crunch that is direct fallout of policies that encouraged the proliferation of small units with their inherent inefficiencies, at the cost of large-scale production. While China has created huge capacities and capitalized on economies of scale, India has an incredibly fragmented industry that is simply not geared to meet the challenges of a rapidly changing global industry. There are hundreds of thousands powerloom units producing 90-95 percent of the fabrics in the country, while the organized sector turns out just over 5 percent.

The planning commission and KSA Technopak estimates that Rs 85,000 crore—90,000 crore have to be invested over the next three years to five years to bring the industry back to the global scale. The Indian Cotton Mills Federation (ICMF) figures that Rs 140,000 crore will have to be pumped into the industry over an eight – year period starting from 2002, merely to double India's share of the global market to 6 percent and to scale up to a $85 billion industry from the current $36 billion.

4. Discussions & Results

4.1 Sample city – Bangalore

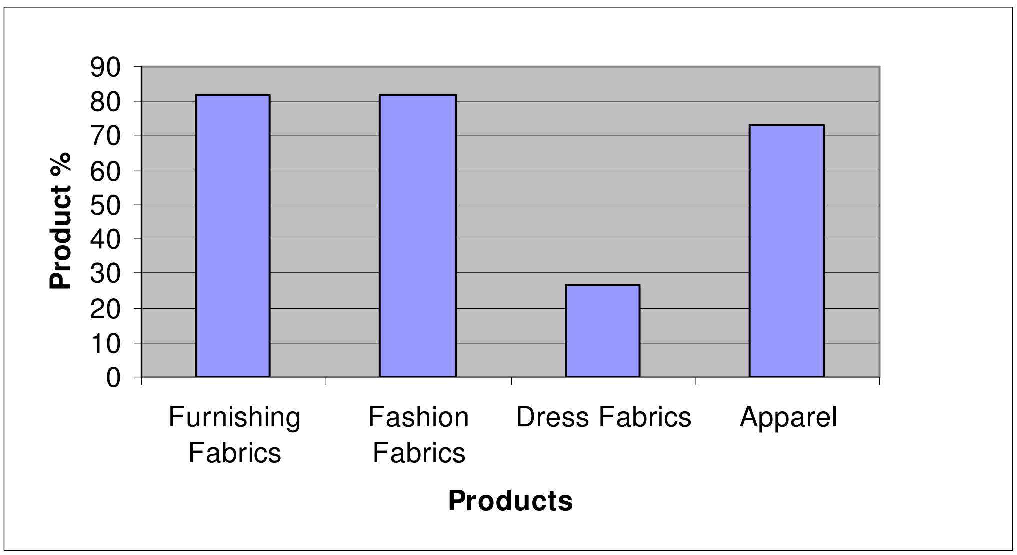
4.1.1 Profile of the stores visited:

Out of the 11 stores interviewed in Bangalore, the profile of the stores is as follows:

- 3 stores were exclusively handloom furnishing stores
- 3 stores kept both handloom and handicrafts
- 6 stores had a combination of home furnishings and apparel with them.

4.1.2 Handloom products and its availability:

Figure 4.1: Range of products available in Bangalore.



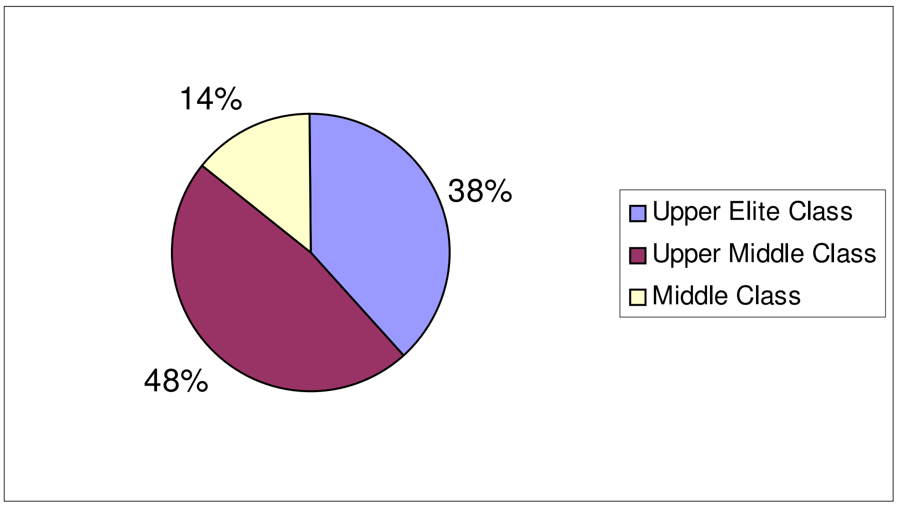
- Out of the 11 stores visited in Bangalore, 82% of the stores kept furnishings, fabrics, accessories and fashion accessories.
- 74% of the stores had apparel and only 25% of the stores had dress fabrics with them.
- In the furnishing and fabrics 54% of these stores had above 50% of the products in handloom.
- In case of fashion accessories only 36% of stores kept above 50% of handloom products.

- In dress fabrics and apparel, 54% of the stores had above 50% of the products in handloom.

This limited research shows that in Bangalore, handloom products are more in demand in furnishings, accessories and dress fabrics.

4.1.3 Consumer segments:

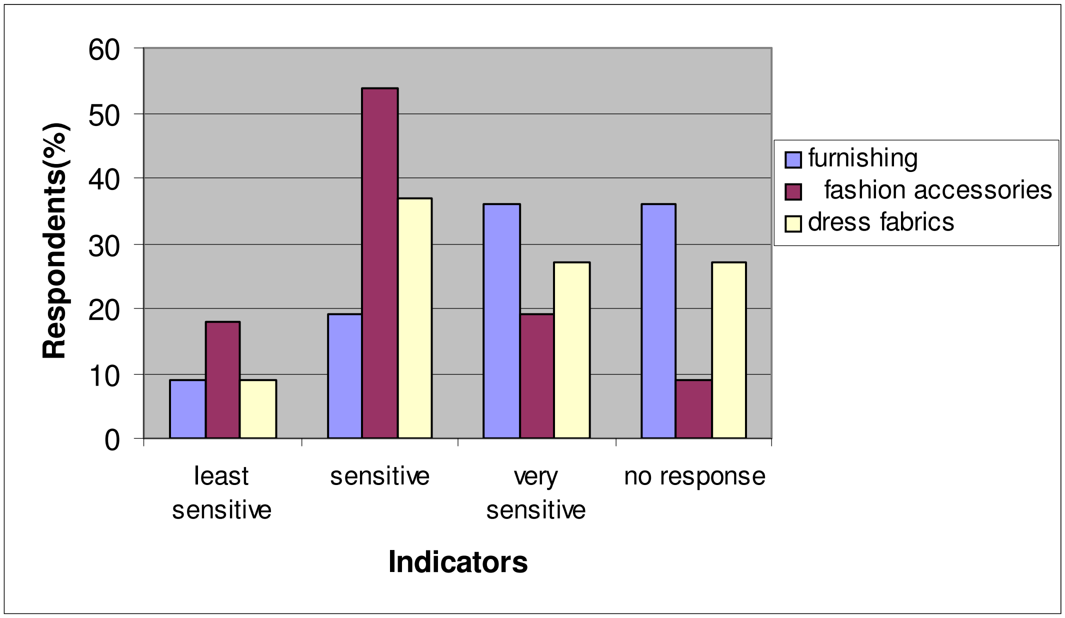
Figure 4.2: Consumer segments emerging in Bangalore (Socio Economic Class wise):



The majority of the buyers in Bangalore are from the upper middle class (48%), while the middle class just forms a meager 14% of the buyers and elite class is 38%.

The classification of the consumers into different socio-economic class is based upon the NCAER estimates: Middle class consists of consumers whose income ranges between 2 lakhs to 4 lakhs per year. The upper middle class consists of consumers with an income ranging between 4 lakhs to 10 lakhs. The elite class has an income range of above 10 lakhs per annum.

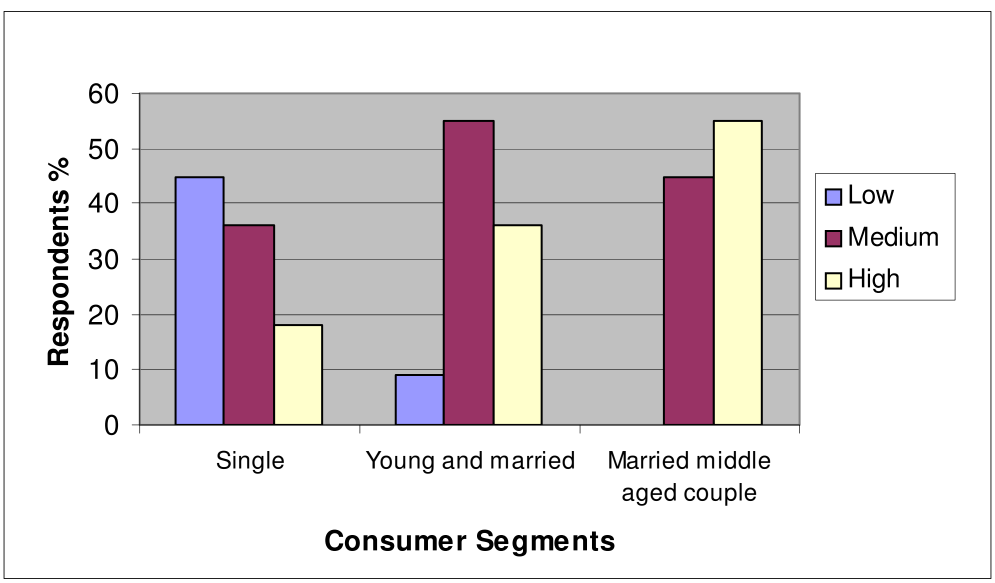
Figure 4.3: Price sensitivity in Bangalore:



The customers in Bangalore are sensitive to the price of these products.

Only 9% of the respondents in the furnishing and dress fabrics and around 18% of respondents in the fashion accessories appear to be non-sensitive to the prices of these products. This clearly shows that the Bangalore market is price sensitive.

Figure 4.4: Consumer segments in Bangalore (Age wise):

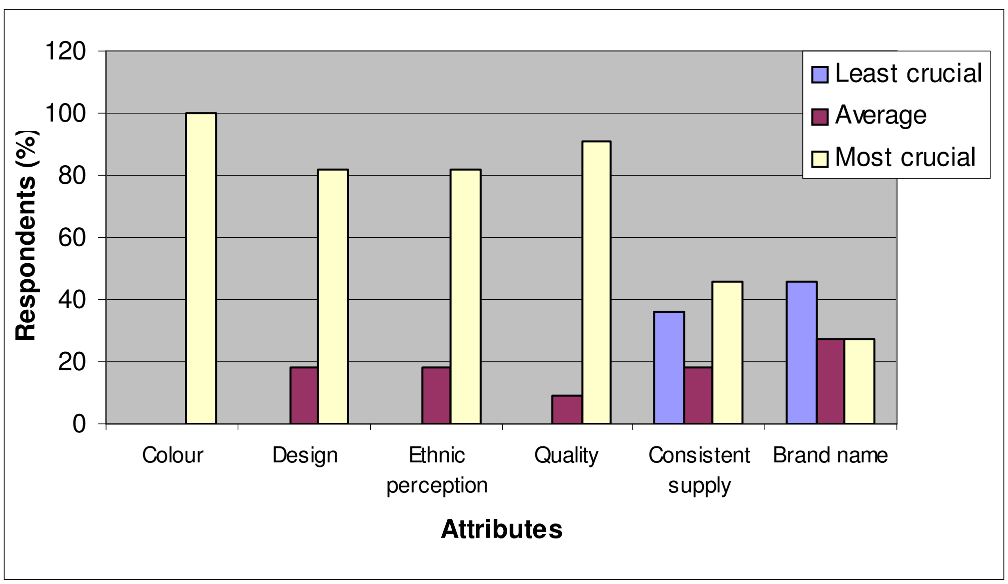


- The middle-aged people (40+) are more frequent buyers for the handloom product. Around 55% of the middle aged customers visit these stores more frequently
- Compared to the middle aged, just 37% of young and married and 18% of singles are frequent buyers. The frequency of visit of young and married couple is almost average.

This clearly shows a reason of price sensitivity of the customers. As more of the customer base is that of the middle aged people, they are bound to be more price sensitive because of their need for more value for money. It is the single and the young and married who show more of an impulse buying and less price sensitivity. As this segment does not form a major chunk of the buyers so the consumer segment exhibits price sensitivity.

4.1.4 Attributes important for sale of products:

Figure 4.5: Attributes important for sale of products in Bangalore.

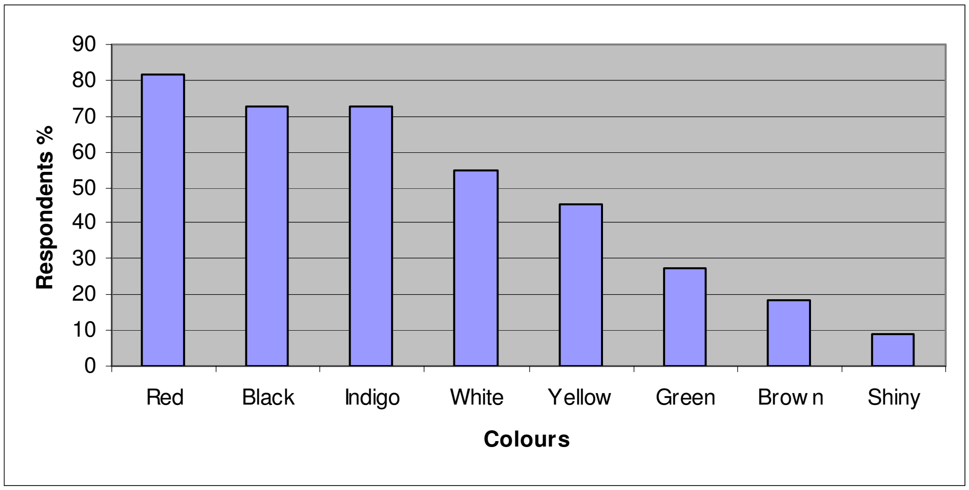


- Brand name is not important as far as sales of the product is concerned. One reason that can be attributed is that the younger section of the population is not that frequent buyer of handloom product in Bangalore. It is this section only that is usually brand sensitive.

- Color combination, ethnic perception, quality and design all are very important as far as the sales of the product is concerned.

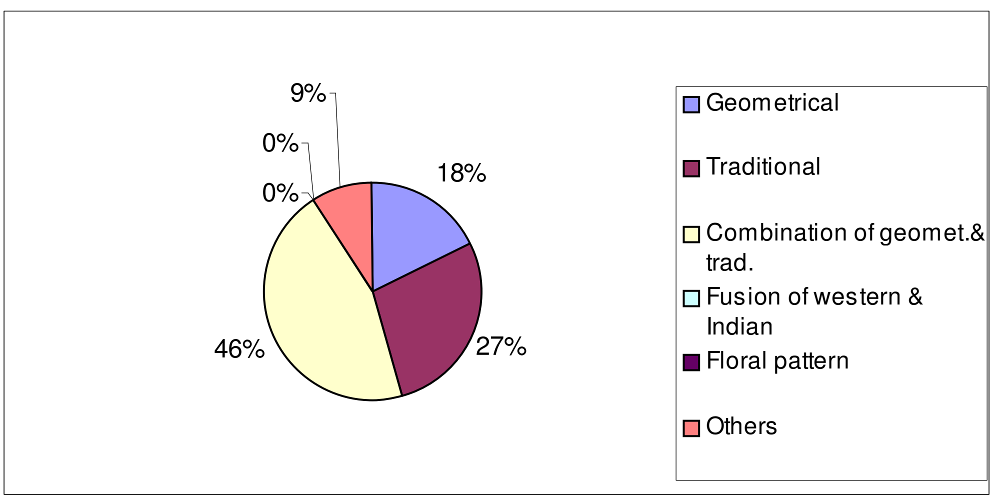
4.1.5 Design trends and colour preferences:

Figures 4.6: Colour preferences in Bangalore.



76% of the consumers prefer bright colors like red, black, indigo and white.

Figure 4.7: Latest design trends in Bangalore



46% of the consumers prefer a combination of geometric and traditional pattern. As far as traditional designs are concerned, they are not very popular in Bangalore.

4.1.6. Craft designs:

- Around 80% of the people said that they were aware of the Ikkat design, while just 42% of the people showed their awareness about Banjara handicraft products. 100% of the people were aware about Kalamkari designs.
- Dress fabrics and apparel are the most in demand product in each of the above categories.
- In furnishings Kalamkari has a dominant presence with around 78% of the stores having furnishings in Kalamkari.
- In the fashion accessories both Banjara handicraft and Kalamkari has a dominant presence. On the whole it can be said that all the three design patterns have their presence in the Bangalore market.

4.1.7 Promotion strategies followed:

- Most of the stores in Bangalore give advertisements in magazines and have a customer database. They maintain a database of regular customers and keep them informed about the products arrival.
- Very few stores go to participate in the exhibitions as they feel that exhibitions will dilute the premium appeal of their product.

In store promotion strategy:

- As far as the in store promotion strategy is concerned, 37% of the stores have no in store promotion strategy.
- Majority of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers or to customers who buy goods of Rs 5000 or more worth.

The sale of craft products in Bangalore is not seasonal. Around 82% of the respondents said that the sales are constant throughout the year. But still there are basically two lean months—September and March when the sales are usually low because of school exams and religious reasons.

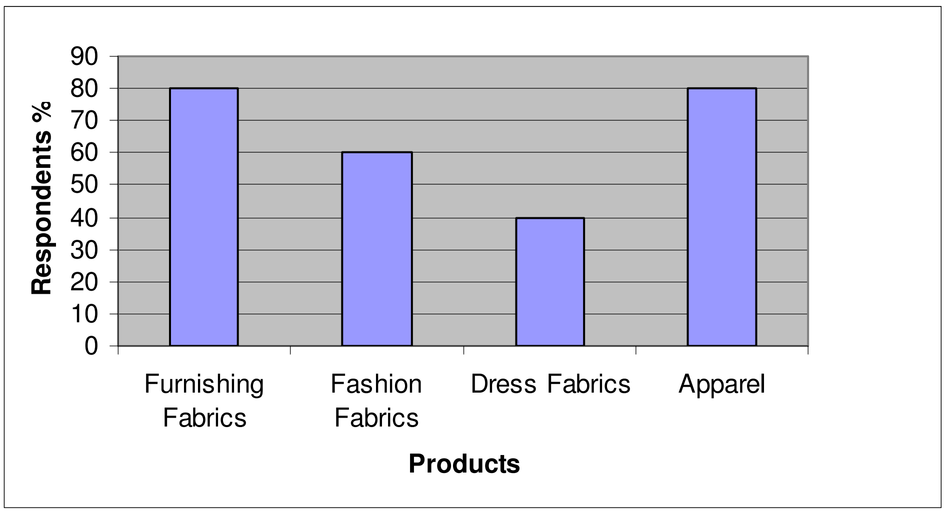
4.2 Sample City - Chennai

4.2.1. Profile of the stores visited:

- The total number of stores interviewed in Chennai was 10. Out of the 10 stores visited, 3 stores had exclusively furnishing material.
- 6 stores had both home furnishing as well as apparel.
- Only 1 store had both handloom and handicraft products.

4.2.2. Handloom products and its availability:

Figure 4.8: Ranges of products available in Chennai.

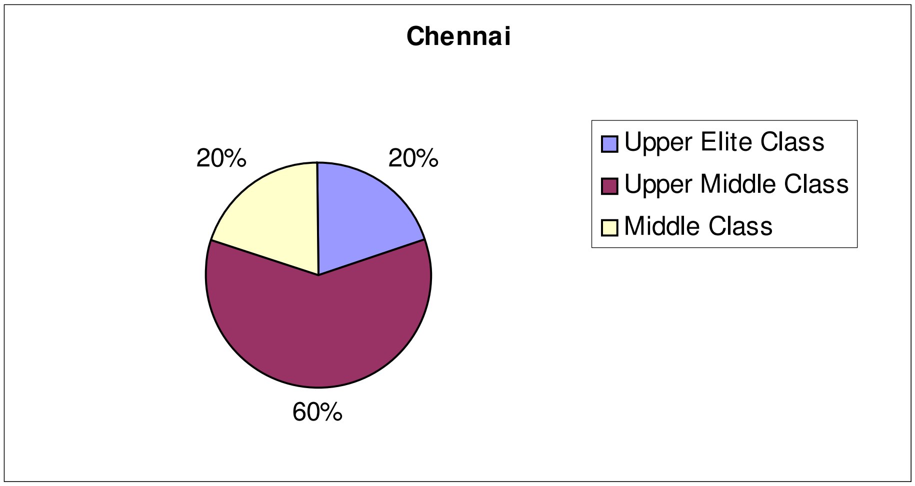


- Out of the 10 stores visited in Chennai, 80% of these stores kept furnishings, fabrics, and accessories.
- 60% of the stores kept fashion accessories.
- Only 40% of the stores had dress fabrics and 80% of the stores had apparel with them.
- In the furnishing and fabrics 70% of the stores had above 50% of furnishings and apparel in handloom.
- In case of fashion accessories 60% of stores kept above 50% of handloom products.

This shows that in Chennai, the handloom products are popular and in all the above product categories they are predominantly found.

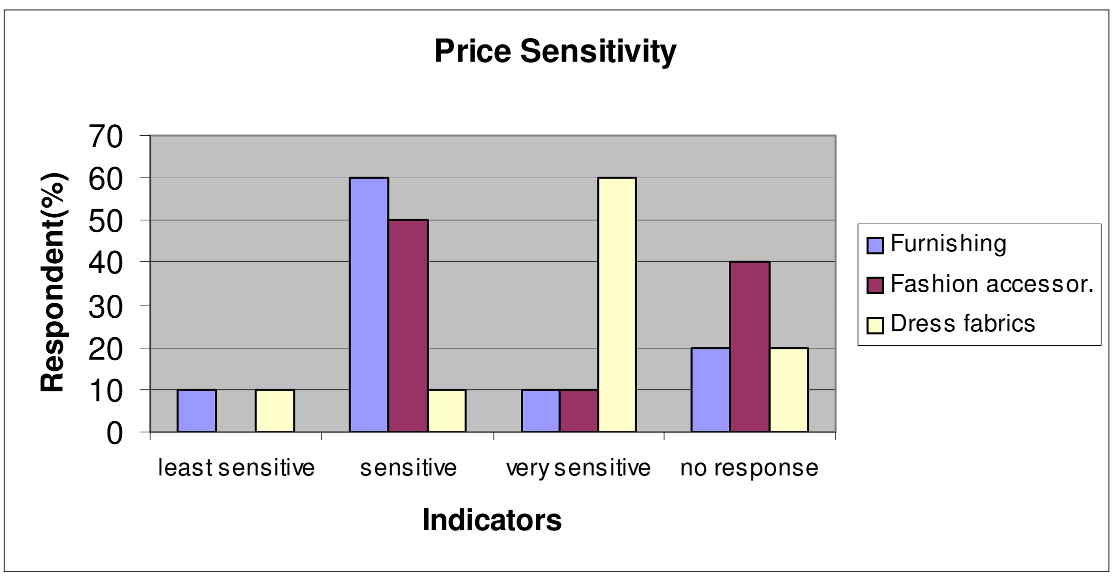
4.2.3 Consumer segment:

Figure 4.9: Consumer segments emerging in Chennai (SEC Wise)



The majority of the Consumers in Chennai are from the upper middle class (84%), while the middle class just forms a meager 24% of the buyers.

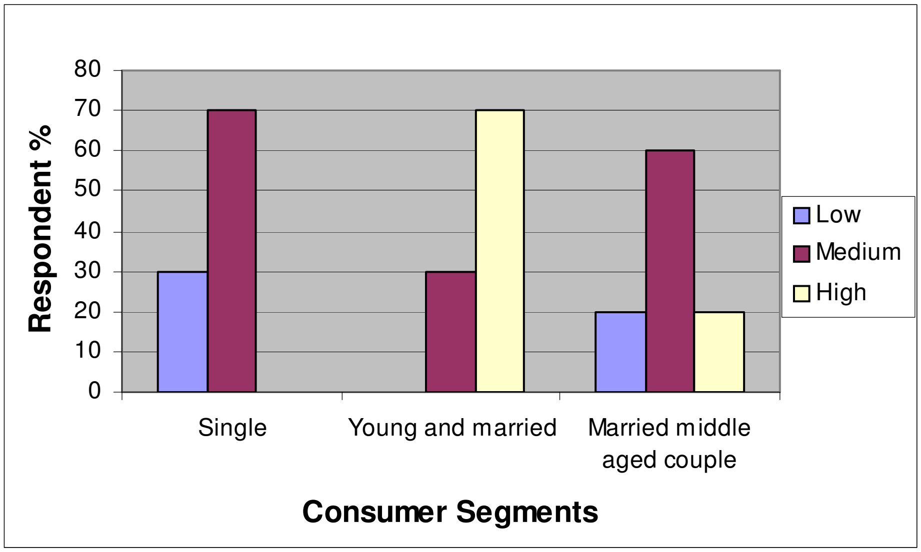
Figure 4.10: Price sensitivity in Chennai



The consumers in Chennai are sensitive to the price of the handloom products. Only 9% of the respondents in the furnishing appear to be non-sensitive to the prices of these products.

There is one-marked characteristics of the Chennai market that around 60% of the respondents are very sensitive to the price of the dress fabrics and apparel. This shows that the consumers are more sensitive as far as the price of dress fabrics and apparel is concerned than the furnishings and fashion accessories.

Figure 4.11: Consumer segments in Chennai (Age Wise)

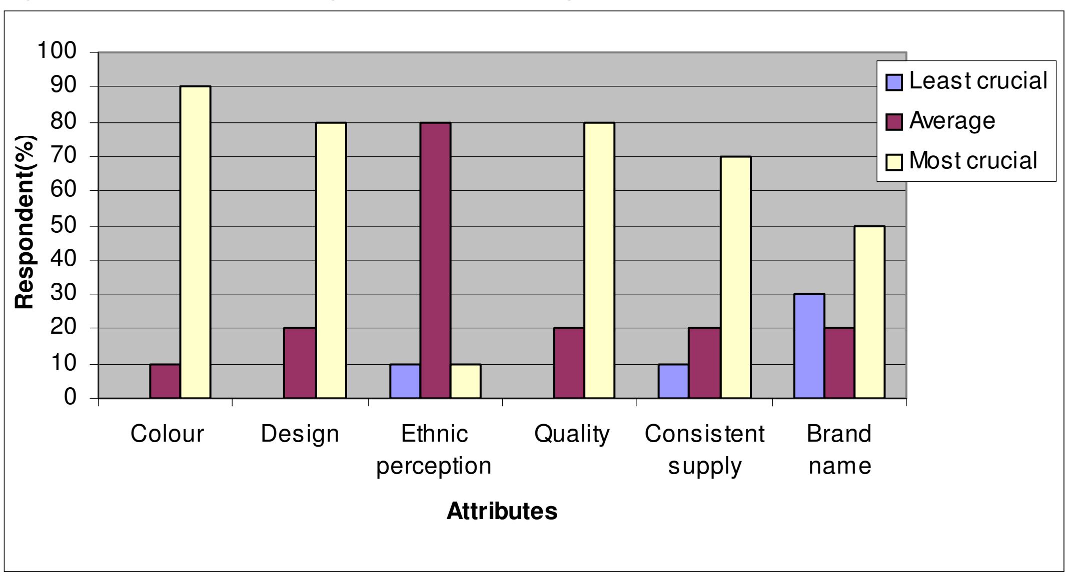


- The young and married (25- 35) and the single are more frequent buyers for the handloom product. Around 70% of this consumer segment shows a high buying behavior as far as handloom is concerned.
- The frequency of visit of married middle-aged couple is just average.

As major chunk of the buyers are young and married and single so it may be concluded that the high sale of the dress fabric and apparel is because of this reason.

4.2.4 Attributes important for sale of products:

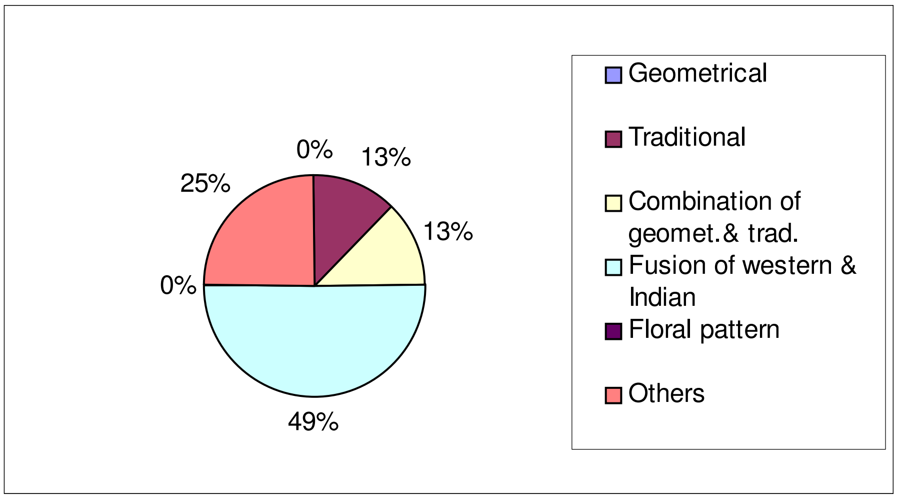
Figure 4.12: Attributes important for sale of products in Chennai.



- **Colour, Design, Quality and consistent supply** are the most important parameters as far as the sales of the product is concerned.
- Ethnic perception and Brand names are not that important an attribute as far as the sales of the product is concerned.

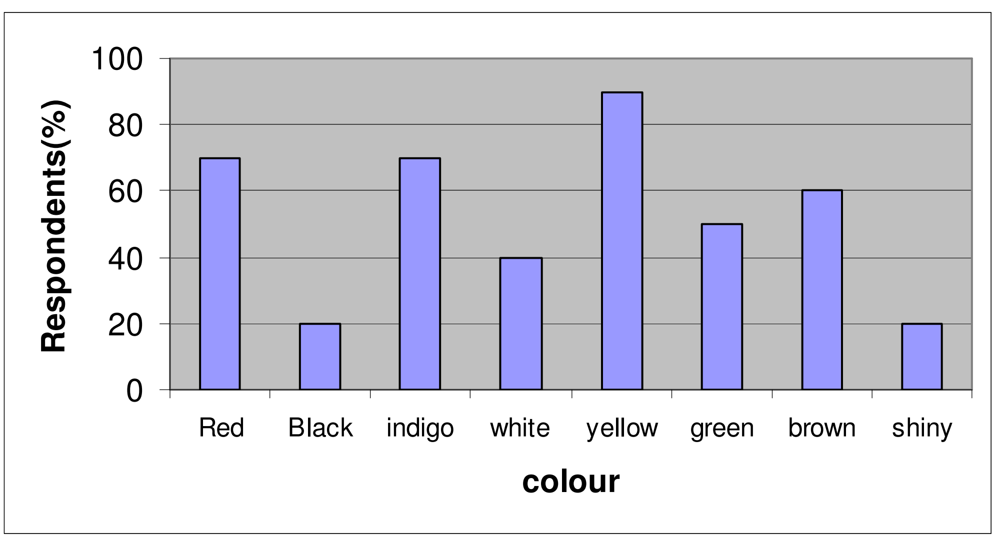
4.2.5 Design trends and colour preferences:

Figure 4.13: Design trends in Chennai



The design trend that is popular in Chennai is a fusion of Indian and Western. One of the reasons that can be attributed for the popularity of this design trend is that most of the consumer base for the handloom products in Chennai consists of young and newly married people.

Figure 4.14: Colour preferences in Chennai.



As far as color preferences are concerned, bright colors like red and indigo are very popular. Yellow seems to be the most popular color as far as the consumer preferences is concerned. The middle-aged people have shown a preference for the earthy colors like green and brown.

4.2.6 Craft designs:

- Almost all the respondents are aware about Ikkat and kalamkari designs. The awareness about Banjara handicraft was less with only 65% of the respondents saying that they were aware about this design.
- Dress fabrics and apparel are the most in demand product in each of the above categories.
- In furnishings, Kalamkari has a dominant presence with around 78% of the stores having furnishings in Kalamkari.
- In the fashion accessories both Banjara handicraft and Kalamkari has a dominant presence. On the whole it can be said that all the three design patterns have their presence in the Chennai market.

Ikkat is the most in demand product and almost all the stores have Ikkat products. Banjara handicraft is not very popular. In Kalamkari, apparel and furnishing fabrics is very popular.

4.2.7 Promotion strategies followed:

- Giving regular advertisements in newspapers and magazines is one of the most popular promotion strategies followed by the stores.
- Around 40% of the stores also participate very frequently in the exhibitions. Direct mailing is not that popular method in Chennai.
- As far as the in store promotion strategy is concerned, 30% of the stores have no in store promotion strategy.
- Majority of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers or to customers who buy goods worth Rs 5000 or more.

4.3 Sample City - Delhi:

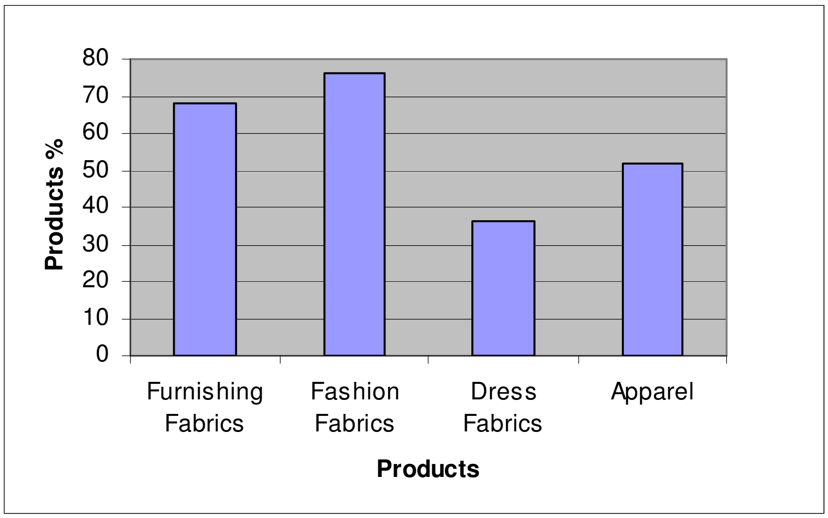
4.3.1 Profile of the stores visited:

The total number of stores visited in Delhi was 25.

- Out of the 25 stores visited, 7 stores had exclusively only furnishing material.
- 2 stores had both handicraft as well as handloom
- 16 stores had furnishings and apparel with them.

4.3.2 Handloom products and its availability:

Figure 4.15: Range of products in Delhi.

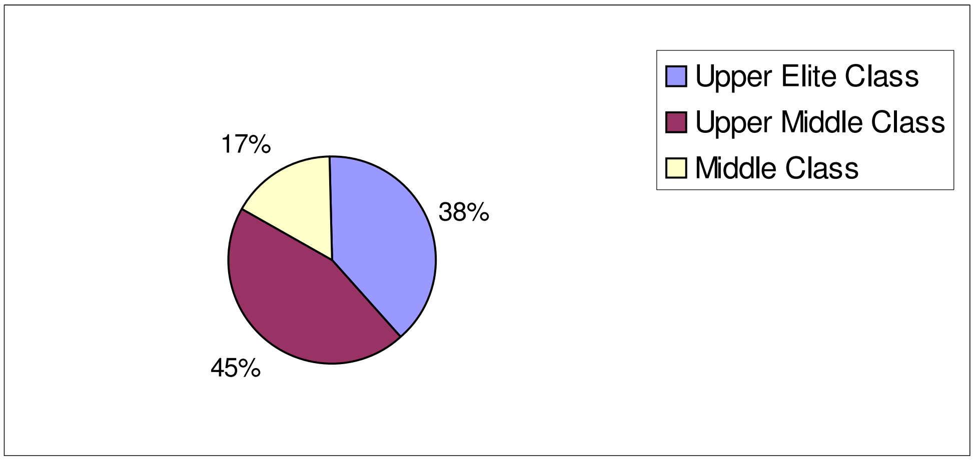


- Out of the 26 respondents contacted, 69% of them claimed to have furnishing fabrics while 75% of them claimed to have fashion accessories with them.
- Dress fabrics is not that popular while around 55% of the stores claimed to have apparel with them.
- As far as percentage of handloom is concerned, 55% of the stores keep above 50% of handloom products in furnishing and fabrics.
- 35% of the stores have apparel above 50% in handloom with them.

It is quite clear that in Delhi the stores have a mixture of powerloom, mill based and handloom products. On an average a store keeps around 40-50% of the handloom products with maximum thrust being in furnishing, fabrics and accessories.

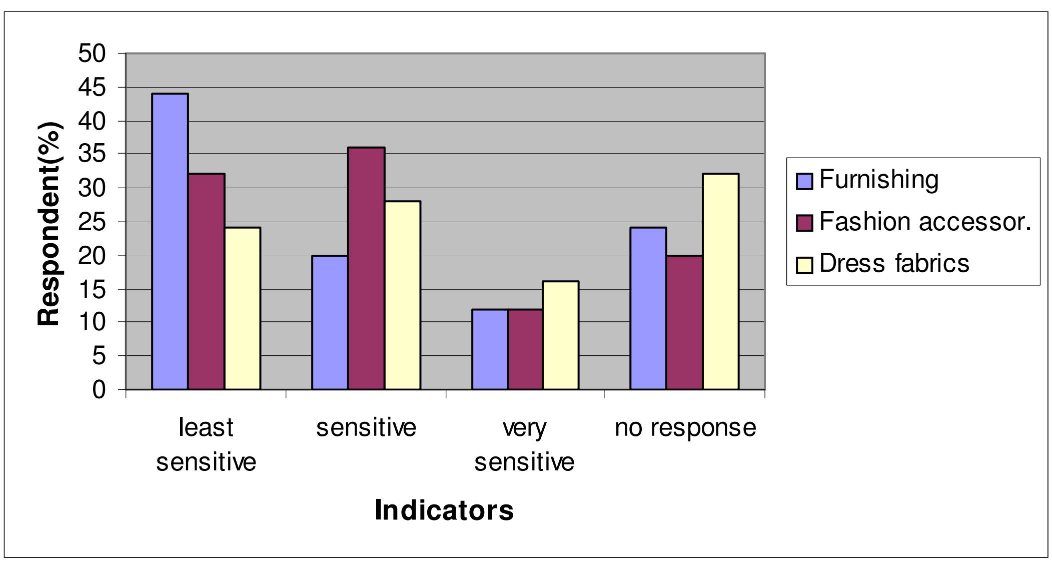
4.3.3 Consumer segment:

Figure 4.16: Consumer segment emerging in Delhi (SEC Wise)



In Delhi majority of the consumers belong to the elite class (70%) and upper middle class (82%). The participation of middle class consumers as far as handloom is concerned is very low.

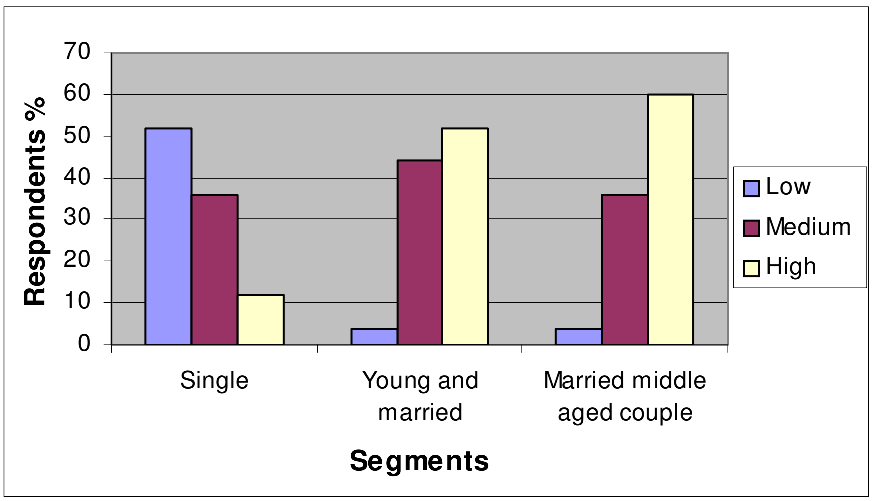
Figure 4.17: Price sensitivity in Delhi



- Around 45% of the respondents are least sensitive as far as the prices of furnishing fabrics and accessories is concerned.
- Customers are sensitive to the price of fashion accessories and apparel.

But, it can be said on the whole that as the consumer base in Delhi is slightly more skewed towards the elite and upper middle class, so the sensitivity towards price is not that high.

Figure 4.18: Consumer segments in Delhi (Age Wise)



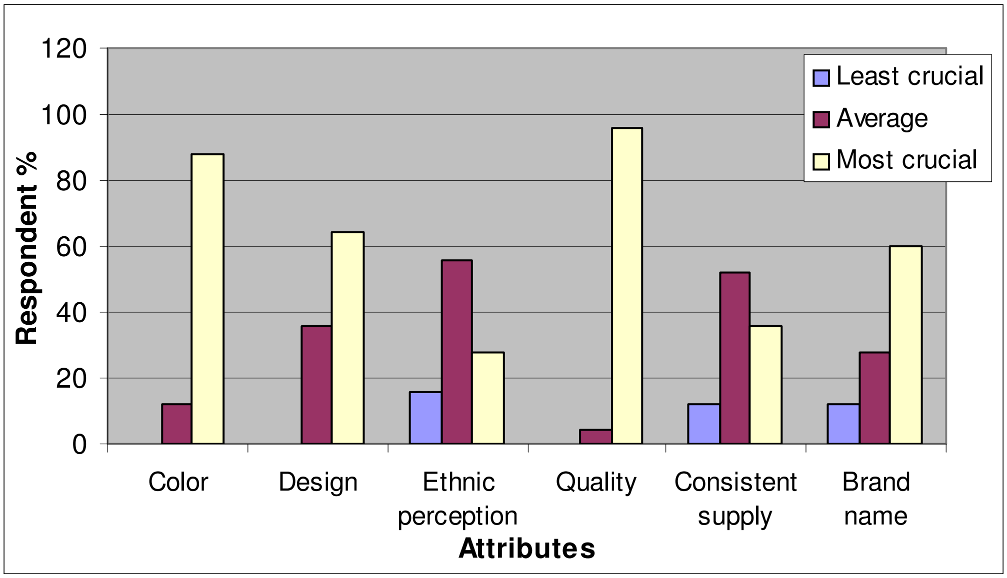
- The buying frequency of the married middle-aged couple is high. Around 60% of the middle aged people visit these stores very frequently.

- The frequency of visits of the young and married is also high (52%).

- The single people do not show much of interest as far as the handloom products is concerned. This clearly shows that the younger generation is more influenced by brands and advertisements (two elements which are distinctly lacking in the handloom sector.)

3.3.4 Attributes important for sale of products:

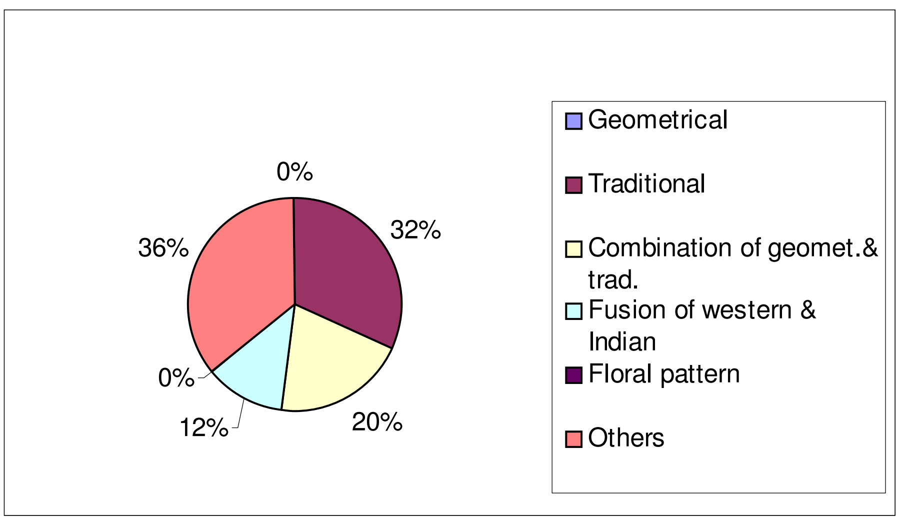
Figure 4.19: Attributes important for sale of products



The attributes, which are considered to be the most important for the sales of the product, are color, design, quality and consistent supply by the suppliers. Ethnic perception and the brand name of the product is not that important as far as the sales of the product is concerned.

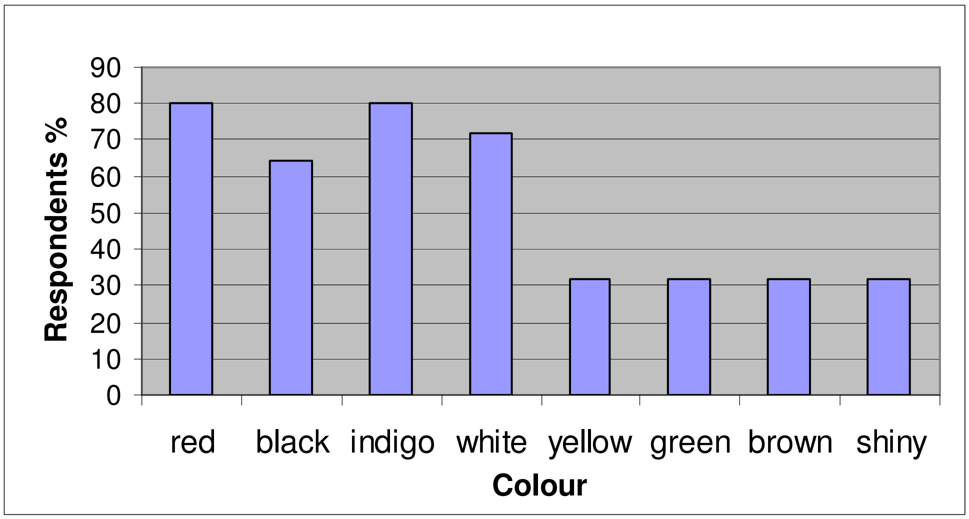
4.3.5 Design trends and colour preferences:

Figure 4.20: Latest design trend in Delhi



Traditional designs are very popular in Delhi. Around 32% of the respondents said that traditional designs are very popular in Delhi. **Subtle and more classic designs** are also in demand. **Checks** and **stripes** are also very popular amongst the consumers. Gradually there is a shift towards fusion of Indian and Western wear, with people preferring something which has a fusion element in it.

Figure 4.21: Colour preferences in Delhi



- Bright colors seem to be very popular in Delhi. The consumers prefer to wear bright colors like red, black, indigo and white. The preference for pastel colors is very less.
- There is a clear-cut season demarcation in Delhi. People wear brighter and darker colors in winter and lighter colors in summer.

4.3.6 Craft designs:

The awareness level about all the craft designs is high (> 50%), with the highest being in case of block prints. All the respondents were aware about the block prints, but as far as the awareness about Kalamkari block printing is concerned it was low.

- Banjara handicraft products are not in much demand. They have very less demand and that too limited to fashion accessories and furnishings.
- Ikkat is popular as far as furnishings is concerned. Kalamkari has an average demand in all the three categories, i.e. furnishing, fabrics, fashion accessories and apparel.

4.3.7 Promotion strategies followed:

- The most prominent ways of promotion in Delhi are through newspapers, magazines and direct mails to the regular as well as potential customers.
- Participation in exhibitions is negligible.
- Organizing theme-based events is also very popular method of promotions. Some of the stores also organize their own fashion shows to promote their latest designs.

Around 30% of the stores do not follow any specific in store promotion strategy. Some of the major in- store promotion strategies followed are giving discounts to customers which can be either in the form of annual sales or on purchase of a fixed amount of goods. Giving gifts on purchases is also one of the major in store promotion strategy.

4.4 Sample City – Jaipur

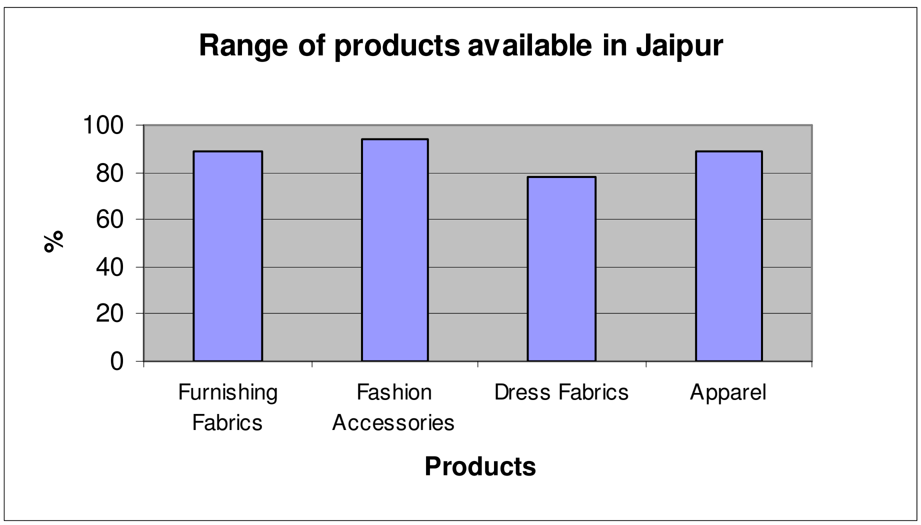
4.4.1 Profile of the stores:

The total numbers of stores visited in Jaipur were 18. Out of these the number of respondents interviewed were eighteen.

- 4 stores had exclusively furnishing material with them
- 14 stores had both handloom and furnishing material with them.

4.4.2. Handloom products and its availability:

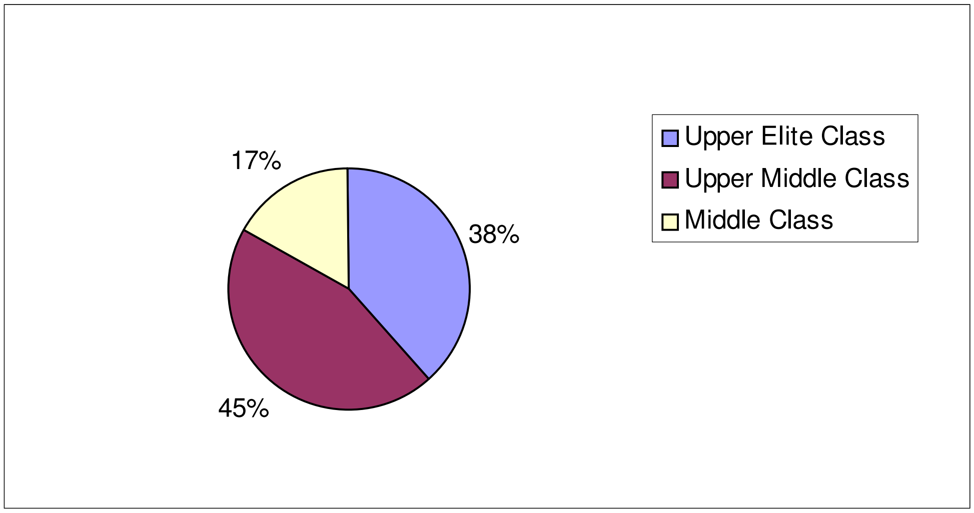
Figure 4.22: Range of products available in Jaipur



- Most of the stores had all the product ranges available with them. Fashion accessories were predominantly found in almost all the stores.
- Jaipur is a big tourist destination and foreign tourists come to this place in a large number. Handloom and handicraft products are very popular amongst the foreigners, so most of the stores have almost all the ranges of products available with them
- Around 60% of the stores had more than 50% of the products in handloom available in all the product ranges.
- Some of the stores (around 10%) of them also had products in handloom below 25%.

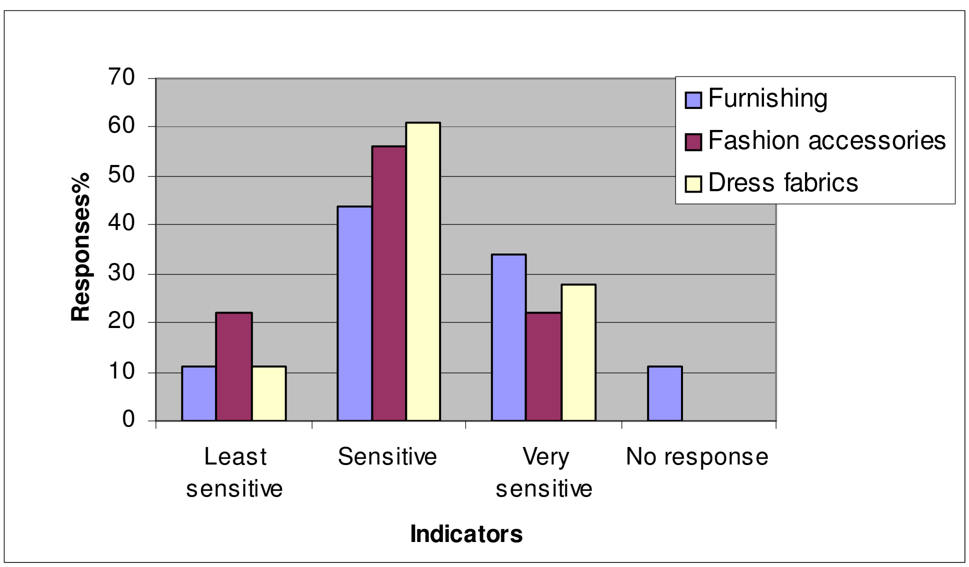
4.4.3 Consumer segments:

Figure 4.23: Consumer segments emerging in Jaipur (SEC Wise)



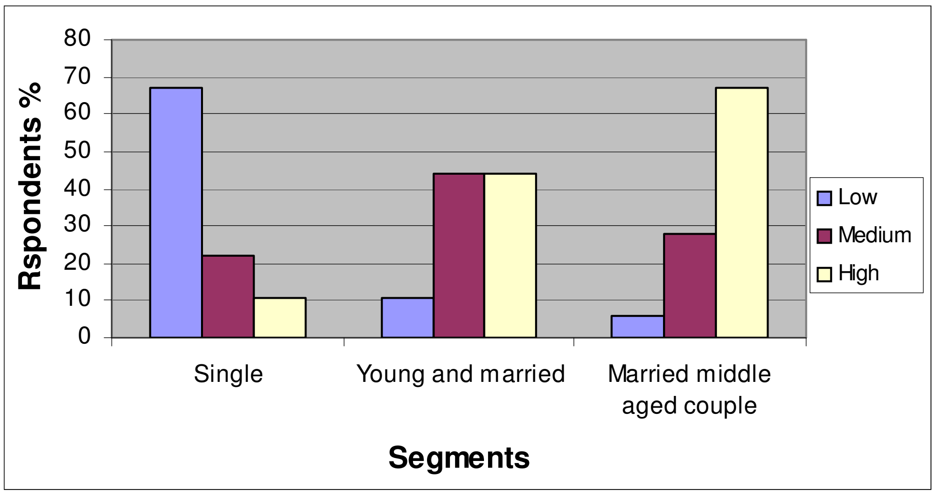
- The upper middle class visits the stores more frequently. Around 90% of the buyers belong to the upper middle class.
- Elite class is also frequent visitors in these stores.
- Middle class does not visit these stores that frequently.

Figure 4.24: Price sensitivity of Jaipur:



- The sensitivity of the consumers to the prices of the products is not high. The sensitivity towards price is just average.
- Consumers appear to be more sensitive to the price of apparel and fashion accessories.
- As far as furnishings is concerned their sensitivity is just average.

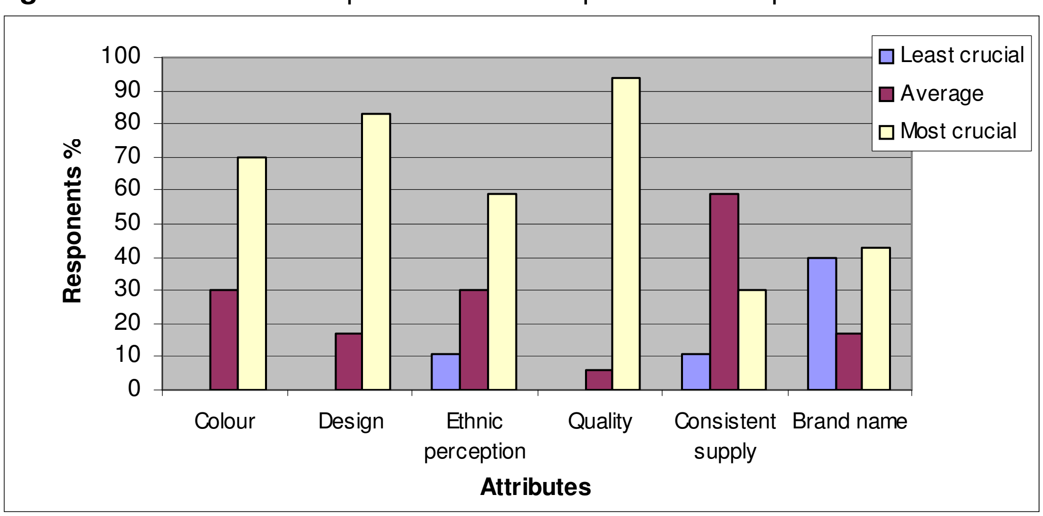
Figure 4.25: Consumer segments in Jaipur (Age Wise)



- The married middle-aged couple visits these stores more frequently i.e. 67%.
- The frequency of visit of the young and married couple is medium.
- The frequency of visit of singles is very low.

4.4.4 Attributes important for sale of products:

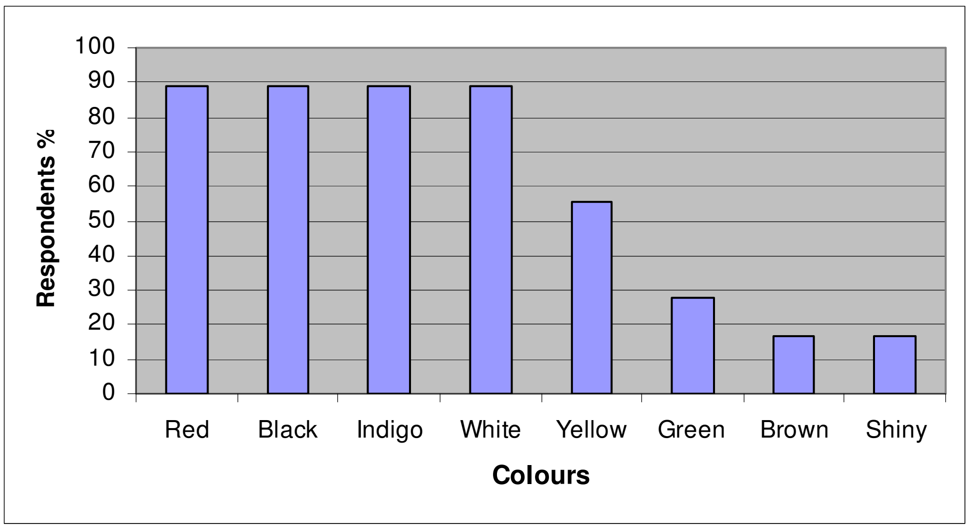
Figures 4.26: Attributes important for sale of products in Jaipur



- The attributes that are important for sale are **colour combinations, design pattern and the quality consistency.** 60 % of the respondents feel that *ethnic perception* is also important for sale.
- Brand name & timely supply plays a minor role in product sales.

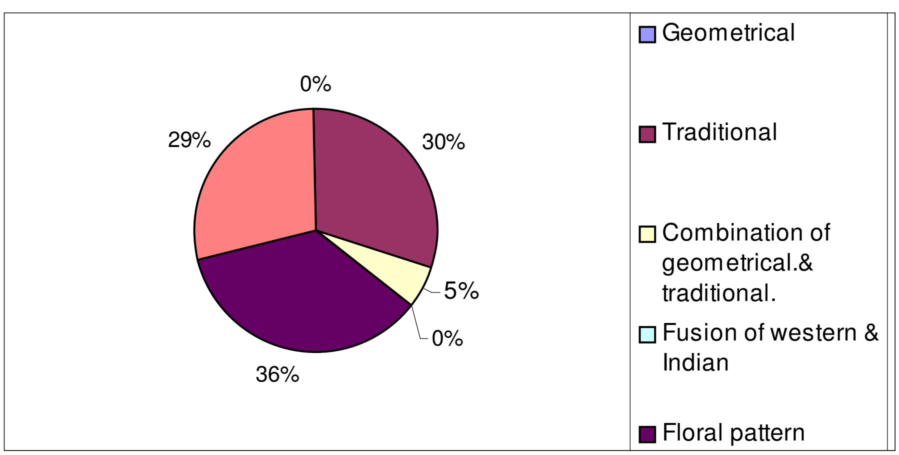
4.4.5 Design trend and colour preferences:

Figure 4.27: Colour preferences in Jaipur



- The bright colours like red, black, indigo and yellow are found to be prominent colours in Jaipur.
- Pastel colors are not popular in Jaipur.

Figure 4.28: Latest design trends in Jaipur



- Floral pattern was found very common in Jaipur. Floral designs are basically the traditional designs of Jaipur. Jaipur is known for its floral designs.
- A fusion of Indian and western or a combination of geometrical and traditional designs was totally absent in Jaipur.
- The USP of Jaipur is its floral pattern and it is this design, which has made Jaipur handloom popular throughout the world.

4.4.6 Craft designs:

- Demand for ikkat designs is very less. Whatever little demand exists, is found only for apparels.
- Banjara handicraft is popular in fashion accessories..
- Block prints are popular in apparel and home furnishings. The major demand for block prints being in the apparel.
- Around 89% of the respondents said that they were aware of the Block prints. Awareness about kalamkari block prints was low as Jaipur has its own traditional block printing design.
- Awareness about Banjara handicraft was average amongst the people.
- Awareness level for ikkat products was found least.

4.4.7. Promotion strategies followed:

- Most of the stores visited advertise in the city info and Jaipur vision. These are the two popular magazines used extensively by the tourists.
- None of the stores used direct mailers or participated in exhibition to promote their product.
- Around 50% of the stores do not have any in store promotion strategy. As the major buyer segment consists of foreign tourists and the domestic tourists, so there is hardly any annual sale.
- The only discount offered to the consumers is when they buy goods above a certain value and then they are offered some concession on the total purchase value.

4.5 Sample city - Ahmedabad:

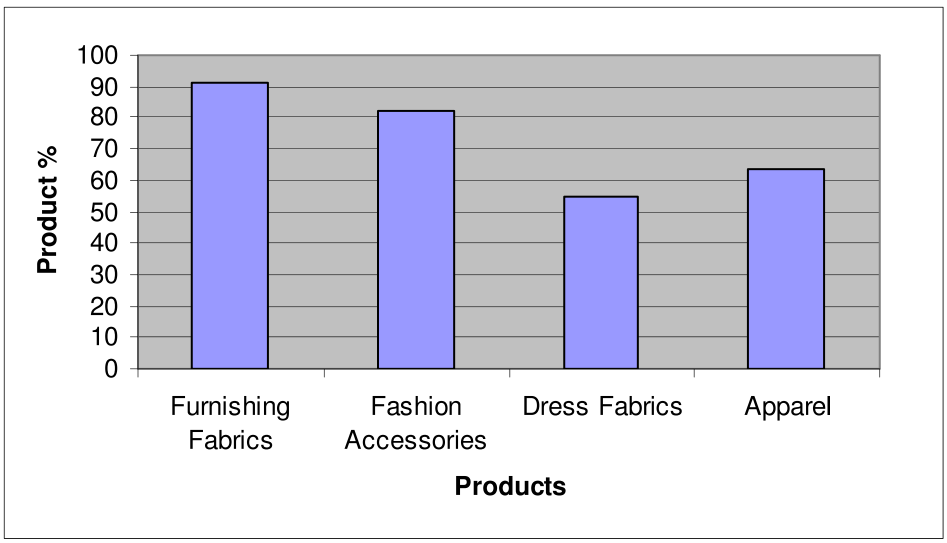
4.5.1 Profile of the stores visited:

Out of the 11 stores interviewed in Ahmedabad, the profile of the stores is as follows:

- 2 stores were exclusively handloom furnishing stores
- 3 stores kept both handloom and handicrafts
- 6 stores had a combination of home furnishings and apparel with them.

4.5.2 Handloom Products and its availability:

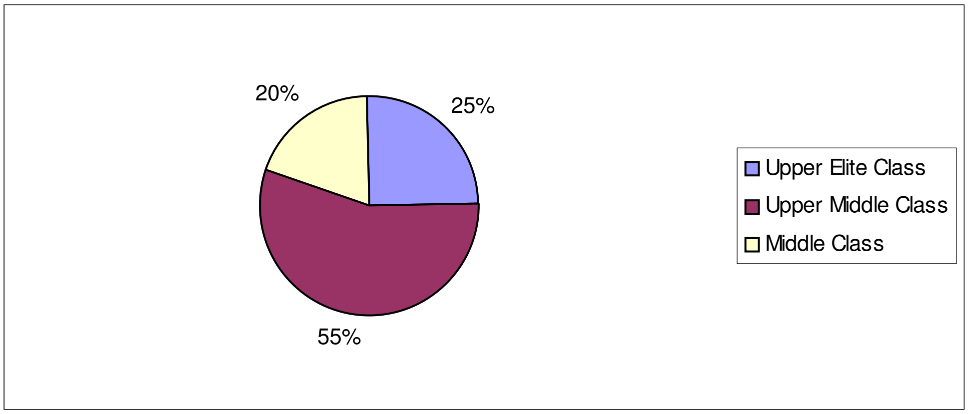
Figure 4.29: Range of products available in Ahmedabad



- Out of the total respondents, the most common product range available was furnishing (91%) followed by the fashion accessories (82%), apparel (64%) and the dress fabrics (55%).
- The demand of handloom products was found to be more in case of the furnishing and fashion accessories.
- 75 % of the above stores had more than 50% of the handlooms products in all the product variants. From this it can be inferred that handloom products have their distinct presence in the Ahmedabad market.

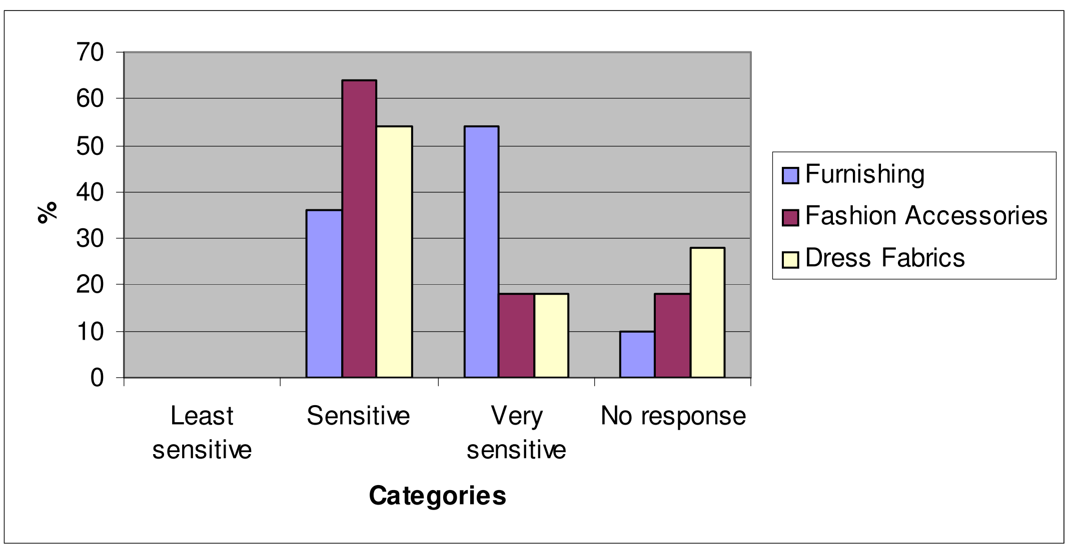
4.5.3 Consumer segments:

Figure 4.30: Consumer segments emerging in Ahmedabad (SEC Wise)



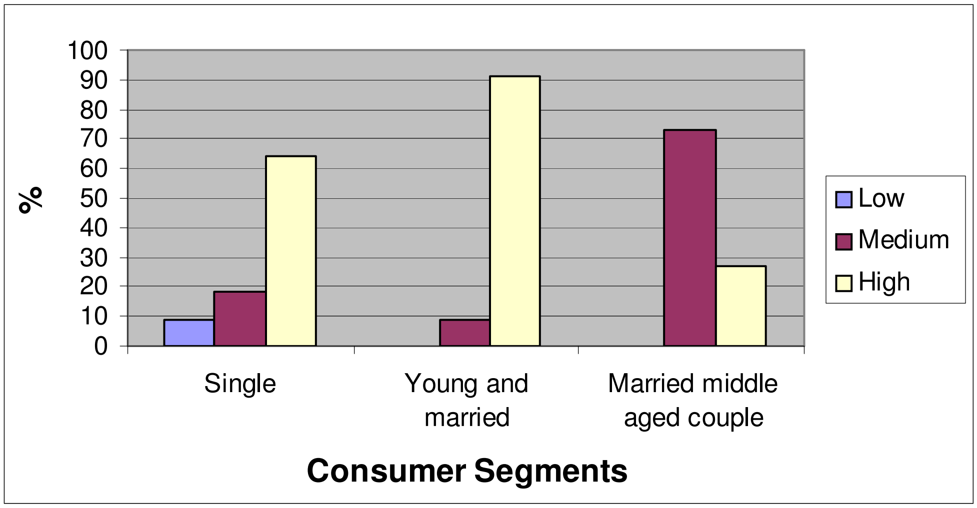
- Majority of the buyer visiting the stores belongs to the upper middle class. It is found that in all the stores visited the most frequent buyer were upper middle class followed by the upper elite class.
- The frequency of visits made by the middle class is generally low.

Figure 4. 31: Price sensitivity in Ahmedabad



- Ahmedabad market is very price conscious and sensitive as far as furnishing fabrics and accessories is concerned. They look for value for the money.
- Consumers are found to be sensitive towards the prices of fashion accessories and dress fabrics.

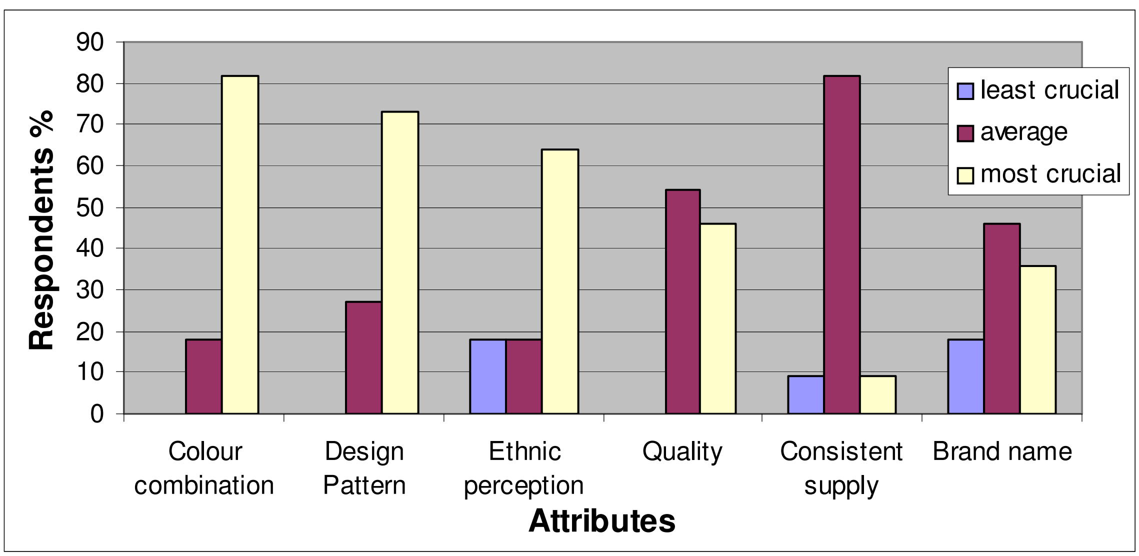
Figure 4.32: Consumer segments in Ahmedabad (Age Wise)



The young and married are found to be more frequent buyers for the handloom product. Around 91% of the young and married consumers visit these stores very frequently. The frequency of visit of married middle-aged couple is medium.

4.5.4 Attributes important for sale of products in Ahmedabad:

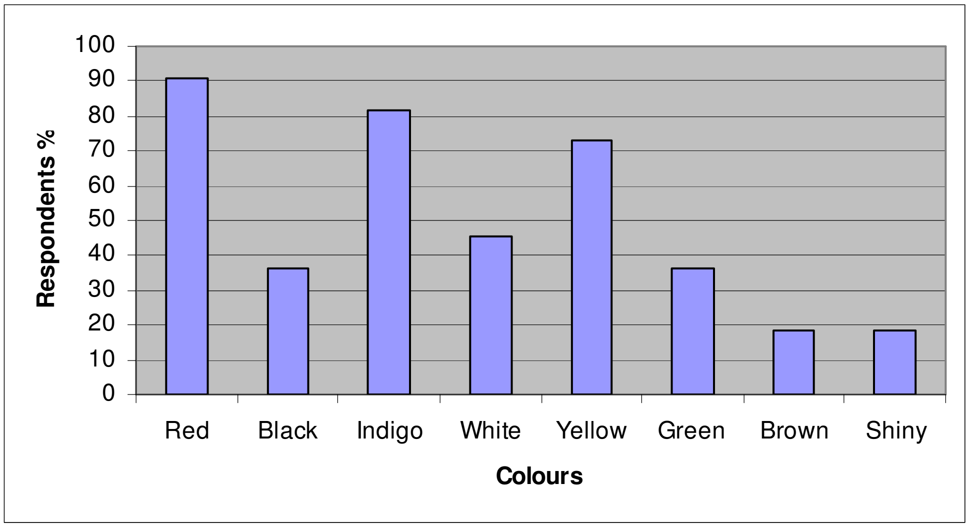
Figure 4.33: Attributes important for sale of products in Ahmedabad



- The attributes that emerged out to be important for sales were colour combinations, design pattern and ethnic perception.
- The Quality consistency, consistent supply and the brand name are considered just average as far as the sales of the product is concerned.

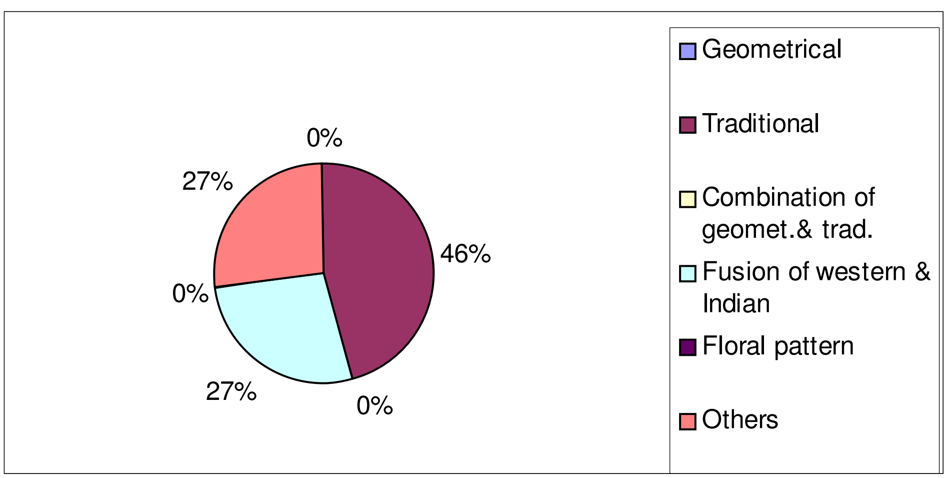
4.5.5 Design trend and colour preferences:

Figure 4.34: Colour preferences in Ahmedabad



- The red, indigo and yellow were found to be prominent colours in Ahmedabad.
- The consumers did not prefer pastel colors. One of the reasons for it can be that the majority of the consumers belong to the young and married group.

Figure 4.35: Latest design trends in Ahmedabad



- Traditional designs are popular in Ahmedabad. Around 46% of the consumers go for traditional designs.
- There is also a strong liking for the fusion like a fusion of Indian and Western wear and geometrical and traditional pattern with around 50% of the consumers going for such designs.

3.5.6 Craft designs:

- 91% of the respondents said that they were aware of the kalamkari block prints and Banjara handicraft
- 73% of the respondents were aware about Ikkat fabric and cotton & blended handloom fabrics.
- In furnishings and accessories the stores had all the three design patterns i.e. ikkat, Banjara and Kalamkaari
- Kalamkari designs are popular in dress fabrics and apparel.

4.5.7 Promotion strategies followed:

- Most of the stores in Ahmedabad give advertisements in magazines and newspaper. They also participate in exhibition but the participation rate is just 21%.

- As far as the in store promotion strategy is concerned, 64% of the stores give discounts to the customers. These discounts are generally given at the time of annual sales.

4.6 Sample city – Mumbai

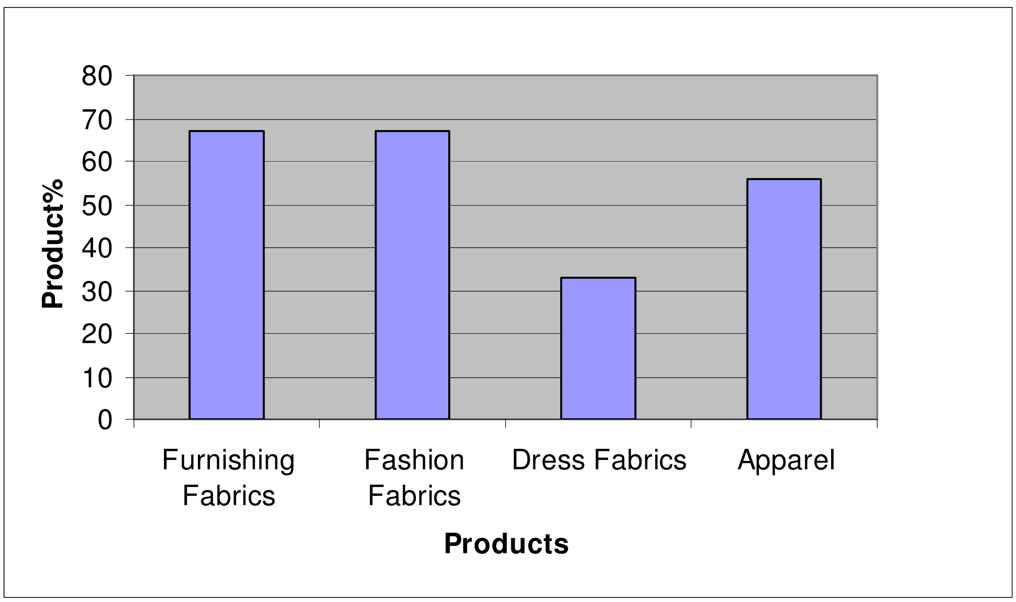
4.6.1 Profile of the stores visited:

Out of the 18 stores interviewed in Mumbai, profile of the stores is as follows:

- 5 stores were exclusively handloom furnishing stores
- 3 stores kept both handloom and handicrafts
- 10 stores had a combination of home furnishings and apparel with them.

4.6.2 Handloom products and its availability:

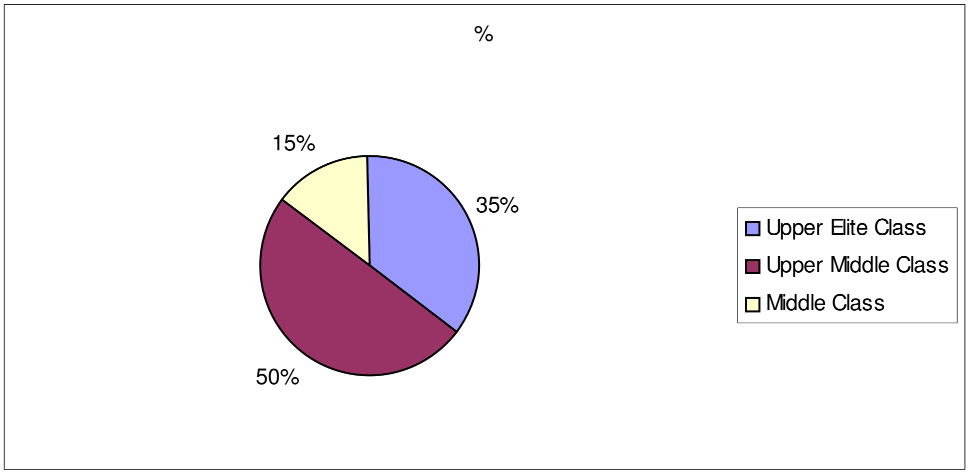
Figure 4.36: Range of products available in Mumbai



- The most common product variant available in the stores visited were furnishing material and fashion accessories (around 70%) followed by apparel (56%) and the dress fabrics (33%).
- Around 60% of the stores visited had more than 50% of handloom in furnishing, fabrics, fashion accessories and dress fabrics.

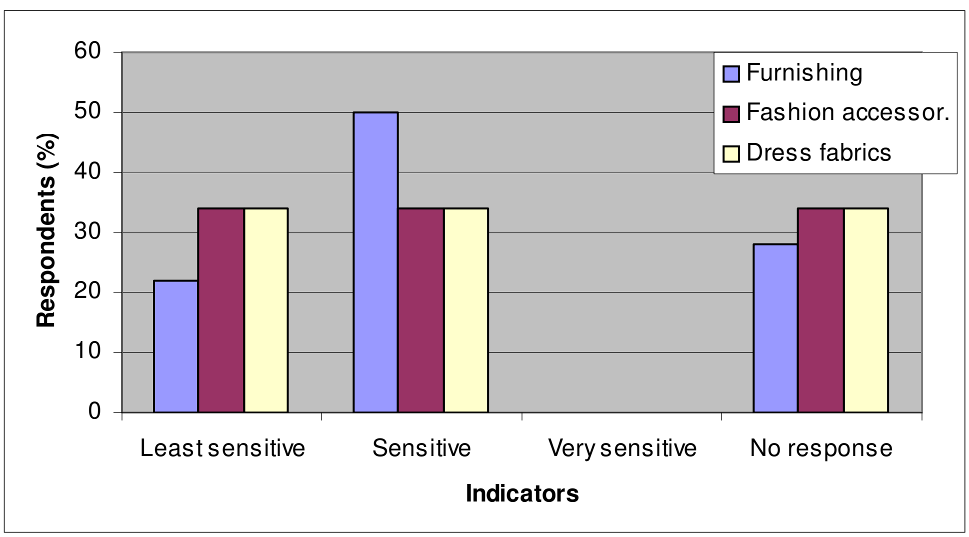
4.6.3 Consumer segments:

Figure 4.37: Consumer segments emerging in Mumbai (SEC Wise)



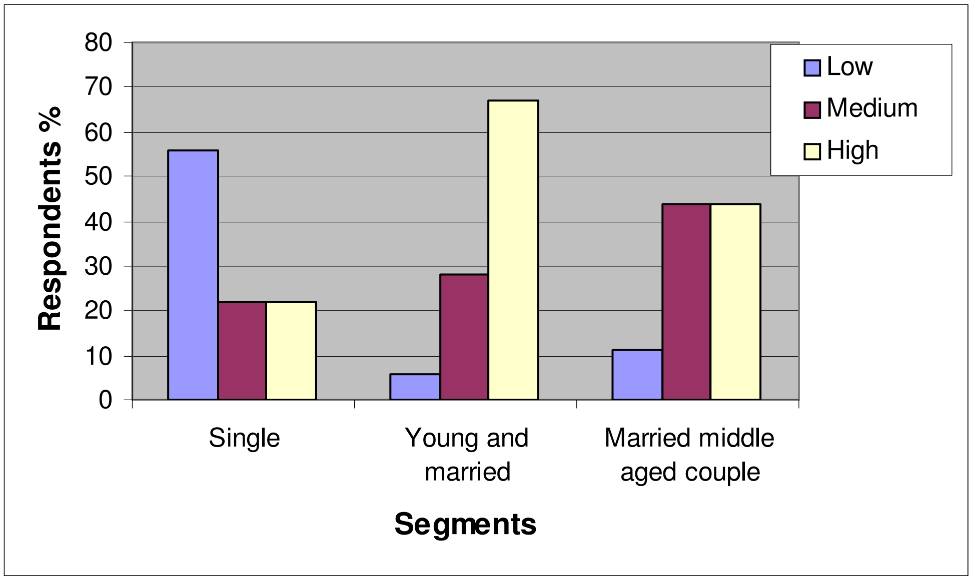
- Majority of the consumers visiting the stores belong to the upper middle class.
- Upper elite class also forms a sizeable portion of the total consumer base.
- Middle class consumers are just an insignificant portion of the total consumers.

Figure 4.38: Price sensitivity in Mumbai



Sensitivity toward the prices of the entire product is just average. About 30% of the respondents said that the customers are least sensitive toward the prices of handlooms products.

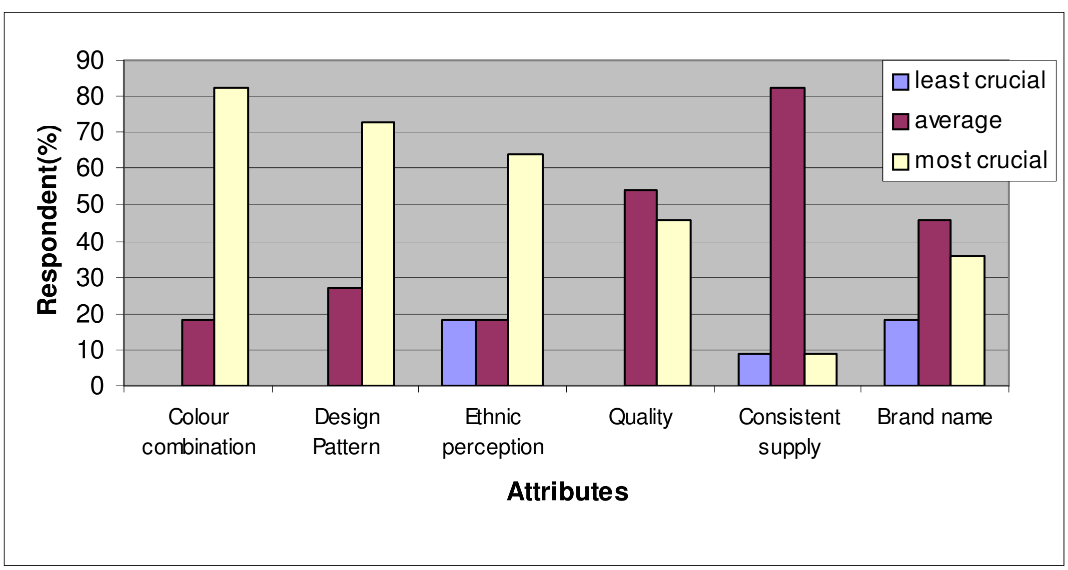
Figure 4.39: Consumer segments in Mumbai (Age Wise)



- The young and married category was found to be the most frequent buyers for the handloom product i.e. 67% of the respondents said that the young and married form a sizeable portion of the total consumer base.
- The frequency of visit made by the married middle-aged couple is also quite high (44%).
- The frequency of visit of single category is very low.

4.6.4 Attributes important for sale of products:

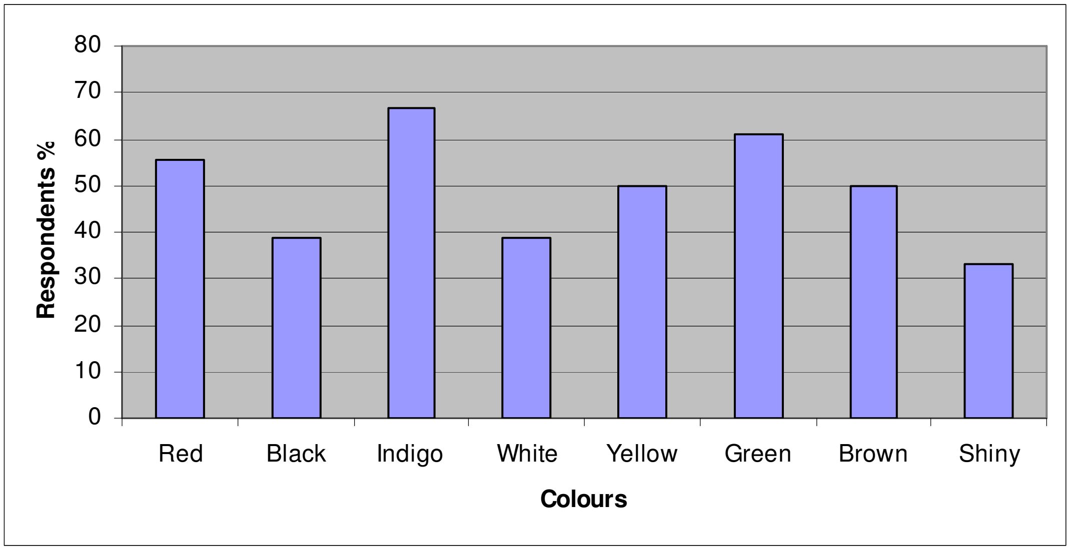
Figure 4.40: Attributes important for the sale of products in Ahmedabad:



- The attributes of the products, which were found to be crucial for the sales of the product, are **colour combination, design pattern and the ethnic perception**.
- The attributes like quality consistency, consistent supply and brand name are considered average as far as the sales of the product is concerned.
- Mumbai market is not very quality conscious.
- The consumers are more dictated by the fashion trends and the look of the apparel.

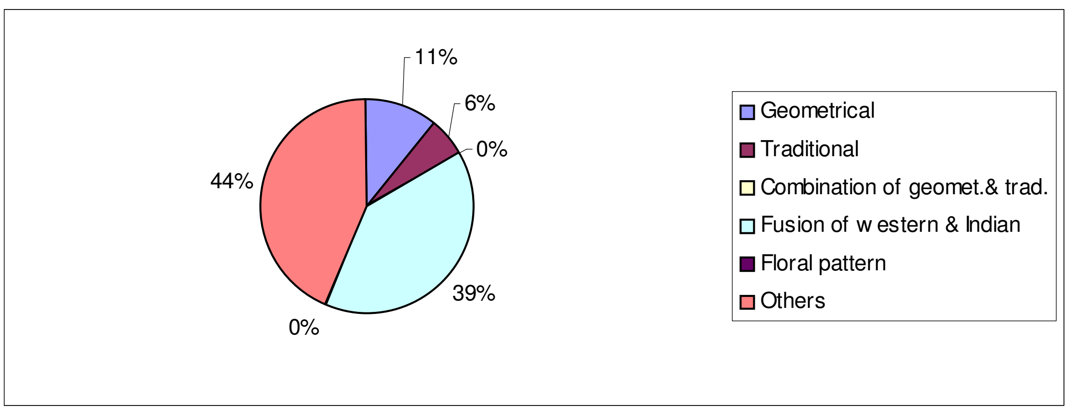
4.6.5 Design trends and colour preferences of the customers:

Figure 4. 41: Colour preferences in Mumbai



- The red, and indigo are found to be prominent colors in the bright colors segment that are very sought after.
- Earthy and pastel colors are also popular like green, brown and yellow.

Figure 4.42: Latest design trends in Mumbai



- The design pattern popular in Mumbai is a fusion of western and Indian designs.
- Apart from these, lot of printing variations and experiments are done as per the preferences of the customers. Embroidery work is also common.
- It was also found that colour and international markets dictate design pattern.

4.6.6. Craft designs:

- Ikkat products are not very popular and very few stores were found to be keeping it despite a high awareness level of around 61% for ikkat products. Most in demand products made of Ikkat is dress fabrics and apparel.
- Banjara handicraft is mostly sold as fashion accessories.
- Kalamkari & blended handloom fabrics are mostly used as dress fabrics and apparel.
- Around 72% of the respondents were aware of the kalamkari block print.
- Awareness about ikkat is also good with 61% of the respondents claiming to be aware about ikkat designs. but awareness about Banjara handicrafts was low.
- Almost all the respondents were aware about cotton and blended handloom fabric.

4.6.7. Promotion strategies followed:

- Most of the stores in Mumbai give advertisements in magazines and newspapers.
- 23% of stores do participate in the exhibitions also.
- As far as the in store promotion strategy is concerned, 55% of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers.

5. Analysis and Inference

5.1 Southern Region

Two major cities were covered in the southern region of the country, namely Bangalore and Chennai. The total numbers of respondents interviewed were 21.

The profile of the stores visited was:

- 5 stores had exclusively only home furnishing material.
- 4 stores had both handloom as well as handicraft.
- 12 stores had both furnishing as well as apparel with them.

Some of the important characteristics that emerged from the southern region are:

1. Furnishing, fabrics and accessories are kept by most of the stores. Around 80% of the respondents contacted had furnishing and fabrics.
2. Fashion accessories were also predominantly found and around 70% of the stores had fashion accessories.
3. Most of the stores had apparel (mostly for ladies) and very few stores were found to keep dress fabrics with them. With the help of designers and keeping with the latest fashion trends, many new interventions were done as far as designing apparels is concerned.
4. Around 50% of the stores have above 50% of the handloom products kept with them in furnishings, fabrics, accessories and apparel.
5. In fashion accessories there is a marked difference in the Bangalore and Chennai market. While in Bangalore very little fashion accessories is kept in handlooms, it is the reverse in Chennai where around 60% of the fashion accessories kept are in handloom.

6. Consumer segment:

- The majority of the consumers in Chennai and Bangalore for the handloom products are from the upper middle class. Around 25% of the customer base is from the elite class and the middle class also.
- There is a marked difference as far as the buying behavior of consumers is concerned in Chennai and Bangalore. In Bangalore the majority of the buyers are from the middle-aged class (40+) whereas in Chennai the majority of the consumers belong to the newly married class (25+). The reason that can be attributed to this are:

i. The decadal growth rate of population in Bangalore in 1981-91 was 38.44%, but this fell down to 34.80% in 1991-2001. In Chennai the decadal growth rate has fallen from 15.39 in 1981-91 to 11.19 in 1919-2002. But the urban population growth rate has increased from 13.32% in 1981-91 to 42.79% in 191-2001.

ii. The growth of MNCs started in Bangalore in the mid 80s.The population from across India started migrating to this city during this time. Although the population migration is still continuing, but the people who migrated at that time may have become older and joined the group of middle-aged people.

iii. The growth of MNCs in Chennai has taken place in the recent years. Chennai has been ranked first among Indian cities in terms of technology exposure and responsiveness by business world survey, 1999. Tamilnadu registered *fastest & highest* growth rate in software exports- almost 800% in 1998-2001 - from Rs.4.00 billion to Rs.31.2 billion. *Tamilnadu - The largest recipient of investments in India.*

These estimates clearly show that there may be a larger migration of younger professionals in Chennai as compared to Bangalore in recent years, thus a younger consumer group.

- Consumers are sensitive to the price of dress fabrics and apparel in both Chennai and Bangalore. As in Chennai majority of the customers belong to the younger crowd so their sensitivity towards price is higher for apparel.

- Sensitivity towards the prices of fashion accessories and apparel is just average in both the cities.

7. **Design trends and colour preferences:**

- Bright colors like red and indigo are very popular in both Chennai and Bangalore. Pastel colors are not much preferred in Bangalore. Chennai market has shown a strong preference for " yellow" color.
- The market has shown a strong preference for the fusion fabric like a fusion of geometric and traditional and a fusion of Indian and western wear. Exclusive preference for just geometrical or traditional designs is very less.

8. **Craft Design:**

- Almost all the respondents contacted showed their awareness about Ikkat and Kalamkari. The awareness about Banjara handicraft products was low with only around 40% of the respondents claiming to know about it.
- Dress fabrics and apparel are the most in demand product in each of the above categories. In furnishing, Kalamkari block prints were very popular.

9. **Promotion Strategy**:

- Print media is extensively used for giving advertisements. The stores in Bangalore also maintain a customer database and keep them inform through mails, which is not that popular a method in Chennai. Participation in exhibitions is less by the stores contacted.
- Most of the stores give discount to their customers. These discounts are either in the form of annual sales or giving discounts on purchase of goods worth certain value.

5.2 Northern region

In the northern region two cities were visited namely Delhi and Jaipur. In Delhi the total respondents interviewed was twenty-five while in Jaipur the number was 18.

Profile of the store:

- Out of the total stores visited 11 stores had exclusively furnishings and accessories with them.
- Thirty stores had both furnishing as well as apparel with them.
- Only two stores had both handloom as well as handicraft. In Jaipur no store which was visited had both handloom as well as handicraft with them.

Some of the salient features of the northern region that emerged out of the research are:

1. Furnishing, fabrics, accessories and fashion accessories are kept by almost all the stores visited. Around 70% of the respondents claimed to have the above-mentioned items.

2. In Jaipur most of the stores had apparel (both for ladies as well as men). In Delhi around 50% of the stores visited had apparel with them. Dress fabrics are not a very popular item and very few stores had it. With the help of designers and keeping with the latest fashion trends, many new interventions were done as far as designing apparels is concerned.

3. Around 50% of the stores had more than 50% of the handloom product available with them in both the cities in all product ranges. Delhi differed from Jaipur, in a way that in apparel there was less of handloom product as compared to Jaipur. Jaipur is famous for its handloom and craft products and is a major tourist destination. This is one of the major reasons for Jaipur having more of handloom products with them.

4. **Consumer segment:**
   - Majority of the consumers belong to the elite class and the upper middle class in the northern region. *Foreign tourists form a major chunk of the buyers here and they are perceived as belonging to the elite class.*
   - Middle class consumers do not form a major buyers segment. Around 20% of the middle class consumers in the northern region come to these stores.
   - The consumers are not very sensitive to the price of the handloom products in the northern region.

     In both the cities consumers are more sensitive toward the price of fashion accessories and apparel than compared to furnishings.
   - The buying frequency of the married middle-aged couple is high (around 60%) in both the cities. The young and married couples also form a sizeable portion of the buyers (around 50%). The singles do not show much of interest in handloom products in both the cities. A clear trend that is emerging from the northern region is that the singles (younger section of the consumers) are more brand conscious and influenced too much by advertisements.

5. **Attributes important for sale:** The attributes that emerged out to be important for the sale of the product were:
   - Color combination
   - Design pattern
   - Quality consistency
   - Ethnic perception

   Consistent supply was considered average as far as the sales of the product is concerned. Brand name is not an important attribute as far as the sales of the product is concerned.

6. **Design trend and color preferences:**
   - Colors like ***red, black, indigo and white*** are very popular.
   - The preference for pastel colors is low
   - There is a clear-cut season demarcation existing in the northern region. The color preferences of the consumers also change according to the season.

Consumers prefer to wear brighter colors in summer and pastel colors in winter.

- Floral pattern was found very common in Jaipur. Floral designs are the traditional designs of Jaipur. Traditional designs are popular in the northern region.
- In Delhi because of the metropolitan culture, there is a shift in the consumers preference towards a fusion of Indian and western wear. This is not the case in Jaipur where the preference for floral and traditional designs is still strong.

7. Craft Designs:

- Almost all the respondents were aware about block printing. Block printing is the traditional way in which printing is done in Jaipur. Awareness about Kalamkari block printing is less amongst the people.
- Awareness about Ikkat is low amongst the respondents.
- The awareness about Banjara handicraft is quite average. Around 50% of the respondents were aware about this design pattern.
- Block prints are very much in demand as far as the northern region is concerned. Block prints are popular in apparel and furnishings.
- Ikkat is not in much demand and whatever little demand exists it is only for the apparels and some of it being for furnishings.
- The demand for Banjara handicraft exists only for the fashion accessories.

8. Promotion strategies followed:

- The most common promotion strategy followed is giving advertisements in magazines and newspapers. Most of the stores advertise in city info magazine.
- In Delhi the stores also maintain a customer database and mail to them regularly about new product arrivals. In Jaipur there is no system of direct mailing prevalent as emerged from the respondents answers.
- The stores rarely participate in exhibitions.
- Most of the stores have annual sales once a year. They also give discounts to the customers when the customers purchase goods worth a certain value. This value differs from store to store but in most of the cases it is given on purchases above Rs 5000 or more.

5.3 Western region:

Two major cities were covered in the western region of the country, namely Ahmedabad and Mumbai. The total numbers of respondents interviewed were 21. The profile of the stores visited was:

- 7 stores had exclusively only home furnishing material.
- 6 stores had both handloom as well as handicraft.
- 16 stores had both furnishing as well as apparel with them.

Some of the important characteristics that emerged from the western region are:

1. Furnishing, fabrics and accessories are kept by most of the stores. Around 80% of the respondents contacted had furnishing fabrics.
2. Fashion accessories were also predominantly found and around 65% of the stores had fashion accessories.
3. Most of the stores had apparel and about 40% of the stores were found to keep dress fabrics with them. With the help of designers and keeping with the latest fashion trends, many new interventions were done as far as designing apparels is concerned.
4. Around 65% of the stores have handloom products more than 50% in furnishings, fabrics, fashion accessories and apparel.

5. **Consumer segment**:

    - Majority of the consumers visiting the stores belong to the upper middle class. Upper elite class also forms a sizeable portion of the total consumer base. The frequency of visits made by the middle class is generally low.
    - The young and married category was found to be the most frequent buyers for the handloom product i.e. 80% of the respondents said that the young and married form a sizeable portion of the total consumer base.
    - There is a marked contrast as far as the buying behavior of single class in Ahmedabad and Mumbai. In Ahmedabad apart from young and married, the singles also forms the majority of the buyers but in Mumbai the frequency of visit of single category is very low.

- The frequency of visit of married middle-aged couple is medium in both the cities.
- In Ahmedabad market is very price conscious and sensitive as far as furnishing fabrics and accessories is concerned. They look for value for the money.
- Consumers are also found to be sensitive towards the fashion accessories and dress fabrics. But in Mumbai, sensitivity toward the prices of all the product is just average. About 30% of the respondents said that the customers are least sensitive toward the prices of handlooms products.

6. **Design trend and color preferences of the consumers:**
    - Red, indigo and yellow were found to be prominent colours in Ahmedabad.
    - Pastel colors were not that preferred by the consumers. One of the reasons for it can be that the majority of the consumers belong to the young and married group.
    - In Mumbai the red, and indigo are found to be prominent colors in the bright colors segment. Earthy and pastel colors like green, brown and yellow are also popular.
    - Traditional designs are popular in Ahmedabad. There is also a strong liking for the fusion element like a fusion of Indian and Western wear.
    - The design pattern popular in Mumbai is a fusion of western and Indian designs.
    - *It can be said that in western region, fusion of Indian and western pattern are becoming common.*
    - It was found that lot of printing variations and experiments are done as per the preferences of the customers in Mumbai.
    - It was also found that in Mumbai, the international market dictates colour and design pattern.

7. **Craft Designs**

- The awareness about Ikkat is almost average in this region. Around 60% of the respondents were aware about this design pattern.
- The awareness about Banjara handicraft products was low in Mumbai with only around 28% of the respondents claiming to know about it.
- In furnishings fabrics and accessories the stores had all the three design patterns i.e. ikkat, Banjara and Kalamkaari
- Kalamkari designs are popular in dress fabrics and apparel.
- Banjara handicraft is mostly sold as fashion accessories.
- The kamalkari and blended handloom fabrics are mostly in demand for the dress fabrics and apparel.

8. **Promotion strategies followed:**

- Print media is extensively used for giving advertisements. Most of the stores give advertisements in magazines and newspaper.
- Stores also participate in exhibition but the participation rate is just 20%.
- As far as the in store promotion strategy is concerned, 60% of the stores give discounts to the customers. These discounts can be either in the form of annual sales or it can be discounts on the selling price to regular customers.

5.4 Indian Market Overview

The following section deals with the overview of the Indian market as a whole with regards to the handloom products, as being apparent from and within the constraints of this study.

5.4.1 Consumer segment:

a) The parameters, which affect the sales of the product, were taken and *factor analysis* was performed on these variables (Result of factor analysis output is attached in the Annexure II). Factor analysis was performed to come out with the main attributes that affect the sales of the product.

   The main factors affecting the sales of the product are quality (which includes fabric feel and weave consistency), durability of the product (design and color fastness), Brand name and fashion trend that includes color combination.

   On the basis of the above factors we can divide the market into 4 consumer segments:

- *Quality conscious consumers*: Consumers who look for weave consistency and fabric feel in the product.
- *Durability conscious consumers*: Consumers who look for value for money and are very conscious about color fastness and fabric durability
- *Brand conscious consumers*: This is the image conscious class of the society who go for reputed brands to suit their social image.
- *Fashionable consumers*: Young consumers who look for fashion trends existing in the market and whose purchasing behavior is influenced heavily by the media.

Consumer segments age-wise:

b) Upper middle class is the major consumer segment that buys the handloom products in India. This is followed by the elite class. The middle class forms a very insignificant part of the consumer's base. Taking Indian market into consideration, where the middle class is major portion of the potential consumer base, there appears a tremendous potential to expand sales by attracting this consumer section. Middle class is still not attracted towards handloom products, because the price of the handloom products is high as compared to its substitutes and these products require greater maintenance. Well-educated consumers who have the purchasing power and a taste for quality and design still prefer handloom products.

c) Young married consumers (25+) and the middle-aged consumers (45+) show a higher buying frequency. It has been observed that in this class also, double income families who have larger disposable income at their hand do exhibit a higher buying behavior. There is a higher demand for fashion accessories and apparel, which can be attributed due to a higher percentage of young married couples buying the handloom products. The demand for furnishing fabrics in handloom is also high, and the major consumer segment buying it includes middle-aged consumers as well as young and married.

   Singles (< 25 yrs.) do not form a major buyer group. The only item, which is popular amongst the singles, is the apparel for girls. Young girls are slowly getting attracted towards the purchase of apparel.

5.4.2 There does not exist any specific correlation between the consumer segment (SEC type) and the sensitivity to price. This has been illustrated by the correlation analysis (annexure II). The major consumer segment, which buys handloom products, is the upper middle class and the elite class. To illustrate this contrast let us take the example of Mumbai and Ahmedabad. In Ahmedabad no consumer appears least sensitive to the price of the handloom products whereas in Mumbai around 22% of the consumers for furnishings and 32% for fashion accessories and apparel appear to be least sensitive to the prices of the products.

5.4.3 The latest design pattern in the craft is a fusion of Indian and Western. Even traditional and geometrical designs are not being sold in isolation. It is the combination of geometrical and traditional designs, which is selling in the market. Floral designs are also popular in the market and stores such as Anokhi are exclusively into floral design patterns.

5.4.4 Bright colors are popular throughout the country. The major hot selling colors are: **Red, Black, Indigo, White and Yellow**. Red and indigo are the most popular colors and appear to be preferred throughout the country. The seasonal preference for the colors varies from region to region. In the southern region there is no clear-cut seasonal demarcation and the color preferences remain the same throughout whereas in the northern region the color preferences changes with season.

5.4.5 Pricing ranges:

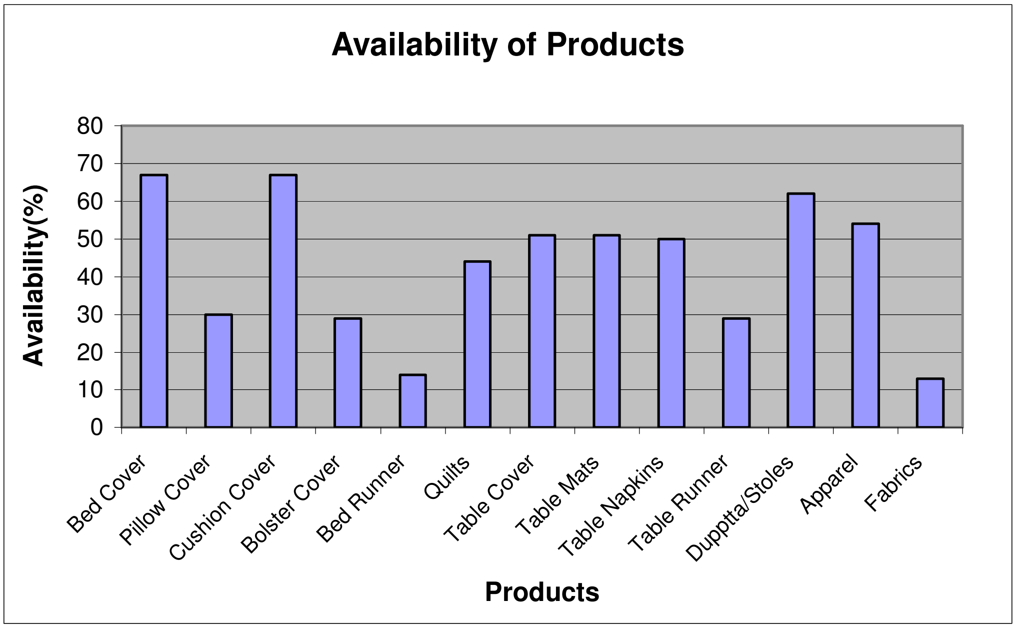
Table 5.1:

Items	Design/material	Price range
Single Bed Cover		
	Tie and die	Around Rs 400
	Hand block	Around Rs 400
	Handcrafted	1000—2000
	Hand woven	300—600
Double Bed cover		
	Tie and die	Around Rs 700
	Hand block	Around Rs 600
	Handcrafted	2000—4000
	Hand woven	Around Rs 500
Cushion cover		
	Cotton	Around Rs 200
	Silk	500—1000
Pillow Cover		
	Cotton	Around 200
	Silk	450—600
Bolster cover		Around 200
Quilts		
	Cotton	500—1500
	Silk	1500—2000
Duppattas/stoles		
	Cotton	200—400
	Silk	> 1000
Table Cover	Cotton	200—500
	Silk	>650
Table mats		
	Cotton	40—60
	Silk	>150
Table runner		
	Cotton	200—500
	Silk	>900

The above table illustrates the most common price range prevalent in the market for each of the product. Huge variations were found in the market in the price ranges. For ex. Duppattas/ stoles are priced as low as Rs 200 and as high as Rs 15,000 (Sadhka, Mumbai). The Price of the product depends to a large extent on the store's profile and its location. Stores located in the tourist area or five star Hotels, keep very high end priced products. Price also depends on the type of raw material used for making the product. Silk products are generally very expensive depending upon the quality of silk being used.

5.4.6 Demand for the various products:

Figure 5.1:



The diagram above illustrates the availability of various product ranges. From the availability of the products in the stores visited, the demand for the product can be estimated in the market.

- Bed Cover and Cushion cover have the highest demand in the market
- Duppattas and stoles in handloom have a good demand (around 62%)
- Apparel in handloom has a good demand (around 54%)
- Bed runner and fabrics have a very low demand existing in the market.
- Bolster cover and pillow cover have a low demand (around 30%).

Awareness about Bed runner is low in the market. The consumers need to be educated about Bed cover. MWC can position its Bed Runner as a fringe product to the customer enhancing the attractiveness of bedroom further.

Demand for Pillow cover and Bolster cover is low in the market. MWC can create derived demand for these two products by trying to push the sales of Bed sheet. Pillow cover and Bolster cover can be positioned as accompaniments with the matching Bed sheets.

6. Recommendations and Conclusion:

A detailed analysis was carried out on the data collected during the field survey. The following suggestions are an amalgamation of the diverse ideas received, discussed and finally filtered through the basic tenets of business management.

6.1 Four prominent consumer segments appear out of the study. These are *Quality conscious consumers, Durability seeking consumers, Fashionable consumers and Brand conscious consumers*. MWC should devise its strategy in such a way so that it can target all the above-mentioned categories. It should come out with a different targeting strategy for each of the above segments.

- Quality has emerged out to be an important parameter. There is just a small fraction of the consumer base that is educated and aware about the fact that handloom clothes do fade away with washing. Awareness about the benefits of vegetable dye has to be advertised strongly, so that the perception of the handloom based material in the minds of the consumers enhances.

- The western region of the country shows two strong variations from the rest of the country, mainly Mumbai. Firstly, color fastness is not an important attribute there as far as the sales of the product is concerned. Consumers are more fashion conscious there and do not pay much importance to the quality parameter. So to target such a consumer base, MWC has to keep making product in tune with the latest international fashion. The preferences of such consumers change with fashion trends. As the production cycle in the handloom products is generally long (around 30-45 days), there has to be constant forecast done as regards the fashion trends. If the fashion forecast is not done correctly, the product may become redundant by the time it reaches the market.

- Branding is an important parameter. With the onset of big retail stores and shopping malls, the concept of branding has become all the more important. The consumer base visiting these malls is basically young and their purchasing behavior is guided by the brand name. Fab India, Anokhi, Cottons, Chetna are some of the big names that have established a reputation as a brand selling quality fashionable handloom products. *MWC should try to associate with such stores and supply to them.*

- *No definite correlation is emerging between the type of consumer class and the sensitivity to price*. As there exists no correlation, it is hard to assume that the presence of upper middle class and elite class as the major buyer of handloom products gives a reason to price the products high. *Specific strategies have to be followed depending upon the city and the nature of market existing there*. For ex. In Mumbai around 30% of the consumers are least sensitive to the price of the handloom products. This is because of the fact that Mumbai is the entertainment and commercial capital of India making the consumers more fashion sensitive than price sensitive. On the other hand in Jaipur there are around 15% of the consumers who are least sensitive to the price of the products. This is because of the fact that Jaipur is a tourist destination and attracts foreign tourists in a large number. On the contrary, in Ahmedabad no consumer was found to be least sensitive to the price. This is due to the conservative nature of the society existing there.

6.2 *Females are the major decision makers as far as the buying of handloom products is concerned*. The major reason that can be attributed to this is that most of the handloom products are either in home furnishing, fashion accessories or apparel. As this segment appears to be the major decision maker, marketing strategies have to be more aggressively directed toward them. Some of the suggested strategies are:

- The major promotion strategy followed by the stores is giving advertisements in newspapers and magazines. In the magazine category, the advertisements are mainly given in the city info magazine, which is more of a tourist magazine. Advertisements should be given in the lifestyle magazines and women based magazine like Femina, Women's Era, etc.
- Some of the popular serials on television, taking into consideration their TRP rating and the audience composition, may be targeted for advertising about the handloom products, in a non-direct way, by displaying them as parts of sets / costumes.
- The major in store promotion strategy followed by the stores was giving discounts on purchase worth a certain amount of money. The stores again should adopt giving gifts and other items that can give the consumers a reason to purchase and visit the stores more frequently. MWC may come up with innovative joint in store promotions with these stores. These and similar time of innovations do help in attracting the consumers and in inducing repetitive purchase behavior.

6.3 Market facilitation:

One of the biggest challenges that any product needs to face is its success in the market. It is also the ultimate testing ground for all technologies developed, all the trainings provided, all the design development carried out etc. Any intervention, which does not better the marketability of the product, is ineffective.

Based upon the **4 P's of marketing**, the following strategies are suggested to increase the market penetration of the MWC products and help in its **positioning**:

i. Product:

There needs to be modification done in the current product range. Full time designers should be employed to be solely involved with designing and development of the product.

Interns from the leading design schools can be also used. For ex. Ikkat bed sheets are now having appliqué work done on them. MWC has not still ventured into apparel designing. This is one area, which is picking up the market fast.

With the advent of many designer stores and fashion and beauty shows apparel is the hottest selling stuff. Handloom apparel has a distinctive look as compared to the powerloom and mill based ones. Besides, shopping malls like shoppers stop, lifestyle, pantaloon, Bangalore Central, Big bazaar, Pyramid, etc. have an exclusive floor space given just to display handloom products within the store.

Home furnishings are more utility-based product. There quality and durability aspect should be improved so that further market penetration can be achieved. The upper middle class and elite class have a strong desire for handcrafted products especially the apparel. Wearing these fabrics give them a distinct appeal and they appear to be ambassadors of art. So, constant innovation needs to be done in the apparel and fashion accessories category.

ii. Price:

The pricing strategy should be to develop a cost based price for each market, wherein a standard mark-up of the costs might be used to set up differential market rates. This cost would include the transportation and other administrative overheads. Depending upon the price sensitivity of the market differential pricing strategy should be evolved. Pricing strategy will also differ depending on the profile of the end customer for MWC. The same product can be sold to two differential prices to Fab India and Lifestyles. *Differential pricing needs to be followed geographically.*

For the fairs, strategy can be evolved to reach the lower end market segment of the society. The entire export surplus and the defected material returned by the stores can be sold in the fares so as to clear the stock.

iii. **Place:**

MWC can collaborate with several business houses that are dealing in handloom products. Various shopping malls like shoppers stop, Big bazaar, Lifestyles has come up in major cities across the country. These stores can be the potential sources where MWC can supply its product. An important feature about the location of some of the handloom stores is that they are located at the point of major tourist attractions. For ex.

a. Ambawata Shopping complex near Qutub Minar, Delhi
b. Santushti shopping complex near India Gate, Delhi
c. Shopping area near Chowpati Sea face, Marine Drive, Mumbai
d. Colaba shopping area near Gateway of India, Mumbai
e. Area between Hawa Mahal and Zorawar Singh Gate, Jaipur.

Some of the major handloom and craft shops are located in the prime tourist areas. This results in a lot of foreign Buyers. Places close to the tourist spots generally have premium high end products. Stores, which are located in such locations, can be the major source of supply for MWC.

iv. Promotion:

Sustainable links with the buying houses and exporters, etc. can be developed faster by participating in <u>exclusive buyer seller meets</u>. This can be done with the help of various agencies who have good networks with various buying houses, trading houses, exporters etc. *Linkages with fair trade organizations (esp. members of IFAT) could be fostered with a view to promote handspun nature of the trade, with a special emphasis on the rural production base.* The help of SIPA can be sought, as they are already into marketing Pochamapalli products.

Retail meets can be organized at the completion of any new design development/product diversification workshops or any trial revival of the original art forms too. This would help in gauging the acceptability of the new product range, i.e. these exclusive retail meets can serve the purpose of test marketing of the new products. *The feedback from these events could be used to effectively translate more product development exercises*.

MWC can also participate in fashion shows organized in Hyderabad and the major cities. This will further help in the promotion of its products.

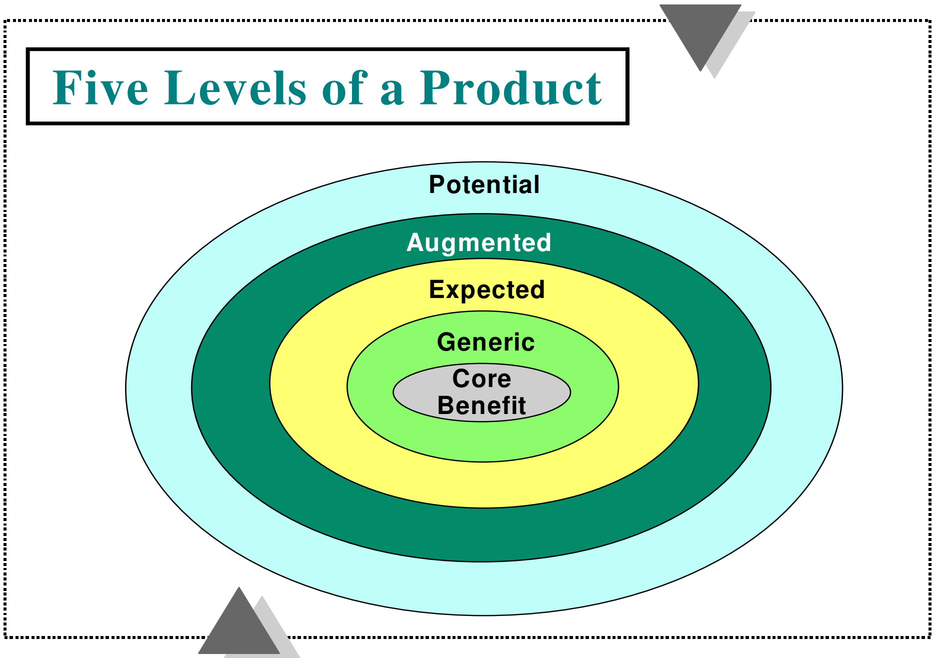
It should develop its own web site. The web site should contain a detailed list of all the products being marketed by MWC.

It should also have an online order form where a prospective buyer can directly place its orders. MWC should also place an advertisement about its products on the handicraft and handloom website. It can also tie up with the mail order catalogue companies (e.g. Otto Burlington). However, this linking needs to be done in a slow and steady manner so that production capacity and demand are attuned and serve as platforms for larger orders in future.

6.4 Strategies to be followed for product Positioning:

6.4.1 various levels of product benefits

Figure 6.1:



MWC while planning its market offering needs to think through five levels of the product. Each level adds more customer value, and the five constitutes a customer value hierarchy.

- **Core Benefit**: whether it is the furnishing, fashion accessories or the apparel when the consumer purchases such items the main purpose of it is to make the lifestyle look good. For ex. Apparel is used for daily/occasional use whereas furnishing is used for decorative purposes.
- In order to fulfill that core benefit, the marketer has to turn the core benefit into the **basic product**. Thus the look and the external appeal of the product should be excellent so as to attract customers.
- The research carried out clearly shows that **color fastness, Design and fabric feel** are important quality parameters that affect the sales of the product. Around 60% of the respondents feel that all these three attributes are very important. So, the product designed should take care of these quality parameters that form an intrinsic part of the **expected product.**

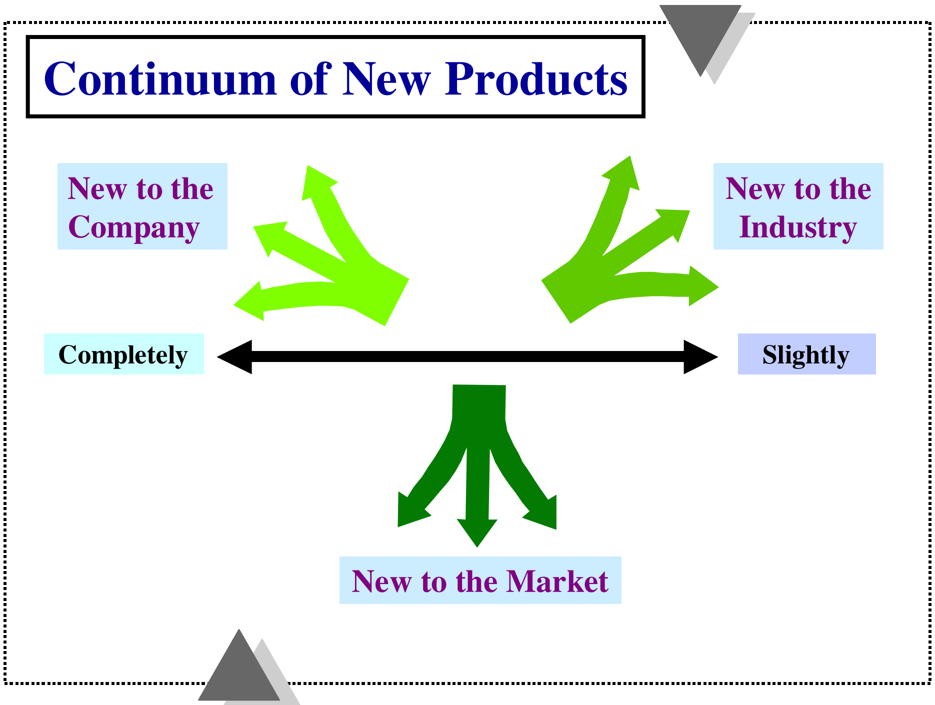
- Today the competition in the market generally takes place at the **product augmentation** level. MWC can do the following to prepare an augmented product:
    i. Try to come up with new designs and co-ordinates which is totally new to the market
    ii. Packaging should be good. The packaging should be done in such a way that it helps in product differentiation, controls damage, is environmental friendly, Enhances the appeal of the product, etc.

    MWC can explore various alternative fabrics for its product ranges.

At the fifth level stands the **potential product**, which encompasses all the possible augmentations and transformations the product might undergo in the future. Thus the product designed by MWC should incorporate the above augmentations and expected product benefits, so as to really become the potential product generating high sales. MWC should incorporate new designs and look for alternative fabrics to create a product differentiation.

6.4.2 Another way of looking at the **product positioning** can be as shown below:

Figure 6.2: Continuum of New Products



The above diagram shows the strategy that a company should adopt as far as adopting new products is concerned.

In order to survive competition, and in the wake of the Quota regime for textile ending on 31st December 2004, MWC has to constantly innovate. As Al Ries and Trout have put it " Differentiate or Die". MWC's current product portfolio includes a wide range of products in Kalamkari, Ikkat and Banjara handicraft. It has to constantly keep innovating new designs and products. Some of the products that are new to the company can be introduced like:

- **Wall hangings in Kalamkari designs**
- **Embroidery work done on Bed cover and table cover**
- **Towels**
- **Floor covering**
- **Apparel**

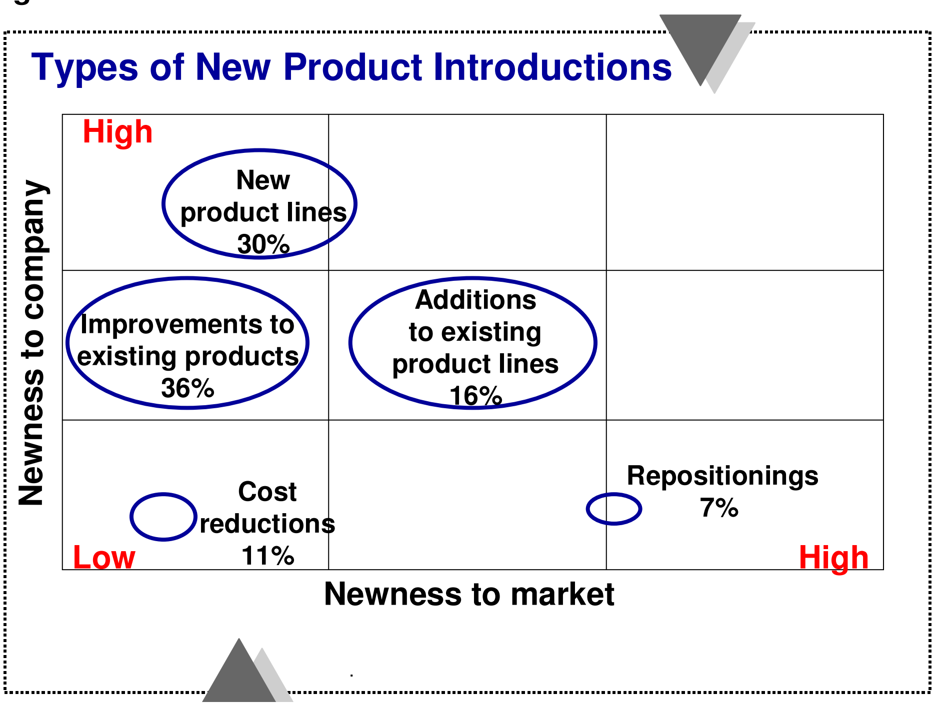
The above range of products has a good demand in the market. Embroidered bed sheets and table cover can be seen in Jaipur and Ahmedabd. Shrujan sells expensive embroidery work and the products made by it are in great demand in the market. Floor coverings have a large demand in the metropolitan market.

Products that are new to the market have to be constantly introduced. The strategic focus of MWC should be towards completely achieving the above objectives. By new to the market, it is not meant a totally new product. It means new design innovation in the existing market. MWC should also slightly focus towards introducing products, which are totally new to the industry in the long run.

***As MWC is currently in its growing phase, so introducing products that are totally new to the industry is risky and MWC should refrain from it*.**

6.4.3 The various ways by which MWC can innovate and differentiate its existing line of products are:

Figure 6.3:



The above diagram shows the various ways by which MWC can create product differentiation that can help in giving the company a unique selling proposition. The percentage figure indicates the amount of innovation to be adopted in a particular area.

The handloom sector is facing many problems like:

i. Old fashioned and traditional method of weaving
ii. Threat from cheaper power loom and mill based products.

iii. Competition from China and other neighboring countries after the elimination of the quota regime.
iv. Lack of quality designers in the handloom sector. Even if there are designers their numbers is few.
v. Expensive product and long production period.

To compete in the market and to grow MWC needs to follow the following strategy as mentioned in the diagram above:

I. **Improvement to existing products:** As said by Yamini in Bangalore" Reliability is less with MWC. They lack in quality consistency." MWC has to work upon to improve the quality and to have consistency in quality far a better market positioning.

II. **Addition to existing product lines:** MWC is currently dealing with Kalamkari, Ikkat and Banjara handicraft. It needs to add to the existing product line. For example wall hangings in Kalamkari are popular. Secondly embroidery work can be introduced on bed cover and table cover.

III. **New product lines:** There is a huge demand existing in the market for apparels in handloom especially for ladies. Around 60% of the stores visited sell apparels in handloom. MWC has still not entered into making apparels. It should venture into making apparel and employ full time designers.

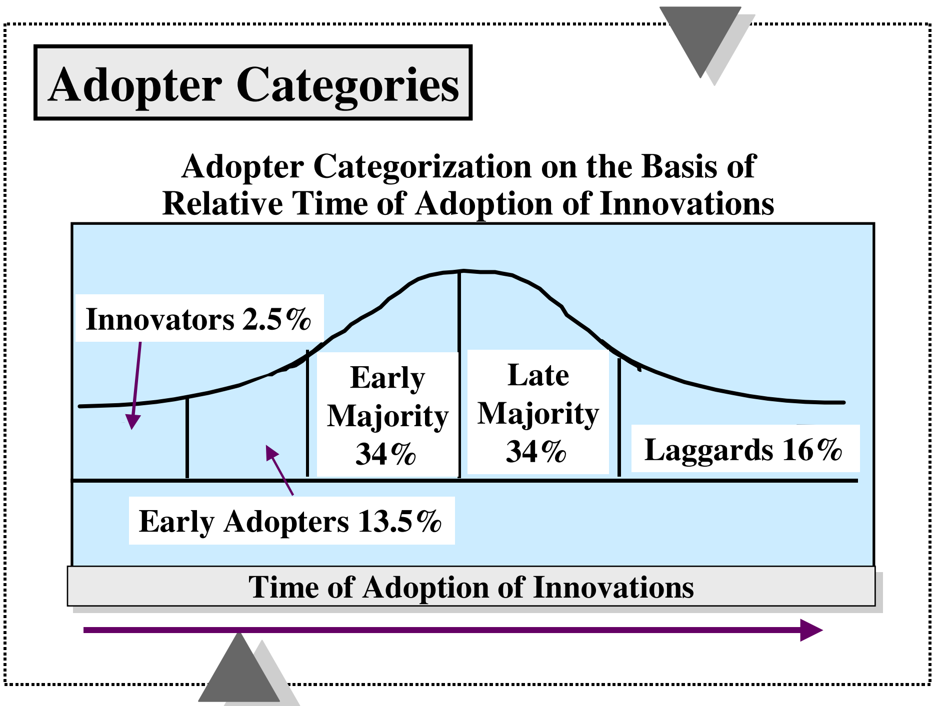
IV. **Cost reduction:** as mentioned above, in the handloom sector the cost of the products are very high. Our study reveals that their exists no definite correlation between the consumer segments and the price sensitivity. So, to tap a higher market and especially to cater to the middle class, MWC should device ways by which it can reduce cost. India has a strong consumer base of around 200 million middle class (MISH, 2001-02). If the sales have to increase, MWC has to tap this segment.

Repositioning: Handloom sector suffers from timely supply. If MWC can work in this direction and ensure timely supply, it can in the long run help in the Brand enhancement of the company.

6.5 Adopter category to be followed by MWC

Adopter categorization on the basis of Relative time of adoption of innovation:

Figure 6.4:



Source: Redrawn from Everett M Rogers, Diffusion of Innovation (New York: Free Press, 1983).

SOME of the salient features of handloom industry are:

- In the handloom sector the production cycle varies from 30 to 60 days depending upon the product being made.
- The market is dictated by the fashion trends
- There is a strong base of regular and loyal consumers for the handloom product. These consumers keep looking for new designs.
- Their exists a lot of duplication in the market as far as the designs are concerned.

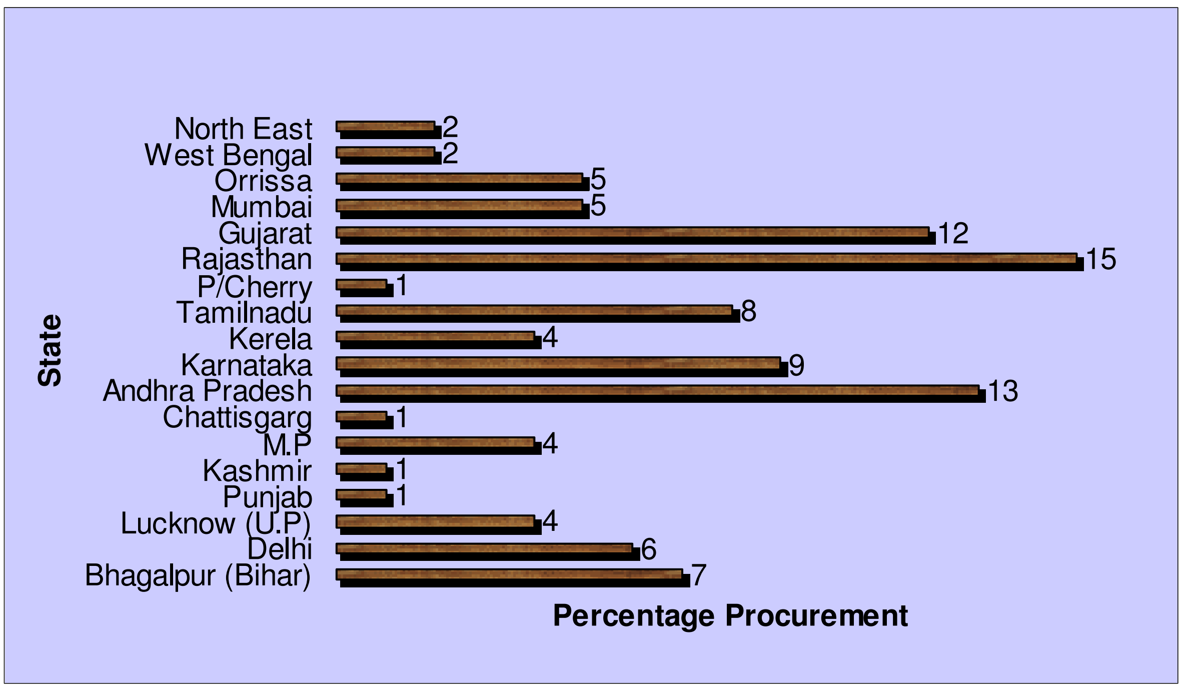
Taking the above features into consideration, in order to succeed in the long run, **MWC has to fall into the innovators category** as shown in the diagram above. It is only by innovating and trying new ideas that one can become a market leader in handloom.

7.6 Competing organizations/regions in similar business area:

Business houses like **Fabindia, Yamini, Anokhi and Cottons** have their outlets in most of the cities. These stores are exclusively in selling/marketing of handloom products and have their strong presence. In the future, when the MWC expand the scale of production, such business houses/organization are going to potential competitors to MWC.

It was also observed that there are lots of new business houses that are coming up in each city for production and marketing of handloom product. Though, their business activities are restricted to specific cities, they could also be competitors for MWC in the future.

Figure 6.5: Procurement of handloom and handicraft products in India region/state wise:



- It was found that Rajasthan, Gujarat, Andhra Pradesh and Karnataka are the major supplier of handloom products to the cities visited. Most of the supplies are being meet from these states.
- Supply of handloom from Tamilnadu, Karnataka, Delhi, Bhagalpur (Bihar), Lucknow (Uttar Pradesh), Orrisa and Mumbai is almost average.
- Demand of Ikkat fabrics and accessories are met from the Andhra Pradesh and Orissa. It is observed that Ikkat form Orissa are more popular than of Andhra Pradesh.

- Banjara handicrafts are mostly procured from Gujarat. It is found that the Banjara handicraft of Andhra Pradesh is not very popular among the respondents. Banjara handicrafts are mostly associated as a product from Kutch (Gujarat).
- Bhagalpur in Bihar has been the prominent supplier of silk fabric in northern and western regions.
- Among the southern states, Andhra Pradesh is the major supplier of handlooms to the north and western regions. About 40% of the respondents in these regions said that their supply is being met from AP.

7.7 Collaborating organization for business development:

Some of the organizations that can collaborate with MWC for business development are:

Development Commissioner (Handlooms):

An apex institution set up by the Central govt., *the Development Commissioner looks after the promotion of weavers, and works for the upliftment of their socio-economic status aims at integrating programmes for the development and promotion of handloom sector*. The various schemes run under the aegis of the commissionerate addresses all the aspects of the production process at both the macro- and micro-level issues.

Weavers' Service Centre:

Weavers' Service Centre (WSC) set up by the DC (handlooms), GOI is one of the few agencies in the State, which have carried out the implementation of schemes at the grassroots level effectively.

WSC has adequate facilities to provide guidance in weaving and developing new weave patterns, design development on the looms using dobby and jacquard, dyeing technology improvement (development of new shades and layouts), use of new azo-free dyes and other R&D issues.

Handloom Export Promotion Council

The Handloom Export Promotion Council was set up in the year 1965 to promote exports of all cotton handloom items, viz. Fabrics, Home Textiles etc. The Council has its head office at Chennai, with regional offices at Delhi and Mumbai.

The following are the <u>activities of the Council</u>:

a) Dissemination of trade information and intelligence

b) Publicity abroad for Indian handloom products

c) Facilitating product diversification and adaptation to meet modern market requirements & providing impetus to modernization of handlooms for the export market

d) Provision of design inputs to promote exports of handloom products

e) Organization of business mission, Buyer seller meet and participation in trade fairs abroad.

f) Consultancy and guidance services for handloom exporters

g) Liaison with the Government of India on all procedural and policy matters relevant to the handloom export trade.

h) Dealing with trade complaints pertaining to handloom exports.

i) Liaison with import promotion and commercial agencies abroad for the benefit of handloom exporters.

The Handloom Export Promotion Council restricts itself not only to disseminating information and assisting in promotional activities but also extends qualitative services to the handloom sector by effecting technological improvements. To create awareness among the exporters and the weavers, Council in the past conducted Seminars on ISO 9000 and usage of azo free dyes and modern dyeing practices in various handlooms export production centers.

The Council has brought out various publications such as Importers Directory, Exporters Directory, Product Manual and Directory of Handloom Manufacturers in Tamil Nadu etc. Council also proposes to bring out the handloom Manufacturers Directory for all the States. Apart from this, it gives a link between the Exporters and the Importers; Council has conducted many Buyer-Sellers Meets in important international and national centres.

International Federation for Alternative Trade (IFAT)

IFAT is a network of organisations believing in the principle of elimination of poverty, through the channels of fair trade. They are a milieu of Alternative Trade Organisation (ATOs) and voluntary organisations, working with a strategic focus on –

- Monitoring fair trade practices through self assessment
- Networking and information dissemination (exchange of market information and strategy exchanges for information and training, participation in fairs etc.)
- Market access through Fair Trade Craft Fairs, trade between members and supporting capacity building of the producers to achieve mainstream marketing on their own

- Technical and business support through financial and IT linkages
- Advocacy support

They have a total of 152 members at present, with a third of the member organisations from Asia. The number of member organisations has increased from 116 in 1997, when IFAT was conceptualised as a harbinger of change in global trade.

Small Industries Development Bank of India (SIDBI)

SIDBI, established in April 1990 under an act of Parliament (the Small Industries Development Bank of India Act, 1989) is an apex institution with the role to –

- Serve as the principal financial institution for promotion, financing and development of industry in the small scale sector, and
- Co-ordinate the functions of the institutions engaged in promotion, financing and developing industry in the small-scale sector.

SIDBI has taken a major initiative for reducing the risk perception of banks in extending collateral free loans to the tiny sector units. Some of the relevant initiatives of SIDBI are –

1. Integrated Infrastructure Development Scheme. This scheme has been expanded this year to progressively cover all areas in the country with 50% reservation for rural areas. Under this scheme, 50 % of the plots to be developed would be earmarked for the tiny sector. In addition to setting up of new centres, the creation/upgradation of infrastructure facilities like power, water, communications etc. in the existing centres would also be eligible for assistance under the scheme.
2. National Programme for Rural Industrialization. The Bank has been entrusted with the task of promoting initiatives in 25 rural clusters (total coverage of 100 clusters). The Bank implements the programme in the clusters by deploying external implementing agencies which facilitate skill upgradation of training for the entrepreneurs, conducting technology dissemination workshops, providing technical inputs, securing financial assistance, developing marketing linkages etc.
3. Entrepreneurship Development Programmes. The bank sponsors EDPs, which are conducted by NGOs/specialized agencies for developing finance & managerial capacities.

4. Marketing initiatives. The Bank furthers market development initiatives, by way of sponsoring domestic and international exhibitions, seminars/workshops, buyer-seller meets, market studies etc. Last year alone, it has sanctioned assistance of Rs. 1.43 crores through NGOs, industry associations etc.

Design Institutes:

- **National Institute of Design, Ahmedabad.** Set up in 1961, NID is one of the premier institutions in the field of design. *Their outreach programmes could be of special significance to the craft and small-scale industries sector, wherein they provide for skill development of artisans and for strategic product diversification*. NID functions through a number of satellite centres, which have been primarily set up to –
    1. Undertake consultancy for industry, manufacturers and State Govts.
    2. Demonstrating the impact of design, through value addition in select products
    3. Identify specific areas of design promotion in various clusters
    4. Extension of its current programmes to the industry as per their requirements.

- **National Institute of Fashion Technology**. Set up primarily to cater to the requirement of fashion professionals in the textile industry, NIFT has transformed itself into one of the premier institutions working for product and design development in the field of textiles. They have done a design research project in Pochamapalli, where they have developed a new range of products and test-marketed it in the metropolitan markets.
- **Indian institute of Craft and Design**. IICD with its experienced faculty and enthusiastic students provides design and technical development consultancy to the crafts sector. Moreover, IICD's ongoing education programmes give an opportunity to the clients to explore young talents for design development under the expert guidance of experienced faculty.

Annexure

I Charts

Figure i. Awareness level of craft products in each city.

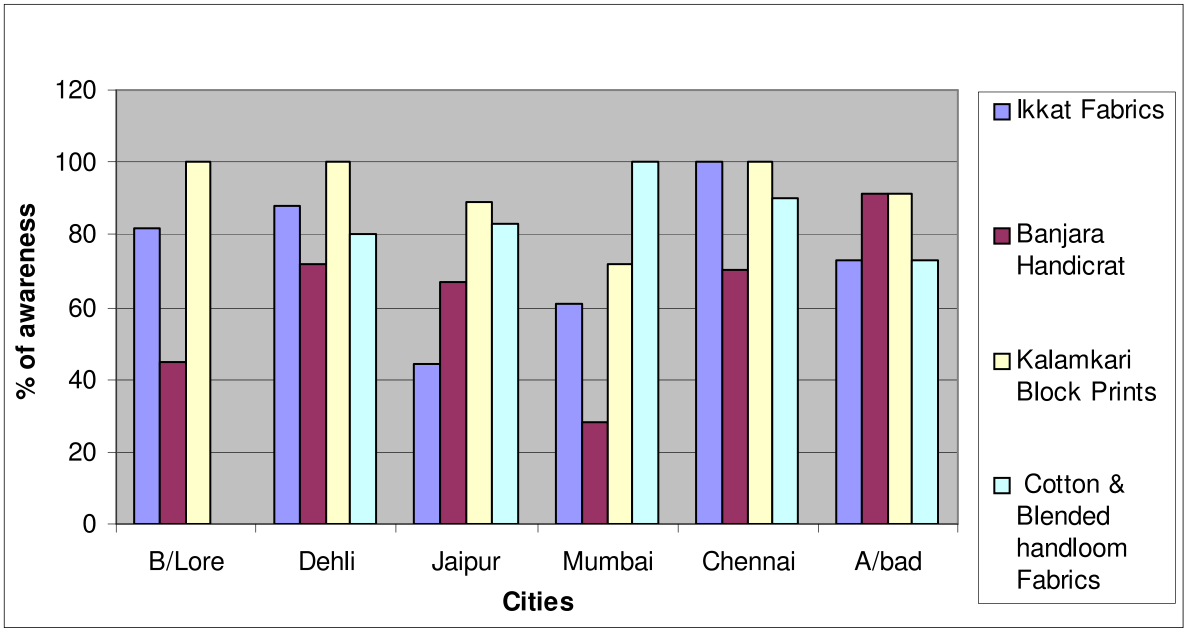


Figure ii: Promotion strategies followed for sale of the products in each city:

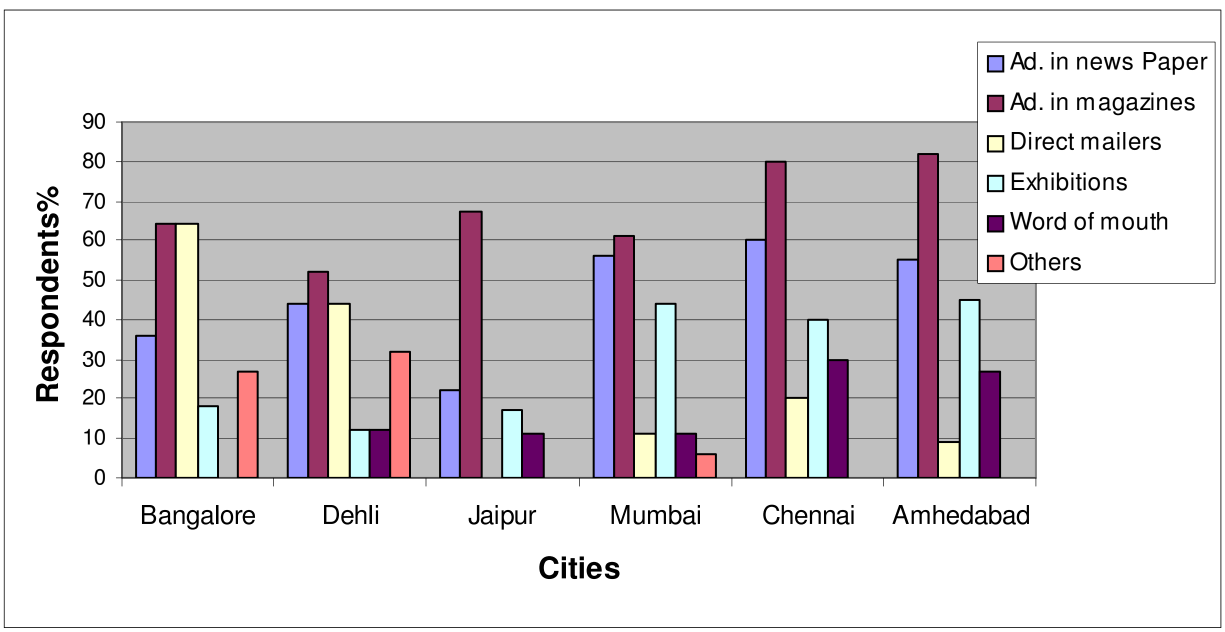


Figure iii: In store strategy followed in each city.

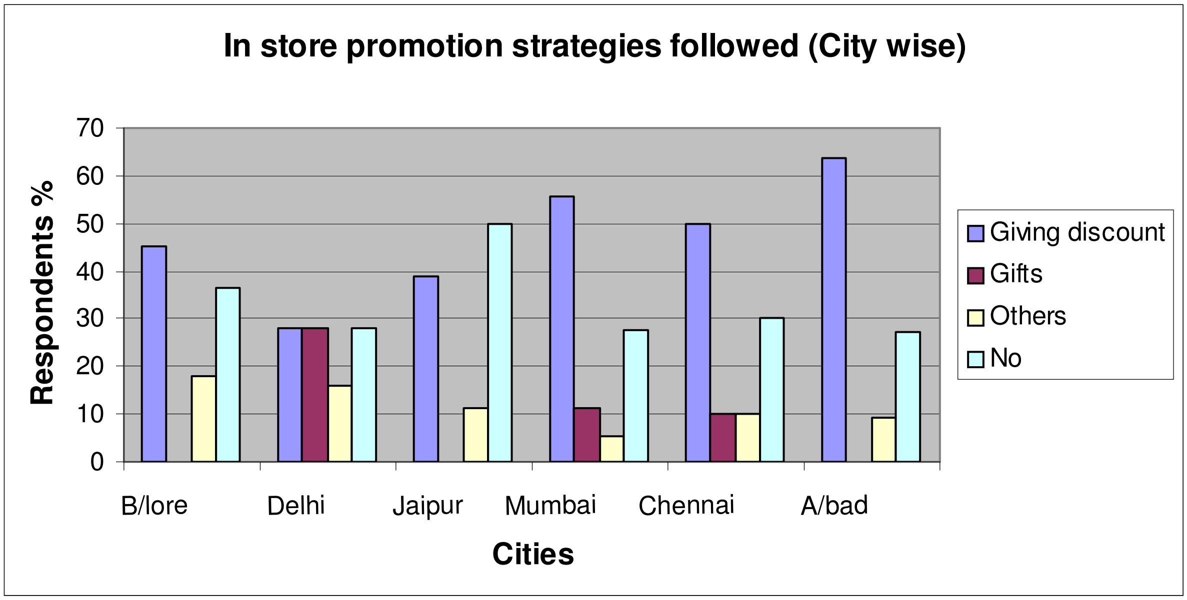


Figure iv: Range of products available in each city

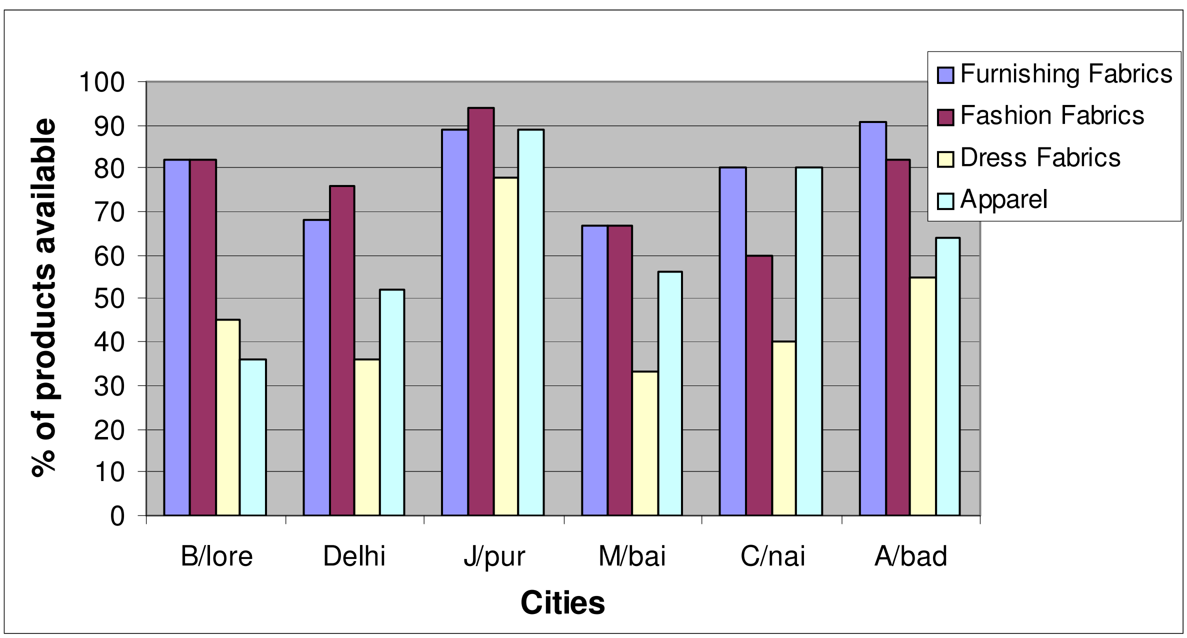


Figure v: Purchasing decision:

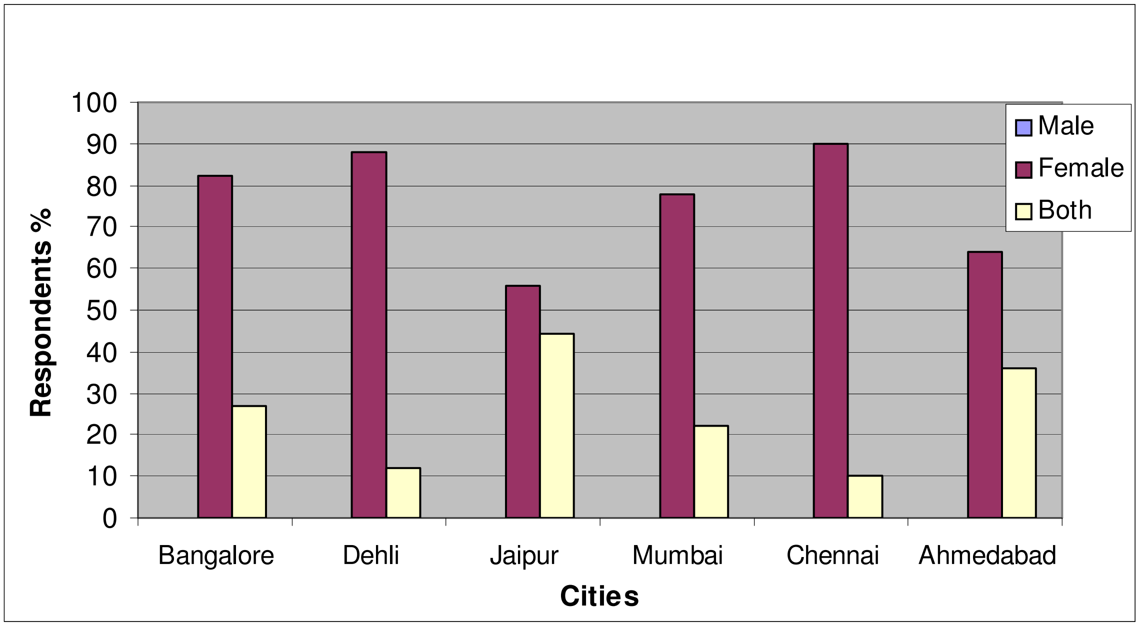


Figure vi: Seasonal variation in the sales of the craft products

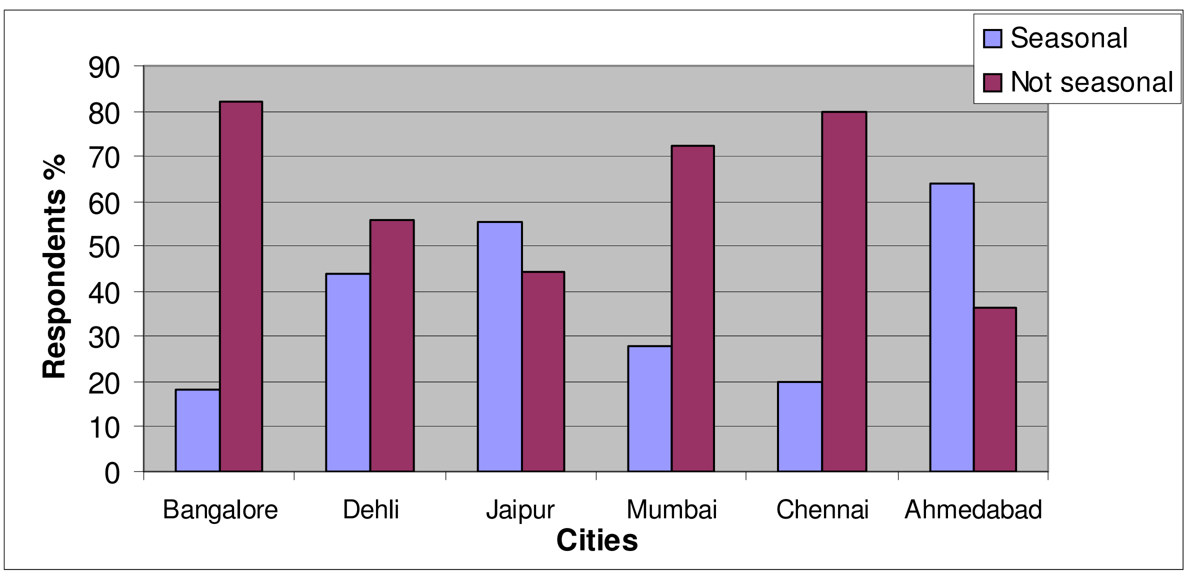


Figure vi: Quality parameters that influence the sales of the products in southern region.

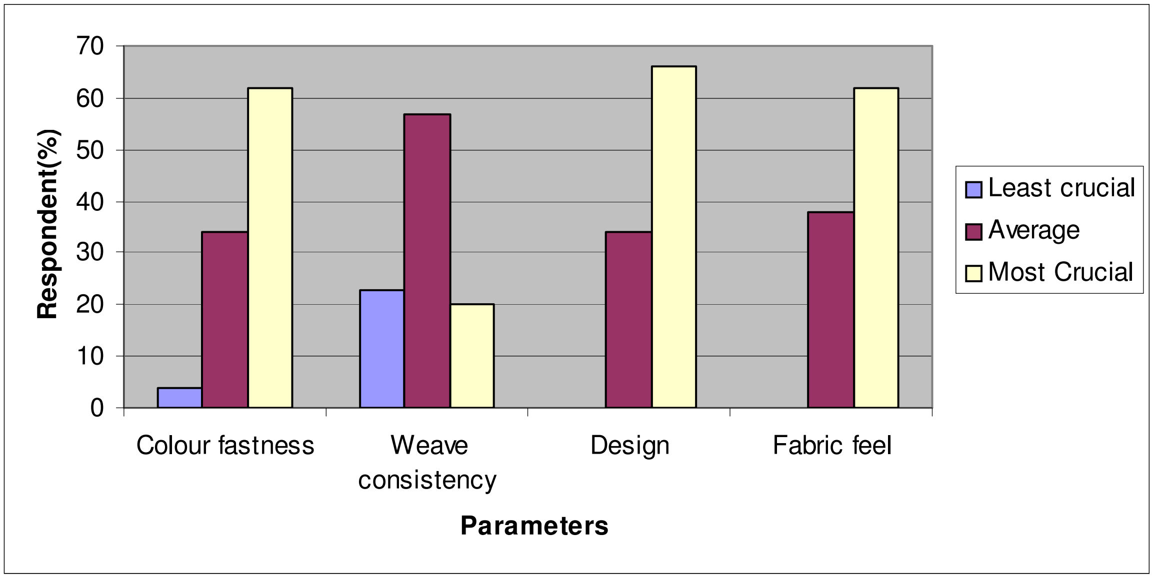


Figure vii: Quality parameters that influence the sales of the products in northern region.

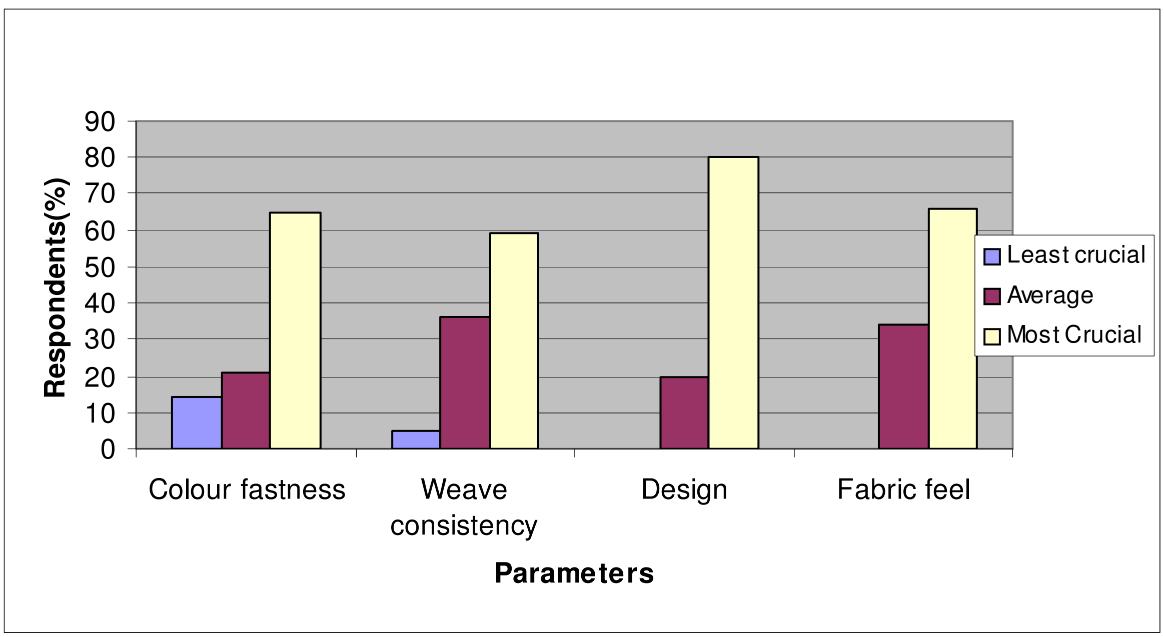


Figure viii: Quality parameters that influence the sales of the products in western region.

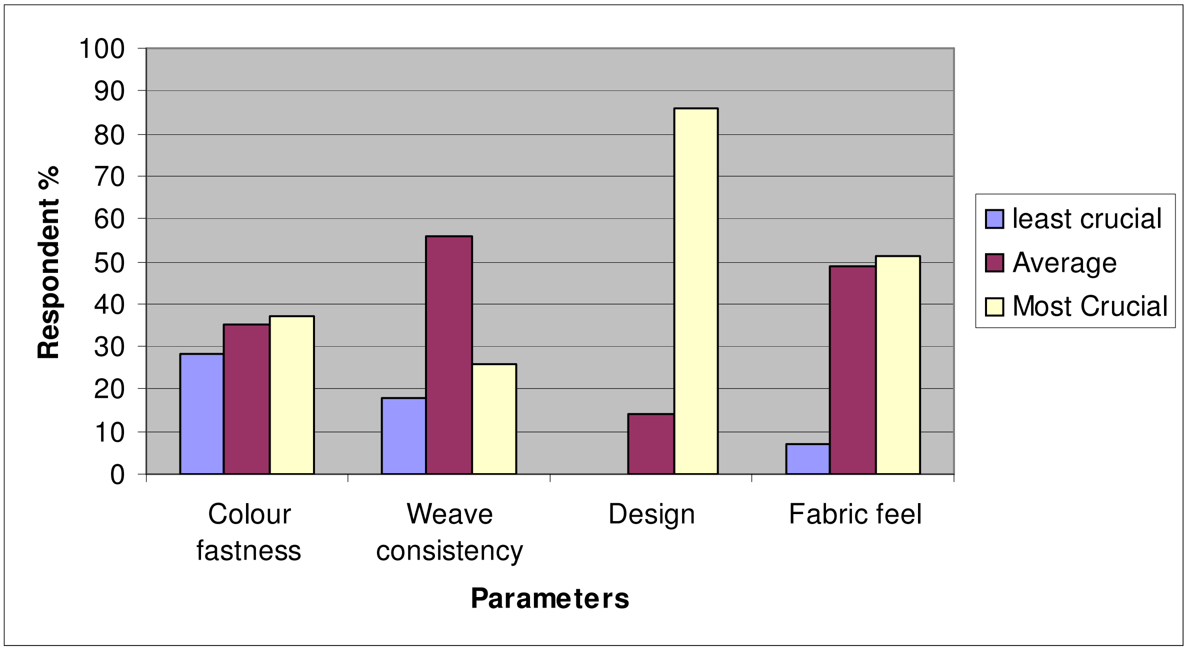


Figure ix: Factors that necessitates the colour and design combination in the market

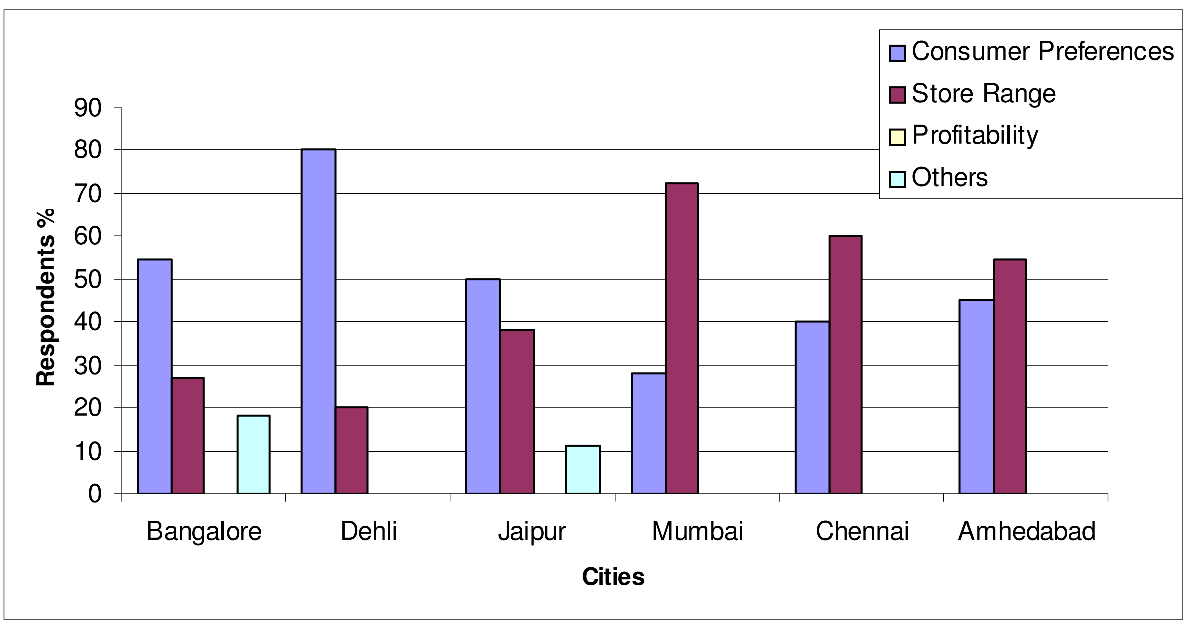


Figure x: Factors determining the preferences over brands:

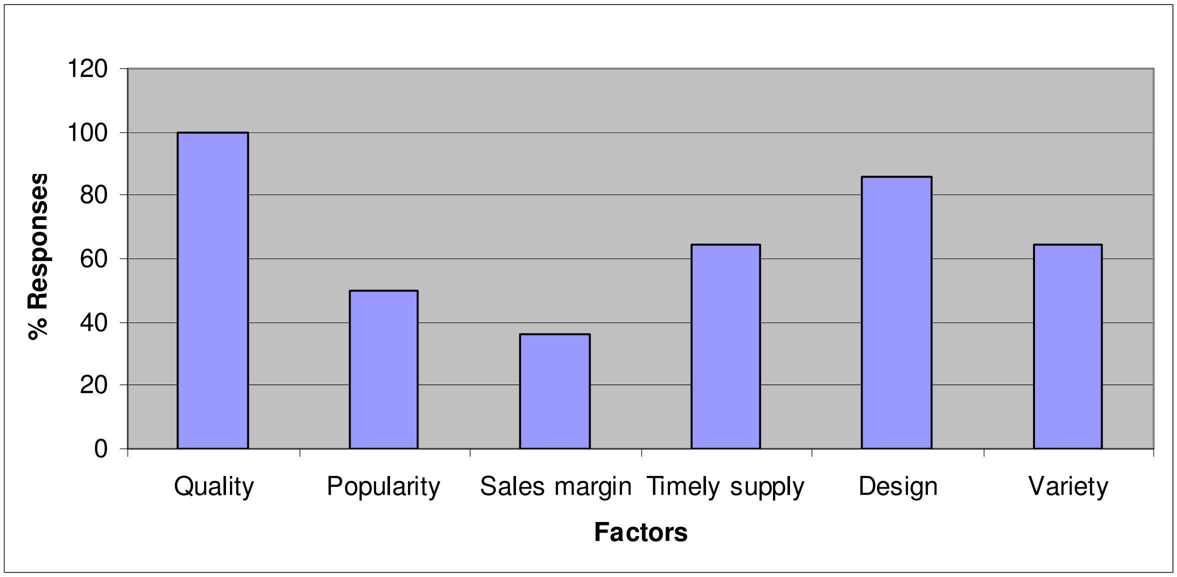
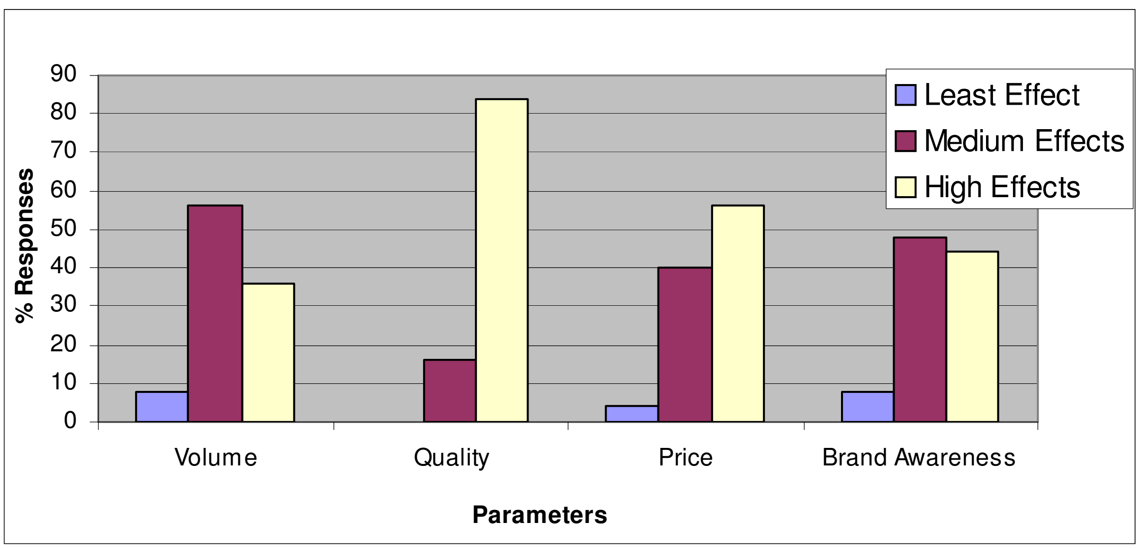


Figure x: Parameters affecting sales of the craft products with respect to substitute products.



II SPSS Outputs:

A. Factor Analysis performed on the variables influencing the sales of the product:

Descriptive Statistics

	Mean	Std. Deviation	Analysis N
color combination	2.8587	.35024	92
design pattern	2.7717	.42201	92
traditional ethnic perception	2.2391	.73184	92
Quality consistency	2.8261	.38111	92
consistent supply	2.2065	.65529	92
Brand name	2.1630	.85520	92
color fastness	2.4022	.74214	92
weave consistency	2.3152	.66182	92
Design	2.8043	.39888	92
Fabric feel	2.5761	.53931	92

Correlation Matrix[a]

		color combination	design pattern	traditional ethnic perception	Quality consistency	consistent supply	Brand name	color fastness	weave consistency	Design	Fabric feel
Correlatic	color combinat	1.000	.002	.005	-.104	.033	.041	.052	-.138	-.121	-.030
	design pattern	.002	1.000	.179	.092	.172	-.018	.016	-.094	.058	.005
	traditional ethn perception	.005	.179	1.000	.190	-.150	-.133	-.078	.160	.124	.176
	Quality consist	-.104	.092	.190	1.000	.057	-.114	.056	.133	-.226	.172
	consistent sup	.033	.172	-.150	.057	1.000	.155	.076	-.228	-.264	.033
	Brand name	.041	-.018	-.133	-.114	.155	1.000	.086	-.034	.127	-.063
	color fastness	.052	.016	-.078	.056	.076	.086	1.000	.119	-.251	-.009
	weave consist	-.138	-.094	.160	.133	-.228	-.034	.119	1.000	.111	.255
	Design	-.121	.058	.124	-.226	-.264	.127	-.251	.111	1.000	.019
	Fabric feel	-.030	.005	.176	.172	.033	-.063	-.009	.255	.019	1.000

a. Determinant = .465

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.505
Bartlett's Test of Sphericity	Approx. Chi-Square	66.496
	df	45
	Sig.	.020

Communalities

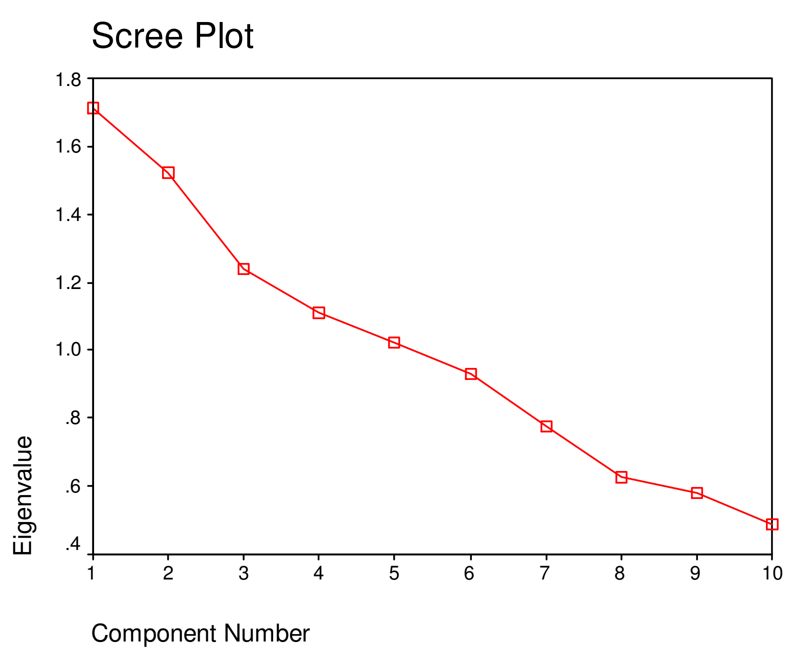
	Initial	Extraction
color combination	1.000	.860
design pattern	1.000	.658
traditional ethnic perception	1.000	.643
Quality consistency	1.000	.581
consistent supply	1.000	.674
Brand name	1.000	.737
color fastness	1.000	.581
weave consistency	1.000	.688
Design	1.000	.763
Fabric feel	1.000	.418

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.712	17.125	17.125	1.712	17.125	17.125	1.539	15.388	15.388
2	1.522	15.219	32.344	1.522	15.219	32.344	1.520	15.201	30.589
3	1.238	12.377	44.721	1.238	12.377	44.721	1.263	12.634	43.224
4	1.110	11.103	55.825	1.110	11.103	55.825	1.232	12.321	55.544
5	1.021	10.211	66.036	1.021	10.211	66.036	1.049	10.492	66.036
6	.928	9.284	75.320						
7	.776	7.756	83.076						
8	.628	6.276	89.352						
9	.579	5.788	95.139						
10	.486	4.861	100.000						

Extraction Method: Pri



Component Matrix [a]

	Component				
	1	2	3	4	5
color combination					.846
design pattern			.722		
traditional ethnic perception	.601				
Quality consistency		.653			
consistent supply	-.513				
Brand name				.759	
color fastness					
weave consistency	.627				
Design		-.684			
Fabric feel					

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

Rotated Component Matrix [a]

	Component				
	1	2	3	4	5
color combination					.915
design pattern			.806		
traditional ethnic perception					
Quality consistency					
consistent supply					
Brand name				.850	
color fastness		.547			
weave consistency	.756				
Design		-.834			
Fabric feel	.628				

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

a. Rotation converged in 7 iterations.

Component Transformation Matrix

Component	1	2	3	4	5
1	.787	-.417	-.025	-.414	-.185
2	.360	.843	.355	-.181	-.014
3	-.245	-.316	.890	-.217	.034
4	.362	-.093	.284	.858	-.211
5	.245	-.078	.031	.113	.959

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

B. Correlation performed to determine the relationship between the elite class and the price sensitivity:

Descriptive Statistics

	Mean	Std. Deviation	N
consumer class	1.3830	.48872	94
sensitivity	2.0426	.70199	94

Correlations

		consumer class	sensitivity
consumer class	Pearson Correlation	1	.046
	Sig. (2-tailed)	.	.660
	N	94	94
sensitivity	Pearson Correlation	.046	1
	Sig. (2-tailed)	.660	.
	N	94	94

C. Correlation performed to determine the relationship between the upper middle class and the price sensitivity towards furnishing products:

Descriptive Statistics

	Mean	Std. Deviation	N
consumer class	1.0870	.28332	92
sensitivity	1.9863	.71673	73

Correlations

		consumer class	sensitivity
consumer class	Pearson Correlation	1	-.071
	Sig. (2-tailed)	.	.551
	N	92	73
sensitivity	Pearson Correlation	-.071	1
	Sig. (2-tailed)	.551	.
	N	73	73

D. Correlation performed to determine the relationship between the upper middle class and the price sensitivity toward apparel.

Descriptive Statistics

	Mean	Std. Deviation	N
consumer class	1.0870	.28332	92
sensitivity	1.9859	.66532	71

Correlations

		consumer class	sensitivity
consumer class	Pearson Correlation	1	.004
	Sig. (2-tailed)	.	.970
	N	92	71
sensitivity	Pearson Correlation	.004	1
	Sig. (2-tailed)	.970	.
	N	71	71

E. **Correlation performed to determine the relationship between the upper middle class and the price sensitivity towards fashion accessories.**

Descriptive Statistics

	Mean	Std. Deviation	N
consumer class	1.0870	.28332	92
sensitivity	1.9054	.66557	74

Correlations

		consumer class	sensitivity
consumer clas	Pearson Correlati	1	-.107
	Sig. (2-tailed)	.	.363
	N	92	74
sensitivity	Pearson Correlati	-.107	1
	Sig. (2-tailed)	.363	.
	N	74	74

III Production Process

1. Visit to Kalamkari block print house (Pedana):

1.1 Raw material:

Grey cloth (milk cloth).
Alum in combination with other colours.

Natural Colour raw material:

1.	Alum.		
2.	Mimonia catechu	-	Rust colour
3.	Bittia Flower	-	Golden colour
4.	Acacia arebica tree bark (Babool ka chilka)	-	Light rust colour.
5.	Madder root (Oldenlandia umbletta)	-	Pink
6.	Ventilago + madder root	-	Red colour.
7.	Anaar ka Chilka (Pomegranate peel)	-	Mustard colour
8.	Myrabalam Seed	-	Used to give uniform colour to the cloth
9.	Iron Straps + Indian sugar	-	Black colour.

Cloth variety used:

20s X 20s	-	Bed cover, table Cover, table mat, Bolster, table napkins, Pillow cover. But if the customer demands for thinner variety, they do make i.e. 30s x 30s.
80s x 100s	-	Duppattas, Stole, Scrap. These are made of mal-mal cloth.
30s x30s	-	Dress material tops, suit materials etc.

1.2 Cost of production:

Cloths are procured from both the mills and power loam. Cloths from mills are of better quality. It is procured from Jaipur (Pallie mill).

Cost at jaipur - Rs.30/meter.

Transportation - Rs 1/meter.

Colour and other items are procured from Chennai (M/S Bharat Trading Company). The cost of colour would range from 15-35/kg.

Labour wage - Rs 40-60/day

Electricity - Rs. 2000/months.

1.1 Production cycle for each Product range:

Product	Duration (In days)	Production capacity (in one months)	Minimum Order Range
Bed linen			
Single bed cover	20	500	25
Double bed cover	20	300	25
Pillow cover	20	1000	25
Cushion cover	20	1000	25
Bolster cover	20	1000	25
Bed runner	20	-	-
Quilts	23	100	5-6
Table linen			
Table cover	20	500	10
Table mats	20	1000	10
Table napkins	20	1000	10
Table runner	20	500	10
Fashion accessories			
Duppatta	20	20	10
Stole	20	300	10

1.4 Production process:

Sl. No	Steps	Time period
1.	Natural bleaching in the flowing water	1 day
2.	Cow dunk treatment (cloth dipped in cow dunk	1 day
3.	Natural bleaching in flowing water (beating and drying)	2 days
4.	Myrabalan treatment cloth dipped in myrabalam soln.)	1 day
5.	Printing (with desired design)	1 day
6.	Drying in sun	1 day
7.	Washing in flowing water	1 day
8.	Boiling and drying	1 day
9.	Washing and drying	1 day
10.	Second colour printing	2-5 days
11.	Drying in sun	1 days
12.	Washing in flowing water	1 day
13.	Final soap washing	1 day

The company has a good number of traditional designs that are used for making printing on the cloths. Customers do suggest for new design and blocks are made accordingly. First few samples of cloths are provided to customers and if customers are satisfied, the company goes for mass production. In case of export product, the customer normally provides the designs. Traditional design are mainly procured by Indian customers i.e. they go for only floral design and not for geometrical and modern design.

1.5 Marketing:

The products are mainly exported i.e. to America, Germany, Netherlands etc. The small percent of total production is sold at domestic market. Customers are mainly from Indore, Bangalore, Chennai, Mumbai, Delhi etc. Contacts with buyer are made through Internet and by personal interaction. The company cannot take the products for exhibition. The company does not have resellers in major cities but the company would like to have if resellers are ready to purchase in bulk (especially export rejects).

1.6 Financial aspects:

The company has not taken any financial help from financial institutions. For export the advance is required as risk is involved. For internal customers, the 50% of the total cost is charged as advance. Credit period depends from customer to customers. No discount on cash payment.

2. Visit to Koyyalagudem Handloom Weaver Co-operative Society (Ikkat Design)

2.1 Raw Material Used:

The raw material used are different type of yarn and the dye (colour).

The variety of the yarn used is 2/20s, 2/40s, 2/60….2/120s.

2.2 Cost of Production:

The raw material (60%) and the Labour (40%) constitute the total cost of the production.

2.3 Production Cycle for Ikkat products:

Product	Duration (in days)	Production capacity (in one months)	Minimum Order Range
Bed linen			
Single bed cover	30 days	10/weaver/month	20 pieces
Double bed cover	30 days	10/weaver/month	20 pieces
Pillow cover	30 days	50/weaver/month	100 pieces
Cshion cover	30 days	50/weaver/month	100 pieces
Bolster cover	30 days	50/weaver/month	100 pieces
Bed runner			
Quilts			
Table linen			
Table cover	30 days	10/weaver/month	20 pieces
Table mats	30 days	180/weaver/month	360 pieces
Table napkins	30 days	180/weaver/month	360 pieces
Table runner	30 days	24/weaver/month	48 pieces
Fashion accessories			
Duppatta	45 days	18/weaver/month	45m long
Stole	45 days	22/weaver/month	45m long

2.4 Production Process:

Sl. No.	Steps	Time required
1.	Design is finalized	3 days
2.	Raw Material requirement	
3.	Raw Material quantity required	
4.	Colour quantity required	
5.	Procurement of yarn	7 days
6.	Procurement od colours	
7.	Yarn is bleeched	8-10 days
8.	Tied and died	
9.	Warp and waft are dried	
10.	Jointing	
11.	Weave the yarn into fabrics	22-25 days

Constraints during the production processes are:

- A batch of yarns should be kept readily as an inventory. But the prices of the yarn fluctuate (rise and fall) very frequently, so, there are lots of risk involved in procuring the large volumes of yarn.
- The producing houses are not aware about azo free dyes.
- It is very difficult to ensure the colour fastness (i.e. the colour should not bleed and fade).
- It is difficult to ensure the consistency in colour design.
- Poor storing facilities available at weaver end.

Designs are always provided by the customers/buyers. The design keeps on changing (in last five years, the design has changed 10 times). Lata, a designer based in Hyderabad has suggested new designs to the weavers. Once in every 6 months, new designs have been incorporated. The designers give the weavers training at their houses. Weavers have been also trained to adapt to the new design. Before the actual production begins, sample products are made.

2.5 Marketing:

The products are mostly sold to the APCO, which sells the product throughout the country. Lepakshi and small retailers based in Hyderabad also buy. The products are also sold to the private parties and individual directly from the society. Minimal ikkats are in fashion now. Currently bold designs are out of fashion. Dull colours are also no longer in use. Ikkats are largely sold in south and eastern India.

Product	Average price (Rs.)
Bed Linin	
Single bed cover	175-225
Double bed cover	250-350
Pillow cover	30-80
Cushion cover	30-80
Bolster cover	45-100
Bed runner	65-95
Quilts	-
Table linen	
Table cover	175-225
Table mats	12-25
Table napkins	12-25
Table runner	65-95
Fashion accessories	
Duppatta	250- 450
Stole	250-450

Master weavers who has 3-4 weavers under him acts as an entrepreneurs. They normally go to show rooms and offices for the order. Personal selling is popular for master weavers. For society it is the exhibitions (through Development Commissioner - handlooms) and the word of mouth as a medium of promotion. They do not have any resellers in metros.

2.6 Financial aspects:

The financial institution supporting the society and the weaver are Development Commissioners of Handlooms (DCH) and NABARD. The private moneylenders also support them. The rate of interest charged by above varies from 24-48%. DCH do not charge any rate of interest.

Credit period various from no credit period- 2 months. Sometimes discount are also provided in case of cash payments, which various from 5-15%.

3. Banjara handicrafts:

3.1 Raw material:

The raw materials used are mirror, threads, beats, cotton cloths and silk cloths. Silk jewellary pieces and other metallic pieces are also used.

Variety within the raw materials are:

Mirror	:	Round, square, etc.
Threads	:	Anchor threads, less count threads.
Beats	:	Glass and plastic beats.
		Transparent and non transparent.
		Glossy and non glossy.
Cloths	:	2/20s, 2/40s, 2/60……….2/120s.
Jewellary	:	Pure silver and German silver jewellary.
Metal	:	Metal which are polished with silk.

3.2 Production:

The raw material (40%) and the Labour (60%) constitute the total cost of the production.

Production cycle ranges from 3 weeks to 6 weeks. The production cycle increases with the increase in the quality of the products. There are 75 women engaged in embroidery and 15 women in tailoring. Minimum order quantity for fashion accessories is 50-100 pieces and for furnishing accessories is 20-50 pieces.

3.3 Production Process:

Sl.No	Steps	Time
1.	Finalization of the design	1 day
2.	Raw material requirement	
3.	Procurement of raw material	7-10 days
4.	Distribution of the raw material	
5.	Production time	4-15 days
6.	Quality check	3 days
7.	Dispatch	

Constraints associated with the production process are:

1. Inconsistency in design and colour combination.
2. Timely production.
3. Wage settlement is an issue, irrespective of the wage decided, artisans bargain.

Product consists of both the traditional and the modern designs. Over the period of time huge changes in design process has occurred.

3.4 Marketing:

The buyers for the products are mainly from Delhi, Hyderabad, Mumbai, Bangalore, Chennai and Calcutta. The colour combination/pattern on products are bright, pastels and the combination of both.

Products	Average price (Rs.)
Hair pin	15
Key Ring	22
Bags	60-120
Hand Mirror	90-120
Short Hanging	90-120
Long Hanging	120-160
Cushion Cover	90-180
Bolster Cover	110-250
Table Mat	30
Table Napkins	30
Table Runners	90

Buyers communication is mainly through direct selling. They do not have any resellers in metros.

IV Questionnaire for market research of Craft products

1. Do you sell the following ranges of product at your stores?
   a) Furnishings, Fabrics & Accessories – Bed/table linen etc.
   b) Fashion accessories – Stoles/duppattas/bags etc.
   c) Dress fabrics & Apparel

2. In the below mentioned categories what is the percentage of the products kept at your store.

   A--------- Below 25%

   B----------25% --50%

   C-----------50%- 75%

   D---------- Above 75%

Items/ manufacture	Handloom	Power loom	Mill based
Furnishings, fabrics & Accessories	A B C D	A B C D	A B C D
Fashion accessories	A B C D	A B C D	A B C D
Dress fabrics & Apparel	A B C D	A B C D	A B C D

3) Which attribute of the product are crucial for the sales of the product?

Attribute / ranking	Least crucial 1	Averagely 2	Most crucial 3
Color combination			
Design pattern			
Traditional ethnic perception			
Quality consistency			
Consistent supply			
Brand Name			

4. How sensitive are the consumers to the price of the various craft products?

Products/attributes	**Least sensitive** **1**	**Sensitive** **2**	**Very sensitive** **3**
Furnishing, fabrics & accessories			
Fashion accessories			
Dress fabrics & apparel			

5. In the following market segment, who comes to your store more often?

a. Upper elite class
b. Upper middle class
c. Middle class

6. What is the purchase in terms of value made by the above segments?

a. < Rs. 1000
b. Rs 1000- 3000
c. Rs 3000 - 5000
d. > Rs. 5000

7.In the following consumer segments who are the frequent buyers.

	Low	**Medium**	**High**
a. Single			
b. Young and married			
c. Married middle aged couple			

8. Who makes the purchase decisions?

a. Male
b. Female

9. Are you aware of the following craft designs

a.	Ikkat fabric	Yes	No
b.	Banjara handicrafts	Yes	No
c.	Kalamkari block prints	Yes	No
d.	Cotton & Blended Handloom fabric.	Yes	No

10.What are the most in- demand product range in each of the above categories?

Craft pattern/product range	Furnishings, fabrics & Accessories	Fashion Accessories	Dress fabrics & Apparel
Ikkat fabric			
Banjara craft items			
Kalamkari			
Cotton & Blended handloom fabric			

11. What are the latest design trends in these crafts which are selling

____
____

12.What are the color preferences of the consumers

a. Red, Black, Indigo, White
b. Other bright colors -- _____________________________
c. Pastel colors

13. Is the sales of the craft items seasonal?

Yes No

14. Are these color preferences season specific.

____
____

15.Can you specify during which season are the sales high

d. Spring-summer
e. Autumn-winter

16.Please specify what necessitates the color & design combinations and the changes therein.

15. Consumer preferences
16. Store range & specific seasons
17. Profitability

17. Are the customers satisfied with the existing quality of the craft products?

Yes No

18. What are the quality parameters that influence the sales of the product?

Attributes/ranking	**Not important 1**	**Important 2**	**Very important 3**
Color fastness			
Weave consistency			
Design			
Fabric feel			

19. What brands do you keep in your store?

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20. What are the factors which determine your preference for one brand with respect to the other?

a. Quality
b. Popularity amongst consumers
c. Sales margin provided by sellers
d. Timely supply
e. Design
f. Variety in product range

21. Can you please give the details about your stock requirement (value wise)

Items/season	Spring-summer	Autumn-winter
Furnishings, fabrics & accessories		
Fashion accessories		
Dress fabrics & Apparel		

22. Can you specify the regions from where you procure these craft items?

Items/regions	North	South	West	East
Furnishings, fabrics & Accessories				
Fashion accessories				
Dress fabrics & Apparel				

23. At which price range do you averagely procure following products?

Products	Price range
Single bed cover	
Double bed cover	
Pillow cover	
Cushion cover	
Bolster cover	
Bed runner	
Quilts	
Table cover	
Table mats	
Table napkins	
Table runner	
Dupatta/ stoles	

24. What are the promotion strategies followed by you for each of the following product ranges?

Product	Promotion strategy
Furnishings, fabrics & accessories	
Dress fabrics & Apparel	
Fashion accessories	

25. What is your in-store promotion strategy?

26. Do you have a separate in-store promotion strategy for craft products?
Yes No

27. If yes, then what?

28. How do you place /display craft products at your store?

29. How do you manage the complementary nature & competition amongst different craft brands at your store?

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____

30. With respect to competition from other substitute products to the craft items, how do the following parameters affect sales?

Attributes/ weightage	**Least effect 1**	**Medium effect 2**	**High effect 3**
Volume			
Quality			
Price			
Brand awareness			

31. What are your deal terms / standards with regards to your suppliers as far as the following are concerned:

a. Packaging
b. Freight
c. Payment terms

32. Do you invest your time and monetary resources into design and development with your suppliers / their designers?

Yes No

IV Checklist for data collection (Production process):

1. **Raw material related:**

The different raw material required in the production process.

Quality/variety within the raw material used.

2. **Production Related:**

Distribution of cost of production:

Sl. No.	Particulars	Cost (Rs)
1.	Raw materials	
2.	Labour	
3.	Others	

Production cycle for each product range:

Product	Duration (in days)	Production capacity (in one months)	Minimum Order Range
Bed linen			
Single bed cover			
Double bed cover			
Pillow cover			
Cushion cover			
Bolster cover			
Bed runner			
Quilts			
Table linen			
Table cover			
Table mats			
Table napkins			
Table runner			
Fashion accessories			
Duppatta			
Stole			

2.3 Production Process:

Steps	Resource	Time required	Constraints

Are these design indigenous or they have been suugested by designers/buyer (details of process).

Has any change in design incorporated in the last 5 years? If yes, then what was the process/source?

3. Marketing aspects:

Products and their buyers (domestic and international).

Products	Colour combination/pattern	Buyer	Region	Special preferences

Price range of various products.

Products	Average price (Rs.)

Channels of buyers communication:

a. Personal interaction/direct selling
b. Internet/media.
c. Advertisement.
d. Exhibitions.

Do you have any resellers in major/minor metros?

4. Financial Related:

Is there any financial institution to support them.

What is the rate of interest charged in case of informal lending.

Financial credit period offered to buyer.

Any discount rate in case of cash payment.

VI Respondents' addresses:

Bangalore:

Sl. No	Name of the store	Address	Phone/fax	Email/Website
1	**Yamini interiors Pvt. Ltd.**	11/2, Haudin Road, Ulsoor,Banglore-560 042	51134781(P*) 51134781(P**)	ymnibir@vsnl.com
2	**Anokhi**	B-1, B-2, B-3, Leela Galleria, The Leela Palace, Airport Road.	25217491	www.anokhi.com
3	**Tree of life**	1132, 100ft Road, Indranagar, Bangalore-38	51153131	treeoflifebangalore@hotmail.com
4	**Inexcess**	277, 13th Cross, 5th main, C.M.H. Double Road, Indranagar, Bangalore-560038	5201791	inexcezz@rediffmail.com
5	**Lifestyle boutique restaurant**	100ft Boutique Restaurant 777/1,10ft Road, HAL 2nd Stage, Indranagar, Bangalore 560 008	25277752, 25278626	rendezvousimpex@india.com
6	**Things**	No. 294, 1st Floor, 7th Cross,Above Corportion Bank, Dolmur Layout, Bangalore-560 071	25356678	things@bgl.vsnl.net.in
7	**Dwarka**	A Kalamkari Showroom 18/1A, Belary Road, Sadashivanagar, Banglore-560080	3612265	dwarakalam@yahoo.com
8	**Ethnic weave**	1st Floor, Safina Plaza, Infantry Road, Bangalore-560 001.	5320748	
9	**Fabline**	No.32, Osborne Road, Bangalore-560 042	25548873.	fabline9@hotmail.com Frst
10	**Eka**	19 Gangadhar Chetty Road, Bangalore 560 042.	25544371	firstmoon@vsnl.com www.ekalifestyle.com
11	**Auro Astha**	16, Victoria Road, 2nd Cross.	25363405	

* Phone Number.
** Fax Number.

Chennai

Sl. No.	Name of the store	Address	Phone/fax	Email/Website
1.	**FabIndia**	Ilford House,3, Woods Road, Chennai 600 002.	28510395(P) 52158026 (F)	madras@fabindia.com
2.	**The Design Store**	79 C.p. Ramaswamy Road, Chennia 600018.	24997157(P) 24997260(P)	designstorechn@vsnl.net
3.	**Fabric Touch**	570, Anna salai, Teynampet, Chennia- 600 018.	2431 0516(P)	-
4.	**Contemporary Arts and Crafts**	45, C. P. Ramaswamy Road Chennia-18.	24660159(P) 24997069(P)	
5.	**Seams Natural**	11/55, Greenways Road, R.A. Puram, Chennia-600 028.	2461 0629(P)	binu_jha@hatmail.com
6.	**Nalli**	New N0. 101, Pondy Bazar, T Nagar, Chennia.	2434 4347(P)	
7.	**Shilpi**	1, Gee Gee Minar 23, College Road, Nungambakkam. .	2828 2603(P)	
8.	**Encore Alsa Regency**	165 Eldams Road.	2435 7673(P)	
9.	**Maurya**	41, Nunganbakkam High Road, Chennia-600 034.	28232875(P)	kameseshgupta@eth.net.
10.	**Prana**	D6, 6h Street, Anna Nagar East, Chennia-600 102.	5217 0077	indigo.inc@vsnl.com

Delhi

Sl. No	Name of the store	Address	Phone/fax	Email/Website
1	**Kilol Fabrics Pvt. Limited**	31, hauz khas Village, 1st Floor, New Delhi 110 016.	26531974(P)	kilol_jaipur@yahoo.com
2	**Good Earth Verandah**	Ambawatta Complex, Mehrauli village Road, New Delhi- 110 030	2664 6466(P) 2664 1608(P)	www.goodearthverandah.com
3	**Sumrita**			
4	**Shyam Ahuja**	27, M-Block Market, Greater Kailash II, New Delhi-110 048.	29215215(P) 29210260(F)	saldel@del.vsnl.net.in
5	**People tree**	8, Regal Building, Parliament Street New Delhi- 110001	3744877(P) 3340699(P)	www.peopletreonline.com peopleree@vasn.com
6	**The Shop**	10, Regal Building, New Delhi- 110 001.	334 0971 (P) 334 2575 (F)	www.theshop.com theshop@vsnl.com
7	**Super Cloth Store**	M-23A, Greater Kailash-I, New Dehli- 110048.	26410373(P)	mgupta_scs@yahoo.co.in
8	**Zeba**	C-1, Near M-Block Market, Greater Kailash 1, New Delhi-110 048.	5163 1448(P)	www.zebaworld.com
9	**Kalpana**	9/14, 2nd Floor, East Patel Nagar, New Delhi, 110 008.	25817049 (P) 25789320 (F)	cultures@nda.vsnl.net.in
10	**Tribes Shop**	9, Mahade Road, New Dehli-110 001.	2373 1214(P) 23718306(F)	www.trifed.nic tribes@vsnl.net
11	**Tex Indus**	7, Santushti Shopping Arcade, Opp. Ashok Samrat Hotel, Chanakyapuri New Delhi-110 003.	2688 0625(P)	artindus@rediffmail.com
12	**Bandhini**	The valley Asola, New Delhi 110 030.	2665 4934 (P) 2664 4939 (P)	www.bandhini.com bandhini@nda.vsnl.net.in
13	**Sadhaka**			
14	**Tulsi**	19, Santushti Shopping Complex, Opp. Ashok Hotel, New Wellington Camp Delhi-110 021.	6870339(P)	tal@satyam.net.in

15	**Noorjehan**	23, Santushti Shopping Complex, opp. Ashok samrat Hotel, New Delhi-110 003.	2611 2971(P)	noor@ndb.vsnl.net.in
16	**Anokhi**	Santushti Shopping Complex, Race Course Road, New Wellington Camp, New Delhi-110 003.	26883076(P)	www.anokhi.com
17	**Anmol**	Santushti Shopping Complex, Race Course Road, New Delhi-110 003.	26886018(P) 26899500(F)	
18	**The Next Shop**	N 16 Block Market, Greater Kailash-1, New Delhi-110048.	2622 9381(P)	
19	**Tulips**	118, Shahpur jat, K.S. House, Adjacnt tp S.B.I. New Delhi 110 049.	2649 6644(P) 51752644(F)	www.tulipsindia.com dehli@tulipsindia.com
20	**Alter Ego Rema Kumar**	87 B, Shahpurjat, Near Asiad Village, New Delhi-49.	51798846 (P)	alterego_rp@yahoo.co.in
21	**Dastakar**	45-B, Shahpur Jat, New Delhi- 110 049.	25495921 (P) 26495921(F)	dastkar@vsnl.com
22	**Soma Shop**	K44, Connaught Place, Opp. PVR Plaza, New Delhi, 110 001.	**23416003(P)**	www.somashop.com somajp@sancharnet.in
23	**Fab India**	14 N Block Market, Greater Kailash-1, New Delhi-110048.	26465497(P)	gklinens.dehli@fabindia.com
24	**The Home Store**	Anuvrat Marg. Lado Sarai, New Delhi.	29523718(P)	

Ahmedabad:

Sl. No	Name of the store	Address	Phone/fax	Email/Website
1.	**Bandhej**	Shri Krishna Centre, Near Mithakali 6 Road, Navrangpura, Amd- 380 009.	26422181(P)	www.bandhej.com
2.	**Yogi Bharat Kala Mandir**	43, G.F. City Centre, Swastik Char Rasta, C.G. Road, Navrangpura, Amd-380 009.	26440471(P)	
3.	**Banascraft**	8, Chandan Complex, Above Mirch Masala Restaurant, C.G. Road, Navrangpura, Amd-380 009.	26405784(P)	banascraft@icenet.net www.banascraft.org
4.	**Cover Up**	Sartthik, Nr. Fun Republic, Satellite Road, Ahmedabad-15.	26923040(P)	
5.	**Charariya**	G4, Amar Complex, Swastik Char Rasta, Navrangpura, Amd-9 1, Shuntinah Apartment, 53 B, Swastic Society, Navrangpura.	26431740(P)	
6.	**Sanskruti**	G-6, Suryarath, B/h. White House, Gulbai Tekra Road, Panchwati Cross Road, Ellisbridge, Amd-380 006.	26443341(P)	sanskruti_dhanpal@yahoo.com
7.	**Options**	Harivilla, Next to Saarthi Hotel, Nr. Amaltas Bunglows, Vastrapura, Amd 380 054.	26841922(P)	options-abd@icenet.net
8.	**Yogi Bharat Kala Mandir**	43, G.F. City Centre, Swastik Char Rasta, C.G. Road, Navrangpura, Ahmedabad- 380 009.	26440471(P)	
9	**Bhujodi**	Mithakhali Six Road, Amd- 380 006	26400967(P) 26462649(F)	
10.	**Reve**	304, Agrawal Arcade, Opp. Shivalik, Ambawadi, Amd.	265664631(P)	jig_reve@rediffmail.com

Mumbai

Sl. No	Name of the store	Address	Phone/fax	Email/Website
1	**Cotton Décor**	No 41, Ground Floor, Lakshmi Nivas, Ambedkar Colony, 18th Road, Khar Road Khar Danda, Khar West, Mumbai 400 052.	26056691(P)	
2	**Yamini Interiors Pvt. Ltd**	No.34, Turner Road Patkars, Bungalow, Bhadra, Mumbai 400 050.	2643 6525(P)	yamibandra@vsnl.net.
3	**Energy**	Ram Nimi Building 8, mandlik Road, Colaba, Mumbai 400 001.	2812870(P)	
4	**Queenie Furnishings**	Giri-Kung, 11B- N.S. Patkar marg, Kemps Corner, Mumbai- 400 007.	2380 7070(P) 2380 4646(F)	queeniefurnishing@ vsnl.net
5	**Surprise**	2 Kohinoor, 29 Hughes Road, Mumbai 400007.	30972125(P) 26046160(F)	info@surpriselinen.com www.surpriselinen.com
6	**Fabindia**	Noble House, Jn of Khar, Danda and 18th Road, Khar (W), Mum-400052.	26057780(P)	khar.Bombay@fabindia .com www.fabindia.com
7	**Splendour**	10, Dharam palace, Hughes Road, Mumbai 400 007.	5600 7448(P) 2367 5678(F)	splendour_hr@hotmail. com
8	**Cottons**	3, Desai Mahal, 19 Chowpatty Sea Face, Mumbai 400 007	51635108(P)	cottonsjaipur@hotmail. com
9	**Cotton Cottage**	16, Sunny Side, Lokhandwala Complex, Andheri (W), Mum-53.	2639 8663(P)	
10	**Women India Trust**	23, Bombay Market, Tardeo, Mumbai 400 034.	23511753 (P)	www.wit.org.in wit@hathway.com
11	**The Oak Tree**	18, Cusrow Baug, Colaba Causeway, Colaba, Mumbai 400 005.	2281 9031 (P)	
12	**Swasha**	Studio 4, Swastik Plaza, V.L. Mehta Road, J.V.P.D. Scheme, Vile Parle (W), Mumbai 400 049.	5573 2298 (P)	www.swasha.com
13	**Prakritee**	Shop No. 5, Lokhandwala Complex, Andheri (W), Mum-53.	2633 2233 (P)	Prakriee123@hotmai.c om
14	**Beaufords (India) Pvt. Ltd.**	35, Veer Nariman Road, Readymoney Mansion, Foutain, Mumbai-400 023.	5633 2487 (P) 5633 8224 (P)	

15	**Splendour**	10, Dharma Palace, Hughes Road, Mum- 400 007.	5600 7448 (P) 2367 5678 (F)	Spledour_hr@hotmail.com
16	**Seasons**	I Gita Building, Gamdevi Lane Gamdevi. Mum 400 007 (Near West Side, Off Hughes Road)	2368 5515 (P) 2368 5413 (F)	seasons@hathway.com
17	**Anokhi**	Rasik Niwas, Metro Motor Lane, Dr. A.R. Rangekar Marg, Off Hughes Road, Mum-400 007.	236855761(P)	anokhi@anokhi.com www.anokhi.com

Jaipur

Sl. No	Name of the store	Address	Phone/fax	Email/Website
1	**Helping Hands**	G-1, Mayur Apartments 40-41, Raj Bhawan road, Civil Lines, Jaipur-302006.	220690(P)	Helpinglands555@yahoo.co.uk
2	**Surubhi**	18, Keshav Vihar, Gopalpura By Pass Road, Jaipur-18.	2762143(P)	
3	**Aravali Bazaar**	52, Dhuleshwar Garden, C-Scheme, Jaipur-302 001.	2364354(P) 2383195(F)	aravali@hotmail.com
4	**Cotton Curie**	3, Achrol House scheme, Near Ajmer Pulia, Mini Bazar, Civil Lines, Jaipur.	2228267(P)	rbanapanday@yahoo.com
5	**Soma**	Soma House,Khatipura, Jaipur-302 012.	2352391(P) 2352397(F)	www.somashop.com
6	**Suvasa**	Dundlod House, hawa sarak, Civil Lines, Jaipur-302019.	2211104(P)	suvasa@datainfosys.net
7	**Kilol**	F-25/26, Kartarpura Indl. Area, 22 Godam, Jaipur-302 006.	2212693(P)	Kilol_Jaipur@yahoo.com
8	**Govind Ram Ramchand**	Mirza Ismail Road, Jaipur-302 001.	237 3097(P) 2652602(F)	amarsons@datainfosys.net
9	**Saurashtra Oriental Arts**	In Jorawarsingh Gate, Opp. Ayuveda College, Amber palace road, Jaipur 302 002.	2643 5774(P) 263 5647(F)	saurashtrajpr@hotmail.com
10	**Venus Handicraft**	Shop No 122, Near Hari Mishthan Bhandar, Hawa Mahal Road, Jaipur-2.	260 0422(P)	
11	**Cottons**	Hari, Bhawan, Main Achrol Houses, Jacob Road, Civil Lines Jaipur-302 006	222 3870(P)	cottonsjaipur@hotmail.com
12	**Ocean Collections**	D-138, Basant Marg, Bani park, Jaipur-302 016	220 2383(P) 220 3854 (F)	www.oceanexim.com ravindranath@oceanexim.net.
13	**Ratan Textiles**	Papriwal Cottage, Ajmer Road, Jaipur-302 006.	222989(P) 223185(F)	www.ratantextiles.com
14	**Suruchi**	3, Bhawani Singh Road, Opp. Nehru Sahkar Bhawan, jaipur-303 001.	238 1590(F)	suruchijaipur@email.com
15	**Maharani**	63, hawamahal, Near Old	29016063(P)	maharaniemporium

	Emporium	Assembly, Jaipur-02.		@hotmail.com
16	**Hawamahal Emporium**			
17	**Tushar Handiworks**	11, Gangwal Park, Jaipur-302 004	384284(P)	www.tusargroup.com
18	**Benu's Collection**	52, Gopal Bari, Jaipur-302 001.	236 9709(P)	Dbhatnagar52@hotmail.com