Contents

Executive Summary

This is an attempt to assess the Indian handloom sector, which is one of the crucial and traditional industries of India. This is the second largest generator of rural employment. To give proper direction to such a vast economic activity CHETHANA SOCIETY has tried to analyse the market scenario and come up with certain marketing strategies to boost the industry in competitive business arena.

The study was conducted on the basis of primary and secondary data collected through various sources across the country. The study talks of the production levels in last decade across the sectors viz. handloom, powerloom, mill and hosiery. Even it explains the fiber wise production all over India. This study describes the purchasing pattern of the costumer, buying behavior and customer preferences in all product categories, fibers and sectors. The primary research was conducted in five cities spread across south, east, west and north parts of India. Three case studies were developed to understand the trading and marketing practices, weaving processes, information flow through out the supply chain and various stakeholders in three handloom clusters namely pochampally, chirala in A.P.

A unique feature of study is analyzing the handloom sector value chain, Michael porter five force analysis, stake holder analysis and analysis of various business models in the sector such as cooperative model, corporate retailing model, weaver marketing model.

Based on these analysis marketing strategies were drawn on short term, medium term and long-term basis by using "Four Ps" strategy. It also sets forward certain recommendations.

In these efforts, we have been supported by weavers, traders, retailers, customers of handlooms, Experts and cooperative society elected personnel as well as officials of government in getting required information.

1.Introduction

Introduction

The Indian handloom products have a distinct place in the world of fabrics. This is not just a cloth material or traditional wear, it is symbolic to the Indian civilization, which is one of the oldest on the planet. We had a long tradition of excellence in making high quality of handloom products with extraordinary skills and craftsmanship when there are no such skills were available anywhere in the world.

The Handloom sector is not only our past glory but also it plays a vital role even in the context of present Indian economy. The level of artistry and intricacy achieved in the handloom fabrics is unparalleled and beyond the scope of modern machinery. It represents diverse cultural ethos ranging from exquisite fabrics, which take months to weave, to popular items of mass production for daily use. Hand weaving is one of the richest and the most resilient media of ethnic expression.

It provides employment for 12 million people and it is the second largest sector in the employment generation stands only next to agriculture. It provides direct employment to 6.5 million people in the country. It consists of 60% women, 12%SCs, and 20%STs. The production of handloom fabrics has gone upto7585 million sq. meters during 2001-2002 from 500 million sq. meters in the early 1950's.This sector accounts for 18.4% of the total cloth produced in the country (excluding clothes made of wool, silk and hand spurn yarn) and 15 per cent of the total exports of fabrics. Over 125 countries are now buying handloom products from India.

Government implemented many schemes to support the handloom sector. The Government of India had spent Rs. 478 crore from Plan budget and Rs. 251 crore from non-Plan budget during the 9th Plan. An outlay of Rs. 625 crore was fixed for the 10th Plan period. But these numbers have not helped weavers in their sustainability and even could not stop them from committing suicides. The lopsided policies of the central and state governments are the hindrances for the prospects of growth of the handloom sector. Though there is a competition from mills and powerlooms, the handloom weavers are facing stiff competition from powerlooms. The Central Government reserved 22 items to be produce only on handlooms. But it later reduced to 11 items. These 11 items also are not protected or barred from being produced by powerlooms. The government is not able to protect handloom sector for there is no proper inspection on powerloom products.

Need for Market Assessment and New Marketing Strategy

Multiple Players

Specific analysis of handlooms and textile market is important because there are different players in the market like Handlooms, Powerlooms and Mills. Whole textile industry also can be classified in to two different segments, organized (Mill) and unorganized[1] (Handlooms and Powerlooms). It can be further classified because there are different distribution and information channels in the market. For example if we look in to the handloom sector there are different channels and number of players at various levels. Due to the complexity of its nature there is a need of market assessment, which would enable us to know the position of other competitors that would help us in preparing a competitive marketing strategy.

Lack of Compiled Information

Reliable information about the handloom sector is not available. Since the sector is highly unorganized and weavers are scattered all over India and also not under any organized institution or structure, which makes it difficult to take right decision about any policy or program. Because of regional specification of weaving and condition of weavers, it is very important to generate region specific information and marketing strategy for different handloom clusters and different handloom products along with national focus.

[1] ***REPORT OF THE NATIONAL COMMISSION ON LABOUR,*** CHAPTER – VII, UNORGANISED SECTOR. P-594
In this report the authors discussed about the unorganized sector, brief of it has given below.
The unorganized sector covers the area that falls outside the purview of the organized sector, is not saying much. We looked for a single or primary criterion or characteristic by which the sector could be defined. We found that it could not be defined or described on the basis of the nature of the work that workers or employees in the sector are engaged in, ---- the sector has tribal forest workers as well as home-based, info-tech and software workers. It cannot be based on the number of employees in undertakings because it covers agricultural workers, craftsmen, home-based workers, self employed workers, workers in weavers' cooperatives, as well as workers in small scale industries where the workforce can be counted on one's fingers. --- it has almost become the universally accepted practice to treat the words 'unorganized sector' and 'informal sector' as denoting the same area.

Lack of coordination among different government agencies

In textile industry, roles of different government agencies are not well defined. Presence of some agencies are in all the three sectors i.e. mill, powerloom and handloom. Within handloom also there are various agencies, which deal with different issues without any coordination with others. This increases the repetition of job as well as creates confusion about roles and responsibilities. E.g. National Handloom Promotion Council (NHPC), Handloom Export Promotion Council (HEPC), The Handicraft and Handlooms Exports Corporation of India (HHEC), National Institute of Fashion Technology (NIFT), Ministry of Textiles and Commissioner of Handloom etc. are some of the organizations/agencies working at the national level. Various co-operative societies are also working in same region with same focus. Due to lack of coordination and communication among these agencies and institutions the efficiency of these institutions is deteriorating. To have the proper coordination and to know where are the gaps we need to assess the handloom sector.

Under-valuation of Weavers in Value Chain

In handloom sector, value chain from raw material suppliers to the end user is very long. In this value chain, margin for each player differ very widely. It is essential to compare and assess the value addition at each level and Stakeholders involved are benefiting for their work. The efforts put-in and value added by the weavers is always underestimated and underplayed. Even weavers may not be aware of their value in this chain. This explicates the need to develop a marketing strategy, which can address this issue and ensure that the weavers' would get the money proportionate to the efforts put-in in executing their work.

Dynamics of Market in Terms of Internal and External Factors

There are large numbers of factors that affect the market. These factors could be internal i.e. within the handloom sector as well as external from whole textile industry. Some of the internal factors could be change in technology of loom, change in distribution system and trading practices, focus on different products or it could be need of addition of new products in handloom portfolio. Whole textile industry is shifting towards mechanization, government policies for textile industry, impact of World Trade Organization (WTO) and opening of markets are some external factors for handloom sector which in general force to analyze the current situation and to respond to market is needed.

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

There are no certain guidelines and formulae a product in the market, different businesses have different kind of sales channels and different types of strategies and every business will have its own promotions and campaigns. But the successful ones always become models for others. In the right place at the right time right product will have its own success story. Due to lack of market intelligence and information the unorganized sector is struggling for survival in the contemporary business arena.

It is facing toughest competition from organized sector. Always organized system gives an understanding and clear picture of business. If the practices are in proper place it makes the business even easy and reduce the complexity. The long distribution channels and number of middlemen as traders, commission agents made the whole system of handloom sector more complex.

Appropriate research and development in the handloom sector has not been taken place till now. Though the information is crucial for sustainable development, there is no proper and reliable information pertaining to the sector except government estimates and projections.

About CHIP (Centre For Handloom Information And Policy Advocacy)

CHETHANA SOCIETY was established by centre for resource education, Hyderabad, with the support of Oxfam, great Britain, with the aim of enabling the handloom sector to be involved in the change process and benefit from the changes. CHETHANA has envisaged for itself a Programme of information development and sharing with the cooperation and participation of stakeholders of handloom sector and friends of handloom sector.

Objectives of the study

The study is intended to understand the marketing system for domestic handloom industry, establishing market size and assessment of value chain for handloom sector in India.

Task 1: Secondary data and desk research

Objective: to understand the production and purchase pattern by studying reports and published data related to the handloom sector in India.

Task 2: Selection of representative handloom cluster and sample size for in-depth study of system

Objective: to understand the trade practices and stakeholders at different levels in handloom sector (e.g. weavers, middleman, traders, wholesalers, retailers and exporters etc.)

Task 3: Conducting field exercise for selected cluster and sample

Objective: to understand customer preferences, buying pattern and general perceptions and practices of retailers and wholesalers of handloom sector.

Task 4: Interaction with concerned agencies, boards, departments and other organization etc

Objective: To understand policy issues, market structure and distribution network, competition, fair and unfair practices at market place and destination for Indian handloom products.

Task 5: Preparation of feasible marketing strategy

Objective: To prepare a feasible marketing strategy, all the existing marketing system for handloom sector in India will be studied thoroughly.

Methodology

To assess the market for Indian Handloom Sector we have conducted the primary as well as secondary research. Primary research involved collecting data from Traders (wholesalers and Exporters), Handloom Retailers and Customers. With the help of detailed Questionnaires we have collected the information from respondents. The data is collected from the representative sample of 100 contacts across five Metros as per the sample plan given below.

Sl. No.	Respondent category	Contacts	Place				
			New Delhi	Kolkata	Chennai	Mumbai	Hyderabad
1	Traders	25	5	5	5	5	5
2	Retailers	15	3	3	3	3	3
3	Customers	50	-	-	-	-	50
Total		90					

Respondent type and number of contacts

For case study development 3 major weaving centres were identified in southern India i.e. Chirala and Pochampalli in Andhra Pradesh and Karur in Tamil Nadu. The information was collected by interacting personally with individuals (Exporters, Domestic Traders, Master weavers and weavers), organization and cooperative societies involved in weaving, domestic trading and exports of Handloom products.

Secondary research is carried out by collecting data from various study reports and published data related to the handloom sector in India.

Task1: secondary data and information in published form has been collected from various agencies, like ministry of textile, different promotion boards at state level various co-operatives and departments, which deal with the handloom sector. With this data and reports that are available on the web also is collected simultaneously.

Output: This task will provide secondary data about handloom industry.

Task2: three-handloom cluster were selected as a sample cluster for study purpose. During selection of this cluster, due weightage was given to the complexity and representation of industry, so that it reflects all the complexity and attributes of handloom sector and can be understood.

Representative sample of all stakeholders was decided after discussion with CHIP officials for collection of primary information about the sector.

Output: Selection of representative clusters of handloom activity and took the views of stakeholders and experts in the respective cluster.

Task3: Primary data was collected through field personnel in selected markets as well as from selected individual respondents. For this purpose a questionnaire was prepared first, considering the requirement and objectives of study. This questionnaire was used as a tool for data collection. Questionnaire covered both quantitative as well as qualitative aspects of the study from retailers, wholesalers and customers as mentioned in the above table. Collected information was analyzed with Microsoft Excel tool and used for final report.

Output: This task able to provide compiled primary information about handloom sector.

Task4: Respondents were identified through availability of information on Internet. A list of these respondents are prepared and contacted either through telephone or e-mail based on their response. This interaction was pre-planed, in depth and formal interaction for getting the information as much as possible.

Output: This task will give valuable input about various aspects of marketing of handloom in India and abroad along with general practices, policy sues and competition for the whole handloom sector.

Task5: This task will give input about strength and drawbacks of existing systems. Based on the information whole handloom industry can be analyzed through Michael Porter's five forces model. This model will analyze the industry from following perspective:

1. The threat of entry by new competitors.

2. The intensity of rivalry among existing competitors.
3. Pressure from substitute products.
4. The bargaining power of buyers.
5. The bargaining power of suppliers.

This analysis will help in finding out the existing competition to whole industry as well as possible threat in future.

Five forces analysis will work as a platform for preparation of a marketing strategy. Right marketing mix, that is product, price, place and promotion, will be found out and proposed for healthy growth of industry (Fig: 1).

Scope of the Study

This encompass the following:

I. Identification of major players in the market as individual, co-operative, companies or group level.

II. Establishing the volume of handloom market for each product category level in terms of quantity, analyzing the existing demand and trends for different product categories with in the handloom sector.

III. Understanding of general market practices exists in domestic handloom market.

IV. Understanding of existing value chain system of handloom sector, role of different stakeholders in this value chain at different levels and value addition as well as the benefits at each step.

V. Tracing the traditional information network, role of different people, channel, general practices for information flow from one level to another level and identification of barriers in this information flow.

VI. Competition and challenges for industry as a whole.

VII. Identification of government initiative and policy issues in terms of promotion, taxation and legal framework specifically for handloom sector.

VIII. Finding an alternative marketing strategy keeping in mind the welfare of weaving community and feasibility of application of 4P strategy (price, product, promotion and position) of marketing.

Limitations of the study

1. The assessment of market is confined to India only, less stress is given to international market.
2. Sample size taken for the study is small due to various constraints, hence possibility of error in generalizing for universe. The sample of 15 wholesalers and 25 retailers from 5 big cities in India may not represent the similar trends from rest of India.
3. Case studies are developed only from two states i.e. Andhra Pradesh and Tamil Nadu.
4. Primary data was collected from 6 largest cities in India only.
5. Customer's feedback is taken from one city only i.e. Hyderabad, the sample of 50 from one city may not represent the customer preferences and views of the whole country.
6. Secondary data, which is extracted from various sources.

2. Indian Handloom Market Analysis

Indian Handloom Market at a glance

This chapter will be dealing with the domestic and export market for handloom, trends of growth and quantity of handloom woven for various fabrics. Here comparison of handloom with other competing sectors has also shown so that the status of handloom can be compared with these sectors.

Production

In domestic textile industry handloom had a good share of market up to 1990. Though there is continuous increase in the output from handloom sector (except 1998-99 and 2002-03) till date (in spite of being marginal, 2% annually), but this growth is relatively very low compare to the powerloom sector, which also includes hosiery. In recent years i.e. for 2002-03 there is drastic decrease (21% decrease compare to 2001-02). As a result of this sluggish growth, slowly the market share of handloom in textile is getting eroded, it has come down to 14% in year 2002-03 compare to the market share of 23% in 1995-96 in terms of total quantity. (Fig: 2.1 and 2.2)

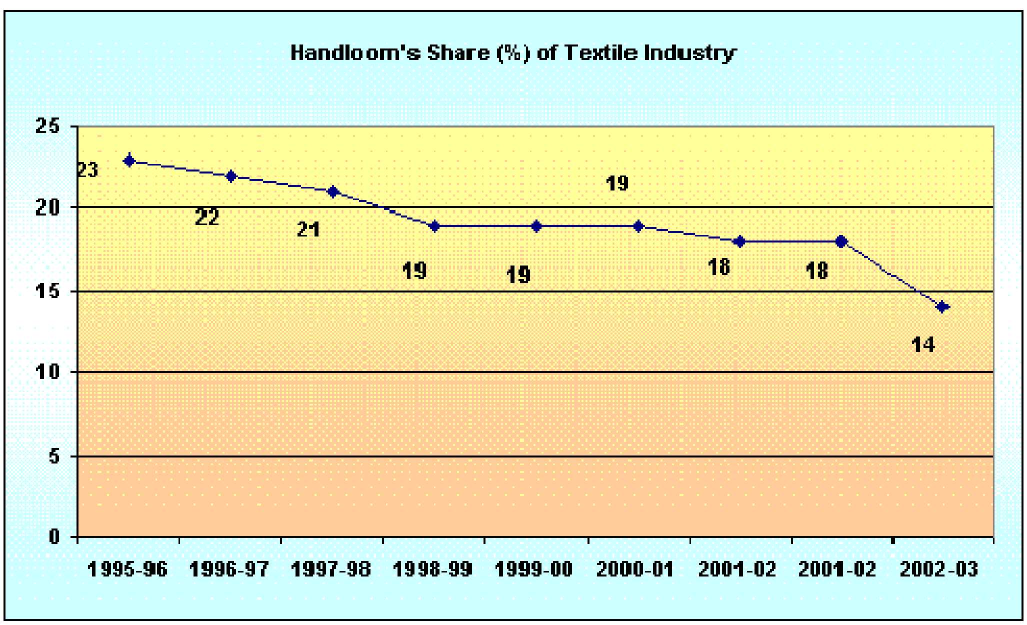


Fig: 2.1 Handloom's Share (%) of Textile Industry

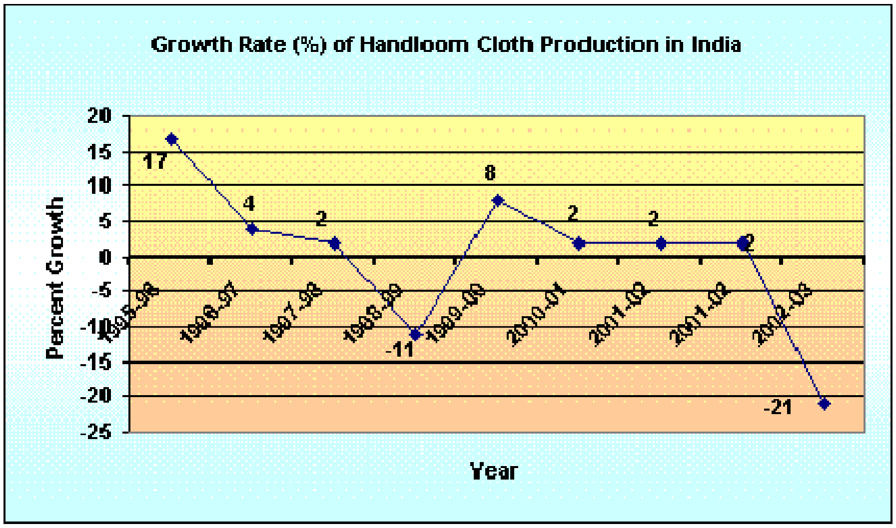


Fig 2.2: Growth Rate (%) of Handloom Cloth Production in India

If the textile industry as a whole is analyzed in wider perspective, handloom's annual growth also follows the same trend as industry is following. From 1995-96 to 1997-98 there was decreasing growth rate in textile industry and handloom was also facing the same trend. 1998-99 was the year of negative growth for industry as well as for handloom sector also. But the decline was steeper for handloom. For year 2002-03 textiles industry's growth was 0% but here handloom suffered more with 21% of negative growth. Year-wise quantity of textile, growth rate and percentage share of various sectors is shown in graph2.3

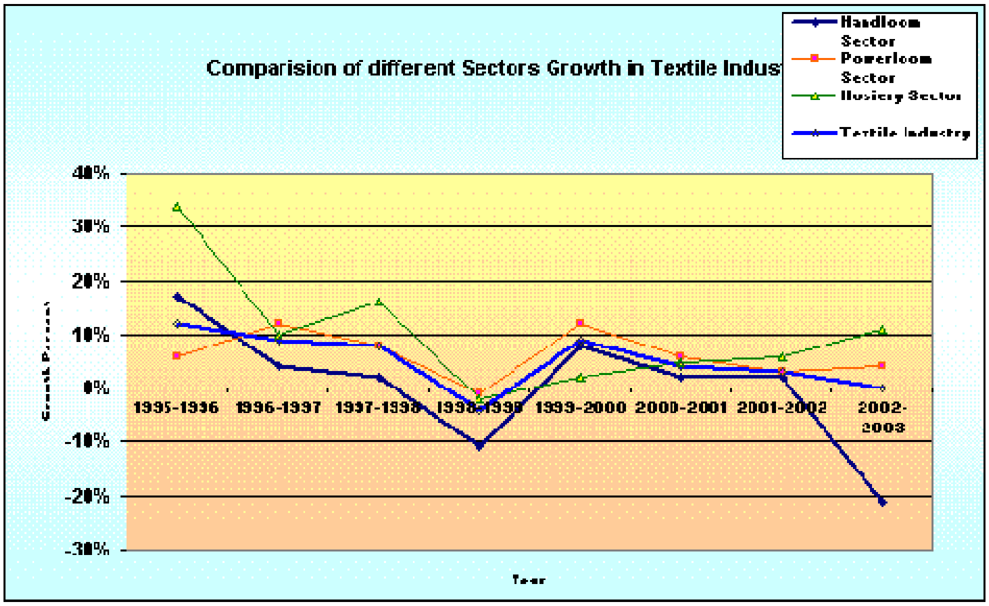


Fig 2.3: Comparison of Different Sectors growth in textile Industry

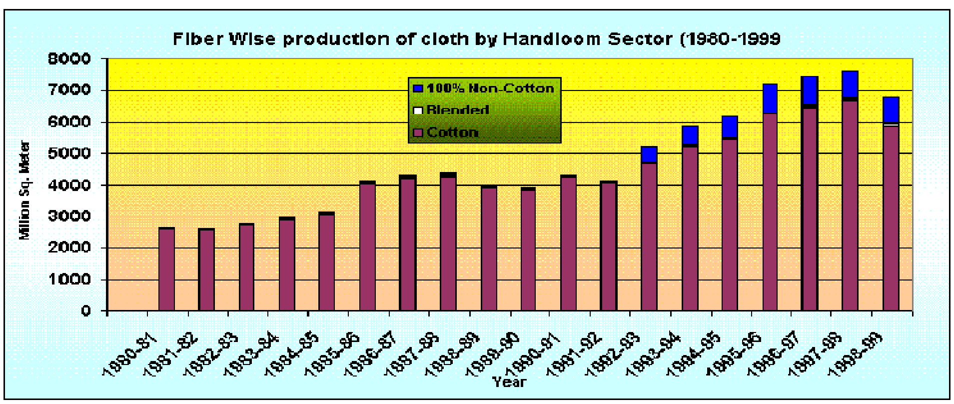


Fig 2.4: Fiber Wise production of cloth by Handloom Sector (1980-1999)

Within handloom, if fiber-wise production of cloth analyzed, cotton cloth is always produced highest. But the share of cotton is slowly reducing in total cloth material produced by handloom sector. One inference that can be taken out of this is that weavers are slowly changing the product portfolio and they are increasing the variety of products and making looms compatible for different types of fabric. Though the share of cotton cloth in handloom sector has decreased almost by 10% in last two decades from 97% of total produce in 1980-81 to 86% in the year of 1998-99. Since 1992-93 non-cotton fabric penetrated in the handloom sector it is growing slowly. In year of 1998-99 share of non-cotton fabric has increased up to 12% of total handloom production. (Graph: 2.4)

Assam is the state with highest number of looms as well as highest number of working looms also. If we combined the number of handlooms for all the northeastern states it consist more than fifty percent of total number of looms in the country. According to 'Compendium of Textile Statistics 2001' there are 3891 thousand looms in India, out of this 2034 thousands are in seven northeastern states. Other major states, from the perspective of number of looms, are Tamilnadu (4,29,000), West Bengal (3,38,000), Uttar Pradesh (2,61,000) and Andhra Pradesh (2,20,000). But if the productivity per loom could be taken in to consideration, Delhi tops the list with productivity of 14.2 Meter per loom per day where, around 77% of 9000 looms are urban looms. Other states, which are finding place in top 5 are, Punjab (12.58 m per loom/ day), Madhya Pradesh (12.06m per loom/ day), Gujarat (11.95 m per loom/ day), Bihar (11.79 m per loom/ day) and Haryana (11.72 m per loom/ day). All India average productivity of looms is 5.12 meter per loom/ day. All over the country around 70% of the looms are working below the national average productivity. Along with the all seven northeastern states other major states where the productivity is below average are Andhra Pradesh, Tamilnadu and Himachal Pradesh.

If we estimate total production on the basis of each state on the basis of productivity of a loom per day West Bengal is the highest handloom cloth producing state. Uttar Pradesh, Tamilnadu, Andhra Pradesh, Bihar and Assam are other major state in this perspective.

Handloom provides great opportunity for the northeastern states for income as well as employment generation, provided existing handlooms can converted in to commercial form from their traditional domestic use and productivity of loom can be improved. There is also need to improve the productivity of looms in state like Andhra Pradesh and Tamilnadu where the number of looms are very high but they are not working at their optimal level.

Market size and consumption pattern of the customers

According to a study conducted by Textiles Committee, per capita purchase of textile in the domestic market is increasing comparatively faster in recent period than ever before. In future also this trend will follow the same pace. This is very clear by the figure given by the committee as in 1990 per capita purchase of textile was 14.03 meters which increased to 14.85 meters in 1995.

Table 2.1Estimated percapita purchase of textiles by different fibres in different areas during 2000 and 2001

Fibre		Urban		Rural		All India	
		2000	2001	2000	2001	2000	2001
Cotton	q	9.27	10.64	6.2	6.34	7.11	7.45
	v	560.59	543.45	210.71	225.55	300.7	307.35
Pure silk	q	0.72	0.8	0.17	0.09	0.31	0.27
	v	282.29	385.43	47.6	31.25	107.96	122.38
Woolen	q	0.14	0.13	0.1	0.08	0.11	0.09
	v	28.5	27.21	12.8	10	16.84	14.43
Man-made	q	2.28	2.85	1.67	1.76	1.83	2.04
	v	149.77	199.12	72.39	93.04	92.29	120.33
Blended / Mixed	q	8.54	9.99	8.47	8.38	8.48	8.8
	v	744.57	847.18	427.57	418	509.1	528.43
All Textiles	**q**	**21.4**	**24.41**	**16.61**	**16.65**	**17.84**	**18.65**
	v	**1765.72**	**2002.39**	**771.07**	**777.84**	**1026.89**	**1092.92**

But in 2001 it reached up to 18.65 meters. The study has projected per capita consumption for 2005 at 19.53 meters. Similarly the total market size is also growing for textile products. From 11621 million meters in the year of 1990 domestic market increased to 13,497 million meters in the 1995 and to 19,154 million meters in 2001. The market size for 2005 is estimated at the level of 21,468 million meters. This growth provides vast opportunity for textile industry including handloom also. The deciding factor for grasping more share of this growth is through leading the marketing changes, customer preferences and industry trends.

As per McKinsey study, the market size is of Rs 20,000 crore for apparels in India, out of which only Rs 4,000 crore is catered by branded apparel, Rs 16000 Crore market is with unorganized sector, which includes unorganized mills, powerloom, hosiery and handloom. Organized sector is growing very fast and it is putting its all efforts to get bigger chunk of this lucrative market. To be competitive and to increase its market share, handloom has to reorganize its all activity and improve upon supply chain as well optimize the available resources. Handloom sector should also focus on creating competitive brands in market for itself.

Table 2.2 Estimated per capita purchases of cotton textiles by sector of manufacturing in different areas during 2000 and 2001

sector		urban		rural		All India	
		2000	2001	2000	2001	2000	2001
millmade/powerloom	Q	6.53	6.89	4.19	4.05	4.79	4.79
	V	398.71	377.86	148.23	154.38	212.65	211.88
knitted/hosiery	Q	1.69	1.92	1.2	1.33	1.32	1.48
	V	72.72	74.55	31.03	34.73	41.75	44.98
handloom	Q	1.46	1.78	0.76	0.92	0.94	1.14
	V	85.99	87.7	29	34.61	43.66	48.27
khadi	Q	0.04	0.05	0.05	0.04	0.05	0.04
	V	3.17	3.34	2.45	1.83	2.64	2.22
all textiles	**Q**	**9.72**	**10.64**	**6.2**	**6.34**	**7.11**	**7.45**
	V	**560.59**	**543.45**	**210.71**	**225.55**	**300.7**	**307.35**

But with all management and strategic changes handloom also requires technological changes for market improvement. As handloom sector's maximum share goes to cotton textile and growth in this section of textile is stagnated and sector like blended textile is growing. According to the Textiles Committee report per capita consumption of blended textiles in the domestic market is likely to maintain its high growth trend in coming years. The per capita consumption of blended textiles is projected to increase to 10.41 meters in 2005 from 9.02 meters in 2002. The report has projected per capita consumption of blended textiles at 9.48 meters for 2003 and 9.48 meters for 2004. The per capita consumption of blended textiles in the household sector of the domestic market has gone up substantially in the last one decade. On the other hand, per capita consumption of cotton and non-cotton textiles is likely to decline marginally in years to come. The per capita consumption of cotton textiles is estimated to decrease to 6.72 meters in 2005 from 6.85 meters in 2002. The per capita consumption of cotton textiles declined by 0.42 meters to 7.02 meters in 1995 from 7.44 meters in 1990. However, there was a marginal increase to 7.45 meters in 2001 and 7.87 meters in 2002. The per capita purchase of non-cotton textiles is estimated to decline to 2.40 meters in 2005 from 2.42 meter in 2002. The consumption in the non-cotton segment has been stable over the years. Even as per capita consumption may have declined in certain fibers, the market size for all fibers has grown. The market for cotton textiles grew to 6381 million meters in 1995. In 2001, it grew further to 7651 million meters and the projection for 2005 is placed at 7392 million meters. The market for non-cotton textiles declined in 1995 to 1927 million meters, from 2286 million meters in 1990, and increased again to 2464 million meters in 2001. The estimation for 2005 is 2635 million meters, a growth of 6.94 per cent. The market for blended textiles has increased three-fold during 1990-2000. The growth is expected to continue during 2001-05 by 26.57 per cent and the projection for 2005 is placed at 11,441 million meters. One thing is amply clear that the domestic consumption is gradually following the global trend. Today, there is need to put up demand-driven capacities for sustaining the growth process. Within cotton textile also handloom share is only 16% in quantity term and 17% in value term against 66% and 70% combine for mills and powerloom in quantity and value term respectively. Again if the share of cotton is reducing in whole textile, handloom sector also has to shift its focus from cotton to blended fabrics. For this technical improvement in loom to make it compatible with other fabrics is very important.

If we analyze per capita household purchase of major varieties (item-wise) sari is the product where maximum spending goes. But slowly the percentage of spending for sari is decreasing, in 1993 from 34.6% to it has come down to 31.1% of total spending of textile in year 1997 for per household. Not only sari, other traditional cloth item like dhoti, Long Cloth/Sheeting/Grey Cloth, and Shirting/Poplin/Patta Cloth are loosing their share in per household spending. This is an indicator for handloom sector that taste of customer is shifting towards other textile items. Item, which have gained the highest share in per household spending, is readymade garment and this is never a big item in handloom portfolio. Other items, which are gaining the share, are ladies dress material, Chaddar/Bed Sheet/Bed Cover and hosiery materials. Looking at these trends handloom should also shift its focus as required with the existing value proposition that customers are demanding from the handloom.

Note: The statistics in this text are extracted from national household survey 2001, market for textiles and clothing textile committee, government of India.

3. Customers Survey

Handloom – Customers feedback:

Customer satisfaction, new market demand, changes in market place and competitive products and value proposition of a product for customers are some characteristics which are important and should be taken care by any industry to sustain in the market for long time. If the pulse of market can be identified, product can be developed accordingly and this creates demand in the market for these specific products. But in case of handloom, knowing customer requirement, incorporating the changes, releasing the products for sustaining the current market share or enhancing it does not happen in a systematic manner. As part of this study, an attempt has been made to capture the perceptions of the handloom customers so as to assess, in qualitative terms (various characteristics of material, perception and marketing) the gap between customer requirements and demands on one side and the existing supply scenario on the other side. Towards this a primary survey was conducted in the twin cities Hyderabad and Secunderabad. For this purpose, sample of 50 respondents (confined to those who purchased some handloom products) were interviewed at various handloom outlets in the city. The respondents were selected randomly. An instrument (questionnaire) was developed to take the response. Analysis of this survey is presented in the following sections of the report.

Distribution of sample between male and female was 60% and 40% respectively. Twenty women and thirty men were interviewed to know the customer's perception about Handloom products and purchasing behavior.

Table: 4.1 Distribution of Sample (Gender wise)

	No. Of Respondents	% Share
Female	20	40
Male	30	60
Total	50	100

Similarly sample was classified according to their socioeconomic category. 50% of respondents belong to the class having annual income of 1.2 lacs, 36% belong to 1.2 to 2 lacs and 14% belong to 2 lacs.

Table: 4.2 Distribution of Sample (Household income-wise)

Monthly Income	No. Of responses	% Share
Up to 10000	25	50
10000-20000	18	36
20000 above	7	14
Total	50	100

The interview with each respondent was initiated by enquiring about general preference and purchase behavior of various fabrics. After analysis of the data it is found that Cotton is most preferred fabric in Hyderabad, fabrics preferred in order of priority include silk, handloom and Terry cotton. Least preferred fabrics are nylon, terilin, poplin etc (Table: 4.1).

Table: 4.3 Preferred Fabrics in Hyderabad

FABRIC	No. Reporting	Share (%)
Cotton	39	78.0
Silk	21	42.0
Handloom	14	28.0
Teri cotton	12	24.0
Polyester	7	14.0
Woolen	7	14.0
Nylon	-	-
Teri Line	-	-
Poplin	-	-
Others	-	-

Total Number of respondents = 50 (Multiple response)

There is no major difference between the preferred fabric and purchased fabric of the customer e.g. in case of cotton 78% respondent stated cotton is their preferred fabric and 70% of them are purchasing it. It is the case with other fabrics, like silk, terry cotton, polyester and also handloom. 28% of the respondents stated they prefer handloom fabric and 20% of them are purchasing it.

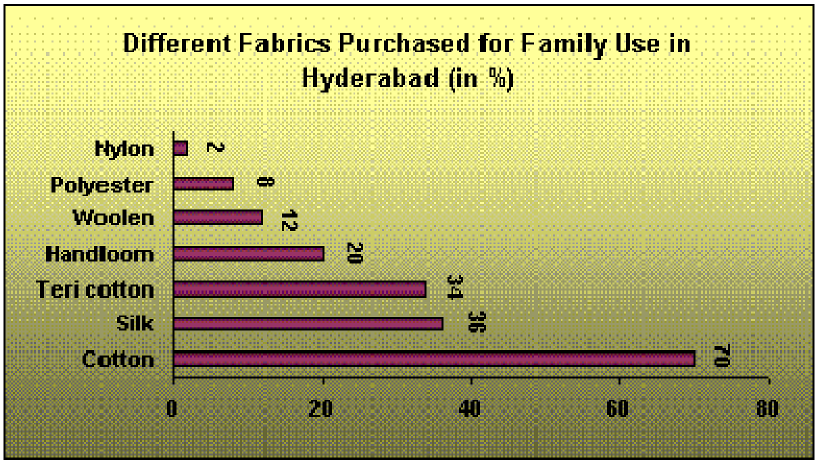


Fig: 4.1 Different Fabrics Purchased in Hyderabad

Cotton is the first preference in all income groups, and silk stood in priority in higher income group. Table given below elucidates the preference of fabric across the income groups.

Table: 4.4 Monthly Household Income-wise Actually bought Fabric

	Up to 10000		10000-20000		20000 above	
	No. Of responses	% Share	No. Of responses	% Share	No. Of responses	% Share
Cotton	17	35	13	37	5	31
Polyesters	3	6	1	3	0	0
Nylon	1	2	0	0	0	0
Teri cotton	11	22	4	11	2	13
Teri line	0	0	0	0	0	0
Handloom	5	10	3	9	2	13
Silk	6	12	7	20	5	31
Poplin	0	0	0	0	0	0
Woolen	3	6	2	6	1	6
Others	0	0	0	0	0	0
Total	46		30		15	

The respondents put forth various reasons for this gap between preferred fabric and actually purchased fabrics. Discomfort to the body from fabric is the most common reason for not purchasing the preferred fabrics (this is mostly shown in case of silk). Other major factors are maintenance of cloths (in case of cotton fabric) and cost of fabric, which influence the customer's purchasing decision. Some of other reasons are design and variety availability, season specific and convenience of time for customer in case of handloom. Ranking of different reasons expressed by respondents is given below in table 4.5.

Table: 4.5 Ranking of Reasons for not purchasing the Preferred Fabrics in Hyderabad

Ranking	Reasons	Number of Respondents	Share (%)
1	Not Comfortable	7	14.0
2	Difficulty to maintain	4	8.0
3	Costly/Expensive	4	8.0
4	Unavailability of design	2	4.0
5	Lack of variety	2	4.0
6	Silk is preferred at festival season only	2	4.0
7	Lack of availability of handloom products	1	2.0
8	Handloom shops are not opened on scheduled time	1	2.0
9	Unavailability of Color	0	-

Total Number of respondents = 22 (Multiple response)

Annual household spending in Hyderabad for clothing and furnishing purposes ranges from Rs. 1,000 to Rs. 50,000 depending upon the household income. The annual spending pattern for textile purchasing observed in Hyderabad is, 38% spend in the range of Rs. 5000 to Rs.10, 000, followed by 30% of the respondents in the range of Rs. 10,000 to Rs. 20,000 and 26% spending in the Rs. 1000 to Rs. 5000 bracket. Very few respondents spend above Rs. 20,000 for textile purpose.

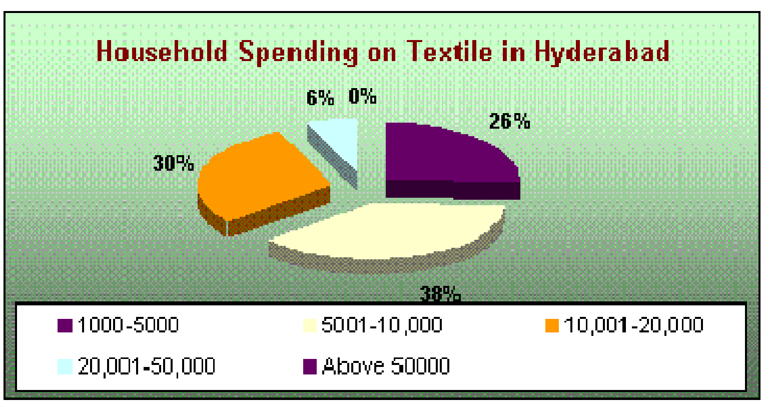


Fig: 4.2 Annual Household spending on Textile in Hyderabad

If the spending pattern on textile analyzed according to household income, annually spending of Rs. 5000 to Rs 10000 is mostly done in the household income group of

Rs.10000 per month (52% respondents). Rs. 10000 and above annual spending on textile is more common in high-income group families.

Table: 4.6 Annual Household spending on Textile in Hyderabad in Different Household Income groups						
Monthly Household Income	**Up to 10000**		**10000-20000**		**20000 above**	
Annual Spending	No. of Resp.	% Share	No. of Resp.	% Share	No. of Resp.	% Share
Rs 1,000- Rs 5,000	5	20	6	33	2	29
Rs 5,001- Rs 10,000	13	52	6	33	0	0
Rs 10,001- Rs 20,000	7	28	4	22	4	57
Rs 20,001- Rs 50,000	0	0	2	11	1	14
Total	25		18		7	

Among textile products shirts, pants, sarees, bed-sheets, towels and salwar-suits are some common products, which are purchased in maximum households. Products which are not more frequently like pillow covers, curtains, dress material, kurtas, handkerchiefs, lungis, table cover and doormats follow the earlier category and next to this are products like suits, cloth bags, dhoti and others furnishing cloths.

Table: 4.7 Most Commonly purchased Textile Products in Hyderabad

Textile Product	***Number of Reporting***	***Share (%)***
Shirts	46	92.0
Pants	42	84.0
Saris	41	82.0
Bed-Sheets	37	74.0
Towels	30	60.0
Salwar-Suits	25	50.0
Pillow Covers	24	48.0
Other Dress Material	21	42.0
Curtains	21	42.0
Kurtas- (men's wear)	16	32.0
Handkerchief	16	32.0
Lungis	14	28.0
Table Covers	13	26.0
Door Mats	12	24.0
Suits	8	16.0
Bags	7	14.0
Dhoti	4	8.0
Other Furnishing Cloths	2	4.0

Total Number of respondents = 50 (Multiple response)

Table: 4.8 Frequency of purchasing various Textile Products for Household

Textile Products	Number of Respondents for once in a month	Number of Respondents for once in 2-3 months	Number of Respondents for once in 4-6 months	Number of Respondents for 7-12 months	Number of Respondents for less often	Total Sell in a Year
Shirts	7	28	7	4	0	215
Pants	6	25	7	4	0	191
Sarees	5	15	16	2	3	158
Salwar-suits	7	9	7	2	0	137
Bed-Sheets	2	2	9	14	9	78
Other Dress Material	2	5	9	4	1	68
Kurtas	3	2	5	5	2	63
Towels	0	5	9	10	5	56
Handkerchief	1	6	3	2	4	49
Curtains	1	0	3	6	10	36
Pillow Covers	0	1	6	12	3	35
Bags	2	0	1	0	4	30
Lungis	0	1	4	7	1	22
Table-Covers	0	1	2	7	3	20
Door Mats	0	2	2	2	5	20
Suits	0	0	0	2	6	9
Dhoti	0	0	3	0	1	7
Other Furnishing Cloths	0	0	2	0	0	4

Focusing on frequency, shelf life of products especially men's wear like Shirts and Trousers, women wear like sarees and products of daily use like bed-sheets and towels is much shorter compared with Salwar suits, pillow covers, dress material and other products of lesser use for household purpose.

In Hyderabad though people are buying made ups as well as clothe material, major share of the market is occupied by made-ups. Out of fifty respondents twenty-nine (58%) preferred to buy readymade garments and rest (42%) clothe material.

Table: 4.9 Preference among Readymade and cloth-material

Preferences	*Number of Reporting*	*Share (%)*
Readymade	29	58
Cloth material	21	42

Total Number of respondents = 50

It is observed that awareness about handloom products among respondents is reasonably good, 76% respondents are aware of handloom. But when it comes to distinguishing the handloom cloth from others, very few are able to do that. Only 68% of respondents said yes for this question. (Table: 4.10)

Table: 4.10 Awareness of distinction between the handloom materials from other cloth material

Awareness Level	*Nr. Reporting*	*Share (%)*
Yes	34	68
No	16	32

Total Number of respondents = 50

Generally people distinguish the cloth material by feeling cloth's texture. This could be by touching it or by seeing it. Coarser, rough and in some cases fine quality are the some features on which people differentiate the handloom material from other type of cloth material. Other major characteristic for differentiating the handloom cloth is design/classic design on it. People also think that shining and finishing of cloth material can help in distinguishing the material. Various differentiating features according to the response from respondents are given in the following table (Table: 4.11)

Table: 4.11 Various features by which Handloom material can be Distinguished.

Distinguishing Features	Number of Reporting
Feeling/Touch/Seeing	12
Coarser/Rough/Texture	11
Design/Classic Design	10
Quality/Fine Quality	8
Made by Hands	5
Fabric	4
Lesser Shine	4
Finishing	2
Jari on Venkatgiri Sarees	1
Traditional	0

Total Number of respondents = 34 (Multiple response)

Though, the good number of response was positive about identifying the handloom cloth from other, but it was very less in case of identifying the place of production of specific handloom material. Only 30% respondents replied yes, they could identify, where a particular handloom cloth has been produced (weaved), 70% of respondents said they can not identify the place of production for any handloom product (Table: 4.12).

Table: 4.12 Response about identification of Place of Production of Handloom Material

Response	*Number of Reporting*	*Share (%)*
Yes	15	30
No	35	70

Total Number of respondents = 50

As we discussed that in Hyderabad people spend on textile from Rs. 1000 to Rs. 50000 for clothing purposes. Out of this spending maximum people spend very less for handloom products. 82% (total 50 respondents) out of total respondents spend less than 25% of their expenses on handloom products. 12% of respondents spend 25-30% and very few people spend above 51% of total textile expenses for handloom (Fig 4.3).

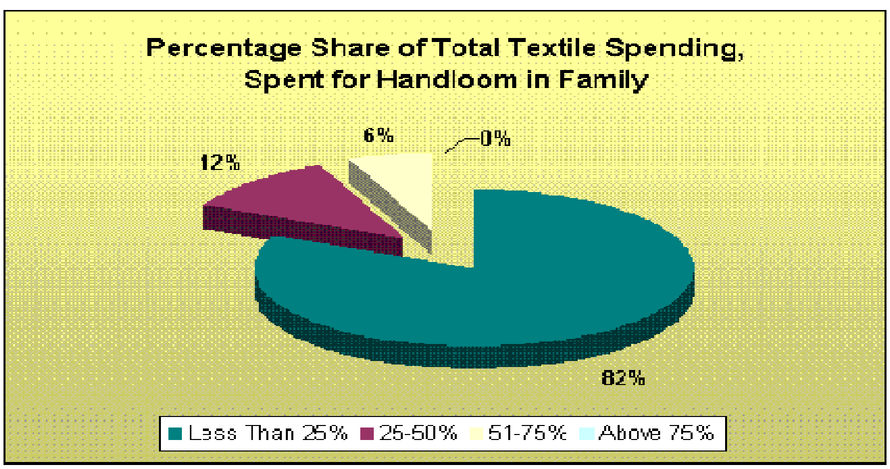


Fig: 4.3 Percentage Share of Total Textile Spending for Handloom for Family

Table: 4.13 repeatedly purchased Handloom Products

Product	Number of responses	Share (%)
Bed Sheets	20	40
Saris	17	34
Dress materials	15	30
Kurta	12	24
Pajamas	11	22
Towels	11	22
Handkerchief	10	20
Pillow Covers	8	16
Lungi	6	12
Dhoti	3	6
Table Cover	3	6
Curtains	2	4
Lining Cloth	1	2

Total Number of respondents = 50 (Multiple response)

When we look at the retail shops available in Hyderabad there is no much choice for handloom customers in Hyderabad. As different purchasing points are preferred equally high, reason behind this could be the convenience for the customers. But still handloom emporium and exhibitions are most preferred (52%) followed by Co-operative outlet (42%) and organized handloom retailers (34%). Least opted choice is weaving centers (8%) that again emphasize the importance of convenience for customers (Fig: 4.4).

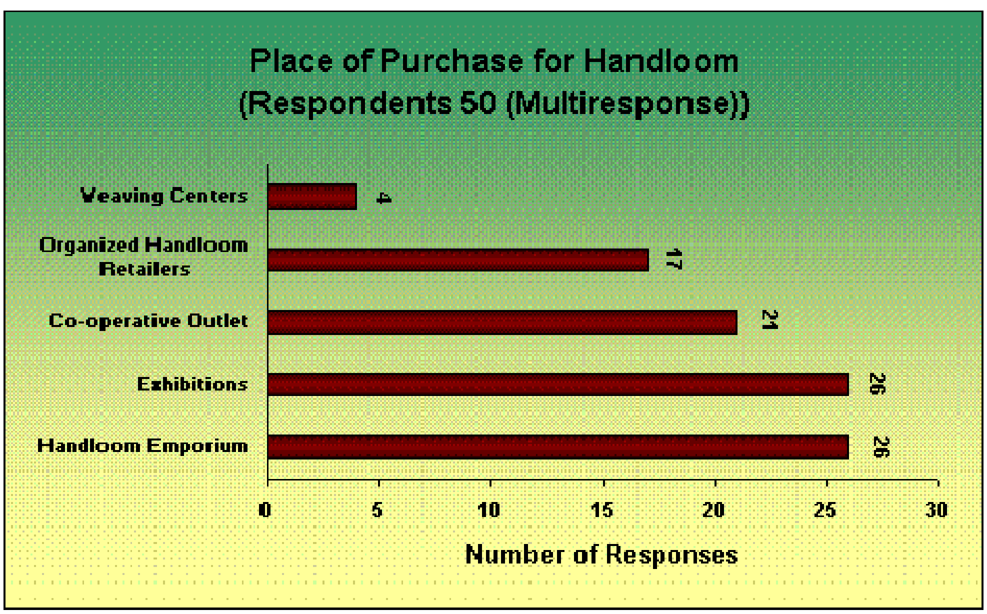


Fig: 4.4 Place of Purchase for Handloom Products

Availability of Handloom textile and products is not a quandary for customers in Hyderabad market as 70% of respondents (35) say the handloom products are easily available in Hyderabad market.

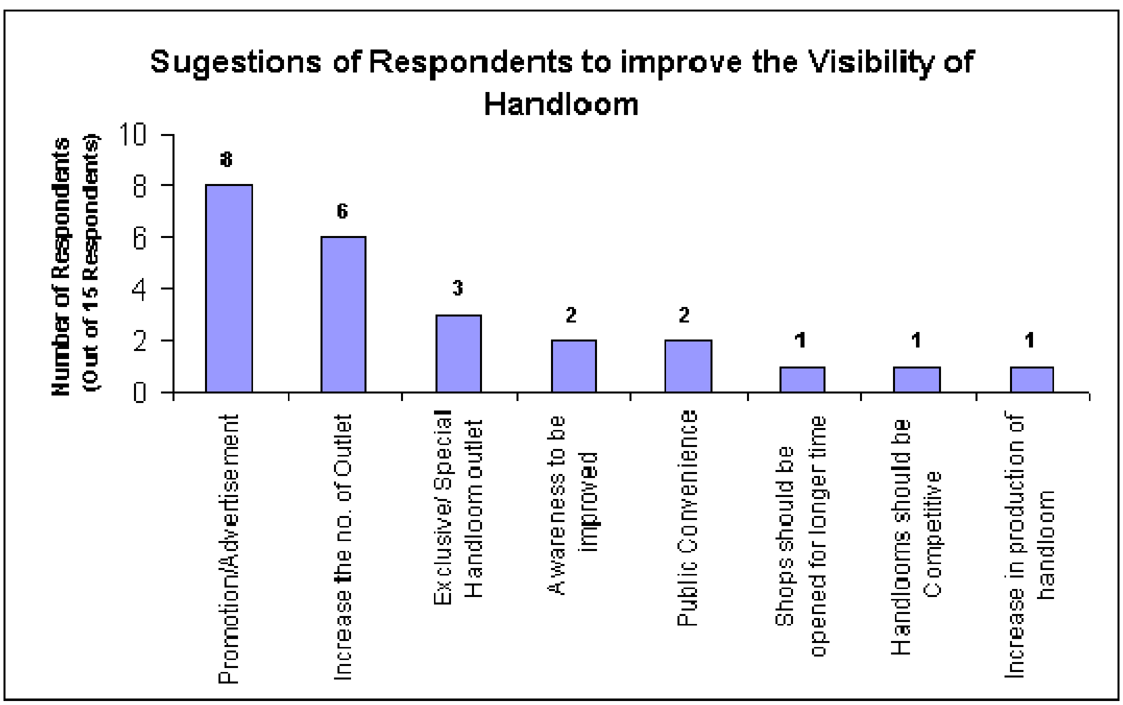
Table: 4.14 Availability of Handloom Products in Hyderabad

Availability	*Number of Reporting*	*Share (%)*
Yes	35	70
No	15	30

Total Number of respondents = 50

But those who said that handloom products are not easily available suggested advertising and promotion of handloom should be improved (53%) and also more handloom outlet should be opened in the city (40%) for easy accessibility of handloom. Next major suggestions for improvement are Exclusive Handloom Outlets (20%), Awareness to be improved (13%) and public Convenience (13%). Some people also advised to open handloom shops for longer time, competitiveness and increase in handloom production (Fig: 4.5). But all these suggestions rotate around the two major requirement of increasing promotional activities and increase in number of outlets, may the different words are used by different respondent.

Fig: 4.5 Suggestions of respondents to improve the visibility and availability of Handloom



There are various characteristics in handloom products, which attract the customers. Among these, comfort is one that maximum respondents (82%) revealed as a factor, make them by the handloom products, next to this is handloom's traditional and ethnic design (62% responses), which attracts the customer. Other features are good for body, belief, environment friendly and price.

Table: 4.15 Various Aspects of Handloom, which attracts the customer towards Handloom

Buying Aspects	***Number of Responses***	***Share (%)***
Comfort	41	82
Traditional/Ethnic Design	31	62
Good For Body	25	50
Belief	18	36
Environment Friendly	15	30
Price	11	22
Customized to buyer needs	5	10
Belief in Swadeshi	2	4

Total Number of respondents = 50 (Multiple response)

But in case of Handloom around 42% (21 respondents) of respondents say they do not get the product, which they required. This tells a big gap in demand for handloom products and availability as well as provides the opportunities for new product development in handloom sector. This unavailability of products from handloom, forces the customer to go for mills or other products, as 76% (16 responses) of those who do not get required handloom products say. Very few respondents say, they try for same product from other handloom store or wait for this or shopkeeper to arrange the required product.

Table: 4.16 Next actions taken by customer in case of unavailability of required Handloom product

Action taken by Customers	**Number of Responses**	**Share (%)**
other products of mill/other kind of cloths	16	76.2
Go for other handloom outlet	4	19.0
Do shopping after few days	1	4.8
Reduce the purchasing for item that is not available	1	4.8
Other shed/color will be purchased	1	4.8
Ask shopkeeper to arrange for me	1	4.8

Number of respondents –21 (multiple response)

Highly satisfactory and highly praising response from respondents for handloom sector is, 90% of handloom customers are satisfied with the products. But still there is gap to improve upon it and to reach at 100% satisfaction level.

Table: 4.17 Level of satisfaction for Handloom Products

Level of Satisfaction	Number of Responses	Share (%)
Highly dissatisfied	0	0
Dissatisfied	2	4
Neither Satisfied nor Dissatisfied	3	6
Satisfied	42	84
Highly Satisfied	3	6

A few of the reason that make customer dissatisfied are non-availability of product, poor service, color wear-out and less durability. If through combined effort from all stakeholders, these things can be improved sector can achieve the higher satisfaction level, as well as there are chances to increase the customer base for handloom.

When the views of all respondents were asked about to improve the level of overall satisfaction level for handloom products, reduce in the prices is the first suggestion for which 30% of responses advised. Few of other major suggestion in this regard are increase in availability (28%), Improve in the quality and durability of colours (28%), Innovative Design (26%), more varieties (24%) and addition of latest fashion and trends (16%) with handloom products. The full list of all these suggestion is shown in the Table: 4.18. . This shows that if prices of handloom products can be reduced these will be more acceptable among customer. Availability of handloom and quality of material will also help in attracting more customers towards handloom.

Table: 4. 18. Suggestion from all respondents to improve the satisfaction level of Handloom customer

Suggestions	*Number of Responses*	*Share (%)*
Reduce the prices	15	30
Increase availability	14	28
Improve the quality/ color durability	14	28
Innovative Design	13	26
More Varieties	12	24
Latest fashion and trends	8	16
It should be more organized	3	6
More advertising	2	4
Increase awareness	2	4
Durability	2	4
Special market survey for handloom products	2	4
Provide auxiliary services	1	2
Customization	1	2
Suitable to weather condition	1	2
Reduce intermediaries	1	2

A customer before purchasing a product try to collect information about this and if s/he is fully satisfied with this than only purchase happens. Various sources of information play a major role in decision-making process. In case of handloom major source of information is from friends or colleagues (68%). Next comes newspaper & magazines (50%), Televisions (36%) and Exhibitions (36%). This gives an indication of lack of advertising and promotions for handloom in general. There are few other sources also like radio, handloom leaflets, sales representatives etc (Table: 4.19). But all these sources, which can disseminate the information and can be used for promotion and awareness campaign, should be used at their optimum level with right mix of all.

Table: 4.19 Various Sources of Information for Handloom Products.

Source of Information	Number of Responses	Share (%)
From friends or colleagues	34	68
General newspapers or magazines	25	50
TV	18	36
From special Exhibitions or seminars	18	36
From local outlet	10	20
Leaflets	6	12
Radio	2	4
Specialist magazines	1	2
From sales representatives/direct marketing by individual.	1	2
Direct mail	0	0

As in their suggestions for improving the satisfaction level respondents advised that price of handloom should be reduced and again they consider that handloom products are expensive. When 58% (29 respondents) replied these are expensive and 36% (18 respondents) replied handloom products are if not expensive these also could not consider as inexpensive. So pricing is really a very sensitive and serious factor for handloom products. Another line of reasoning here is, though the handloom products are considered costly, how much of this end price is passed on to the weavers. There is need to find out and take a corrective measure for handloom pricing and costing for making it more competitive in the market. Expensive pricing also indicate that handloom is out of reach of comparatively lower income group families, review of this is also required to increase the customer base and sale’s volume for handloom.

Table: 4.20 Pricing of Handloom from Customer’s point of view

Price Aspect	***Number of Responses***	***Share (%)***
Expensive	29	58
Neither Expensive nor Inexpensive	18	36
Very Expensive	1	2
Inexpensive	1	2
Cheap	1	2

Customers also expect lot of things to be done by the government for survival of handloom sector. Opening more outlets, exhibitions and trade fairs, loans for setting up an outlet of handloom, subsidy for handloom products, relaxation on duties and taxes and improved marketing strategy for handloom sector are the major comments from customers for survival of handloom. There are other suggestions also given by respondents, which are listed in Table: 4.21. If these responses can be seen from holistic perspective awareness, availability and promotions are major issues that have to be corrected and improved upon by the government. These are the issues not only for government but also marketers and other players also consider on these. Because when respondents are asked that how the handloom products can be made popular, responses like promotion, advertising and availability were same as in case of responses for action suggested for government.

Table: 4.21 Suggestion for government to make the Handloom Sector Survive

Govt. Action	*Number of Responses*	*Share (%)*
Government should help in opening more outlet	11	22
Exhibition and trade fair	10	20
Loans to a setup a shop	10	20
Subsidized the products	9	18
Relaxation on duties and taxes	9	18
Improve the marketing strategy	8	16
Encourage the mechanization	5	10
Special outlets	5	10
Implementation of the rules strictly	2	4
Outlets at village level/ Taluk level	2	4
Better technology for weavers at cheaper rates	2	4
Discount	2	4
Competitive customer service	1	2
Compulsory selling of handloom products at all textile outlets	1	2
Compulsory for school Uniform	1	2
Government should help in generating more designs	1	2
Government should see oversees opportunities	1	2
Not look before government, self sufficiency	1	2

Table: 4.22 Suggestions of Respondents to make Handloom more Popular

Suggestions	*Number of Responses*	*Share (%)*
Promotion/advertisement	27	54
Availability / Increase number of outlet	22	44
Exhibition	10	20
Develop new design	7	14
Awareness	5	10
Price to be reduced	5	10
Marketing	3	6
More customization of products	2	4
Link it with brand India	1	2
Improve the quality	1	2
Customer friendly services	1	2
Improve durability	1	2
Provide machines to weavers	1	2
Remove middleman from chain	1	2
Fashion orientation	1	2
Timely handloom survey	0	0

Top Findings of The Primary survey of customers.

- Cotton is the most preferred fabric because of the comfort it gives to body and it is suitable for Indian climatic conditions. Silk, terry cotton are other preferred fabrics after cotton. The respondents included handlooms in the fabrics list because cotton and silk handloom products are different from the mill made and power loom made cotton and silk products.
- But the respondent's preferences and buying pattern are not same all the time, some of them don't buy what is there on their top of mind. They have cited few reasons like cost, maintenance and comfortability.
- Most of the respondents said that their annual clothing and textile spending ranges R.s.5000 to R.s.10000. this pattern is prevailed in most of the middle-income group of households.
- Among all textile products shirts, pants, saris, salwar suits, bed sheets and towels are most commonly purchased items.

- Most frequently purchased products are shirts and salwar suits then come saris and pants when we asked them about frequency of purchasing.
- 58% of the respondents told that they prefer to purchase readymade garments, 42% of the respondents prefer to buy cloth material.
- Most of the respondents are aware of handlooms but 68% of them only can distinguish handloom cloth from other cloth material.
- Among the handloom products most repeatedly purchased handloom products are bedsheets, saris, dress materials.
- Most common places of purchase of the handloom products are exhibitions, handloom emporiums and co-operative out lets. The trend of buying handlooms from retail shops is picking up. Very few respondents told that they buy from weaving centers it self.
- 70% of the respondents felt that availability of handlooms is pretty good. The remaining 30% of the respondents felt that there is a need of improvement.
- They suggested few things to improve visibility of the handloom products, the most prominent is aggressive promotion and advertisement and the other suggestions are increasing of number of outlets, offering convenient and comfortable shopping experience.
- Comfort is the most prominent feature of the handloom, which attracts customer to buy handlooms. The other important features are it gives the traditional look, it comes in ethnic design, it is good for health and it is just a belief for some one.
- 84% of the people satisfied with handloom cloths. 3% are highly satisfied and no one is highly dissatisfied. Only 2% of the respondents told that they are dissatisfied. 3 % of the respondents are neither satisfied not dissatisfied.
- The respondents gave suggestions to improve the satisfaction of the handloom customer. Reducing the price, increasing outlets and availability, innovative designs, more varieties and improving quality and durability are topped the list.
- For most of the respondents the source of the information on handlooms is friends and relatives and the other important sources are newspapers, magazines, T.V. and point of purchases.

- 58% of the people felt that handloom cloths are expensive, 36% of them felt that handloom products are affordable. Only 6% of the respondents told that handloom products are cheap.
- Respondents also have few suggestions for government to make handloom sector sustainable. They felt that government should encourage entrepreneurs to set up more retaliates by providing more sops. They felt that handlooms should be given subsidies and other incentives to perform effectively. They suggested the outlets of the co-operatives should penetrate in to the mandal and village level.
- They have also suggested that the retailers, traders, NGOs and government should take part in promoting and advertising handloom products. They asked handloom retailers and traders to be more aggressive on market front. More customization, improving customer satisfaction, reducing price and branding handlooms as a unique Indian product in international market are some other important suggestions from them.

4.Traders and Retailers Survey

Retailers, Traders and Wholesalers Views about Handloom Products:

As we have seen the feedback from customers about cloth products that they purchase in general and handloom in particular, we also wanted to compare this feed back with the feeling of handloom traders and retailers and how do they go about it. It was planed to take input from various traders and retailers in major cities and analyze it quantitatively. But it was impossible to frame a questionnaire which can be used for all the traders and collect data because maximum traders deal with very specific product which is different from other trader's products, they procure from different centers and material also differ because the market that they serve and customer profile for each retailer and trader is different. To solve this problem we followed way in-between, a structured questionnaire we prepared to collect qualitative information and also we had discussion with these traders for collecting general input from their side.

In this survey, which covered the six major cities in country namely Delhi, Mumbai, Kolkata, Chennai, Bangalore and Hyderabad, traders were asked about various attributes, as they feel that customer look for while purchasing the handloom products. We also made an attempt to estimate the size of market of these cities for handloom products, but failed due to lack of information on size of the market in terms of value and volume. In some cases the estimations given by the traders for total handloom market of one city was half of the annual turnover of some of the retail shops.

This shows that how fragmented is the handloom market, where the big players themselves don't have approximate idea of market size. Besides this problem the traders have very little knowledge of customer profile and about other handloom products except the products, which they deal. Compared to wholesalers and traders retailers have better market intelligence which comprises market conditions, customer profile, buying patterns, current trends and designs.

It is observed that retailers are one who are adapting new trading practices very fast. New entrepreneurs are entering in to handloom retailing by establishing direct link with master weavers and local traders, which streamlines the supply chain and logistics management.

This is a welcoming sign for handloom sector, which certainly provides bright future for the sector in the domestic market. But this phenomenon is limited to metro cities, which is minuscule as compared to sector as a whole.

Now if we look at the retailers from the customers perspective their observation matches with the market demand in general but some gap also exists which needs to be filled with deep understanding of customer profile and observing the market trends continuously. In case of the customer preferences saris, bed sheets and dress material which top the list and that is more or less similar to the findings of traders survey. Even in case of cloth material, which is purchased, and preferred category the retailers, traders and wholesalers have very right understanding of market. Cotton is the material, which is most preferred by customer, and even retailers also feel the same.

When we look at why people prefer to buy handloom products, there is a difference of opinion among traders and customers. According to retailers price is the most differentiating factor for competing in market, but customers look towards handloom for the comfort that it provides and design, though price does matter in some cases.

As we discussed earlier the information channel is very important for creating new designs, which can give feedback from market. For this purpose when retailers were asked their responses about the customer specific demand, more than sixty five percent retailers revealed that they communicate this demand to their suppliers. But out of these retailers very few have direct communication with the weavers, all others follow the channel of their suppliers. Again proper response from supplier side is also important to satisfy the customers demand and here the efficiency of communication, shorter information channel and use of technology plays great role. Absence of these factors can be blamed for poor response from supplier side for customer's demand, as only fifty percent of these type of specific demand get any response from suppliers.

Customers' revealed that design is one attribute, for which, they search and because the handloom is considered a sector which can produce most customized product, it is very essential to add new designs at continuous basis. As the weavers are away from the end customer this is the responsibility of retailers to respond to the customers and develop new design for competing in the market. Very few retailers have their own design team or design facility. In selected sample less than twenty percent of retailers have their own design facility. All others sell whatever the weavers produce. This tells the need and essentiality of putting more design facility from retailers' for quick response to the market demand.

During the discussion with retailers future of handloom was also one issue that was taken care. The retailers see a bright future for handloom sector in coming days and they also substantiate their argument with lot of reasoning. Almost all the retailers showed positive feeling about future, except few, and there were reasons from good customer relationship management that has become a buzz-word these days to the increasing belief in swadeshi for that people are coming to handloom. There are other reasons also like increasing awareness, attraction of handloom in younger generation, more value to the tradition, finer quality, fashion, increasing distribution and availability. Though this shows the enthusiasm of retailers for handloom but still there is gap between customer satisfaction and service quality provided. But simultaneously they accept that handloom is facing lot of challenges like imitation by powerloom, slow process of new design development even some times very standardized designs, in few cases exploitation and cheating with customer which destroy the long term relationship, lack of awareness, promotion and marketing etc. They are also aware of challenges from other markets like China, which has cost advantage over Indian handloom products. Supply of raw material is another big problem that Indian handloom is facing, according to the retailers, which increases the total cost of products. Retailers also reveal in their discussion that credit and financial services are not properly organized for the sector, which leads to costly loans from local informal market and the accessibility of this loan is very difficult if guarantor is not available.

Retailers are not able to visualize much change in the handloom sector except changes in design and colour patterns. Traders even show their resistance to change and say they are very much satisfied with existing system. Very few people say that handloom is transforming itself on management and technology platforms. But the speed heading towards these changes is very slow that requires help of government initiative and NGOs, in terms of technology up-gradation, better management practices and efficient marketing. Awareness about government schemes and programs for handloom sector is very poor among retailers, traders and wholesalers. Majority of them replied that they do not have any idea about any schemes for handlooms, but few of them replie0d that government gives some tax rebate and subsidies for handloom, specifically under which program is unanswerable. Very few retailers are aware of VAT (Value Added Tax), sales tax and excise duty between one state to other and feel these as hurdle in the healthy growth of this traditional sector.

To improve the share of handloom market, retailers' views are also same as customers expressed in their discussions. But these suggestions are comparatively more specific than the customers'. Innovative design, promotion, advertisement, improvement in quality, better availability and improved marketing are some general idea that they talk about. But retailers also have same plans to which could help implementation e.g. government can promote handlooms through dept. of tourism, proper distribution system can be put in place for efficient service and customers can be educated about the benefits of handloom products and special awareness campaigns at national level can be organized.

In this way there are so many matches and miss-matches in customers demand and retailers'/traders' perceptions. Input given by all these stakeholders can be used in framing specific marketing strategy for the handloom sector. But through these inputs it is very clear that any change at single level in system will not make any big difference, to make a real dent for improvising the current situation all stakeholders have to come together and have to work in a synergistic and concurrent manner.

5.Understanding the Trade Practices- Case Studies of different handloom clusters.

A Case Study On Chirala Weaving Center

Overview:
Chirala is a small town in prakasam district of coastal Andhra Pradesh with the population of 40,000, among which 16,000 population are weavers. There are 12000 working looms in chirala and surrounding areas (with in 8-10 Kms). The local economy revolves around cloth production. Weaving in this area is not confined to one community there are 22 communities involved in the whole handloom production processes starts with yarn trading, selling dyes, cleaning the yarn, dyeing, sizing, warping, preparing the design, card punching, setting the design on loom, the process ends with weaving the cloth and selling and distribution of finished cloth. BCs (padmasali and devanga) and SCs are mainly involved in the weaving, pre-weaving and post-weaving processes. Mostly Vaisyas(a traditional trader community in Andhra Pradesh) are involved in trading of raw material as well as finished products.

Trade Practices:

Master weavers of chirala are very strong and predominant. Master weavers own large number of looms and they employ weavers who come from other districts for low wages. The wages are determined on the basis of quality of the yarn they weave and complexity of the design of the cloth woven. There is another structure is followed in Chirala where the migrant labour work in work sheds under the supervision of mini master weavers. These mini master weavers are under contract with master weavers who supply yarn and designs. These master weavers market the products to both local (chirala, Vijayawada, Guntur, Hyderabad) and national (primarily Chennai) wholesalers.

Chirala doesn’t boast any unique design or variety to associate with the place. But the real madras handkerchiefs (RMHK), lungis and susis, are woven in chirala and jandrapeta and exported to Nigeria and other African countries to cater the Muslim emigrants from India. Due to the powerlooms of tamilnadu the production is drastically dropped since five years. These powerlooms copy the product design and export to the foreign destinations. Now the weavers are producing the products, which are famous and unique in other places such as Gadwal, Venkatagiri, Kanchi, and Mangalagiri and Pochampalli varieties of saris and dress material.

There are five important places around Chirala where weaving and dying takes place namely chirala, perala, vetapalem, pandillapalli and ipurupalem.

The chirala weavers are innovative. They are using computers in creating designs by which they are saving time and enhancing the weaver's efficiency.

The weavers who are weaving complex designs are getting higher wages ranging from R.s.2000 to R.s.3000 compare to the weavers weaving normal designs are getting a mere R.s.800 to R.s.1600. There are problems in getting new designs and quality of work force to weave the new designs in chirala also.

The Problems In Chirala:

Chirala is not an exception for the maladies, which are pulling back the handloom sector.

The cotton and cotton yarn is exported to other countries. This keeps the yarn price sky high, which is primary raw material to weave the cotton clothes. The loom is not user friendly for the complex designs. An average skilled weaver can't set the complex designs on the loom. As design becomes complex the load on loom increases and it becomes physically difficult to a weaver to work on the loom for hours together, it affects the productivity of the loom.

Master weavers themselves do the trading who are not well informed about the market trends and consumer behavior. They just depend upon traders, commission agents or wholesalers for the market information, which is neither scientific nor genuine. Master weavers don't explore the new opportunities and have the laid back attitude. They don't even appoint representatives for their marketing activities. The co-operative system is failed in Chirala because of high politicization, corruption, delaying payments to the weavers for their stock. There is no proper marketing channel or promotional practices in place.

There is no training to enhance the technical and marketing skills of weavers, master weavers, designers and other important stakeholders of the whole value chain, which must be provided by government and co-operative society.

SWOT Analysis Of Chirala Weaving Center:

To analyze the market scenario in Chirala we must understand the strengths, weaknesses of handloom products produced from Chirala and the other stakeholders of Chirala, opportunities ahead for Chirala and threats faced by Chirala.

Strengths:

The weavers in Chirala have extraordinary skills and adaptability to the changes according to the market demand.

Open mind and readiness to accept different designs are the greatest strength of Chirala weavers.

More varieties of handloom products are produced in Chirala.

The proximity to the potential markets such as Vijayawada, Guntur, Ongole, Nellore, Hyderabad and Chennai facilitates Chirala weavers a greater marketing opportunity to their products.

High quality transportation system connects Chirala with all major markets.

Another strength of Chirala is being very near to the raw material suppliers, which lessen the cost of raw material transportation otherwise the weavers of Chirala have to depend upon other states for cotton yarn that is basic raw material for handloom products.

The products produced in Chirala cater to every segment of market.

Weaknesses:

Chirala doesn’t boast any unique product of its own unlike Pochampalli, gadwall, and Kancheepuram.

High cost of production.

Low productivity compared to the national average of productivity per loom.

Low wages demotivate the weavers to come up with value added products.

Chirala products are highly dependent on domestic market. No exports being done.

No technological breakthrough in loom modification to make it flexible to all types of designs and weaver friendly.

Weaver is just a wage labor. He doesn’t have any role to play in the whole value chain of the handloom sector.

The master weaver system is not efficient enough to market the product, and they are not well informed about the market trends and customer behavior.

Opportunities:

There is a market for every product in this world if the product can be placed at right time, right place and right price to the appropriate segment of the people.

For Chirala the best opportunity is to get in to new segments like home and domestic furnishing accessories, made ups and value added products.

Chirala weavers can tap the product categories that are woven on handlooms only, which are unique to handlooms but not possible to make on either power loom or mill.

There is a big market in the Europe and North America for quality value added handloom products, which are highly potential and give high value to the right product.

One active loom keeps 16 related occupations alive so there are very large numbers of livelihood options.

Threats:

The state and central government policies, which don't support the weavers right from the raw material procurement to selling of the product.

The WTO agreement, which doesn't protect the handloom weaver's interest against dumping of the products from china and south East Asia indiscriminately.

Power loom products are the main threat to handloom products. Government does not protect the reserved items produced by handlooms.

Low investments and high business risk is not bearable by small time players i.e. weavers.

A Case Study On Pochampalli Weaving Center

Overview: Pochampalli is a handloom village in the district of Nalgonda in Andhra Pradesh. Pochampalli has got an advantage of being very close to Hyderabad, the town is just 50k.ms from the city. Pochampalli is synonymous with handloom silk saris, the Pochampalli variety is famously called as tie and die variety, this variety is also called as "Ikat". Ikat is a skill of weaving randomly dyed yarn in natural zigzag or geometric patterns. It is truly an art of weaving that won accolades throughout the world. It originated in Nalgonda district of Andhra Pradesh and now practiced mainly in Puttapaka, Pochampalli and Chautuppal villages. The technique is unique and extremely popular.

There are 12 co-operative societies in Pochampalli, nearly 2500 weavers work under co-operative fold and around 1000 weavers work independently. Most of the weavers own the looms and work independently. The master weavers system is not so prevalent in this center. Above 90 percent of the weavers weave silk saris and dress material very few weavers weave other products like lungis, bed sheets and other home furnishing material. Most of the weavers in Pochampalli belong to padmasali community, which is one of the traditional weaving communities of A.P.

Trade practices:

Pochampalli business model is trader centric and trader dominated model. Very Few master weavers own 5-8 looms, no master weaver owns more than 20 looms in Pochampalli. Master weavers employ weavers who don't have a loom for low wages. Some of these master weavers have links with local traders, commission agents and wholesalers. Master weaver sells finished products to local traders who own shops in Pochampalli and have linkages with traders in Hyderabad, Bangalore, Gujarat, Kolkata and other major markets. The traders who have the strong and direct market linkage with the wholesalers and big retailers at regional as well as national level push the product and try to make sizeable margins. These traders never reveal market demand and price of the product, they always try to convince weaver that their products don't have market demand and getting sold at lower prices despite the reality is something better.

The local traders of the finished products themselves buy raw material i.e. silk yarn from Bangalore which is the major silk yarn supplying center in India and sell to the weavers and master weavers in Pochampalli. Few master weavers get raw material from Bangalore directly with out the involvement of the local traders. The yarn prices are ranging from R.s.390 to 500 depending on the quality. There are retailers who get the dyes from Hyderabad and sell in the local market. To dye a sari completely it costs around 65 rupees. Total production cost of a silk sari will be around R.s.1100 to 1200. But the weaver can sell it for a margin of just R.s.100 to a local trader. By selling this sari in the major markets local traders will get double the price. When it reaches the customer through retailers the final price tag of the sari will be around four times more than that of the actual price a weaver sells. In this whole chain except weaver all stakeholders viz. traders, wholesalers and retailers are benefited.

If the weaver works for a master weaver he can earn R.s.3000 per 8 saris (1 baaru) in 45 days. Low wages will affect the productivity and quality of the product. The weaver will be de-motivated and he can't think of innovation and creativity. But in Pochampalli the weavers are open-minded and they welcome the modern technology.

Hoping for better:

Recently Indian airlines has taken an initiative which helps Pochampalli i.e. Pochampalli sari will be the dress code for airhostess of Indian airlines. We can expect there will be more initiatives from more government departments.

A Case Study On Karur Handloom Cluster

Overview:
Karur is situated in the rich kongu region and is one of the fast growing business and industrial towns of Tamil Nadu. Karur has a distinct place in the global handloom map. A thousand crore handloom and power loom products, home furnishing accessories and made ups are exported every year. This has been identified as one of the major and best handloom clusters in India. The Karur is situated in the rich kongu region of Tamil Nadu state. The region is known for cotton and cotton yarn production. Coimbattore is known as Manchester of the east is located in this region and just about two hours drive from Karur. There are nearly 12,789 handlooms and 3,000 power looms working in entire Karur district. There are 4,851 handlooms are working under co-operative fold in the district and the remaining7, 938 are either owned by weavers who work for traders and exporters of handlooms or work according to the orders they get from the local traders.

Weavers Co-Operative Societies In Karur:

There are 32 handloom co-operative societies in the district of Karur. 4,851 looms are working under these 32 handloom co-operative societies. The primary motive is to provide continuous employment. Karur and erode districts weavers have work in their hand on an average 25 days in a month and they earn R.s.75 per a day where the weaver works under a co-operative sector and produces cotton products such as dress material and sarees. But the most of the weavers who live in rural areas of Karur and erode produce these products. Weavers who live in Karur town and surrounding villages weave value added high-end superior quality products for exporters. The weavers who weave for exporters they earn from R.S.5, 000 to R.S.10, 000. Most of the co-operative weavers weave for domestic market rather international markets.

The trade practices:

Karur is the most successful and competent handloom cluster in India. The business practices followed by traders and exporters made Karur a successful and sustainable handloom cluster.
There are two types of traders are prevalent in Karur.

1. Domestic traders
2. Exporters

Domestic traders:

These traders supply handloom and power loom products to various commission agents across the country and the commission agents will act as exporters too and get the commission according to the volumes they trade. Domestic traders buy the material from power loom producers more often. The products range from bedspreads, towels, pillow covers, curtains, and other home furnishing made-ups and accessories. These products are not specialized in nature more over the items, which are not specified by the client, as they should be woven on handlooms only. Some of them own the looms and produce the material for themselves and for other traders also on the basis of orders they get from them. The traders some times have the contract with powerloom manufacturers to get the required cloth to meet the market demand.

Erode is another major weaving center in Tamilnadu. Erode even acts as a trading center for nearby weaving centers such as Chennimal, Bhavani, Kangyam and other surrounding villages and small towns in Erode and Karur districts. The low end products like towels, lungis, bedsheets and other furnishing cloths are produced and traded in Erode. Despite these places are known for handloom products, these have been replaced by powerlooms in a massive way. Very few products which cant be produced on powerlooms and they can be produced on only handlooms are woven by hand.

The traders in these places are well informed about markets and they visit the market places in India and assess the market before they get in to marketing of products. That is why the products of these places have wider reach and penetration. In monda market of Secunderabad in A.P. one can find more Erode (T.N) made towels or bedsheets rather Koyyalagudem or Madanaplle (A.P.).

Exporters:

Karur is an exporters Mecca. In the year 2002-2003 the total handloom exports touched the1000cr. Mark. The government has declared Karur as a handloom cluster in India. We met Mr. kaliappan who is chairman of Anboli Tex, which is pioneer in making quality and value added hand-woven products, he is also President of the weavers association,

Karur. He said that handlooms are preferred by most of the foreign clients, and the products are very specific they cannot be made on powerlooms. Basically the weavers of Karur are depending on these kinds of products and samples, which are exported to the foreign clients. The margins are good enough for traders as well as manufacturers in this segment but from last tow years along with the market cost of raw material and production also has been increased.

He also said that the raw material price is very high, if it continuous to grow in same pace the stake holder's interest will be in jeopardy. There fore the government should respond and take corrective measures as early as possible to protect the sector on which millions of people are depending.

The former chairman of handloom export promotion council (HEPC), and Managing Director of Amaravati textiles Mr. Sivakannan said that the handloom sector is doing at par with powerloom and mill sectors. He could see no reason why the handloom sector is neglected by the government.

Expert views: How handloom sector can effectively compete in the global arena

1. The main issues in handloom sector are cost factor and untimely delivery of goods.
2. Innovative products, which can be catered to niche markets within the country and abroad.
3. Loom should be flexible for all designs and weaver friendly (user friendly)
4. The products from South East Asia has lot of potential and value in the market but they are not exposed to market and even market access is not there for weavers so the government, NGOs and private parties.
5. Provide the training to the weavers according to the market needs.

6. There should be a long-term plan from the government side to develop the clusters according to the domestic and international market needs and requirements.
7. Just the product only cannot be marketable; the sector should adopt all marketing mix ingredients in it (product, place, price and promotion.)

8. The hand weaving, which is called home textile, should be the part of the academics from the elementary levels it self in all handloom clusters.
9. Training for entrepreneurship development in all clus12ters and practical knowledge must be imparted to the weavers.
10. There are very limited sources available for exporting of handlooms in terms of infrastructure, information and training. For example Amaravati textiles wanted to set up the exporting house in Hyderabad, but lack of government support, infrastructure and skills available in the region were not able to meet international market requirements where as Tamilnadu has these characteristics to meet international client needs.
11. The government should extend all benefits to handloom products, which are enjoyed by handicrafts like tax benefits and other subsidies.
12. The government, NGOs and other voluntary and private agencies should take initiative to do quality check, standardization of the processes and quality and have a mark which shows the place of the production, patent and branding.
13. A research should be carried out to produce a high quality handloom material with low cost and standardized processes. It makes the handloom products affordable to the common man.

All these aspects should be implemented and make it a continuous process so that handlooms would not lose its glory.

6.Market Structure Of Hand Loom Sector A Strategic Analysis

Market Information Flow

In existing system, information flows from customer to retailer to traders to local seth/ trader to master weavers and then to weavers. There are some alternate channels also exist, like in some cases direct customer approaches to the weavers, but this channel is minimal and available only near to weaving clusters. Some organized retail stores for handloom, also claim to have direct link with either local trader or master weavers. But this system exists very rarely. In co-operative system, initiation from customer itself is blocked because the store managers of co-operative retail are very less interested in listening to customers. To understand these information block, it is very essential to study the system very deeply and approach of each stakeholder.

Textile is comparatively high involvement product for the customers, in case of handloom this involvement is even higher. Before purchasing a textile product, customer enquires about it twice, and then only go for it. Customers also give their input and they also put their specific demand very clearly to the retailers. In case of direct purchase from weavers place, this specific requirement reaches to weavers very clearly. But in case of through retailers, this information has to travel a very long journey. Retailers also listen the customer's voice very carefully and try to get as much as possible, because for retailers customer is most important and they never want to loose a single customer. To convince a single customer, retailers try to explain all the complexity of preparing the cloth, its quality and special characteristics of that cloth. So the interaction between a customer and a retailer is face to face and there is no block in transfer of information.

At the other end, master-weavers and weavers have very close and clear interaction and they understand each other's language very clearly because of same societal background and same business. In most of cases, master-weavers are also from weavers' community and in some cases they also weave the cloth. Their understanding of various cloth weaving processes is as good as of a weaver. The extra skill that they have is contact in market and access to the channel. So flow of information at this level is free and there is no block at this level also.

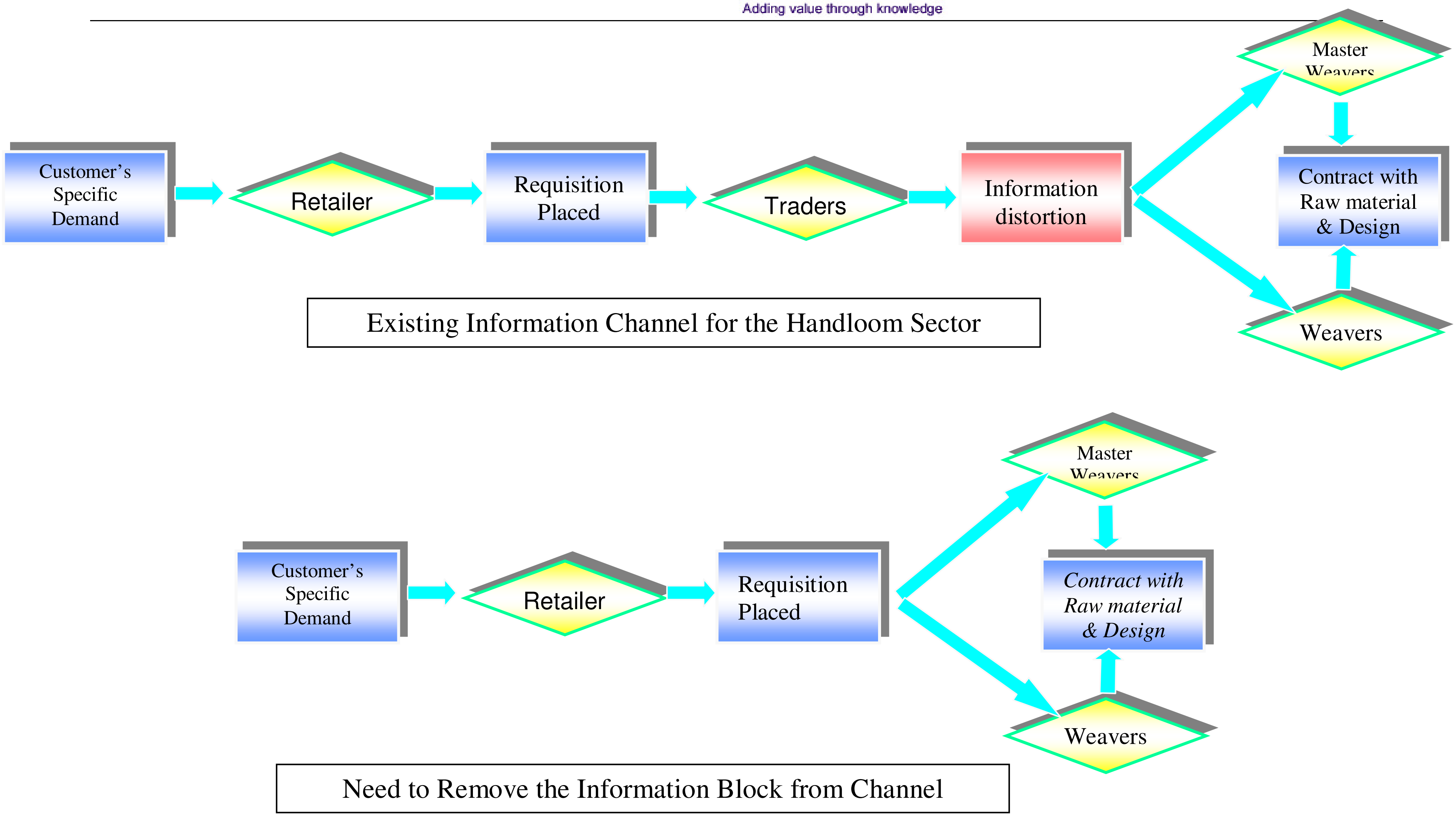


Fig 6.1: Information Channel followed in Handloom Sector

The joint between above given two systems is a trader. This joint could be of single trader and also could be a chain of traders (at weaver's place, major wholesaler and minor stockiest). The role of trader in whole chain is to supply the product from its place of origin to retailer's place. He gets commission on this transaction that varies from 5-30% on the product. Trader doesn't have direct role in the process of producing the handloom product and not even direct touch with the customer and market demand. In whole value chain trader is the only stakeholder who doesn't want to share the business practices and avoid the revealing of the information of his business (experienced in most of cases). Knowledge sharing is also least among traders because generally it is perceived as sharing information will increase the competition. Information from retailers also could not get passed to the weavers because of unawareness of complexity of process and limited role in the chain.

But there are cases, which give good examples of use of high technology and made the information sharing easily accessible. Internet is one tool that can solve this problem very effectively. Opposite to traditional supply chain, internet provides common platform to all the stakeholders, where they can put the information about there business as well as they can create business quarry for partners in business (suppliers and buyers) on the net.

Different Business Models Of Handloom Sector

It is necessary to analyze the existing marketing structure of the handloom sector that are in operation and various business models to prepare an appropriate marketing strategy for sector. Currently three major business models of marketing are in vogue. These are:

- Marketing Under Co-operative sector
- Marketing under corporate / business men
- Marketing by independent weavers

Co-Operative Model:

To make an effort of organizing the handloom sector, co-operative was the best-suggested model. The co-operatives are still as important as it was in the inception period.

Co-operative system was introduced as a means to empower the weavers, who were suffering from ineptness and low wages at that time. Initially the existence of cooperative was for providing raw material such as yarn and dye at subsidized rate, later these societies also enter to the marketing and other concerns also.

In general the primary responsibility of the co-operative is to provide yarn at subsidized rate and at regular interval. Added to that other developmental efforts that they are involved include finding the market and sell the products produced by member weavers. With this in some cases these co-operative societies are also responsible for training and other information need of weavers.

Often large co-operative societies are reaching to the customer by having own outlets or showrooms at various locations (metro-cities, cities and towns). Other hand these societies also ensure the market for weavers. Some of societies are also involved in contracting of job work to the weavers whereby payments are based on the basis of work done. Owing to the fact that for a long time handloom sector was informal and unorganized, it was felt that organizing the artisans under co-operative in each cluster as the market intervention and promotion opportunity.

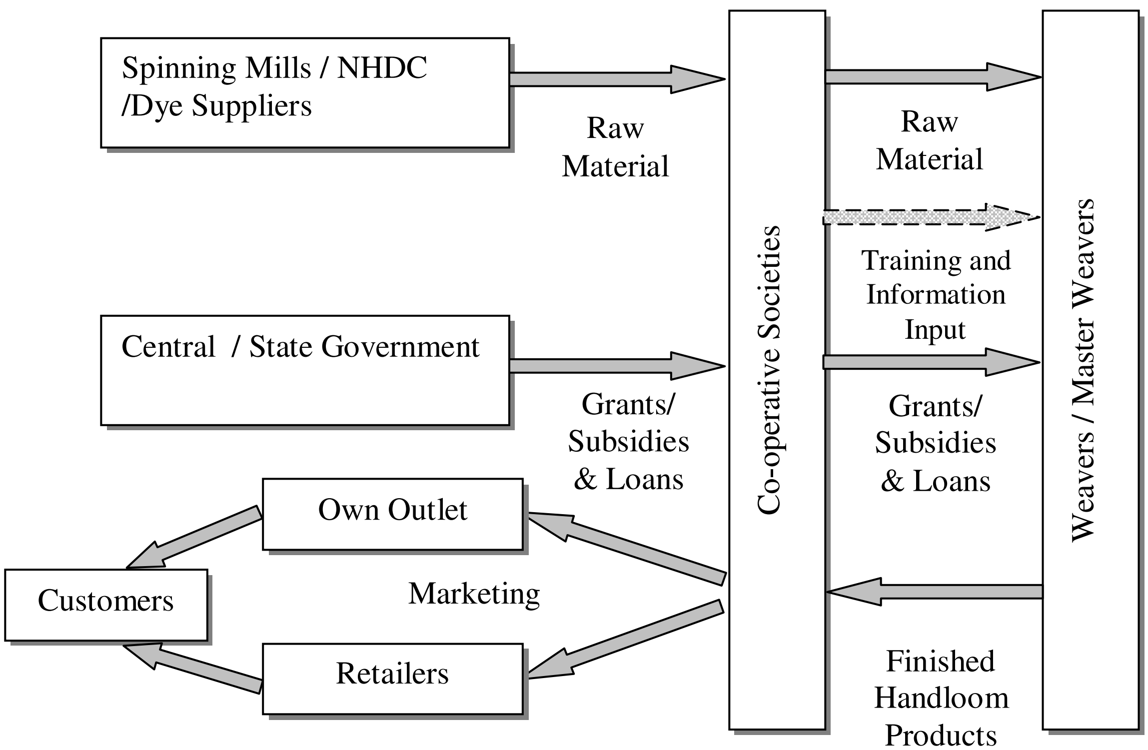


Fig: 7.1 Flow Diagram of Co-operative Society

Though the co-operative is best way to empower individual weavers, but there are drawbacks in existing model. As a result, co-operatives are not meeting the requirement to the desired levels. Some of the identified drawbacks (on the basis of earlier studies as well as discussion with selected weaving communities) include:

- Management control of society with few master weavers or local power groups.
- Excessive intervention of politicians and political parties in the affairs of co-operatives.
- Inappropriate use and allocation of funds
- Favor of few weavers (known and relatives etc.)
- Irregular yarn supply because of inefficient logistic management.
- High level of corruption in various procurement and dispersal activities of co-operatives.
- Information blockage because of unawareness among co-operative employees loans and grants from state and central governments are not rooted properly.
- Procuring material from non-members weavers.
- Promoting other textile products (not handloom).
- Bureaucratization of co-operatives increased the overhead costs leads to relatively lower payment to weavers as against the prevailing market rate.

All these inefficiencies often compel the weavers to move away from these co-operative societies and explore alternatives. This shift results in reducing membership in the co-operatives as it can be seen through following graph. The graph shows not only the number of weavers co-operative societies are reducing but the number of membership of these societies in Andhra Pradesh is reducing for instance.

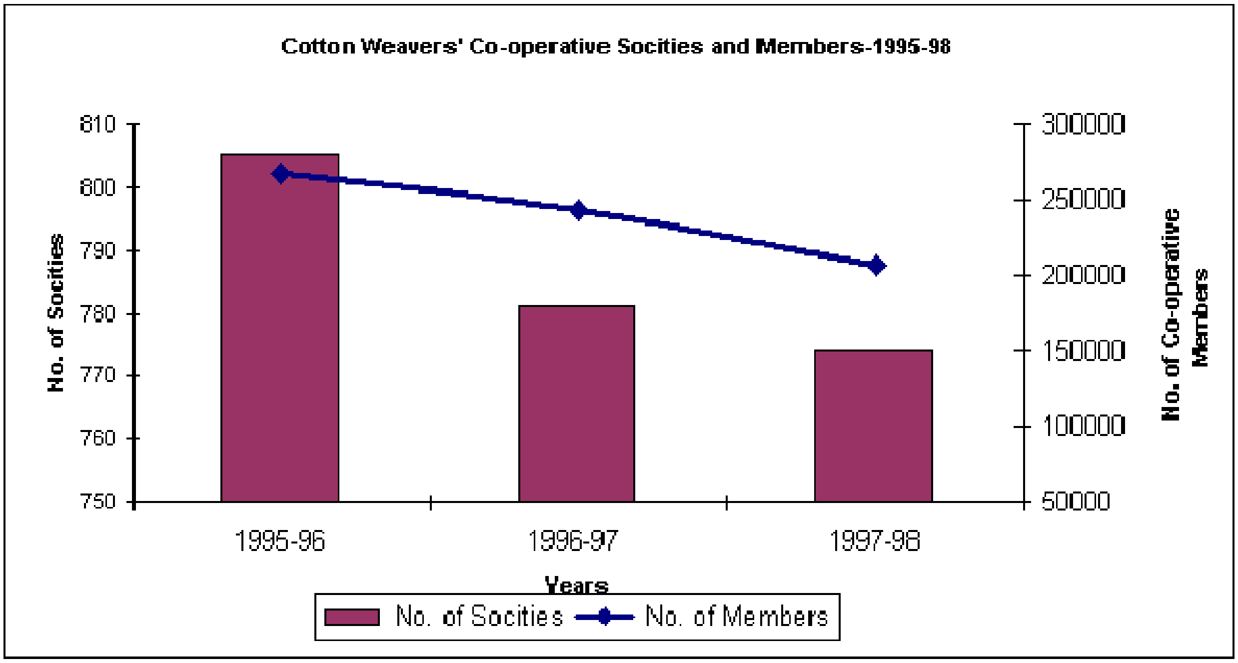


Fig: 7.2National Cotton weavers' co-operative societies and members – 1995-96, 1996-97,

1997-98.

As mentioned earlier, currently most of the co-operatives are not fulfilling their responsibilities. As a result the sense of belonging and owning of weaving co-operative society is gradually eroding among weavers. Traditionally weavers used to look after the whole activities of business including raw material procurement, production and marketing. This was diversification of skill-set of the weavers and direct flow of information from customer. To make weavers very specialized in the area of production, co-operative societies taken-over the charges of raw-material procurement and marketing. This system created blockage in direct interaction of weavers with customers and led to blockage in production innovation potentials due to the limitation imposed by extensions of operation of co-operatives.

Not only in the co-operative society, in the total value chain for handloom product also. Though the value added to the product by the weaver is remarkable but what weaver get out of it is marginal compared to the other players in the whole value chain. Either it is co-operative society or any other business model for the weaver, the norms are decided by other people of value chain (supplier, middlemen and buyer), this has made the weaver weakest player in the whole value chain. Though he adds maximum value to the product.

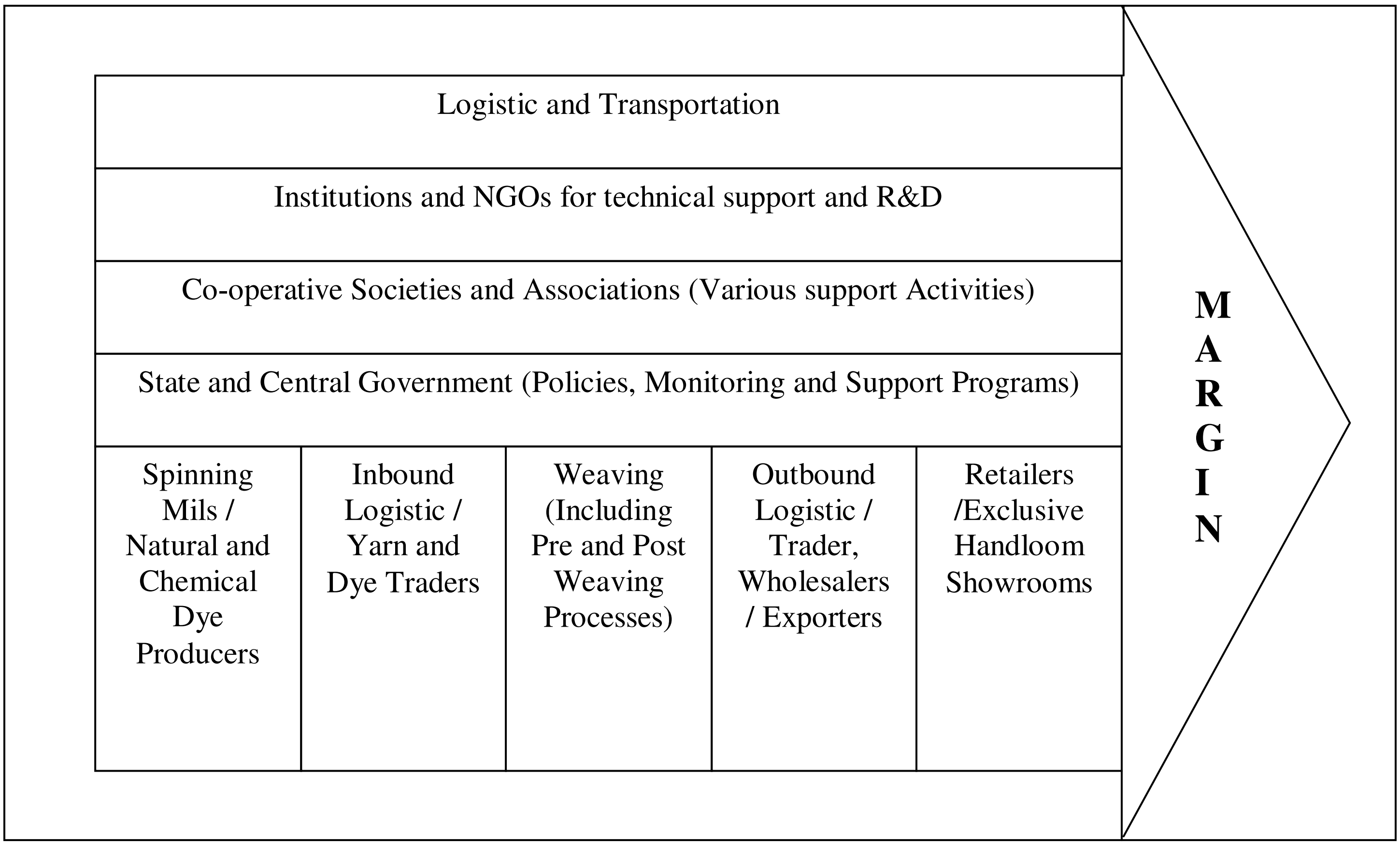


Fig: 7.3 Value chain of the handloom sector (diagram)

Corporate Model:

This model is just limited to retailing of the finished products. This is one of the most up coming and profitable business models in the urban areas. The entrepreneurs use the price as a tool very perfectly, If you look at Hyderabad market, the retailers like FABMART, KALANJALI, CHANDANA BROTHERS and KALANIKETAN are the good examples of this. Retailers are attracting customers with proper packaging of handloom products. Packaging can tell lot of things about the product, it can describe the quality and segment, in which product is placed. Packaging with traditional look can increase the market value of product. Packaging should be in a way that reflects the feature that are mostly demanded by customer e.g. comfort is one feature that is looked in handloom (as customer survey) can be reflected through light colors of packaging. The ambiences they create in the show room, the customer service they provide are important things to attract high end and premium customers. Heavy promotions, ad campaigns to reach customers help the retailers to increase their revenue.

These retailers are the one who really makes huge profits by interacting directly with end customer, knowing their behavior and preferences, but they will not share these profits with any other stake holder in the whole value chain. There should be integration between weavers, traders and retailers through which can enable them to access to the information of the product, price, design and customer preferences. All stakeholders of the value chain should share this information. This can be done when they are connected to an information system. This system will help the each stakeholder to sustain in the business.

This model has its own limitations in implementation. The information system can be Internet. But training of the weavers and traders providing the infrastructure is difficult with out government intervention. It'll take lot of time to make the weavers adaptable to the technology.

Make all the retailers agree for this system is another tough task, because they don't want to decrease their margins where they are very comfortable now.

Weavers Marketing Model:

This model is very prevalent in rural areas, this model is very old and structure is very complex. Here the weaver him self acts as a trader and retailer. But in most of the cases the weaver is master weaver. His area of operation is very limited because of the roles he play in the value chain. When he plays all major roles of the stakeholders across the value chain he may fail to add value to the product through innovation and as well as promote the product effectively. This hampers the sales and bottomline of his business. But this model can be applicable to the low end products if he can achieve economies of large scale.

If the master weaver or a weaver wants to achieve sustainable growth he has to reduce cost production and enhance his productivity, which can be done by processes streamlining and high potential product category. To identify the high growth product category he has to monitor the market trends continuously. E.g. these days there is lot of potential for kids wear and dress materials for young. The producer should concentrate on these products and he can go for forward integration by setting up tailoring unit to make the handloom cloth a readymade garment.

For going forward integration the producer needs financial and skilled human resources. This can be affordable by a big master weaver, but marginal weavers cannot take the risk of this kind of entrepreneurship.

MICHAEL PORTER'S FIVE-FORCE ANALYSIS FOR HANDLOOM SECTOR

It is very essential to know the profitability of an industry/sector to enter in to this industry/sector. If the particular sector is profitable, well performing, organization or shareholders are ready to invest in to it. But if the industry / sector itself is not doing well, then it is necessary to analyze the industry/sector as a whole. The gaps and loopholes should be traced and an alternative, sustainable business strategy should be framed. The best tool to analyze the industry is Michael Porter's five-force model. This is also known as analysis of external environment for an industry / sector. If these forces are powerful for a particular industry/sector, position of this sector is as poor. For that accordingly a strategy has to be evaluated and that to be competitive in the market. In case handloom sector, the analysis there is from weaver's point of view, instead of whole sector. So that a strategy can be proposed for handloom sector can be done as follows:

Bargaining Power of Buyers:

For a weaver, there are innumerable buyers such as end customer, master weavers, co-operative societies or traders and simultaneously. These buyers are at different levels with different value delivery potentials and capabilities. For weavers, bargaining power of these buyers is very high. First reason for this is, weavers are very unorganized and most of the buyers are comparatively organized. Buyer like co-operative societies, master weavers and traders are big buyers for a small weaver, so based on this volume they can bargain. All these buyers also have access to multiple sourcing that reduces the bargaining power of weavers. Other features, which increase the bargaining power of buyers are less switching cost for buyers and very less threat from weavers of forward integration in the value chain. So in current market situation weavers perceive and experience the higher bargaining power of buyers

Bargaining Power of Suppliers:

For weavers, yarn and dyes are primary requirement for weaving. Here also weavers do not have control over the supply of yarn or dyes, they always faces the scarcity of supply of raw material. At spinning mill level, bargaining power of suppliers is very high, because for suppliers, other than handloom weavers, powerloom weavers and mills are major customers. This reduces the importance of handloom sector to the supplier. The raw material is very specific for the weavers and any substitute for these products is rarely available in market. Suppliers are also very organized and concentrated, that again increase their bargaining power.

In case of raw material supply the one advantage that weavers have, is subsidized raw material with fixed quota for handloom sector only. But this solution is not sustainable as spinning mill owners are continuously raising pressure to reduce this quota and make the market open for all players.

Threat of new Entrants:

This point is not very relevant to our analysis as a single weaver's entrance does not make big difference to the sector. So if number of weavers increasing than also the rivalry with in sector is not increasing. But the threat of new entrants is very low as this sector is not considered as attractive as powerloom.

Threat of substitute product:

This is the force, which has threatened the handloom sector most. There are substitute products available from powerloom as well as from mill sector. These substitutes are very serious for handloom sector because on all aspects these substitute compete with handloom products. Relative price of these substitutes is low compare to handloom, quality is also comparable and switching cost for buyers is negligible. Other than theses factor powerloom and mill products are easily available and they are produced at economy of scale level, which gives cost advantage over handloom. Both these sectors are comparatively more organized that increases their bargaining power in the textile industry. For customers, powerloom and mill products are easily accessible, retail network for these fabric has deep penetration and are also available in the readymade from which gives extra advantages over the handloom where only dress material is available, especially mill sector responses very fast to the changing market situation, which is not so with the handloom.

Rivalry among Existing Players:

As we discussed, at individual level the weaver is very small unit at sector level, for that reason though the number of weavers is huge it does not create any rivalry among the weavers. All weaving cluster have their own specification in terms of products, fabric and design, which differentiate one cluster from other and reduces the competition.

After analyzing the sector based on Michael Porter's five forces, it is clear that out of five, three forces are adverse to the handloom sector which are bargaining power of buyers, bargaining power of suppliers and threat of substitute. Other two forces do not have any severe positive or negative impact on the sector. So overall the health of the sector is not very good and it is not very attractive for new investment from five forces analysis point of view. But there is a need to make a turnaround strategy that can make a revival for the handloom sector. The new strategy should be prepared with considering the existing drawbacks of the sector. While preparing the strategy or business plan for handloom sector, it has to be considered that the significance of weavers should be increased in the supply chain.

Michael Porter's Five Forces Analysis for Handloom Sector from Weavers Perspective

Threat of new entrant does not exist for handloom sector at weavers' level

Bargaining power of Buyers is very high as weavers are very unorganized

Rivalry among Existing Players:
Is not relevant because individual weaver is very small unit in total value chain

Bargaining power of suppliers is high as there is limited supply and other competitors (Powerloom & Mills) are strong

Threat of substitutes is very high from Powerloom and Mill Sector

Stakeholders Analysis:

In the handloom sector, there are different stakeholders. We can divide these stakeholders in to tow categories, these are primary stakeholders, those who have direct impact on these sector and secondary stakeholders, who doesn't affect the sector directly but their impact will affect the sector indirectly. This analysis does not include consumers because it deals with margin and value addition of the stakeholders.

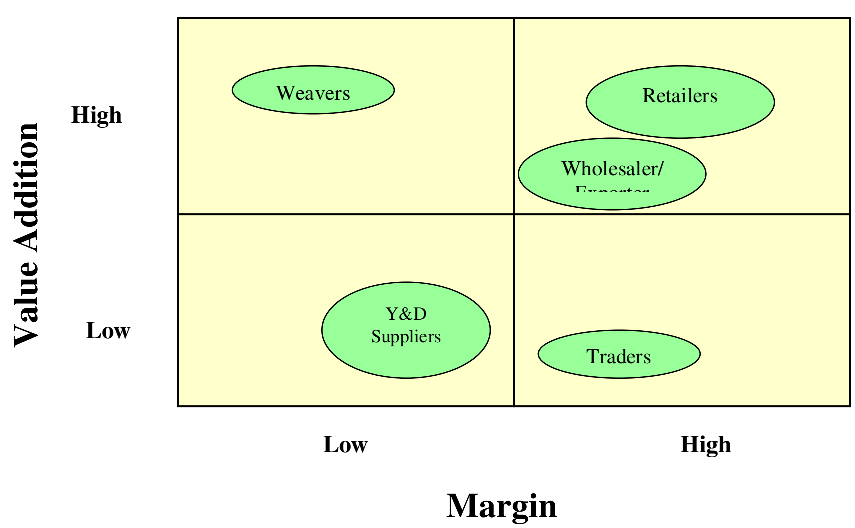
Primary stakeholders:

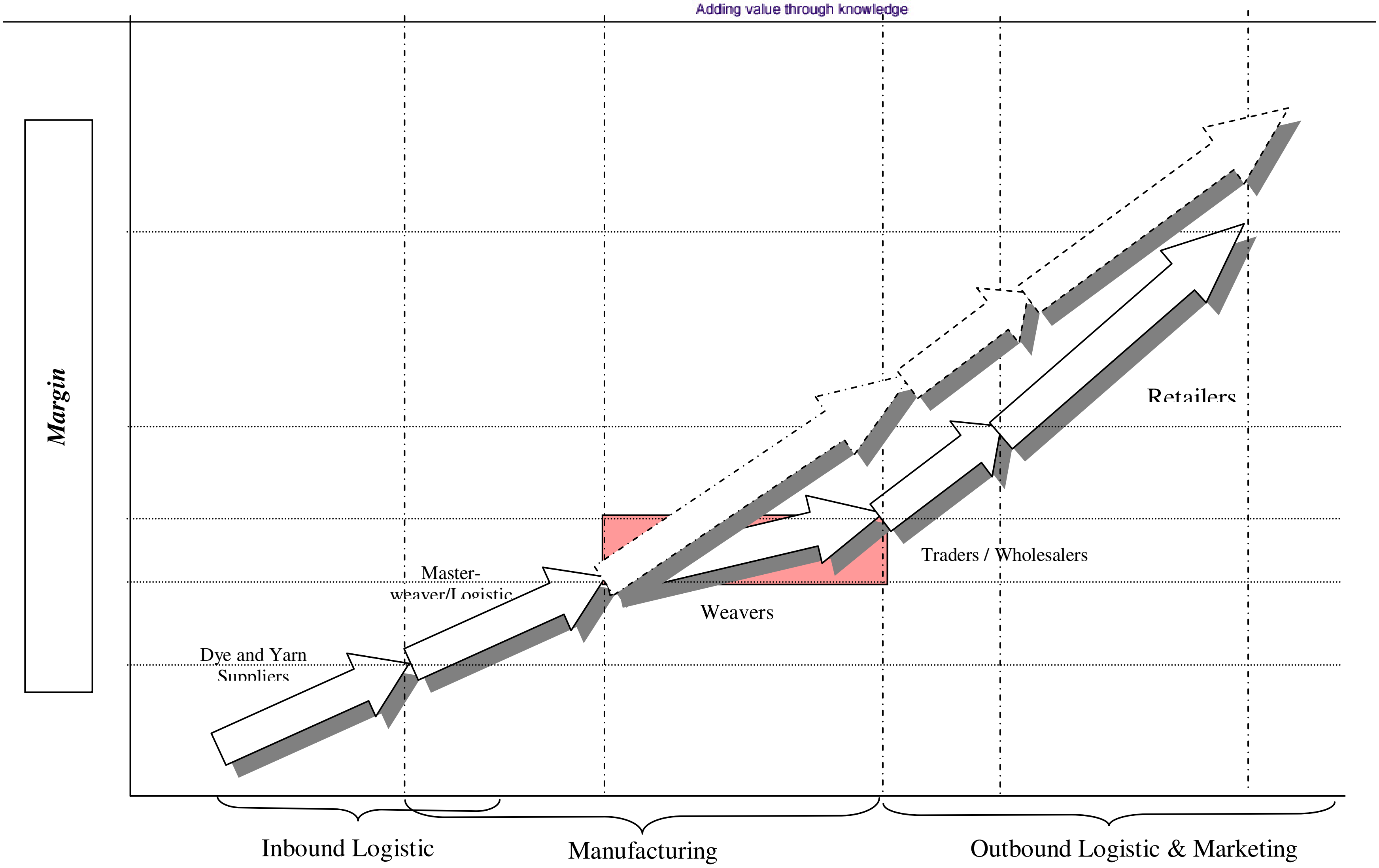
1. Yarn and Dye suppliers
2. Weavers
3. Finished Handloom product trader
4. Wholesaler/Exporter
5. Exclusive handloom retailer

Secondary stakeholders:

A. NGOs
B. Various government departments
C. Spinning mills
D. Textile retailers

The analysis can be done throw following matrix where it shows comparative location of each stakeholders on criteria of importance addition in value delivery system and margin of stakeholders' value adding system.





Value Added by Different Stakehold

As well the value addition and margin distribution can be seen from the graph depicted (Dark Lines) (Fig:00. d) above, where existing comparative value addition by different players is shown on X-axis and margin distribution is shown on Y-axis. In this given graph we are trying to quantify the qualitative value addition for final handloom product, which reaches to the customer through different processes and various hands. Here it is very clear that weavers add as high value as retailers to the final products but the gap in margin is very high. Handloom Weavers get very low margin compare to retailers and other players in this value chain. Other players also get rational margin as much they add value to the final products.

Broadly the total value addition procedure can be divided in to three activities, these are Inbound logistic, Manufacturing and outbound logistic & Marketing. For welfare of weavers, true realization of their value addition is necessary. If this realization can made possible, the graph will shift upwards (shown in dotted line). This requires different intervention at various levels in this system, Interventions at manufacturing (weaving with pre & Post weaving processes) level as well as intervention at marketing level. Because there are only two ways by which weavers can get benefited, one is through increasing the value of product and also increased value get distributed rationally among all stakeholders and other is through increasing the volume of handloom market through creating the demand. As discussed in the case of Karur handloom cluster, it is in the process of shift towards more value added products (in graph doted section). Weavers are getting better return because of high quality, improved services, new designs, finished more value added (made-ups) products and acceptance of change. All these activities have increased the total value of product for end customer so for weavers it is high wage per day. But in case of marketing even Karur also cannot be considered big success except existing export market. But in case of other handloom cluster like Chirala, Pochampalli and Warangal even the first step has also not been observed.

Problems in Marketing of Handloom Products:

After analyzing the customers' survey and response from retailers, traders, wholesalers and discussion with the weavers, master-weavers and input traders, we tried to identify problems in the field of marketing of handloom products, which are mostly existing because of current system's drawbacks. With these there are few challenges for handloom because of changing market environment like globalization, industrialization/ mechanization etc. Though, because of characteristics of high adaptability that is in-built in handloom sector, changing market scenario provides lot of new opportunities for sector, but it also raises the challenges in front of sectors growth. Problems of the handloom sector are of various types specifically in area of marketing only, which requires timely intervention from various partners for betterment of sector's future in ever-changing market conditions.

Lack of Accessibility of market information:

If we take the customers survey in Hyderabad as an indication or trend in last few years (Data shown in Chap. 2) as an input, there is great potential for handloom products in domestic market as well as for export. But the availability of organized information, formal documentation of market change, timely market research and customer surveys for market feed-back are still not common practices for the handloom sector. Unavailability of this information creates barriers at market end in terms of unsatisfied customers, unavailability of required products etc. but at the production end also, where new product development, new design and colour and innovation is required, lack of customer feedback and absences of customer preference hamper the weavers creativity. Long existing information channel also create roadblocks in feedback accessibility for the weavers from market (as discussed in chap. 4). Together these two barriers make it impossible for weavers to know about the market demand.

Lack of awareness among the customer about product features*:*

Maximum respondents in their feedback for customer survey replied that they go for handloom because of comfort that it gives to the body and its touch and feeling. But there are long lists of benefits a consumer can get by using the handloom products as various traders and retailers explained. According to Mr. Rao, Tara's 95 Park Lane, Secunderabad, who believe in handloom, handloom cloth is good for health, people those who have allergy from various synthetic fabric can use handloom, it is very soft and good for skin. Uses of vegetable dye also make it health friendly. Other than these each handloom cluster has its own identity due to specific design and technology that they use, handloom's flexibility to customize it according to customer's choice is also a great characteristic of it. It's fine quality and embroidery gives edge over the other cloth. But consumers are not fully aware of these qualities of handloom and are not able to distinguish the handloom product from general products on above given criteria. There is need to generate awareness in customer's mind about all the advantages that can be got from handloom uses.

Promotion and Advertising of Handloom:

Handloom sector is way behind in area of promotion and advertising of its products comparison to other competing textile sectors like mills and knitted wear. General practice that is followed for promotion is through exhibitions and fairs, the impact of theses events remain for very less time on customer's mind and again they start purchasing the other competing products, which are reminded them very frequently. There is another complain that availability of handloom products is at very less outlets that restricts the customer from purchasing the handloom in their vicinity and comfortably. For these purpose sector has to emphasis on the regular and continuous promotional and advertising campaign with focus on its effectiveness in comparison with other competing products as well as duration of impact and persistence.

Quality Control:

Handloom is known for the finest quality of cloth that can be produced anywhere and this is the property, which also used as Unique Selling Proposition (USP) in various cases by handloom sector like carpet and fine designs. But the persistence in product quality and standardization of quality for different handloom products are absent. There should be some procedure in place for checking the minimum quality standards of the products so that customer can be assured about this. Some specific quality concerns that expressed by the customers are durability of colour, shrinking of the cloth and durability of products etc. Focused research on these issues can be taken up for improving the quality of products wherever the customers feel some quality related issues.

Lack of Logistics Management:

Case studies of various handloom clusters, which are discussed earlier, show the supply chain of handloom products. The extra large supply chain is one case which reduces the efficiency of product supply and increases the cost, but other than this also there are various factors which reduces the efficiency of logistic management. Handloom logistic is not managed in scientific way where calculation of stock keeping period and cost incurred because of maintaining huge stock; money blocked for this purpose and interest burden on overall sector should be done. Orders for raw yarn are placed on past experience instead of using proper forecasting techniques and tool for optimizing the resources. Method like EOQ (Economic Order Quantity) can tell the quantity which should be used for optimum use of resources.

Maximum inefficiency occurs in case of finished products supply where improper marketing and out of fashion products increases the burden of handling the huge stock which is blocked with marketers. There are cases of co-operatives where these are turning from profit making to loss occurring co-operatives because of mismanagement (Mukund, Sundari). If proper system for logistic management can be put in place which includes bar-coding, logistic tracking and fast information flow through direct link between local traders and retailers, which can help in reducing total time period for transportation and storage, the cost of end product can be reduced drastically.

Raw Material Supply:

Ensuring adequate supply for the handloom sector is prime responsibility of National Handloom Development Corporation (NHDC). NHDC supply the yarn to the weavers through co-operatives at subsidized rates. But the co-operative coverage is limited to only 30 percent of the total weavers (Mukund, Sundari; 2001) that makes the yarn supply system through co-operative very less relevant for the whole handloom sector where maximum weavers are out of this fold. Subsidies and other beneficial schemes from state and central governments are also implemented through co-operatives only and that make maximum weavers away from getting these benefit.

Government has also made a provision through Hank Yarn Obligation Order, where fifty percent of cotton yarn produced in India should be in form of hank yarn and would be supplied to the handloom sector. But the implementation of these rules is always a question mark. It has been noted that in 1992-93 hank yarn delivered was only 23.1 percent of yarn production (Mukund, Sundari, 2001). To improve on this problem and to make the supply of yarn for handloom government has to take corrective action in form of strict implementation of rules and regulations and ensuring that spinning mills are following this order accordingly.

Increasing Competition:

Increasing competition in market place from various players is big challenge for handloom sector. This competition is becoming furious for both domestic as well for export market. This competition can be categorized in to two, one which handloom sector is facing because of aggressive powerloom and hosiery wear sector and second from international handloom products.

Inter Sector (From Various Sectors)

If we compare the trend in total textile production in India and percentage share of cloth produced, handloom is loosing its market share to the powerloom and hosiery sector. From 1995-96 to 2001-02 percentage share of handloom in total cloth production has come down by five percent from 23% to 18% and in this same time period powerloom has increased its share by six percent and hosiery by one percent. Though the established production capacity of handloom sector is competitive (if idle loom taken in to consideration and domestic looms of north-eastern state can transformed in to commercial loom) but the lake of proper marketing, cost advantage that other sector enjoy and mismanagement as a whole with handloom are some reason for lacking behind in competition.

Intra Sector (International Market)

Intra sector competition refers to the competition that Indian handloom sector is facing from international producer mostly in case of China. As it is discussed in case of Warangal carpet, traders feel that cheaper Chinese handloom products are polishing off Indian handloom from international market. Same problem was faced by the Rajasthan carpet few years ago, but now the conditions are changed because of incorporation of technology in carpet production like use of software for developing new creative design and use of information technology (internet) for trading which reduced the cost and duration of developing new design and trading and ultimately made the handloom carpet more competitive in the international market (Bowender, Rupesh, Swamy, 2003). By adopting these type of new changes not only carpet but other handloom products also can be made competitive in existing market. Use of Internet technology can remove the physical barriers and can help in new market development.

Policy shift in favor of Competing Sectors*:*

Total Production from handloom sector has shown a continuous growth but still the sustainability of the sector on its own is always questioned. Earlier the emphasis of policy framework was on maximum employment generation at central level. First time the Kanungo Commission or the Textile Enquiry Commission set up in 1952 which submitted its report in 1954 (GOI, 1954: Para 75 & 81) was of the view that there was no future for handlooms and recommended a progressive conversion of handlooms into powerlooms through organized effort over a period of fifteen to twenty years. Latter this recommendation was supported by the Ashok Mehta committee in 1964 and recommended that that powerloom be allowed to acquire a paramount position in the textile economy of India. Only in 1978 Janta government in its textile policy, understood the importance of handloom sector in Indian economy and frozen the capacity expansion by mill and powerloom sector at existing level latter in 1981 the fresh expansion in capacity by powerloom was regulated.

In form of New Textile Policy, 1985 was considered the most comprehensive textile policy of independent India. This was the policy, which strongly advised enhancing the productivity of textile instead of emphasizing on employment generation. And so called textile policy for millennium which was prepared by committee under the chairmanship of S.R. Satyam (GoI 1999), recommended removal of hank yarn obligation of mills for handloom, removal of handloom reservation, phased out of excise duty exemption available to the handloom in fabric stage and no additional schemes for handloom sector with some other recommendations like setting up of marketing complexes and IT booths for weavers.

All these shows that slowly government wants to remove handloom from its prime concern to backseat and wants to give more weight to the sector like powerloom hosiery and mills.

7. Marketing Strategy: Strategies to Market The Products Effectively

Different Time Frame Strategies

To improve the current situation of handloom sector and to make the sector more competitive in current scenario, where market situation are changing very fast it is very necessary to draw strategies keeping in mind the short term, mid term and long term. According to this area of focus should be identified and prioritized as required. As mentioned in the above graph the whole process can be divided in to three broad categories, it can be used focus area:

- Short term strategy: Improve in Marketing and Market Development
- Mid term Strategy: Product development
- Long Term Strategy: Process Development

To improve the current market situation of Handloom, first priority should be improved marketing strategy and catering new market option for handloom products. There is an urgent need for developing a marketing strategy keeping in account all the variables, complexity and modern marketing tools for this purpose. A proposed marketing strategy based on 4Ps marketing mix has been explained in this chapter.

For Mid term, Handloom sector should focus on development of new value added products. Because the market demand is continuously changing and products life cycle has reduced drastically and they are becoming obsolete very fast. Considering these points, continuous product development is very essential. New design should be developed; harmonizing to trend that market is following. If existing market cluster considered, they are known for a particular product and design, but need is to mold that product to fit in to latest fashion. With this, the effort of marketing should be continued simultaneously so that new products can get access to market and customers also can know about these new products. The development of product should also consider the export demand, e.g. in Karur handloom is totally export oriented and products are made based on the feedback from customer. Another example of this is Jaipur carpet, here new designs are developed with the help of Computer added design software and now it is as competitive as China carpet.

As long-term strategy for Handloom sector, emphasis should be on process development. Here it stands for technology up-gradation, faster weaving process, increase in efficiency of weavers as well as loom and more design savvy looms. With this there is need to make pre and post weaving process more efficient. Use of Information Technology for making the process fast and efficient is inevitable in this highly competitive situation. In case of handloom, quality is also one issue, which has to be taken care. Till date for handloom sector quality standards does not exist, mechanisms should be evolved to look in to this area.

Marketing of Handloom Products:

Handloom is a traditional product, marketing and distribution system for handloom is also of conventional type. Except some exceptions of organized retailing, handloom products are still sold as demand derived. But handloom has slowly lost this demand to the powerloom and mills sector because of lack of proper marketing and transformation with in the sector. Products are sold in local markets through retailers or to nearby towns and cities through conventional distribution system. Still the comparative marketing strategy has not been evolved as whole by the sector. Some co-operative societies (LOOM WORLD of Co-optex, Tamil Nadu) and State and Central government do few efforts like annual exhibitions and fair as a promotional tool, but reach and effect and impression on customer's mind, of these exercises, is always a question mark. Though the handloom itself is considered as a brand and lot of other handloom clusters are also have become brands themselves, but these brands are not maintained and developed as time demanded. Even a single pure handloom brand has not evolved in market, which have the image of handloom characteristics. A large number of studies have been conducted to analyse the living standards of weavers, to analyse the business process, to see the economic and social changes in weavers' lifestyle and migration, but hardly there is any effort has made to analyse the market, to analyse the customer preferences or to make the handloom product more competitive in the market. There is need of developing a marketing mix for handloom sector based on 4ps (Product, Price, Promotion, Place) of product marketing with considering the input from customer and retail survey.

Before preparing the marketing mix it is necessary to prepare a marketing plan which describe the Objective for overall handloom sector as well as tell the strategies including the available resources, accessibility and compatibility of technology to the sector. Now in current scenario the objective for marketing strategy for handloom sector is

"To bring a turnaround in sector by establishment of Quality and Tradition in customer's mind, generating loyalty through long term customer relationship and high quality service to increase in sale's volume of Handloom Products".

Product:

Handloom is a sector, which has the ability to produce full range of products for garment industry. The ability to produce highly customized product fitting in the customer demand is additional advantage for the handloom over other sectors like mills or powerloom. But still the handloom products are not able to compete in market because customer in survey reveals lack of awareness about specific feature and suspiciousness about the quality of product. Though the existing product portfolio of handloom is larger than any other sector of this category, the features of handloom products are not defined in the customer's mind. Other constrain with this sector is high resistance to change. This has also been conveyed in customer survey. Textile and garment is one industry where designs and preferences are set daily and it is very essential for sector to respond to these changes very fast as well bring in to the seat of trendsetter for the industry as concept trial is easy and cost effective for the handloom.

Quality is second issue with handloom products that hinders the growth of sector and keeps the customers away from handloom products. Till date there is not a single effort has done for quality standardization and protection of handloom design from other sector. NABARD's initiative towards this should be appreciated where Bank has started helping the weavers for registration of products under the Geographical Indication of Goods (registration and protection) Act, 1999 (Times of India, Dec, 2004). But this is also not enough; attempt should be made further for patent of complex and innovative design of handloom so that fight against imitation of design and product by powerloom and mills can be avoided effectively.

Except some organized big retailer, proper packaging of handloom product is rare. Packaging can tell lot of things about the product, it can describe the quality and segment, in which product is placed. Packaging with traditional look can increase the market value of product. Packaging should be in a way that reflects the feature that are mostly demanded by customer e.g. comfort is one feature that is looked in handloom (as customer survey) can be reflected through light colors of packaging. If the packaging can be done at weaver's place, this is an extra employment opportunity for the weaving society and also optimum use of available resources. Training for skill up-gradation and to change in mindset of society at large, is primary requisite to make it happen.

Price:

Pricing in case of handloom is 'let it happen' case. Nowhere the conscious pricing is done as a strategic tool for long-term. In current scenario pricing is done at individual stakeholder level based on the market demand and their own margin on cost. Here even the big organized retail stores are also not any exception. If decision on pricing of handloom can made consciously it can be a tool to reflect the segment of a particular product. If range of price in to handloom sector is an indication, handloom provides product from poorest of a village to the richest of the nation. But customers always have doubt in their mind whenever goes for handloom purchasing, because there is no security that the price for s/he will get, is the right price of that product. Unlike other industries where manufacturer decides the maximum retail price and they decide the margin of retailers, in handloom prices are fixed at individual level and weavers are not aware at what price retailers are selling the final handloom products.

For benefit of weavers as well as for whole handloom sector, it is very essential that price should be fixed on some criteria like complexity of design or process and that should be made standard up to some extent. Co-operatives and NGOs have great role to play here for standardizing the cost and making weavers aware about this issue. With this there is need for developing a mechanism through which monitoring of the end price can be done so that cheating with customer can be stopped and also weavers share also made fix.

Though the organized retailers use the price as a tool very perfectly, but the benefits are not shared with other stakeholder is different issue. If you look at Hyderabad market, the retailers like KALANJALI, CHANDANA BROTHERS and KALANIKETAN are the good examples of this.

Price is very important issue to consider for handloom sector because in customer survey also handloom was considered as expensive products and customers have suggested reducing the prices for increasing the customer satisfaction.

Promotion:

Promotion is the third P of marketing mix and is very important in this age of information technology where access to information by the customer has given lot of edge to the various businesses provided the information is made available to them. Promotion s also one major reason where handloom sector lacked behind and pushed out of competition. Generally when it comes to promotion, marketers think of only advertising. But this is not as simple. This includes all the weapons in the marketing armory - advertising, selling, sales promotions, Public Relations, etc.

Till now promotion of handloom has done very decrepitly (decrepit=lack of strength or vitality). Government sponsored exhibition and handloom fairs are either the only or major promotional activities. There are very rare examples of using technology savvy electronic media or print media for promoting handloom. Some agencies may claim using all these for handloom promotion but actually that is done to either promote an event (exhibition or fair) or to promote a retail-outlet/shop not the handloom as such.

Promotion should be done in manner where handloom can be made a brand and identity of various cluster based on there specific design and characteristics should be created among the customer. As it is very clearly exhibited in customer survey, there are very few customers who can identify the handloom and in case of identification of a product specific to the cluster is worst. Respondents have also suggested the promotion to make the handloom more popular. This input of survey should be conceived seriously. Co-operatives and particular cluster should take responsibility of advertising and creating awareness on defined characteristics of the product, an effort for ***cluster branding*** should be made. For this purpose print and electric media should be used in right proportion. Special awareness campaign through direct sales promotion is also a viable option.

Sell is also a part of promotion; the main channel for selling is only either co-operative outlet or private retailers with big showrooms and organized. But by comparing these two one can see the difference of proper selling. Maximum co-operatives are running in loss but these private showrooms are making not only doing more business, they are able to expand their business with profits. This is because of efficient shelf management, with keeping the customer's psychology at the center, during purchasing.

Place:

Place is one P which has lot of implication for Handloom sector. Place is not only point where customer purchase the product, but this also includes the route through which product has traveled to reach the end customer. In case of handloom this rout or channel has lot of bottleneck for healthy growth of business. All these drawbacks of distribution channel we have already discussed.

Handloom sector is in immediate need of an alternative distribution channel and efficient use of available technology. Intervention of internet and internet technology has made lot of revolutionary changes in various business models and this is very relevant for the handloom also. As we discussed large number of intermediaries in distribution of handloom products increases the cost of product without adding any physical value to the products. These intermediaries can be removed at very extent by use of Internet as a tool for communication. If retailer and weavers or at least master-weavers can be connected through Internet cost of products for handloom can be reduced from 10% to 50% for depending upon the length of the chain. This can also help in eliminating the information block from chain as well can also reduce the time spend in delivery of product and this will lead to fast circulation of money. In different cluster, e.g. Warangal for carpet, money blocked at various stages also increases the cost of product. Internet can be used in two ways in handloom:

1. To link the weavers to the retailers and exporters

   Here, at village primary co-operatives society or weaver's groups can install a computer at their level that should be connected to retailers through Internet. For retailer this will reduce the cost because they can place the order directly to the weavers and delivery of products also can make very fast. Weavers also can put their product on net for retailer's concerned. Now the technology has even made it possible to show your product live on the net so that all aspect of products can be seen and observed the purchasers.

2. Internet can become a place of direct purchasing for customer

Though this method is already in place for some co-operatives. But the dynamism and continuous interaction with customer is primary requisite to make this model successful. This model gives an advantage over other by providing exclusive selling rights for specific new design to the original designer. But also put forward a challenge of attracting mass that does not have excess of Internet.

Use of MIS may be out of reach of an individual player in handloom sector, but at collectively this is a system, which can play a crucial role in making this sector highly competitive than ever.

8. Conclusions and Recommendations

"The customer is the most important person on our premises. He is not dependent on us, we are dependent on him. He is not an interruption of our work; he is the purpose of it. He is not an outsider on our business, he is part of it. We are not doing him a favor by serving him, He is doing us a favor by giving us the opportunity to do so." These are the few words from Mahatma Gandhi on importance of customer centric business model.

Product quality doesn't alone serve the customer's purpose; the business of the businessman is to understand who is his customer, where the customer wants the product or service, in what form, at what price. To sustain in the fierce competitive business environment every industry and every business is trying to understand these aspects and practice it in reality.

Handloom sector is not an exception to this fact; the sector is slowly adapting the new age traits of business. The new generation entrepreneurs making this traditional industry more vibrant and customer focused than never before, but this is limited to the tail end of the supply chain that is urban retailing, the other side of chain is with many missing links. The major activities such as manufacturing, supplying and marketing should be properly linked with information and implementation of market strategies. This synthesis will provide all stakeholders of the sector a greater competitive advantage.

The sector has great market opportunities if it is ready to take them. Products made by using organic cotton yarn and natural dyes in high demand in the developed nations and upper segment that are health conscious. For these kinds of products research and development, training and knowledge sharing are crucial things. Decentralized spinning mills are another area of concern to chase away the raw material supply problem. These R&D, training, information centers and mini spinning mills to be come up at weaving center level so that the weaver can have easy access to primary business needs.

- Apart from these macro issues at micro level effective logistic management, innovative promotional and advertising campaign, continuous feed back from customers, availability, accessibility and visibility of the product are factors from marketing point of view. Pricing strategy must be formulated on the basis of the market demand, the segment that is targeted, cost of the production, value added to the product and brand image of the product.

- To bring a turnaround in sector, establishment of Quality and Tradition in customer's mind, generating loyalty through long-term customer relationship and high quality service to increase in sale's volume of Handloom Products are required.

- To bring superior quality in handloom products the pre and post loom process development should take place. Innovative and faster weaving processes and techniques to increase efficiency of weavers as well as loom will make handloom more competitive and profitable.

- The processes must be standardized and quality control system should be introduced. To define the quality standards proper guidelines should be laid down.

- Identifying high growth areas, new product categories and potential marketing avenues on continuous basis will direct the handloom sector towards profitable business model. New product categories can be organic cloth, high growth areas can be kids wear, new market avenues can be forward integration setting up the tailoring units and ready made garment making units in the handloom cluster to produce readymade handloom garments. Finding opportunities to export customized products according to the external market needs.

- Achieving large scale of economies by reducing the cost of funds i.e. working capital, raw material cost, logistics cost and enhancing the productivity are very important components to increase the bottom line and giving the customer quality product at reasonable price. These can be done when the logistic cost is low. To keep logistic cost and cost of raw material low, decentralized spinning mills can be established in the handloom cluster level.

- To maximize the productivity and quality the weavers, they should be given incentives for their skills and efforts they put in. incentives motivates any worker to give his best.

- Traders should change their attitude towards weavers and market. They should not become obstacles between market and weaver. They should maintain conducive relations with weavers in promoting their products and they should help in establishing proper market information channel, which is of free flow in nature.

- Reviving and restructuring the weavers servicing centers (WSCs) to enact as R&D centers which can provide weavers solutions in loom modifications for product innovation as well as process innovation.

- Government should encourage new investments and entrepreneurs in handloom sector by providing better sops like any other new economy industry. The sops can be loans with low interests, cluster development, training and information. Priority can be given to the members of the weaver's families.

- Last but not least, training and development to enhance the skills of weavers in manufacturing and marketing aspects in changing business environment.

Above discussed all aspects can be implemented completely with proper government policy interventions and political will. Effective implementation of various policies and programs could be successful when there would be proper integration, cooperation and coordination from all government agencies, cooperative societies, NGOs, weavers, traders and retailers of handloom products.

10. Appendices

Appendix: 1 - List of Government Agencies Involved in this Sector:

Jammu & Kashmir State Handloom Development Corporation Ltd.
AD Sector, Green Belt Park, Gandhi Nagar,
Jammu-180 004
Tel: (0191) 431 264 Fax: 433 626
113/T-88, Masjid Road, Jangpora, Bhogal, New Delhi-110 014.
Tel: (011)431 8055 Fax: 431 4309.

Himachal Pradesh State Handicrafts & Handloom Corp. Ltd. (An H.P. State Govt. Undertaking)
Block-2 , SDA Commercial Complex, Kasumpti.
Shimla - 171 009 (INDIA)
Phone: +91 - 177 - 221557
Fax: +91 - 177 - 221275
Grams: Himcraft Shimla
E-mail: himcraft@nde.vsnl.net.in

The Punjab State Handloom Weavers Apex Co-operative society Limited
S.C.O 2945-46, Sector 22-C
Chandigarh –160022
Phones 91-0172-701903, 701359
Fax 91-0172-701903

U.P. State Handloom Corp. Ltd.
Hathkargha Bhawan (Head Office)
G.T. Road
Kanpur-208 002, India.
Tel.#: +91-512-218141, 218142, 218143 218144, 218145
Fax #: +91-512-218574, 217759
Contact Person: Mr. Satish Kumar, Managing Director
OUR EXPORT OFFICES IN INDIA :
(1) DELHI
Shop No.6, Nehru Place, New Delhi.
Tel-Fax #: +91-11-6453095
(2) BOMBAY Opp. Regal Cinema, Colaba, Bombay.
Tel #: +91-22-2028074
(3) BANGALORE Mahaveer Complex, Kempe Gouda Road, Bangalore.
Tel. #:+91-80-268457
(4) CALCUTTA 1, Lindsay Street, Calcutta.
Tel. #: +91-33-741927

Madhya Pradesh Hastashilp Evam Hathakargha Vikas Nigam Ltd.
MR. JS Mathur
Hast Shilp Bhawan,
Hamidia Road,
Bhopal - 462001 INDIA

Haryana State Handloom and Handicrafts
Corporation Limited
Bldg. of Design Centre,
Sector 10-C
Chandigarh
Ph. No. 0172- 2730530

Tripura Handloom & Handicrafts
Development Corporation
Govt. of Tripura,
A.R.Complex,Agartala-799001,
Tripura.
Ph. No. 91-381-225340

Tripura Handloom & Handicrafts Development Corporation Ltd,
M.B.B.Sarani,
Agartala-799007,
Tripura.
Ph No. 91-381-223496

Tripura Apex Weavers Co-Op. Society Ltd,
I.T.I. Road, Idranagar,
Agartala-799006
Tripura
Ph. No. 91-381-224107

West Bengal Handloom & Powerloom Development Corporation Ltd.
6A, Raja Subodh Mullik Square,
(6th Floor),
Kolkata - 700013.
Ph: 2372251
Fax: 2372250

Handicrafts & Handlooms Export Corporation of India Ltd.,
1,Tolstoy Marg
New Delhi - 110001
Ph 91+011-3701086/3701157

Fax 91+011-3701051
Email hhecnd@ndc.vsnl.net.in

North Eastern Handicrafts & Handilooms Development Corporation
Upper Lachaumiere
Shillong - 793001
Tel 91+223513
Fax 91+2234513

Orissa State Handloom Dev Corporation Ltd
Hastatanta Bhawan, Janpath
Bhubaneswar 751 022
GRAM : HANDFAB

Gujarat State Handloom Development Corporation Ltd .
Udhyog Bhavan,
Block No - 18,
3rd Floor, Sector-11,
Gandhinagar - 382 011
Phone : 3229375 (MD), 3220439, 3223007,
Fax : 3225908

Andhra Pradesh State Handloom Weavers Cooperative Society
Weavers' Bhavan
3-5-770, Narayanguda
Hyderabad - 500 029, A.P., India
Tel : +91-40-4602847, 3220571
Fax: +91-40-3221753, 3220981
E-mail:apcoexpo@hd2.dot.net.in

Kerala State Handloom Development Corporation Ltd.,
Kannur.
Kerala
Tel: 0471-303427

Tamilnadu Handloom Development Corporation
4th Floor,
Kuralagam,
Chennai 600 108
Tel:044 25331221 25331211

Deputy Director of Handlooms and Textiles (Tamilnadu)
No. 43,Second Street,
Gandhi Nagar,
Kancheepuram -1.
Tel: 04112 238721

Co-optex (The Tamilnadu Handloom Weavers' Co-operative Society) International
350, Pantheon Road,
Egmore,
Chennai (Madras) - 600 008.
INDIA.
Fax : 91-44-8267464 E-mail : coopint@vsnl.com

Karnataka Handloom Development Corporation Limited
No. 24/1, 5th Main,
Jayamahal Road,
Bangalore-560046
Phone: 23333613, 23332122

Directorate of Handloom & Textiles, (Karnatka)
3rd Floor 14/3A, Nrupathunga Road,
R.P. Bhavan,
Bangalore
Email : bngtxcom@kar.nic.in

Appemdix.2 - List of major Handloom Exporters from India:

Andhra Pradesh

Kakitya Exporters
N0.3,bishan apartment
Punjagutta
Hyderabad
Ph.3740585
Expd: Auatrallia, Canada, USA, Italy

Neeru Textiles
Rekha Hse,King Koti
Hyderabad-500029
Ph: 5964777,236404/6465
PM&Whandloom Dress Materials for salwar suit&Blouses
Expd: Middle East, Singapore

Jammu &Kashmir

Cottgae Industries Emporium Gagribal
Srinagar 190001
Ph: 75326
Cont: MMShahdad
E: Handloom Embroidered fabrics, needlepoint, chainstitch&numdha rugs, carpets, papermachines
Expd: Canada, USA, and Europe

Kerala

Common wealth Trust
(I)Ltd 7/11/36 south manachira Road, POB 5
Kozhikhoode 673001
Ph 721701,722402/1603
Tix: 804-224 CTL in Gr: COMTRUST
Fax: 495-722266
Cont: K.Chandrasekhar
Mkrishnankitty
PM: Handloom Cotton/woolen, furnishings, Turkish, towels
Expd: HEPC, AEPC, FIEO

Purushotham Goculdas
P.Goculdas Bldg
Bank Road
Cannanore 670001
Ph:69749
Fax: 497-502407
Cont: Suryakant, Sachin, powerloom fabrics, made ups&garments
Expd: Japan, USA, Germany, Sweden, and Malaysia

Maharashtra

Co-Optex Mahalaxmi
Handloom Hse
164 DNRd, Fort
Mumbai 400001
Ph.2611442
Cont: K.P. Naik
E: Handloom

International Business
Contacts Corpn
33 Comml Services Centre
8/33-34 Grant Bldg
Arthur Bunder Rd
Colaba
Mumbai 400005
Ph: 2042858/3870
Tix:011-83796 YMC IN
FaxL: 2042873
Contact: PT Bhojwani

W&E: handicrafts, garments, madeups, and leather items
Expd: USA, Europe, MiddleEast, and Far East, Malaysia

Jamandas Ramkrishna Das&Co

606 Embassy center
Nariman Point]
Mumbai 400021
Ph.2
Cont: R Nagar
E: Hndlooms

Kairali
Nirmal,Gr Flr
Nariman point
Mumbai-400021
Ph.2026817
Tix:011-84031 HDCKIN
E:Handlooms
Gr:KALAKERAL
Cont:Ms. Unair

Konishi Chemicals CO Pvt.ltd
Natl Insurance Building
27 A K Nayak Marg
Mumbai-400001
Ph:91-22-2073708
Cont: A.P Almeida
K.B Almeida
E: Cotton, textiles, handlooms,wool&wollen,synthetic,rayon,silk,apparel
Expd:E Asia,Europe,Middle East

Maskara Exports Pvt Ltd
816 raheja chambers
Nariman point
Mumbai 400021
Ph.2834273/0667
Cont: B.K Maskara
PM:cotton, silk, handloom, furnishing, fabrics, made ups
Expd: Japan, Australlia, USA, UK, and Hong Kong
Assn: HEPC, TECPROCIL

N.M Brothers &Co
Shreeji Bhuvan
Lohar chawl
Mumbai 400002
Fax-2063576
Cont: B.N Lakdawala
D: mill made power loom & handloom fabrics
cotton, silk, handloom, furnishing, fabrics, made ups
Expd: Japan, Australia, USA, UK, and Hong Kong
Germany, Denmark, Italy
Assn: HEPC, TECPROCIL

Rajmal Paharchand
312 jolly Bhavan
7 New Marine Lines
Mumbai 400020
Ph: 2624747/4737/6800
Gr: COOLRIDER
Cont: cotton, silk, handloom, furnishing, fabrics, spun rayon scarves, synthetic upholstery, carpets, sportswear, scarves
Expd: USA, Europe, Middle East, and Far East, Malaysia,Singpore

Sampat &Co
201 J M Chmbs
316 Narshi Natha St
Mumbai 400009
Ph: 3436165,3426501
Gr: JATMAHENAT
Fax: 3400563
Cont: D .Y Sampat
E: All Textile Items

NEW DELHI

A.R Kumar &Co
S-7 Panchsila Park

New Delhi 110017
Ph: 6441170

Area Intl Export
DG III, DDA Flats
42 vikas puri
New Delhi-110018
Ph: 3712049

Bharat Vikas Exports
Flat No 2,New Mkt
Tilak Nagar
New Delhi-110018
Ph: 535100

Globe Enterprises
51 nehru place
new delhi-110019
Cont: T.R. Kathuria
A.N Khosla

Harbour International
B-121 sarvodya Encl
New delhi 110017
Ph:666936

Hari overseas
C-2 /35
Safdarjung DA
Hauz Khas
New delhi 110016
Ph:653529

Jainsons Export Corp.
E-43 cannaught place
New Delhi 110001
Ph: 3329509/5152/1739
Tix: 013-65352 Jain in
Gr: BARABHAI
Fax : 3325122
Cont: A.K Jain, A.A Jain
Wks : 9/45 ,Kirti nagar
Indl. Area
New Delhi 110015
Ph: 534396
PM: Hoisery, furnishing, upholstery&carpets
PM&D: Ready made garments, handicrafts, and knitwear
E: Apparel &handloom products
Expd: Russia, UK, Germany, and France
Assn: AEPC, FIEO, CTEPC

Jiwnani Exports
15-navjivan vihar
New Delhi 110018
Ph: 652562

Kottwool international
B-34, greater kailash I
New Delhi 110048
Ph: 6216282,6451989
Fax: 11-6218273
Cont: s.satsangi
Amritsar
Ph: 546200
14/4 matrhura road
faridabad 121003
ph:274767
E: Cotton, wollen, fabrics, dhurries, made ups, jackets, handloom products

Kraft work Handlooms
Panna bhawan
2 Ansari Road
Darya ganj
New Delhi 110002
Ph: 3272831

L .B Exports
C-2/37
SJD Areaa
New Delhi 1100016
Ph: 3323140
Fax: 9115459755
Cont: V.Thapar

Manu Export Enterprises
C-34, cannaught place

New Delhi 110001
PH:3323140
Fax:3715920
Cont:M.P Arora
PM& E: Handicrafts items
Expd: European Countries
Assn:EPCH

Neelima International
5 Indl Areas, Tilak Nagar
New Delhi 110018
Ph: 592478
Tix: 31-66493 RCC
Cont: S.Singh

Pal impex enterprises
22-gopal nagar
Tilak nagar
New Delhi 110018
Ph: 5437851,39141161
Cont: P.P Singh

Pallavi boutique
6-104,saket
New Delhi 110016
Ph: 665583

Pashmeena International
N-18 ,Panchseela Park
New Delhi 110017
Ph: 6445446
Cont: M.Jain

Pioneer Exports
E-4 Hauz Khas
New Delhi 110017
Ph: 662335

Raj Mandir
C-2/25 safdarjung
Dev Area,
Hauz Khas
New Delhi 110016
Cont: A.K Gupta

Rami Prints
C-61 kalu sarai
B/h Sarvapriy Vihar
New Delhi –110016
Cont: S.N Desai

Rivaz
23-mandakini Enclaves
New Delhi 110019
Ph: 6446296
TIx 031 61144 CBMS IN

Sahini Associates
H-232 vikaspuri
New Delhi 110018
Cont: P.Kaur

Sanchit International
B-67 Naraina Indl Area
Phase II
New Delhi 110028
Ph: 5703255/7836
Fax: 110-5702319

Sil krafts exports
198 DDA (SFS)
Hauz Khas
New Delhi 110016
Ph: 651941

Sunderkraft
S-366 Panchshila Park
New Delhi 110017
Ph: 6442542
Tix: 3166486 ROSE
Cont: A.M Singh

Super stitch Exports
87/1 WHS, Kirti Nagar
New Delhi 110017
Ph: 537647

Valachi Creations
E-28 Saket

New Delhi 110015
Ph: 537647

Virender Exports
C-3 Geetanjali Encl
New Delhi 110017
Ph: 6863060
Tix: 3173224 VIR

Virendra Textiles
S/11 Green Park Inn Extn
Opp. Uphar cinema
Ph:664457
Tix:3173134 DOSTIN
Cont:A.Gupta

Yokoso Exports
62/10 Ashok Nagar
New Delhi 110018
Ph: 530381
TIx: 76213 UNTD

Tamil Naidu

Giritex
37 Pugalpur Rd
Karur 639001
Gr: Giritex
Cont: P.Sivasubramanian
E: Handloom

K.R.C Perumal Chetty &Co
254 Trichy Main Rd

Gugai
Salem 636006
Cont: C.P Krishnaraj
E: Handloom

K.R.G Naggapan&Co
Trichy Main Rd
Gugai
Salem 636006
Cont: C.P Krishnaraj
E: Handloom

Ph: 64564,63266

Limra
97,coral Merchant St
Chennai 600010
Ph:512380
Fax-5244015
Cont:M.Imtaz PM: Handloom& powerloom ,lungies,fabric exp:hong kong,japan

Lotus India ltd
97,coral merchant st
Chennai 600010
Ph:512380/843
Fax:91-44-511015
Cont:M.A Mohammad
Dr.H. Jilani
Handloom, lungies,cotton, polishing cloth
Exp: USA,Hong Kong

M.Chenaya 50 Mulla Sahib
Sowcarpet
Chennai-600079
Ph:31413
E: Handloom

Mahabubani Industries
48 Dr B N Rd, T Ngr
Chennai 600017
Ph: 440781/1312
TIx: 416727
Gr: NEXTSTEP
Cont: M.Bhaskar
Cotton, handloom, sarees, silk,
Expd: Europe, USA, Nigeria, and Benin
Assn: AEPC, HEPC

Monahar Textiles
17/A puglalur Road
POB 73
Karur 639001
Ph: 33516,31069
Fax: 33156

Cont: T.R Babu
N.R Manoharan
PM&E: Cotton,handloom products such as furnishing ,fabrics,table,napkins,gloves,made ups,
Expd:USA,Sweden,Finland,Italy,France

National palayakat Co
207 Tchetty st.
POB-1857
Kurinipadi 607302
SAV Dist
Ph:58222
131 Anna salai
TAHIRUVARUR 610001
Ph: 22602
130 pennag st
Malaysia
Ph:2624653
PM:100 %Handloom ,cotton and coloured lungies
Expd:Malaysia
Assn:hepc,thita

Uttar Pradesh

Oriental arts
Sunder villa ,S10/252
Chowakghat
Varanasi 221001
Ph:42238
Cont: B Das
PM: Silk handloom, fabrics

Qurazi trading Co
649 faithful gung
Kanpur 208004
Ph: 61317
Cont:F.R.Ansari

Khagesh Enterprises
7/175 swarop ngr
Gridhar kutir
Kanpur 208002
Ph: 8254596/0108
TIx: 011-5795 KEBY IN
PM: Cotton fabrics, yarn crepe, materials, piece goods, canvas, clothing, handloom, ropes and twines

Expd:US,Europe
Assn:APEC,CRTEC,HEPC

West Bengal

All India Handloom
Fabrics mktg co-op
208,Rash Behari Avenue
1st floor
Calcutta 700029
Ph:4644770
TIx:21-2366 HFAB IN
GR:HANFABS
Fax:4643998
F:1955
Cont:A.Roy
N.K Baneerjee
PM:All kinds of handloom fabrics ,made ups
Expd:Europe,Germany,Singapore,USA

Pesari Exports
Marshall HSE
25Strnd Rd
Calcutta 700001
Ph:206153,390632
TIx:21-7371 PSRI
Gr:BRAIDYARN
fax:033-286743
F:1976
Cont:g.s gupta
Expd: handloom, Hoisery, furnishing, upholstery & carpets
PM&D: Ready made garments, handicrafts, and knitwear

Sitaram Rajgarhia
131 cotton ST
pob 6808

2ND FLOOR
room No.4
Calcutta 700007
Ph:2389786
Gr: GAYLORD
Cont: S .Rajgarhia
Expd: handloom, Hoisery, furnishing, upholstery&carpets
PM&D: Ready made garments, handicrafts, and knitwear

Sree Priya Exports
304 himadri
22 ballygunge
park raod'calcutta 700019
ph:2471348
gr:PINBUSH
F:1983
Cont:B.D Ranga
R.Kejriwal
Expd: handloom, Hoisery, furnishing, upholstery&carpets
PM&D: Ready made garments, handicrafts, and knitwear

Appendix: 3 tables related to textile Sector

Table:2.5 Per Capita Household Purchases of Cotton Textiles by Sector of Manufacture - (1993 to 1998)

Sector		All India					
		1993	1994	1995	1996	1997	1998*
Handloom	Q	1.68	1.37	1.38	1.31	1.49	1.03
	V	37.21	33.68	39.92	47.34	57.19	42.79
Millmade / Powerloom	Q	4.99	4.71	4.62	4.67	4.48	4.25
	V	109.59	118.85	138.96	158.73	180.03	174.66
Hosiery	Q	0.88	0.88	0.96	0.91	1.07	1.06
	V	12.69	14.52	17.93	19.51	26.89	29.71
Khadi	Q	0.05	0.03	0.06	0.04	0.04	0.05
	V	1.27	0.86	1.83	1.63	1.64	2.23
Total	Q	7.6	7	7.02	6.93	7.07	6.39
	V	160.77	167.92	198.64	227.21	265.76	249.39

Abbre:- Q : Quantity in Metres., V : Value in Rupees.

Note : * : Estimated.

Source: Handbook of Statistics on Cotton Textiles Industry, The Indian Cotton Mills Federation.

Table: 2.6 Per Capita Household Purchases of Textiles by Fibers (1993 to 1998)

Fibre/Filament		All India					
		1993	1994	1995	1996	1997	1998*
Cotton	Q	7.6	7	7.02	6.93	7.07	6.39
	V	160.77	167.92	198.64	227.21	265.76	249.39
Pure Silk	Q	0.17	0.17	0.19	0.21	0.25	0.26
	V	41.36	42.68	41.65	49.12	71.57	87.5
Woolen	Q	0.17	0.18	0.23	0.21	0.24	0.13
	V	17.9	18.56	23.36	21.72	38.7	21.54
Man-Made/Blended	Q	6.53	7.04	7.41	8	8.58	9.42
	V	349.87	369.25	410.82	460.82	551.57	547.81
All Textiles	Q	14.47	14.39	14.85	15.35	16.14	16.21
	V	569.91	598.41	674.47	758.87	927.6	906.24

Abbre. : Q : Quantity in Meters V : Value in Rupees.

Note : * : Estimated.

Source: Handbook of Statistics on Cotton Textiles Industry, The Indian Cotton Mills Federation.

Table: 2.7 Per Capita Household Purchases of Major Varieties of Textiles (1993 to 1998)

Item		All India					
		1993	**1994**	**1995**	**1996**	**1997**	**1998***
Dhoti	Q	1.02	0.98	0.93	0.92	0.73	-
	V	19.52	23.51	23.11	24.1	22.3	-
Saree (5 Metres)	Q	4.85	4.94	4.47	4.68	4.95	-
	V	197.21	209.75	204.39	236.76	289.13	-
Long Cloth/Sheeting/Grey Cloth	Q	0.25	0.18	0.21	0.14	0.13	11.09@
	V	4.32	4.09	6.04	4.01	4	606.04@
Shirting/Poplin/Patta Cloth	Q	1.59	1.53	1.75	1.73	1.9	-
	V	67.05	70.29	85.27	86.1	92.22	-
Coating/suiting	Q	0.5	0.47	0.55	0.58	0.58	-
	V	60.19	60.48	74.64	81.33	96.67	-
Ladies Dress Material	Q	1.2	1.24	1.47	1.56	1.6	-

	V	39.02	42.96	55.94	65.07	73.83	-
Chaddar/Bed Sheet/Bed Cover	Q	0.37	0.38	0.37	0.44	0.51	-
	V	16.22	17.33	18.32	28.62	31.05	-
Towel/Turkish Towel	Q	0.34	0.27	0.3	0.29	0.31	-
	V	4.65	4.05	6.04	6.46	7.63	-
Readymade Garments	Q	2.15	2.33	2.25	2.42	2.86	2.77
	V	103.92	107.57	120.5	138.98	201.71	193.35
Hosiery Goods	Q	1.01	1.04	1.17	1.11	1.3	1.34
	V	25.19	28.38	35.34	36.66	53.31	59.55
Others	Q	1.18	1.03	1.38	1.48	1.48	1.01
	V	32.62	30	44.88	50.78	55.74	47.3
Total	Q	14.47	14.39	14.85	15.35	16.14	16.21
	V	569.91	598.41	674.47	758.87	927.6	906.24

Abbre:- Q : Quantity in Metres. V: Value in Rupees.

Note: *: Estimated.

@ : Includes Quantity & Value of all remaining part of Textile and Garments in piece length (i.e. Dhoti, Saree, Shirting, Poplin, etc.) excluding Readymade garments, Hosiery Goods & others.

Source: Handbook of Statistics on Cotton Textiles Industry, The Indian Cotton Mills Federation.

Table: 2.4 State wise Distribution of Estimated Production of Cloth by Handloom Sector in India - 2001

States/Uts	Production of Cloth in Year 2001 (In '000 Mtr.)
West Bengal	1184143.95
Uttar Pradesh	1007268.6
Tamil Nadu	699902.1
Andhra Pradesh	381727.95
Bihar	314144.55
Assam	298705.05
Orissa	253864.8
Maharashtra	200669.7
Manipur	181266.3

Karnataka	166662.65
Madhya Pradesh	136458.9
Tripura	98221.5
Rajasthan	95075.2
Kerala	92593.2
Gujarat	91596.75
Haryana	72722.6
Jammu & Kashmir	51100
Punjab	50508.7
Delhi	41464
Nagaland	31798.8
Himachal Pradesh	26703.4
Arunachal Pradesh	21155.4
Mizoram	7548.2
Pondicherry	6898.5
Meghalaya	4380
India	6750105.6

Source : Compendium of Textile Statistics 2002, Office of the Textile Commissioner, Govt. of India & Past Volumes

State-wise Number of Powerlooms Registered and Employment Generation in India

(1995-96 to 2001-02)

	Number of Looms Registered							Employment (Anticipated)			
States/UTs	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	1998-99	1999-2000	2000-01	2001-02
Andhra Pradesh	43440	43440	44683	44830	43113	43535	43923	112075	107783	108838	109808
Assam	2726	2726	2726	2726	2726	2726	2726	6815	6815	6815	6815
Bihar	2870	2870	2870	2894	2894	2894	2894	7235	7235	7235	7235
Delhi	1102	1102	1102	1102	1102	1102	1102	2755	2755	2755	2755
Goa	122	122	122	122	122	122	122	305	305	305	305
Gujarat	302280	305570	308165	308165	308609	318263	318263	770413	771523	795658	795658
Haryana	9882	9882	9882	9882	9882	9882	9882	24705	24705	24705	24705
Himachal Pradesh	1302	1302	1302	1302	1302	1302	1302	3255	3255	3255	3255
Jammu & Kashmir	Nil	Nil	Nil	Nil	65	65	65	Nil	163	163	163
Karnataka	57112	58611	58611	63209	75512	79636	80985	158023	188780	199090	202463
Kerala	2304	3225	3252	3382	2672	2689	2703	8455	6680	6723	6758
Madhya Pradesh	34593	36876	40046	42484	43290	43648	43785	106210	108225	109120	109463
Maharashtra	546110	572634	651381	672102	692603	707145	709438	1680255	1731508	1767863	1773595
Orissa	3223	3257	3273	3293	3303	3317	3319	8233	8258	8293	8298
Punjab	21980	22221	22381	22542	22633	22681	22681	56355	56583	56703	56703
Rajasthan	31471	32868	32868	32868	31950	31950	31950	82170	79875	79875	79875
Sikkim	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tamil Nadu	233842	248127	280707	317128	316994	318944	319244	792820	792485	797360	798110
Uttar Pradesh	65366	65366	65366	65366	65366	65934	65934	163415	163415	164835	164835
West Bengal	4223	4309	4325	4349	4361	4361	4361	10873	10903	10903	10903
Chandigarh	42	42	42	42	42	42	42	105	105	105	105
Dadra & Nagar Haveli	464	464	464	496	482	482	482	1240	1205	1205	1205
Pondicherry	830	830	830	830	830	830	830	2075	2075	2075	2075
India	1365284	1415844	1534398	1599114	1629853	1661550	1666033	3997785	4074633	4153879	4165083

Consumption of Major Fabrics in India (1980-81 to 2000-01)
(' 000 Tonne)

Year	Cotton	Man-Made Fibre		Man-Made Filament Yarn		Total (Including Other Fibres)
		Cellulosic	Synthetic	Cellulosic	Synthetic	
1980-81	1313	145	39	47	44	1588
1981-82	1229	175	48	45	62	1559
1982-83	1195	121	56	40	70	1482
1983-84	1418	111	62	43	93	1727
1984-85	1475	119	73	35	98	1808
1985-86	1559	105	85	43	111	1911
1986-87	1624	97	110	45	128	2013
1987-88	1649	119	108	43	149	2142
1988-89	1622	129	123	43	189	2186
1989-90	1689	148	133	46	204	2307
1990-91	1822	154	169	48	244	2522
1991-92	1766	163	191	52	247	2502
1992-93	1895	161	206	46	276	2680
1993-94	2051	181	291	51	340	3037
1994-95	2065	195	348	56	382	3151
1995-96	2295	207	350	55	433	3446
1996-97	2566	186	460	53	528	3913
1997-98	2719	196	574	53	669	4337
1998-99	2485	182	601	51	770	4221
1999-2000	2652	205	635	45	854	4528
2000-2001	2721	221	668	47	831	4630

Source : Ministry of Textile, Govt. of India.

Continent-wise Export of Handloom Fabric & Made-ups (1997-98 to 2000-01)								
		1997-98		1998-99		1999-00		2000-01
Region	Products	Value	%	Value	%	Value	%	Value

	Fabrics	68.34	-14.2	53.15	-22.2	56.9	6.5	184.6
	Made-ups	322.84	52.8	193.94	-39.9	186.15	-4	191.9
Asia	Total	391.18	34.5	247.09	36.8	242.74	-1.8	376.67
	Fabrics	23.16	-11.8	22.43	-3.2	22.57	0.6	100.67
	Made-ups	20.67	15.8	16.54	-20	19.79	19.6	24.43
Africa	Total	43.83	-0.6	38.97	-11.1	42.26	8.7	125.11
	Fabrics	77.51	-1.8	87.14	12.4	70.66	-18.9	126.65
	Made-ups	642.92	6.2	857.21	33.5	807.5	-5.8	703.07
Europe	Total	720.43	5.3	944.35	31.1	878.16	-7	829.73
	Fabrics	38.89	6.7	46.59	19.8	45.07	-3.3	66.5
	Made-ups	547.07	18.3	643.42	17.6	605.82	-5.8	662.4
America	Total	585.96	17.4	690.01	17.8	650.89	-5.7	728.9
	Fabrics	11.78	6	14.18	20.4	11.91	-16	11.09
	Made-ups	101.32	9.7	73.3	-21.7	65.85	-10.2	55.92
Oceania	Total	113.1	9.3	87.48	-22.7	77.76	-11.1	67.01
	Fabrics	**219.68**	**-5.5**	**223.49**	**1.7**	**206.8**	**-7.5**	**489.62**
	Made-ups	**1634.82**	**17.7**	**1784.42**	**9.2**	**1685.11**	**-5.6**	**1637.8**
Total	**Total**	**1854.5**	**14.13**	**2007.91**	**8.3**	**1891.91**	**-5.8**	**2127.4**

Source : Handloom Export Promotion Council of India.

State-wise Financial Assistance Sanctioned and Released under DDHPY (1999-2000 to 2002-03) (Rs. in

Lakh)		
States/UTs	Funds Sanctioned	Funds Released
Andhra Pradesh	2971.22	1884.07
Arunachal Pradesh	312.3	156.04
Assam	3528.79	1856.78
Chattisgarh	40.71	32.58
Delhi	20	20
Gujarat	425	425
Himachal Pradesh	62.51	31.12
Jammu & Kashmir	57.64	44.54
Karnataka	301	298.5
Kerala	550.8	550.8
Madhya Pradesh	55	42.88
Manipur	287.16	143.51
Meghalaya	12.04	6
Nagaland	759.73	379.6
Rajasthan	5	5
Tamil Nadu	2431.81	2339.42
Tripura	66.61	37.06
Uttar Pradesh	1213.77	697.4
Uttranchal	80.66	40.25
West Bengal	112.47	55.84
Total	**13294.22**	**9046.39**

Abbr. : DDHPY : Deen Dayal Hathkargha Protsahan Yojana.
Source : Lok Sabha Unstarred Question No. 4095, dated 09.08.2002.

State-wise Distribution of Handlooms and Per Loom Productivity -2001			
States/UTs	Number of Looms (' 000)	Number of Looms (' 000)	Productivity per Loom per Day

	Urban	Rural	Total	Working	Idle	Total	(In Mtr.)
Andhra Pradesh	57	163	220	213	7	220	4.91
Arunachal Pradesh	Neg	46	46	46	Neg	46	1.26
Assam	65	1344	1409	1299	110	1409	0.63
Bihar	12	71	83	73	10	83	11.79
Delhi	7	2	9	8	1	9	14.2
Goa	Neg	Neg	Neg	Neg	Neg	Neg	6.97
Gujarat	5	18	23	21	2	23	11.95
Haryana	14	6	20	17	3	20	11.72
Himachal Pradesh	1	30	31	31	Neg	31	2.36
Jammu & Kashmir	5	20	25	25	Neg	25	5.6
Karnataka	37	45	82	77	5	82	5.93
Kerala	5	47	52	42	10	52	6.04
Madhya Pradesh	16	31	47	31	16	47	12.06
Maharashtra	51	17	68	66	2	68	8.33
Manipur	42	228	270	267	3	270	1.86
Meghalaya	Neg	8	8	8	Neg	8	1.5
Mizoram	21	83	104	94	10	104	0.22
Nagaland	11	67	78	72	6	78	1.21
Orissa	6	113	119	92	27	119	7.56
Punjab	4	8	12	11	1	12	12.58
Rajasthan	8	25	33	32	1	33	8.14
Tamil Nadu	122	307	429	402	27	429	4.77
Tripura	Neg	119	119	117	2	119	2.3
Uttar Pradesh	100	161	261	244	17	261	11.31
West Bengal	37	301	338	319	19	338	10.17
Pondicherry	4	1	5	5	Neg	5	3.78
India	630	3261	3891	3612	279	3891	5.12
%	16.19	83.81	100	92.83	7.17	100	-

Abbr. : Neg : Negligible.

Source : Compendium of Textile Statistics 2001, Office of the Textile Commissioner, Govt. of India.

Appendix 4: Questionnaire for Customer's Survey

Center:………………………. **Date.**

Questionnaire for Customers of Handloom Products

Name of the Respondent: ______________________________

Occupation: ______________________________

Education: ______________________________

Mobile/Telephone No.: ______________________________

Sex: M [1] F [2]

Age: ______________________________

MHI: ______________________________

(SPEAK TO THE CUSTOMER AT HANDLOOM OUTLET)

Good..

I am-------------- representing from MARCH-Market Research a market research organization. Time to time we conduct studies for various clients to improve upon their products and services. Currently we have taken upon a assignment to analyze the buying behavior and usage pattern to of various textile products. In this regard I would like to speak to you for some time. Thank you for your co-operation.

Q.1 May I ask your bill amount for the textile shopping you have done at this shop?

Rs…………

(IF BILL AMOUNT IS MORE THAN RS. 500/- PROCEED FURTHER OR TERMINATE THE INTERVIEW)

Q.2 What type of fabric do you usually **prefer** to purchase for you/your family?

(ENCIRCLE PRODUCTS IN GRID 1)

Q.3 And what type of fabric material do you **actually** buy for your family? **(ENCIRCLE PRODUCTS IN GRID 1) (SHOWCARD 1)**

GRID 1: -

Type of Fabric material	Q.2 (MR)	Q.3 (MR)
Cotton	1	1
Polyester	2	2
Nylon	3	3
Teri cotton	4	4
Teri line	5	5
Handloom	6	6
Silk	7	7
Pope line	8	8
Woolen	9	9
Others (specify)		
……	10	10
……	11	11

(IF CHOICE FOR Q.2 AND Q.3 IS SAME, GO TO Q.5 ELSE GO TO Q.4)

Q.4 What is reason behind not purchasing the preferred fabric?

……………………………………………………………………………………………………

………………………………………………………………………………………

Q.5 In a year, approximately how much do you spend (in Rs.) totally for furnishing and clothing for you and your family? **(SR) (ENCIRCLE THE RESPONSE IN THE GRID) (SHOWCARD 2)**

GRID: -2

Amount in (R.s)	Q.5
1000-5000	1
5001-10,000	2
10,001-20,000	3
20,001-50,000	4
Above 50,000	5

Q.6 What are the different textile / apparels you purchase for you/your family? **(ENCIRCLE APPROPRIATE RESPONSES IN THE GRID 3)**

Q.7 What is the frequency of purchasing for different products in a year for you/your family? **(MENTION RESPONSES IN THE GRID 3) (SHOWCARD 3)**

GRID: -3

Textile Products	**Q.6 (MR)**	**Q.7**
Suits	1	
Shirts	2	
Pants	3	
Saris	4	
Kurtas	5	
Salwar-Suits	6	
Other Dress Material	7	
Bed-Sheets	8	
Table Covers	9	
Curtains	10	
Lungis	11	
Dhoti	12	
Handkerchief	13	
Towels	14	
Pillow Covers	15	
Other Furnishing Cloths	16	
Bags	17	
Door Mats	18	
Others (specify)		
………	19	
………	20	

Q.8 Do you prefer to buy readymade clothes or cloth material for different purposes?

Readymade garments [1] Cloth Material [2]

Q.9 There are different kind of fabrics in the textile industry which of these are you aware of?

(SINGLE RESPONSE)

(ENCIRCLE THE APPROPRIATE RESPONSE IN THE GRID 4)

GRID:-4

Product	Response
Handloom	1
Power loom	2
Mill	3

Q.10 Can you distinguish the Handloom Products from other textile products?

ΨΕΣ [1] NO [2]

(IF YES GO TO Q. 11 OR ELSE GO SHOW THE SHOWCARD 4, DESCRIBE AND GO TO Q 12)

Q.11 Can you explain how do you distinguish handloom products from other textile products?

(Probe & Record Verbatim (P & R))

……………………………………………………………………………………………………

……………..…………………………………………………………………….………

Q.12 After looking at the handloom material can you identify where it has been made?

Yes [1] No [2]

Q.13 Approximately, in a year out of your total spending on textile/apparel, what percentage of expenditure is on Handloom Products? **(SR)**

(ENCIRCLE THE APPROPRIATE ONE IN THE GRID54) (SHOWCARD 5)

GRID: -5

Percentage of expenditure	**Q.13 (SR)**
Less than 25%	1
25-50%	2
51-75%	3
75%+	4

Q.14 Please look at this card and tell me, which of the handloom products have you ever purchased? **(ENCIRCLE PRODUCTS IN GRID 6) (SHOWCARD 6)**.

Q.15 Of the handloom products that you have ever purchased which are the ones that you buy repeatedly? **(ENCIRCLE RIGHT PRODUCTS IN GRID 6) (SHOWCARD 6)**

GRID: -6

Product Name	**Q. 14 (MR)**	**Q. 15 (MR)**
Saris (Specify the type)		
- Type 1------	1	1
-Type 2-----	2	2
-Type 3-----	3	3
-Type 4------	4	4
Dhoti	5	5
Kurta	6	6
Pajamas	7	7
Lungi	8	8
Blanket	9	9
Bed Sheets	10	10
Towels	11	11
Table Cover	12	12
Lining Cloth	13	13
Pillow Covers	14	14
Curtains	15	15
Dress materials	16	16
Handkerchief	17	17
Others (specify)		
1---------	18	18
2----------	19	19
3----------	20	20

Q.16 From where do you usually purchase Handloom Products? **(ENCIRCLE THE PRODUCTS IN GRID 7) (SHOWCARD 7)**

GRID: -7

Place of Purchase	**Q.16 (MR)**
Handloom Emporium	1
Exhibitions	2
Organized Handloom Retailers	3
Co-operative Outlet	4
Weaving Centers	5
Others Specify ………	6

Q.17 According to you, are Handloom Products easily available?

ΨΕΣ [1] NO [2]

(IF YES GO TO Q. 19, OR ELSE GO TO Q. 18)

Q.18 According to you what should be done to improve the visibility / availability of Handloom products? **(P&R)**

……………………………………………………………………………………………………
………………………………………………………………………………

Q.19 In your opinion, what are the aspects in a handloom product make you to buy them**? (MR) (ENCIRCLE THE APPROPRIATE RESPONSES IN THE GRID: 8) (SHOWCARD 8)**

GRID: **-8**

Aspect	**Q.19 (MR)**
Comfort	1
Traditional/Ethnic design	2
Customized to the buyers need	3
Price	4

Environment friendly	5
Good for Body	6
Belief in swadeshi	7
Others (specify)	9

Q.20 Please look at this card. On this card there are some features which consumers generally look for while purchasing a handloom product. According to you which are the most referred features? Can you rank them?

(RANK THE FEATURES GIVEN IN THE SHOWCARD BASED ON YOUR PREFERENCE "1 TO 7,") (SHOWCARD 9)

GRID:-9

Feature	***Ranking***
Color	
Design	
Quality of material	
Work done on the product	
Intrinsic value of the product	
Artistic skill shown	
The place of origin	

Q.21 While planning for shopping of handloom products most of consumers predefine on the aspects they look for before buying. In your shopping experience do you usually get what you have decided to buy in handloom products?

Yes [1] No [2]

(IF YES GO TO Q.23 IF NO GO TO Q. 22)

Q.22 what do you do when you usually do not get what you were looking for in handloom product? **(P&R)**

……
……………………………………………………………………………………

Q.23 Please take a look at this card and tell me with regard to your experience with handloom products? . **(SR) (ENCIRCLE THE RESPONSE IN GRID 10)**

(SHOWCARD 10)

GRID: -10

Highly dissatisfied	1
Dissatisfied	2
Neither satisfied nor dissatisfied	3
Satisfied	4
Highly Satisfied	5

(IF CODED "1" OR "2" ASK Q.24 ELSE SKIP TO 25)

Q.24 What are the reasons for dissatisfaction/ lack of satisfaction? **(P&R)**

……
…………………..……………………………………………………….……………………

(ASK Q. 25 TO ALL THE RESPONDENTS)

Q.25 In your opinion, what should be done to improve the customer satisfaction of handloom product? **(P&R)**

……
…………………..……………………………………………………….……………………

Q.26 From where do you get the information about Handloom Products? **(MR) (ENCIRCLE THE APPROPRIATE RESPONSES IN THE GRID 11)**

GRID: -11

Source of information	Response
TV	1
Radio	2
General newspapers or magazines	3
Specialist magazines	4
Direct mail	5
Leaflets	6
From local outlet	7
From friends or colleagues	8
From sales representatives/direct marketing by individuals.	9
From special exhibitions or seminars	10
Other (please Specify)	
……..	11
None of these	12

Q.27 What is your opinion about the handloom products in terms of price?

(ENCIRCLE THE APPROPRIATE RESPONSE IN THE GRID 12)
GRID: -12 (SR)

Very expensive	1
Expensive	2
Neither expensive nor inexpensive	3
Inexpensive	4
Cheap	5

Q.28 In your opinion what should the Government do for the survival of handloom sector?**(P&R)**

……………………………………………………………………………………………………
…………………………………………………………………………………

Q.29 Can you give some suggestions to make Handloom Products more popular? **(P&R)**

……

………………..…………………………………………………….…………………

(TERMINATE THE INTERVIEW WITH THANKS TO THE RESPONDENT)

Name of the Interviewer:	**Signature:**	**Interviewer code:**
……………………………	**…………….**	**………………….**

For office use only:

	AC	**BC**	**Scrutinized**
TL	**1**	**1**	**1**
FE	**2**	**2**	**2**
FIC	**3**	**3**	**3**

Questionnaire for trader's/holesalers survey

Center:………………………. Date.

Name of the Respondent: ____________________________

Name Of The Trading Agency: _______________________

Address of the trading agency: _________________________

Mobile/Telephone No.: ____________________________

Website: _____________________; email-id: ______________________________

(SPEAK TO THE TRADER AT HIS OFFICE/PLACE SUGGESTED BY HIM.)

Good…………

I am-------------- representing from MARCH-Market Research one of a premier market research organization in the country. Time to time we conduct studies for various clients to improve upon their products and services. Currently we have taken upon a assignment to analyze the distribution and marking information network of various handloom products across the country. In this regard I would like to speak to you for some time. Thank you for your co-operation.

Q.1 Can you tell me what are the various handloom products you sell? (MR)

(ENCIRCLE THE APPROPRIATE PRODUCTS IN THE GRID 1)

Q.2 Can you please tell me what is the approximate sales (in terms of volume and value) your company? **(MR)**

(ENCIRCLE THE APPROPRIATE PRODUCTS IN THE GRID 1)

GRID: 1

Textile Products	**Product sold**	**Volume (no. Of pieces)**	**Value (Rs.)**
Suits	1		
Shirts	2		
Pants	3		
Saris	4		

Kurtas	5		
Salwar-Suits	6		
Other Dress Material	7		
Bed-Sheets	8		
Table Covers	9		
Curtains	10		
Lungis	11		
Dhoti	12		
Handkerchief	13		
Towels	14		
Pillow Covers	15		
Other Furnishing Cloths	16		
Bags	17		
Door Mats	18		
Others (specify)	19		
………	20		
………	21		

Q.3 Can you tell me the entire market size of the city you are operating in, for the last three years (market size consists of both inbound and out bound)?

Year	**In terms of value**
2000-01	
2001-02	
2002--03	

Q.4 Can you tell me how can you foresee the market trends in the next two years (in terms of volume and value) in your city?

Year	**In terms of value**
2004	
2005	

Q.5 Can you explain the distribution network existing at present in the handloom sector? **(P&R)**

………
……………………………………………………………………………………

Q.6 Can you suggest how to improve the present distribution network to reach the customer better way? **(P&R)**

……
………………………………………………………………………………………

Q.7 What type of information network is available across the entire marketing channel in the handloom sector? **(P&R)**

……
………………………………………………………………………………………

Q.8 Can you suggest how to improve the present information network for better marketing of product? **(P&R)**

……
………………………………………………………………………………………

(TERMINATE THE INTERVIEW WITH THANKS TO THE RESPONDENT)

Name of the Interviewer: ……………………………
Signature: …………….
Interviewer code: ………………….

For office use only:

	AC	BC	Scrutinized
TL	**1**	**1**	**1**
FE	**2**	**2**	**2**
FIC	**3**	**3**	**3**

Centre:……………………….

Questionnaire for Handloom Retailers

Name of the Outlet:		**Cell/Telephone No.:**	
Name of the Respondent:		**E-mail ID/ Website:**	
Address:			

Good Morning/Afternoon/Evening,

I am from MARCH-Market Research; we basically conduct surveys on various products and services. Currently we are conducting a survey to study the buying behavior, consumption pattern of customer as well as market condition of various textile products. This study will help the textile manufacturer to understand the market scenario and plan production accordingly. In this regard I would like to speak to you for some time. Thank you

Q.1 Do you sell handloom products?

Yes [1]   No [2]

(if yes proceed further, if no terminate the interview)

Q.2 Can you tell your turnover for this outlet and share of handloom market in this turnover for last five year (approximate figure)

Year	*Total Turnover*	**Share of handloom Products (in %)**
2002-03		
2001-02		
2000-01		
1999-2000		
1998-99		

Q.3 What are the handloom products you sell in your outlet (Tick right products in table below)?

Q.4 For each type of product that you sell can you please tell me the approximate margin that you get (Please mention in the Table given below) ?

Product Name	**Availability**	**Margin**
Saris (Specify the type)	1	
- Type 1	2	
-Type 2	3	
-Type 3	4	
-Type 4	5	
Dhoti	6	
Lungi	7	
Blanket	8	
Bed Sheets	9	
Towels	10	
Table Cover	11	
Lining Cloth	12	
Pillow Covers	13	
Curtains	14	
Dress materials	15	
Handkerchief	16	
Others (specify)	17	
1	18	
2	19	
3	20	

Q.5 There are various types of textile products available in the market, but as you have mentioned you sell handloom products at your outlet, please can you explain some reason for selling these handloom products also at your outlet?

……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
………………………………………………………………………

Q.6 Usually what are the handloom products preferred by customers? Please tell me your response starting from the most preferred product onwards.

Preference	**Product**
1	
2	
3	
4	

Q.7 From where do you get the finished handloom products? For each of the places from where you buy handloom products please explain the distribution network.

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Place1…

Place2…

Place3…

Place4…

Q.8 Based on your experience, the handloom product that you sell in your outlet, Who generates the designs for each of the products?

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Q.9 What competition handloom products face? (In terms of substitute products or any please explain)

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Q.10. How do you foresee the handloom industry/sales in the near future?

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Q. 11 Why do you feel so? **(Probe for all the points s/he mentioned above)**

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Q.12 According to you, what are the challenges that handloom sector as a whole is facing? **(Probe and Record verbally)**

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Q. 13 According to your experience, how would you explain the changes in the handloom industry/sales in the past five years? **(Probe and Record verbally)**

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Q.14 What are the reasons for above stated changes? (**Probe for all the above-mentioned changes**)

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Q.15 Are there any practices in the textile sales where in they push the other products as handloom products to customers?

Yes [1] No [2]

If yes please explain the practices, any other?
If no, skip to Q no.16

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Q.16 Can you please explain the current government policies in the handloom sector?

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Q.17 According to you are there any government policies that hinder the growth of the handloom sector? Any other?

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Q.18 Can you give some suggestions for improving the sales of handloom products?

(Probe and record verbatim)

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Q.19 In your opinion how to improve the marketing of handloom products?

(Probe for, in terms of availability, design, promotions, advertising, pricing and trade policies).

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Q.20 Can you suggest major outlets in handloom retailing?

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(Here terminate the questionnaire and say thanks to respondent for sparing his/her valuable time with us)

For office use only:

	AC	BC	Scrutinized
TL	**1**	**1**	**1**
FE	**2**	**2**	**2**
FIC	**3**	**3**	**3**