

Chapter IV

Changing Marketing Scenario: The Challenge

An attempt has been made in the preceding chapters to examine the relevance of rural industries in general and rural artisans in particular in the changing Indian economic scenario. On analysis of the plight of rural artisans in India, it has been concluded that they can be brought back to the mainstream only when their crafts have an economic justification. This calls for a pragmatic approach towards the analysis of the problems being confronted by them.

The present chapter and the analysis to follow, aim at proper identification and evaluation of the problem areas pertaining to artisanal activities. This is to help build a case for the revival of traditional sector considering its economic potential. The analysis believes that the economic justification for support to artisan activities has to be considered mainly from the marketing angle. It is to be seen as to whether there exists a market for the kind of goods and services that are being offered by this sector. Changes in the demand pattern for the artisanal products shall be analysed not only in its traditional form, but also with a consideration for the possibilities of developing market friendly products.

The demand for the traditional artisanal products has certainly been on the decline in the recent past. This is mainly caused by the changing lifestyles of the rural populace. In the changing rural scenario, the products of almost

all artisan trades are being replaced by cheaper or qualitatively better products made available by the organised industries. Thus, for instance, in a typical rural set up of the day, the consumers prefer plastic, aluminium or steel utensils to pottery products, moulded plastic or steel furniture to cane or wooden furniture, nylon ropes to coir ropes and so on. The change in demand pattern is not only true for the consumers around the artisans but also to the artisans themselves. In other words, the consumer in the artisan has also changed over the years along with the rural population in general. This has rendered the artisan activity in its traditional outfit an uneconomic proposition.

It has been established in the second chapter that the value of production, employment potential and exports of traditional sector, especially of the handicrafts have considerably improved in India in the recent years. There has also been an increase in the urban domestic demand for certain types of artisanal products. In fact, the trend of decline in some forms of traditional crafts and the flourishing of some other is identified as a common trend, along with increased income levels, standard of living and other entitlements.¹

It has been argued earlier that what is happening in the present market is not entirely the dwindling of demand for

¹ See for instance, Rizwanul Islam, "Rural Industrialisation," in Rural Industrialisation and Employment in Asia, Rizwanul Islam, Ed., p.3.

artisanal products but a shift or change in demand pattern. This has been sufficiently substantiated at the macro analysis. It is pertinent here to place the micro level evidences in order to analyse the marketing problems of our sample artisan households. As we are going to see in the analysis to follow, there is a clear trend of decreasing demand for traditional artisanal products meant for household use. This is particularly pronounced in the rural market. As against this the demand for artistic products of decorative use are on the increase and this is clearly visible in the urban market. For example we have identified 21 major retailers of different types of artisanal products in Mangalore city itself. The annual turnover of each of these is between Rs.5 lakhs to Rs.8 lakhs. The two retail outlets dealing exclusively in pottery items have an average turnover of above Rs.8 lakhs per annum. The nine major retailers dealing exclusively in coir and related items too have very impressive turnover (in case of one retailer it exceeds Rs.25 lakhs). The retailers in artistic pottery items feel that the demand is ever on the increase and many times they are unable to meet the demand, especially those of tourists.

It is relevant to note that the demand for artisan products comes primarily from the middle and upper class urban population who have a fascination for our traditional values and would like to give an ethnic touch to their life-style. Accordingly, in case of pottery, for instance, while the demand for traditional products like vessels for cooking or

storing grains is on the decline, a market for the artistic pottery is strongly emerging. To exploit this situation the traditional artisan needs to move out from his local markets and upgrade the technology and muster the complementary financial and managerial strength.

Marketing is therefore, central to the question of revitalising the traditional sector. It is also a policy prerequisite to tackle the problems of artisans, starting from this central issue. It is therefore, rightly opined that the problem of rural artisans is not one of 'market exploitation' but that of 'unexploited markets'.² In the light of this, an attempt is made here to examine different dimensions of marketing problem of the sample artisan households. The analysis considers issues like the spread of the market, major groups of customers, the level and effect of competition, nature of change in demand, artisans perception of price realisation, and their opinion about the factors creating marketing problems and solutions thereto.

Geographical Spread of the Market:

The market mix in terms of geographical coverage has an important say in determining the strength of any business or trade. It is logical that a progressive entrepreneur should

² S. N. Bhattacharya, Development of Small Scale and Cottage Industries, pp.260-266.

push his products to such markets where they are accepted and keep altering the structure of his product to make it more acceptable in the market. Our sample artisans exhibit a trend contrary to this logic of business. They seem to confine themselves to the closed markets of the village territory and regret for being in a trade which can not survive in that limited sphere. This becomes clear when we examine the data relating to the spread of market given in Table 4.1.

Table.4.1

Geographical Spread of the Market for Artisans' Products

	Potters		Basket makers		Coir worker		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
At home	17	11.72	18	8.37	01	1.28	36	8.22
With in the village	94	64.83	142	66.05	64	82.05	300	68.49
With in the taluk	17	11.72	46	21.48	05	6.41	68	15.53
With in the District	06	4.14	09	4.19	01	1.28	16	3.65
With in the State	09	6.21	0	0.00	07	8.97	16	3.65
With in the country	02	1.38	0	0.00	0	0.00	02	0.46
Total	145	100.00	215	100.00	78	100.00	438	100.00

SOURCE: Field Survey Data

It is evident from the field survey data that majority of the sample artisan households (76.71 percent) sell their products only within their village limits. This trend is very high among coir workers (83.33 percent) and only marginally different for potters (76.55 percent) and basket makers (74.42 percent). Most of the artisans have not built any access to urban markets since they tend to sell mostly within the taluk (92.24 percent). Here again, the number of artisan households selling their produces within the taluk is very high among all the trades with a share of 88.27 percent among potters, 96.02 percent among basket makers and 89.74 percent among coir workers. There are only a handful of artisan households among coir workers (8.97 percent) and potters (6.21 percent) who have penetrated into the district level markets and sell their goods in different parts of the state. Those who have succeeded in pushing their goods into the national market are only 2 artisan families, that too only among the potters.

It is already established that the local market for traditional artisanal products is dwindling. This means that majority of our sample artisans are fighting a battle for survival in a shrinking market situation. It is therefore, not surprising that their family income is low and they are largely underemployed as observed in the previous chapter. It is of relevance to note here that the spread of market is closely related to the nature of products offered to the market. For instance, the two potter households were able to penetrate into the national market primarily because they have

moved away from the traditional product line and started producing artistic pottery.

Sales Channels and Price Realisation:

Traditionally rural artisans in Dakshina Kannada, used to market their goods locally and their place of residence used to be both the production and sales centre. Of course, it was common to sell goods in 'village fairs' and 'village mandis' also.³ However, there used to be a direct sale to the ultimate consumer in almost all these cases. There were two visible advantages of this system. One, a social advantage of direct interaction with the community and Two, an economic advantage of full price realisation.

The evolution of modern marketing agencies, especially that of dominant middlemen, has greatly affected the sales system of the artisans. This has obviously worked both against the artisan and the ultimate consumer. The present situation of sales to middlemen is clearly visible in our field survey data presented in Table 4.2.

³ Government of Madras, The Sea Customs Proceedings of the Madras board of Revenue, Vol. 62, Dated 17th May, 1830, Quoted by Malathy Moorthy, "Trade and Commerce," Diss., pp. 330-333.

Table. 4.2
 Details of Sales Outlets for Artisans' Products

	Potters		Basket makers		Coir workers		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1. Direct sales to customers								
in their home premises.	30	28.69	04	1.86	05	6.41	39	8.90
2. Direct sales to customers								
by hawking	69	47.59	66	30.70	00	0.00	135	30.82
3. Direct sales to commercial								
and business users.	04	2.76	00	0.00	00	0.00	04	0.91
4. Direct sale to Government /								
Public sector undertakings.	02	1.38	00	0.00	00	0.00	02	0.46
5. Direct sales in exhibition.	00	5.52	00	0.00	00	0.00	00	1.83
6. Direct sales in village								
mandis.	42	28.97	15	6.90	17	21.79	74	16.89
7. Sales to traders.	21	14.48	71	33.00	45	57.69	137	31.28
8. Sales to middlemen.	27	18.62	147	68.30	60	76.92	234	53.42
9. Sales to co-operative								
Societies.	21	14.48	03	1.40	00	0.00	24	5.48

SOURCE: Field Survey Data

While analysing the data in the table it is important to note that most of our sample households resort to more than

one or two channels of sales. They sell directly to customers and to the middlemen and traders as well. Similarly they sell at home, through hawking and the village mandis. Therefore, we have considered the trend of selling points in general by giving weightage to more than one sales point wherever it is applicable.

Accordingly, we notice from the table that the single most important point of sale for artisans are the private middlemen. About 53.42 percent of the artisans sell to these people. If we include the local traders this percentage shoots up because about 31.28 percent sell to them also. Even though there are artisan cooperatives in all the taluks only about 5.48 percent of our sample artisan households sell their produces to these cooperatives. This is partly indicative of even the state of artisan cooperatives in the district.

The maximum percentage of artisans selling directly to customers is under the category of those who sell through hawking (30.82 percent). In fact, this type of sale is highest among potters (47.59 percent) and it is not found among coir workers. Sales to middlemen and local traders is highly pronounced in the case of basket makers (68.37 percent and 33.02 percent respectively) and coir workers (53.42 percent and 31.28 percent respectively). Along with hawking, sales in village mandis (28.97 percent) and selling at home (20.69 percent) are the other common practices for potters. Potters emerge as the most progressive group in terms of selling

practices, since only a small percentage of them sell to middlemen (18.62 percent) and local traders (14.48 percent). It is of interest to note that the practice of selling to cooperatives is also highest (14.48 percent) among potters.

The field survey thus reveals that there is a high tendency among artisans to dispose off their produces to the middlemen. Of course, majority of them do so for lack of infra-structural facilities to directly take them to the market place. In a situation where the local village market is dwindling and the artisans are neither organised nor possess the means of pushing their goods to the urban markets, the middlemen are making merry. However, the position of potters kindles a ray of hope. It was observed during the field survey that the potters could resist the pressure of middlemen because of their cooperative efforts.

Even though, majority of our sample artisan households are selling more and more to the middlemen and local traders, it is not without an awareness about the disadvantages of doing so. Most of them, during our field survey expressed that they are not happy about price realisation when they sell to middlemen. This trend of low returns is proved in many studies. It is now commonly held that sales to 'dukandar' (trader or middleman) is the least paying proposition.⁴ Simi-

⁴ Shantha Krishnan, Traditional Potters: Entitlements and Enablements of Artisans, New Delhi: Indus Publishing Company, 1990, pp.160-162.

larly studies have also revealed a trend of high degree of dissatisfaction among artisans about price realisation.⁵ The trend in our study area is also almost the same. The relevant data are presented in Table 4.3

Table. 4.3

Level of Satisfaction About Price Realisation

Mode of Sale	Potters		Basket Makers		Coir workers		Total	
	Satisfied		Satisfied		Satisfied		Satisfied	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1. Direct sale to customers - at home	21	78.00	00	0.00	03	60.00	24	61.54
2. Direct sale to customers - hawking	30	43.48	17	25.76	00	0.00	47	34.81
3. Direct sale to coal./business users	04	100.00	00	0.00	00	0.00	04	100.00
4. Direct sale to Govt./Public sector	02	100.00	00	0.00	00	0.00	02	100.00
5. Direct sales in exhibition	07	87.50	00	0.00	00	0.00	07	87.50
6. Direct sales in village mandis	20	47.62	07	46.67	14	0.00	41	55.41
7. Direct sales to traders	08	38.10	52	73.24	15	82.35	75	54.74
8. Direct sales to middlemen	08	29.63	93	63.27	24	33.33	125	53.42
9. Sales to co-operative societies	17	80.95	00	0.00	00	40.00	17	70.83
Level of satisfaction in general	96	66.21	78	36.28	33	42.30	207	47.26

SOURCE: Field Survey Data

⁵ Gandhigram Trust, Rural Artisans of Shanarpatti Block, p.51.

We may see from the table that on an average those feeling satisfied about the price realisation are quite high when goods are sold to middlemen (53.42 percent) and traders (54.74 percent). However, satisfaction about price realisation is much higher when they sell directly to the customers (61.54 percent), to a cooperative (70.83 percent) and at the exhibitions (87.50 percent). Wherever the artisans have sold their produces to business houses for direct consumption or to Government sources, they are highly satisfied.

The trade-wise data makes the level of satisfaction much more clear. We notice that it is only the basket makers who largely feel satisfied while selling to middlemen (63.27 percent) and traders (73.24 percent). The corresponding figures for potters (29.63 percent and 38.10 percent) and coir workers (40.00 percent and 33.33 percent) establish that the level of satisfaction about price realisation is rather low. It is also relevant to mention here that basket makers being typical rural tribes with least literacy rate, are not really able to articulate their ideas about price realisation.⁶

⁶ when we probe into the satisfaction of the basket makers further, we find that, though the basket makers are satisfied with the price realised, they have many reasons to worry about their channel of distribution. The basket makers are satisfied because the middlemen and the traders pay a fixed price and look after the marketing problem. This looks very attractive to the basket-makers since they don't have direct access to market. They are unable to build up such access due to their poor educational, economic, political, and most important, the social background. When they sell by hawking, they are not paid the right price and sometimes they are even required to settle for some left out food-stuff or payments in kind. This vulnerability of basket makers is exploited by the middlemen. It was learnt through our investigation that their margins vary from 75 percent to 100 percent and sometimes even up to

Trends in Demand and Competition:

It is generally believed that the demand for the output of rural artisans has been declining over the years. It is also widely held that this decline is primarily because of the competition from the organised industrial sector. In order to understand the validity of these notions an attempt was made to gather and analyse the relevant data, based on the experience of the sample artisan households. The premise of the analysis is that the nature of demand and the extent of competition are central to the policy support to the traditional sector. An attempt is also made to test the hypothesis that the change in the pattern of demand is more relevant than the decline in demand. In order to assess this situation the artisans were asked to identify the trend in demand for the last five years. The data so gathered are tabulated and presented in Table 4.4

200 percent. A case to quote here, is that of a trader at Jalsoor of Sullia Taluk, who procures the baskets from 6 basket making families of the region, and once in a fortnight carries the same to the nearby town of Kerala by trucks and earns a margin of around 100 percent to 125 percent.

Table 4.4
Sources and Effect of Competition

	Potters		Basket makers		Coir workers		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Effect of competitions:								
A very great extent	17	11.72	26	12.09	19	24.36	62	14.16
To some extent	72	49.66	46	21.40	35	44.87	153	34.93
Not at all	51	35.17	130	60.47	23	29.49	204	46.58
Can't say	05	3.45	13	6.05	01	1.28	19	4.34
Total	145	100.00	215	100.00	78	100.00	438	100.00
Competitors:								
Substitutes from organised sector	66	45.52	23	10.70	06	7.69	95	21.69
Same products from organised sector	16	11.03	19	8.84	31	39.74	66	15.07
Fellow artisans	14	9.66	15	6.98	18	23.08	47	10.73
Don't know	49	33.79	158	73.49	23	29.49	230	52.51
Total	145	100.00	215	100.00	78	100.00	438	100.00

SOURCE: Field Survey Data

It can be made out from the table that only 18.72 percent of the respondents identified a positive change in demand. Majority of the artisans felt that the demand is on the negative. 30.37 percent of the sample households experience a

stagnant demand and 47.72 percent felt that the demand is on the decline. There is not much inter-trade difference in this perception. While about 18.62 percent of potters, 19.07 percent of basket makers and 17.95 percent of coir workers identified a positive trend of demand, 81.38 percent, 74.89 percent and 80.77 percent respondents in the respective trades said that the demand is either stagnant or on the decline.

Incidentally, it is to be noted that majority of those experiencing increased demand (8 out of the 10 potters, 5 out of the 6 coir workers and 1 out of 5 basket makers) are producers of modern products with improved technology. Though these artisans also produced the traditional products to some extent, by and large these are the artisans who have been striving continuously to update their product design and production processes. The price realisation for their output is much higher than their counterparts producing traditional products. These artisans have realised the fact that the marketing and production activities are interrelated and the goods produced should be marketable. We may cite the examples of the potters of Kayarthadka village of Belthangady taluk and coir workers of Permannur village of Mangalore taluk. Having experienced a declining market for traditional products these artisans switched over to artistic items and succeeded. Their product mix includes modern potteryware like garden pots flower vase, tandoor of different sizes, lamp shades, hanging pots, wall-plates, water filters with taps, containers of different modern designs and shapes, coir mats, coir tiles,

bags and other decorative items. These products also give much scope for the artisan to be imaginative and unique in his style of production and appealing to his target market.

The field study also firmly established that the substantial decrease in demand has been experienced essentially by those sticking to traditional products and methods of production. The failure to feel the pulse of changing markets and adjust the resources accordingly has adversely affected the economics of these artisan activities.

The study has also tried to put to test yet another widely held view that artisans face lot of competition from industrial alternatives. Here, the sample artisans were asked to identify both the extent of competition and the sources of competition. Not surprisingly, even though the artisans could speak of the extent of competition, they could not identify the sources of such competition. The data given in Table 4.5 gives more details on this issue.

Table 4.5
Change in Demand for Output Over the Last 5 Years

Change in demand	Potters		Basket makers		Coir workers		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Substantial increase	10	6.90	05	2.33	06	7.69	21	4.79
Slight increase	17	11.72	36	16.74	08	10.26	61	13.93
No change	39	26.90	74	34.42	20	25.64	133	30.37
Slight decrease	61	42.87	66	30.70	34	43.59	161	36.76
Substantial decrease	10	12.41	21	9.77	09	11.54	40	10.96
Can't say..	00	0.00	13	6.05	01	1.28	14	3.20
Total	145	100.00	215	100.00	70	100.00	430	100.00

SOURCE: Field Survey Data

Majority of the artisans (49.09 percent) expressed that competition has adversely affected their trade. This includes 14.16 percent of those who felt the effect of competition is severe and 34.93 percent who feel the effect is moderate. It is of interest to note that those who don't feel the effect of competition are also sizable (46.58 percent) in number. Trade-wise, it is the coir makers who seem to be severely affected by competition (24.36 percent) when compared to basket makers(12.09 percent) and potters (11.72 percent).

On being asked who according to them are the major competitors, majority of the respondents (52.51 percent) could not give any specific answer. The remaining respondents identified substitutes from organised sector (21.69 percent) similar products from organised sector (15.07 percent) and fellow artisans (10.73 percent) as the major competitors. The trade-wise analysis shows that substitutes from organised sector are identified as major competing brands both by the potters (45.52 percent) and basket makers (10.70 percent). The coir workers felt that similar products from the organised sector (39.74 percent) is the main source of competition.

Interestingly the study revealed that the threat of competition from similar products or substitutes from the organised sector is severely felt by the artisans producing only the traditional products. The producers of modern goods, especially the potters and the coir workers using improved technology, have expressed that their products stand apart in the competing market and competition has not caused much harm to their trade. As observed later in this chapter, these artisans are enjoying increasing demand for their output and sometimes even find it difficult to meet their demand fully. Thus our field survey data reconfirms the widely held view that competition is severe to those producing traditional artisanal products, the demand is on the decline for those confining to local markets and that industrial alternatives are the major sources of competition to the artisans. This trend also reestablishes that the artisans have to accept the

inevitability of industrial penetration and dynamic market structure. There is no alternative but to tap the untapped market. As substantiated earlier, the potential exists and artisans need to be prepared to exploit this potential.

It is of particular relevance that the policy impetus towards marketing support has been rather sluggish both at the macro and micro levels. During our field survey a significant number of respondents made specific mention of some of their requirements with regard to market support. About 18.04 percent of them felt that market intelligence, information and marketing support is one of their primary requisites. Better physical facilities (3.42 percent) and formation of artisan cooperatives (2.05 percent) were also stressed by many. These artisans are confident that given such support along with an assured raw material supply, they will be able to sustain themselves well.

The above views of our sample artisan households carry enough weight. This becomes evident when we place them vis-a-vis the type of demand and possible returns they might get through proper readjustment of their technology and product line. An analysis of the reward on artisan's labour will help us understand the situation better.

Reward on Artisan's Labour:

The ultimate test of the adequacy of the market and marketing arrangements is the realisation of surplus from the sale of the output to compensate the services of the artisan's labour. If the product realises a price reasonably higher than the cost of production and generates a 'decent' surplus for the artisan, it would be logical to assume that the market for that product is good. For the purpose of our analysis the net surplus of the artisans are taken at two levels viz., surplus per hour and surplus per day.⁷ The analysis of the surplus would enable us to determine the economic viability of the activity. The details of cost-price relationship and returns on artisan's labour are provided in Table 4.6.

⁷ An average of six hours is considered to be the net working hours per day for a typical worker in the study area.

TABLE 4.6

Average Cost and Surplus Generated on Traditional and Modern Products

	Potters		Basket Makers		Coir Workers	
	Tr.	Modern	Tr.	Modern	Tr.	Modern
1. Units	100	100	10	01	1Kg.	05
2. Raw material cost (Rs)	125	125	15	15	09	12
3. Other costs (Rs)	12	55	10	20	00	00
4. Total cost (2+3)	137	180	25	35	09	20
5. Selling price (Rs)	300	750	90	150	18	60
6. Surplus (5-4)	163	570	65	115	09	40
7. Man-hours expended	30	45	10	25	5	05
8. Return per man-hour (6/7)	5.43	12.67	3.61	4.6	1.8	8.0
9. Return per day of 6 hours	32.6	76.0	21.66	27.6	10.8	48.0
10. Cost per rupee of sale	0.46	0.24	0.19	0.23	0.50	0.33

SOURCE: Field Survey Data.

We have information on cost, price and surplus on an appropriate cost unit for both traditional and modern products of the trades under study. We have chosen one item under each category, generally the most important one. In case of pottery we have considered 'kujily' (small earthen pots) against lamp shades. For basket makers traditional baskets against artistic bamboo works and for coir workers hand twisted coir

ropes against coir mats are considered. The equivalent units of traditional and modern products are determined on the basis of basic raw material consumption. The cost considered in the analysis include all the paid out costs. The costs included under the head 'other costs' include indirect material cost, costs of hired labour if any and other over heads including proportionate share of depreciation on equipments, wherever applicable.

We find from the table that by and large, the price realised is reasonably higher than the total cost for all the trades. The total cost is the lowest for the basket makers and highest for the coir workers. The differences are primarily on account of the cost of raw materials (note that basket makers' cost is the lowest since they generally collect them as a free gift of nature). We may also note from the table that the other costs are either negligible or nil in the case of artisans producing traditional products. The producers of modern products incur more of 'other costs' in the form of polishes, colours etc., and more importantly -- cost of transportation since they are generally required to move out of the local markets.

The table clearly re establishes our hypothesis that the modern products enjoy good market and prove the economic viability of the artisan activity. The return per man hour which also explains the return on artisan's labour is higher for the producers of modern products, than that of the tradi-

tional products in all the three trades. The surplus generated through the modern products is higher by 27 percent to basket makers, 133 percent to potters and 344 percent to coir workers. Among basket makers the difference between the producers of traditional and modern products is negligible since the trade does not offer much scope for product up-gradation. Accordingly a basket maker producing modern products generates a surplus of only Rs. 27.60 a day. On the other hand the return per day is highest for the potters producing modern products. They earn Rs. 76 a day compared to only Rs. 32.60 earned by their fellow potters producing traditional products. Similar trend may be seen in case of coir workers also. A full time coir worker producing modern products generates a surplus of Rs. 48 compared to Rs. 10.80 by a producer of traditional products.

The above analysis not only provides us the much needed insight into the economics of artisan activities, but also explains the causes for the occupational shifts among them. The producers of traditional products tend to leave their occupations to take up other odd jobs primarily because of the low surplus. It may be noted here that the possible average returns per day to a beedi roller (Rs.25.00) and manual labourer (Rs. 50.00) stands much higher in comparison to the traditional potters (Rs.32.60), basket makers (Rs.21.66) and coir workers (Rs.10.80).

Given this background it becomes increasingly important to provide adequate policy support to the traditional sector mainly because of two reasons- a) the employment potential of beedi industry and the scope for manual labour is coming down in the district and b) the artisan activity, if revived on the modern lines has economic viability.

It has been established through the analysis so far that marketing issue is central to the development of rural artisans. But unfortunately, the development agencies in the study area do not seem to have realised this crucial point. This is clearly demonstrated by the following instances.

The state policies towards artisan development have always been more of rhetoric. A perfect example of such poetic policy in the district is the 'Vishwa' scheme launched in 1991. This scheme, applicable to the whole of Karnataka state, puts the revival of rural artisans as the major thrust area. The official document released by the Department of Industries and Commerce observes that "The Indian rural artisan activities which have been an integral part of the rural economic life are facing a threat of extinction today due to lack of raw materials and marketing support. In the light of this there is a need for reviving the traditional crafts to facilitate meaningful changes in the rural Karnataka."⁸ The

⁸ Pamphlet published by The Director, Department of Industry and Commerce, Bangalore, Government of Karnataka, 1991, p.1.

scheme intended to fully exploit the local resources and create additional employment along with assured market to the end products. The scheme had also fixed quantitative targets for a time frame of five years. The physical target for Dakshina Kannada District was the establishment\revitalisation of 6,000 units and creating employment opportunities to 30,000 persons. Like many of the earlier schemes, this scheme too got politicised and failed to deliver the goods. For instance, the annual physical target of the units and of employment generation for the year 1992 - 93 was 2,231 and 6,000 respectively. As against this the actuals have been 1,090 units and 4,578 in that order.⁹ On a further analysis we notice that out of the 4,578 beneficiaries only 161 represent traditional rural crafts. Majority of the beneficiaries belong to modern small industry\trades like ready made garments, machine repairs, diamond cutting, mosaic tiles, tyre retreading, aluminium and plastic furniture, stone crushing etc.¹⁰ Since the rural craftsmen were not given proper market support the success rate among those trained under the scheme too is very low. This has been discussed in detail in the next chapter.

The development agencies in the district such as KVIC, Handicrafts Board, Coir Board, Zilla Parishath etc., have also failed to provide the much needed marketing intelligence

⁹ District Industries Centre, Vishwa Progress Report, 1991-92 and 1992-93, Mangalore: DIC, 1993, p.5.

¹⁰ Ibid., pp.1-17.

support to the rural artisans. Further, wherever new skills and product designs are imparted, the complementary marketing and financial support is missing. The artisans are in such a bad shape that they are not even in a position to exploit the orders directly coming to them. The example of a potter family at the outskirts of the Mangalore city makes a good case. This artisan producing artistic pottery had participated in a few exhibitions organised by the Handicrafts Board. This access to the market brought him an order from an export agency of Bihar, for the supply of artistic pottery to be exported to Australia, Germany and other countries. The letter of enquiry was in English which the class 2 drop out artisan could not understand. He approached the Handicrafts Board officials, who assured their support but failed to initiate any action. Eventually the artisan had to lose what may have been his future market. Poor educational background and the consequent incapacity of the artisan coupled with the negligence of the development agencies makes the exploitation of the market impossible.

The field survey also revealed cases of exploitation of the potentially prosperous artisans by the trader-middlemen. The case of a team of young potters of Kayarthadka from Belthangady taluk is worth considering here. These Potters were introduced to artistic pottery by Sri Kshethra Dharmasthala Rural Development Project (SKDRDP)-a voluntary organisation (see Appendix 1). The marketing support to these potters was arranged by the SKDRDP with a retailer in pottery products

situated at Mangalore, nearly 80 Kms from the point of production. The products are to be transported at the cost and the risk of the potters themselves. After the materialisation of a few orders the potters were left independent by SKDRDP. At present, the potters produce to the orders of this retailer subject to the condition that they should not supply their produces to any of his competitors. On a visit to this retail outlet it was ascertained that there is good demand for artistic pottery especially from foreign tourists and firms from countries like England, America, Germany, Australia etc. The retailer informed that he has flatly refused to accept orders from these customers since he doesn't want to take the risk of packing, forwarding and collections. Thus the export potentials remain grossly untapped to the detriment of the innovative artisan.

The artisan cooperative societies also have not made much headway in solving the marketing problems of the artisans. The major handicap of these societies is that their sales outlets are located near the production centres. This deprives them of an opportunity to exhibit the products in the cities and towns where the demand is strongly emerging. The case of Puttur Potters Cooperative Society is relevant here. It was revealed during the field survey that, repeated pleas by this society for provision of a show room space in the state owned premises in the heart of the town was turned down by the local administration. Instead, the society was allotted a showroom space at Kowdichar, a sleeping village

nearly 15 Kms. away from Puttur, where the urban customers are least likely to come. The society at present has its godown-cum-sales outlet here. Naturally, the sales turnover is not satisfactory, and even this meagre sales comes from traditional products leaving very poor margins.

Another important revelation of the field survey is that of the poor exploitation of the tourist market. The renowned Hindu, Christian, Muslim and Jain religious centres of Dakshina Kannada district attract a lot of devotees and tourists. These religious centres include Hindu temples like Dharmasthala, Subrahmanya, Udupi, Kollur, Murdeshwara, Gokarnanatheshwara, Sharavu, Mangaladevi etc., centuries old Churches of Mangalore, Darga of Ullal and the Jain Shrines of Moodbidri and Karkala. As revealed by some of the artisans who had put up temporary stalls during annual fairs here, these religious-cum-tourist spots have the potential to mature in to rich markets. It is not simply the numerical strength but the cross section of devotees coming from all parts of the country, which matters very much in creating a good market. However, the potential largely remains untapped and the artisan development agencies, including the voluntary agencies have not directed their efforts in guiding the artisans towards this market.

The analysis in the present chapter thus establishes that marketing, the central issue of artisan development, remains largely unattended. In fact, there is no proper

diagnosis of the problem and hence this neglect. The policy support spills over all other but this central issue. The present position of market, marketing support vis-a-vis the potential, as revealed by our field study establishes the gap. It also confirms the need for reorientation in the policy perspective on artisan development.

It is imperative on the part of the artisans to adopt to the new marketing environment. Development requires 'change.' Obviously, development in the traditional sector can be achieved by 'change' -- development requires 'change'; change requires adaptation; and adaptation is often painful. This is the challenge facing the artisans in the traditional sector.