Chikankari Textile

Chikankari Industry is facing a problem of falling market share in last few years. The industry is still strong enough and is bearing the losses but will not be able to carry this burden for long. Hence this seems to be the right time of identification of the problem, intervention and problem solving. The reasons to this problem are many. But the most important reasons include the problem of duplicity, lack of professionalism in the artisans, lengthy production process etc. All these problems get bigger because of the industry is a highly unorganized sector.

Many marketing challenges were extracted by the second survey of the research. Their remedies were thought over and finally verified through third survey of the study. This data was analyzed by using factor analysis method through which fewer number of variables were deduced for the craft. Further they were ranked in order of preference as per the respondents and their analyzed result.

As far as Genuine Chikankari Industry is concerned, six such variables were deduced. Each of the variables had its own importance. Its rank states the feasibility of the remedies mentioned under its head as per the respondents view. Amongst all the statements there were three statements that were eliminated and are not kept under any variable head. For the fact that its result came out to be bellow 0.5 and only the statements above 0.5 were considered relevant by the study.

Explanation of the Deduced Variables and the Statements Clubbed Under Them:

1. **Promotion & Internationalization:** From the six variables deduced the first variable that got the highest response of the wholesaler according to the rank table was promotion and internationalization. This proves that this variable was the most liked by them and is the most feasible one for the industry in the current circumstances to overcome the problems. The wholesalers know the potential of Chikankari is immense because the demand of the art in India and in the world is huge. The Indian market is however price sensitive and hence gets inclined to the low cost duplicates or the low cost Chikankari products. Whereas the international markets are not yet reached extensively. Furthermore there they have more opportunities to experiment with the product and sell their designs at right cost.

   Another thing this variable brings forward is that most exports of the art are done through mediators or exporters and not by the actual manufacturers and wholesalers sitting in the industry. Only three organizations or persons who live in Lucknow and are actually involved in the process of production and its sales have got the status of exporters in Lucknow district. Rest all the export is done through Delhi and Mumbai exporters.
The most serious of all problems is also discussed in this variable that is of duplicity. This problem is eating away the market share of the Chikankari industry at every level (local, domestic and international level). There are many reasons which give this leverage to the duplicates or the substitute products. This variable states that there are ways in which one can fight this competition i.e. by step by step strategic promotion.

The challenges that this variable claims to fight are:
- Lack of visibility internationally.
- Untapped potential international markets.
- Lack of awareness of the wholesalers about the international norms, standards and export procedures.
- Hesitation in the wholesalers about going international.
- Number of fairs and international events are less in number or the wholesalers are not aware of them.

a. **Statement 12: Visibility of the craft internationally should be increased**: The handcrafted textile form Chikankari is a very versatile art form. It can be experimented and evolved even more being in the domains of the art’s authentic elements. The international markets are big fans of the art specially the hotter areas of the world. This is because the product specialises for the summer season and the added hand embroidery gives it an exotic touch. It is believed that the art can capture more market internationally if only the reach of the art is improved. The inclination of the wholesalers towards internationalisation is also because of the present competitors of the art. They are actually copying the style and patterns of Chikankari and giving their product a look and feel of Chikankari. Like Chikankari they also belong to cottage industry hence a possibility forced ban or tax from government to help Chikankari is already negated. Therefore the wholesalers are finding the option of internationalisation attractive and safe.

According to the respondent wholesalers the number of fairs conducted internationally should be increased. Proper information system should be set up to circulate this information to all the interested wholesalers and manufacturers. The international fairs are not only a platform to sell the products but also gives an opportunity to develop new business connections and to know what is expected out of them in terms of their products, its quality, designing, style, innovation etc. They give a chance to expand the business and improve the product. Today with the new generation taking up the charge of their business, they are ready to explore new markets. They have the ideas and energy to experiment with their products to take their business to new heights.
The challenges this statement tries to deal with are:-

- Untapped international markets which are ready to buy Chikankari products
- The changing fashion industry is offering new markets to the Chikankari products in the foreign land which are not fully utilized.
- Lack of fairs conducted internationally.
- Indian tourism industry and its web sites should promote its traditional textile forms internationally to increase the visibility of these textiles.
- The GI status should be exploited to prove the historical importance and significance of the textile forms.
- Competitors are spoiling the brand image and market growth prospects of Chikankari in India.
- Indian customers are price sensitive and hence a segment that is more quality conscious and a patron of art is needed to target.

b. **Statement13:** *Workshop on international norms and standards is required by the industry players at Lucknow:* As discussed above the wholesalers and the manufacturers are interested in going international because of changing situations in Indian markets, upcoming new technologies and globalisation. They feel that the potential of business expansion through exports are immense but they hesitate in taking a step forward. They shared that the size standards and quality norms of export items are very different than the domestic norms. The fear is that they might not able to follow their standards and specifications. According to them the exporters are well aware of these specifications. Moreover as they are doing it since years and they have contacts and leads to deal with the foreign markets.

The purpose of this statement was to show the wholesalers a way to enter the export business. And give them an opportunity to learn the knowhow of the export business and see to how they react to the offer. The response to this statement was great and this proved that the industry player of Chikankari are ready to avail this opportunity. The main reason to add this statement to the possible solution list was that the exporters buy embroidered cloth or suit lengths from these wholesalers as no one other than the artisans living in the Lucknow district can practice this art (as it is forbidden under the GI act). After acquiring embroidered semi finished product they convert it in to garments as per the export norms. By just doing small alteration the exporters takes all the credit, sale and profits. Whereas, the real manufacturer of the industry, keep hesitating to enter this field.

The problems this statement tries to encounter are:-

- The manufacturers have hesitation to enter the export business.
The export norms and standards are not known to the wholesalers and manufacturers of the industry.

The exporters are taking all the profits of the Chikankari exports.

The wholesalers are willing to enter the export business but don’t have knowledge and contacts to do so.

c. **Statement15:** A focused strategy of promotion including a step by step communication, positioning, and finally branding can change the fate of the industry: This statement explores the most important aspect of the study. That is the major challenge that the industry faces today of the duplicate and substitute products. The duplicate and substitute products that are penetrating the industry and eating away the market share of the Chikankari Industry are Haccoba and Arri work. Both the substitutes are machine made. Amongst which the Haccoba was purely machine embroidery. Whereas Arri work was initially done with hand and is chain stitch embroidery but today it can be completely copied by machines. Both these substitutes belong to the cottage industry segment and hence is protected and promoted by government, as the traditional textile form Chikankari is.

This statement says that the industry today needs a focused strategy of promotion which is taken up in a step by step form. This is because the problem faced by the industry is deep rooted and has support and protection from government. But most importantly it is liked by the customer because of its low cost. Even many of the wholesalers of the Chikankari embroidery prefer keeping a stock of substitutes as it is easily available and gives more margins than the Chikankari products.

The first step in the way of promotion should just focus on the awareness part of the promotional campaign. The first and the foremost need of the industry is to tell people the difference between the genuine Chikankari and its substitutes. This work is difficult; as the Indian customer is price sensitive and Chikankari its self is present at the low cost range still the problem of duplicate product been favoured. This shows the massiveness of the problem. But still there is a huge segment of people who want to buy genuine Chikankari and they can be easily educated.

The next step can be to promote the art itself and it positive points like its beauty and comfort. By this one can aim at bringing the art in fashion both at the bottom of the pyramid as well as the top. The art is a summer textile and since its existence it has been experimented and expanded in the product categories it offers. The versatility of its product basket can also be promoted and new experiments and trends can be added to be part of the promotional campaign.
The last step can be finally promoting the art as a brand and adding and finalising its brand elements. These efforts should support its image that has been improved and shaped through the previous parts of the campaign. The art caters to all the segments of the society rich as well as poor therefore the brand can have two sets of elements to target both the ends of the society. Alternatively one can concentrate to any one type of segment for this level of promotion.

The challenges that can be targeted by using the remedy suggested in this statement are:-

- The awareness of the customer about the difference between the substitute products and the Chikankari Products is very low.
- Chikankari products need to be promoted as a brand so that they get a professional outlook.
- The duplicate products are eating away the markets of Chikankari which can be checked by using an extensive promotional campaign.
- The potential of Chikankari is even more and it can be realized by promoting it in a right way.

2. **Awareness of Genuineness of Product**: The next variable that was ranked second in the rank table was Awareness of Genuineness of the Product. This variable reconfirms the problem of substitute products in the market and in the same distribution channel which are eating away the market of the Chikankari. The present situation of affairs has forced this variable in the remedial list of actions. The response to this variable shows the feasibility and need of the remedial measures clubbed under this variable.

    The main reason behind resorting to spread awareness of the genuineness of the Chikankari is because both the substitute products been sold under the name of Chikankari belong to the cottage industry of India which is protected and promoted by the Government of India. They also share the same distribution channel as that of Chikankari and hence spreading awareness about the genuineness of Chikankari becomes necessary. As making people know the difference between the substitute products and the Genuine Chikankari product remains the only way to save the depleting market share of the Industry.

    The variable also discusses one more method of solving this problem i.e. by using the existing GI status and developing a mark for Genuine Chikankari products. This mark can be very effective and efficient way of eliminating chances of the duplicates from using the name of Chikankari for their own advantage.
The problems that this variable attempts to solve are:-

- Lack of awareness amongst the target customers about the elements that makes a genuine Chikankari product.
- To find a way to differentiate the substitute products from the authentic Chikankari Products.
- The problem of the substitute products using the same distribution channel as that of Chikankari.
- To fight the depleting market share.
- The need to stop the retailers and other channel members from using the name of Chikankari for selling substitute products.
- The need to save the prized customers of the industry from getting fooled by the hands of channel members of Chikankari Industry.

a. **Statement 6:** *Awareness about the genuine Chikankari and its other substitutes can help reduce duplicity and gain the lost market share to them:* This statement focuses on the remedial action of awareness of Genuine Chikankari Product to the prospective customers. This is necessary to save the loss cause by the substitute products present in the market. As they use the same name, style and channel as that of Chikankari products’.

Before we move further to discuss this statement and its usefulness in the present scenario, we should first know about the elements that make a Genuine Chikankari Industry product. A Genuine Chikankari Industry product consists of a totally hand embroidered cloth done using the 32 stitches or the combinations and variants of them. They include the Jalli work which now a days getting replaced by net patches. The one more thing that is been added to the description of a Genuine Chikankari after getting the GI status is that it should be embroidered by the artisans living in the Lucknow district (more specifically saying the five areas mentioned under the GI declaration).

This statement was fully supported and appreciated by the channel members dedicated to only Chikankari Industry. However it was not fully agreed by the once involved in the distribution of the substitute products in addition to the Chikankari. The response itself shows the applicability and need of such a step to be taken. This is because the substitutes provides employment to many and hence cannot be eliminated from the system. However this remedial action can reduce their ill effect on the Chikankari Industry.
The challenges that can be smoothened by use of this statement are:-

− To find a way to gain the lost market share.
− To reduce the further reduction in the market share.
− The customers are getting fooled by the channel members to by the substitute in the name of Chikankari.
− A way of differentiating between the genuine Chikankari and duplicate products needs to be found.
− The awareness of what a genuine Chikankari is very low.

b. Statement 14: **Removal of duplicate and substitute products from using the distribution channels of Chikankari, is need of the hour:** The popularity of this statement basically shows the intensity to which the authentic Chikankari channel members want a change from the situation. This in practicality is not possible till the same distribution system and same mode of distribution is followed. As the retailers and wholesalers who are keeping both the products gaining profit out of both and will never compromise on their profits willingly. But definitely they can be forced to sell the products belonging to different arts with the right brand name. This should be enforced by the government by one way or the other. It is also Government’s responsibility to protect the rights of each industry’s artisans and give a healthy environment to all the cottage industry products. GI status also makes this problem removal an obligation on the government to enforce some remedial actions against it.

The progressive industry players can opt for changing or adopting a new channel of distribution for their business. This channel can be either using the exclusive stores branded to be selling the genuine product or can opt to use the virtual media to display their product offers.

The problems this statement aims to control are:-

− The duplicate products using same distribution channel as that of the Chikankari Industry
− The duplicate or substitute products are targeting the same segment as that of Chikankari Products.
− The market share of Chikankari is getting shared by the substitutes which are being sold under the name of Chikankari.
− The need for finding a way to differentiate the two products and to

c. Statement 16: **Chikankari mark to distinguish genuine Chikankari from its substitutes can be an effective tool:** This statement refers to the same problem of duplicate products in the market. It suggests developing a mark that can be applied on every Genuine Chikankari product. It should be enforced by the government and
advertisements like it was done for silk mark, Darjeeling tea, ISI mark etc. Even the GI status makes it a liability on the state government to develop and enforce such a mark on the Product and the manufacturers. This way any other product or substitute cannot take advantage of the original product.

Indian customers are suspicious by nature in their purchasing process. They always have a distrust that the price on which a product is offered and the actual value of the product. They need an authority or some standardization to prove the reasonability of cost of a product. Genuineness mark will help reducing this problem of suspiciousness and hesitation of the customers while investing in the art.

Another quality of the Indian customer is their price sensitivity. The masses go for value for money and outward display of product in case of non basic necessities. In the case of Chikankari and its substitutes, the substitutes give the similar effect on the cloth as that of the Chikankari products and it costs lesser than the Chikankari. Hence the customers are getting inclined to buy them. This proposed mark will also give a feel of added value psychologically for the customers to trust the genuineness while buying the authentic product.

The challenges that this statement intends to resolve are:

- New branding elements are required.
- The duplicate or substitute products needs to be checked in their progress.
- The duplicate or substitute products are using Chikankari’s brand name as their own.
- The duplicate or substitute products are using the same distribution channel and outlets which needs to be checked.

3. **Branding Authentic Product**: This variable states that there is a need for the industry to take up branding activities by making authenticity and designer inputs in the product as the main USP of the product and of the branding activities. It includes suggestion which refers to the development of the Chikankari Industry. It suggests that the Industry is now ready for a change in its product offerings and it outlook both. On one hand it suggests that the designer inputs should be promoted in the industry and designer inspired products should be increased. Additionally it suggests they should be fairly priced because there is a segment that is interested in buying such products and pay for them.

At present the positioning of the product is that of a low cost comparatively good quality product with an old embroidery art on it. Its present brand image is of a good art form on a traditional suit patterns and with basic minimum designing inputs and innovation. In
positioning the competitors are targeting the same positioning space and have started taking away the market share of the Chikankari Industry. While in case of brand image, the customers are tired of seeing the usual patterns and designs. They have not yet lost hope of a change in the product offering because of many designers both local and national have been working on the product from a long while now. Therefore they want newness and designer inputs in the product.

The challenges that can be reduced by using this variable are:-
- Newness in the product offering is required.
- A new brand image of the product is required.
- The present positioning is being challenged by the competitors.
- The customer wants good product and ready to pay for it but the industry is not able to deliver that kind of product in the required quantity.

a. Statement 5: *Branding and strategic positioning is required:* This statement refers to the problem of blurring present banding and positioning boundaries due to competitor’s actions and changing life style and with it their likes and choices. The industry is centuries old and a lot has changed since then. It’s not that, that the industry has not evolved ever since but the evolution process have been a bit slow than what was required. The present brand image as well as positioning needs to be changed but it cannot be premium because that has been disapproved by the respondents. The main thing to be kept in mind is that the people want a change every level of product offering. The masses wants more value from the product and the modern and elite class wants more designer inputs in the product.

By studying the span of the customers that the industry caters to the positioning and branding efforts can either be divided into two or three kinds for different segment of people. Alternatively same can be used for all as is traditionally being done.

The branding should include genuineness, uniqueness and modern looks as it’s the proposed USP. The positioning can focus on value for money kind of image where money is not a constraint but a relative term to the quality, skill and design offered.

The genuineness refers to authentic Chikankari hand embroidery done over a cloth using the 32 stitches mentioned in Chikankari work and is embroidered in the Lucknow district. Uniqueness refers to the fact that every product in a handicraft industry is unique and cannot be copied exactly as that in a readymade industry. Chikankari inherits that as it is also a hand embroidery type and hence needs to just
polish this fact a bit to convert it into a USP. Modern outlook is the need of today’s customers at every level. If it is combined with well-known hand embroidery then even the masses will be willing to pay for it. The only drawback in this plan of action is that the competitors can copy this plan as well. Therefore the best possible solution can be to change the target customer to a less price sensitive segment which is indicated in the internationalization variable.

The challenges that the statement attempts to remove are:-

- Price sensitivity of the target customers.
- New branding efforts are required.
- New strategic positioning efforts are required.
- Uniqueness and authenticity have not been used till now for the advantage of the industry.
- Competitors are targeting the same segment with similar products and positioning.
- Modernization and designer inputs are required by the industry.

**b. Statement 18: There is a segment interested in paying for genuine designer Chikankari products:** Most of the Chikankari products that are made are made on traditional pattern or at the most on the basis of most common trends of the garment industry as a whole. No kind of designing is done in the product specifically for the product. No innovation is done in the product with the aim of improving the product and giving customer a better offer. There are only a limited number of manufacturers or wholesalers who are concerned for the actual product designing and improvement.

The popularity of this statement shows that may be the wholesalers cum manufacturers are not investing into designing needs of the product. Alternatively it shows they don’t have the infrastructure to develop new designs. Still they are aware of fact that there is a segment which wants to buy such products and pay for the same. According to the respondents the reason why the manufacturers don’t invest in the process of innovation is because the fashion Industry changes every day or on seasonal basis. The production of one batch of product takes 3 to 4 months to get prepared for sales because of the lengthy production cycle. Till the time one fashion input will get executed that style will go out of fashion or will be on the verge of going out of fashion. Therefore the industry players take risk on only those designs which are expected to be in fashion for a prolonged period of time.

The popularity of this statement proves that the Industry must take risks in designing area. They should get out of its comfort zone and experiment with their product because the customer has got matured enough to invest in such designer
product counterparts. The segment of such customer is reasonably big and reachable through various means and is ready to pay for better products.

The challenges that are encountered by using this statement are:-
- To break the monotony of the product and bring newness to the offer is the demand of the market.
- Hesitation in the wholesaler cum manufacturers to enter into designer product variant of the industry.
- The customer needs a change and more designer products on which Chikankari is used.
- The myth that the Chikankari is for the masses and that the designer products may or may not work.

4. **Role of Government in Price Stabilization & Quality Regulation:** This variable points to the issues which involves or require government intervention for the smooth functioning of the industry and its support system. The factors that can be governed by the government are price fluctuations, quality of product through government distribution system, subsidies and infrastructure etc.

The Chikankari Industry is to a great extent unorganised this everybody knows but there is another fact that many people are unaware. The fact that the industry has made itself self sufficient for fulfilling its needs and infrastructural requirement with whatever minimum is provided to them by the government. The process of production requires two basic ingredients. To start with that are the cloth and the thread both the things together form the raw material of the industry. On these two designing, printing, colour combinations and embroidery is set and finally the product is washed and finished for the final sale. Every step performed by different set of artisans perfecting in their work. All the raw material and other required products and instruments are available in the market. Specialised traders are in the market for every kind of requirement. For example there are wholesalers dealing in only threads or only cloth lengths for the raw material requirements. Then there are separate shops which specialises in printing designs or cutting and stitching of garments. The colouring and washing artisans are also available with their set ups at the river banks for the required infrastructure of water and drying space.

In this informal system of the industry there are many points where the government can intervene and smoothen the process for the industry. Like there is a need for a washing and coloring plant where the work can be done more professionally and fast rather than relying on the river water and climatic changes. But amongst the most important needs of the industry which directly affect the industry and posses marketing challenges on the industry
are the fluctuation of raw material prices and low quality display at the government emporiums.

The marketing challenges that the variable attempts to solve are:-

- The problem of fluctuating prices.
- The uncertainty of prices because of which the cost needs to be kept high to overcome the fluctuations.
- No quality standards maintained at the emporiums.
- Bad quality at emporiums sets a bad example of the product offerings.
- Subsidies are required if the prices needs to be maintained.
- Raw material prices are getting higher and higher every year.
- The cost of lost products, out of fashion products and returned unsold products is also added to the price of sold products.

a. Statement 8: Price fluctuations should be regularised by government: The fluctuation of prices of raw material of both cloth and thread causes a lot of problem in the pricing of the product. This industry is apparel industry and every day the prices cannot be set for the products like it is done in gold or seeds. Therefore the industry players add the possible price hike in the cost of the product while setting the price. This gets inflated throughout the chain of distribution which can be further reduced to make the prices competitive or for improving the quality of product.

The price offered by the substitutes is lower than that of Chikankari because their embroidery is done through machine. Their products don’t have to go through a series of artisans. The Chikankari products can never have this leverage. Hence instead of adapting to cheap cost cutting methods like replacing parts of hand embroidery with machine work or jail work with net, this cost control method of price regulation is better. Having said that this option can only be exercised by government which is cannot be controlled. Therefore this suggestion is the need of industry but one cannot rely on only the possibility of action on this suggestion by government.

The problem of bargaining is also initiated because of such price fluctuations. Price fluctuation is not the only reason for start of bargaining in the industry but it definitely is one of the problems. As due to it different manufacturer cum wholesaler gets leverage to set different costs for similar products. Hence the customer loses the confidence in the pricing mechanism because of which customer initiates a bargain system.

The challenges that can be checked by using this statement are:-

- The increasing price of the product needs to be checked.
− The competitors are selling similar looking products at lower price.
− The fluctuation in price of raw material makes it difficult for the price fixation of the product.
− Pricing system in the industry needs to get more standardized.
− The problem of bargaining and customers distrust on the pricing mechanism needs to be checked.

b. **Statement 9: Government subsidies can help keeping the prices competitive:**
Government can find several kinds of subsidies at several levels to promote the craft. It has already given the subsidy of VAT that the Chikankari Industry don’t have to pay anywhere in India (with some exceptions). But the biggest challenge today is to keep the rising prices of the product low. The industry players are helpless because the rise is overall. The rise in price that have the maximum affect on the overall price of the product and which is out of control of the industry players are the rise in raw material price. On top of that the competitors are continuing to sell their product at lower price. Hence a government intervention in keeping the prices competitive is required. This can be achieved if government gives some subsidy on the raw material prices.

Again having said that government actions are out of control of any one and are also cannot be committed. Therefore the applicability of this remedial action goes in an uncertain category. Even the respondent realised this fact and no matter how good and profitable this solution looks like it couldn’t get the full support of the respondents.

The problems that can be measured by this solution are:-
− Rising price of the product is a major issue in front of the industry.
− The competitors sell their similar looking product at lower price.
− The target customer is price sensitive and competitor has an upper hand on this issue as their products are cheaper than Chikankari.

c. **Statement11: Government export houses and emporiums’ chain meant for domestic distribution of the handicraft should be used to display exquisite pieces of Chikankari:** Government has a chain of export houses and emporiums where the Indian traditional products are displayed. For any lay man something that is being displayed by a government organisation is the most authentic and a sample of the best of its kind. In reality this is not what is practiced. The government emporiums keep the cheapest and low quality products on a display. Also the officials involved in the purchase of the products are corrupt and practice favouritism and profit making
activities. Therefore the products that end up in an emporium are not the best but opposite.

A tourist that comes from another state or from a foreign land when looks at the products at an emporium makes an impression of the traditional craft displayed to have the maximum standard of that of the display. Hence to give an impression of a lower image than what it actually is. Therefore results in a compromised brand image and a lesser amount of business than the potential.

The statement suggests that the exclusive emporium chain like Fab India which is an Indian Government’s initiative. Such a chain can be established which can give focused display to the exclusive pieces of each craft. Hence give the due importance to the crafts, their brand images and their sales. The suggestion was appreciated by the respondents. At the same time they had low hopes from the government employees that are going to be made responsible for the ground procurement work and purchase.

The problems that can be eased by the solution provided in this statement are:–
- The brand image improvement is necessary.
- The real potential of the craft is unknown by many potential customers.
- The government emporiums keep low quality products that damage the image of the craft.
- The infrastructure of emporiums is going waste and can be better utilized and converted into profit making ventures.

5. **Process Improvement Leading to Price Competitiveness**: Process is the biggest weakness of this industry. As discussed before the process is very lengthy and highly unorganised consisting of different sets of artisans for every step of value addition in the value chain of the Chikankari Industry. Even most of the time one piece of product is embroidered by three to four different embroidery artisans. All these artisans are linked by a mediator which can be different at different points of interaction or same organising the whole movement of a product unit under him. This makes the process very complicated, difficult to manage without an expert mediator, lengthy and time taking. This weakness leads to the limitation of time monitoring, quality monitoring and price monitoring.

To escape these weaknesses and to keep the production under control some big wholesalers cum manufacturers have opened their own centres were embroidery is done by the artisans. Still for the rest of the processes they also rely on the outsourced mediator assistance. These peripheral activities can be organised or modernised to save time and
money. As they are not the core ingredient of the Industry and hence will not affect the Genuineness status of the industry and the process related problems will also be solved.

Another possible improvement can be professionally training the craft to the embroidery workers. This will support the price band fixation process as the work done of one kind will not have drastic differences related to quality issues like today the industry has. This will intern have a domino effect on other problems and will reduce problems like bargaining, price issues, people confidence, quality issues, brand image development etc.

The challenges that this variable tries to reduce are:-
- Price needs to be controlled because the competitors are offering their products at low prices.
- The time taken in the process of production is too lengthy.
- The mediators are involved at every step of the production which increases cost of production.
- The quality monitoring is presently very difficult in the industry.
- Problems like steeling and misplacing of semi finished products is common.
- Due to dependence on local transport, unorganized structure and number of artisans involved in the production the fixed date of order completion to be committed is difficult.

**a. Statement 2: Professional Training is required for the craftsmen:** This statement refers to the problem of quality maintenance. The artisan skill levels are very different and they charge accordingly. Similarly the product is priced on the basis of the skill level depicted in the product. Hence similar products are priced differently which creates the confusion in the minds of customers. This allows in the hesitation of target market from buying the product and bargaining. Today the competitors are taking advantage of this situation and mental framework of target customers.

This statement will also help in quality maintenance as the time taken in embroidery and low quality stock will be reduced. It is also important step to be taken because many old Chikankari designs have been lost and some are still on the verge of extinction like the Jali work which is in danger today. This will also increase the bargaining power and income of the trained artisans. This was also a concern for the wholesalers because of which most of them didn’t like this option. The respondents were also of the view that the artisans are fully trained and keep getting better with time and practice. They also told that they want all categories of skilled workers because that helps in reducing the cost of the product. As that way the front and difficult areas can be custom embroidered by good artisans and the rest of the part can be done by a lesser trained artisans.
The challenges that this statement propose to solve are:-

− Lengthy time of production.
− Quality of embroidery is very different for similar looking products.
− Price standardization and price band fixation is required in the industry.
− Customer’s confidence in the pricing mechanism is shaky.
− Bargaining is a very common problem in the industry.
− Many embroidery techniques and designs are getting lost because lack of trained workers in that design.
− A bit of professionalism is needed in the workers as the craft is till date taken up as a pass time money generating activity by the household women at their homes.

b. **Statement3:** Integration of the process under one roof and automation of peripheral activities is a remedy to all the production related problems: This was a very important suggestion which could solve many problems but the low response of the respondents shows the low feasibility of the statement. The statement suggests integrating the process of production. This suggestion can save the time wasted in transportation of the semi finished goods between one artisan to another and so on till all the processes are over. It is this which adds up to a lot of time and extra cost. It also had the capability of professionalising the all kinds of artisans involved in production. As then they will work according to the timing of the setup and not as per their own spare time.

The respondents were of the view that if such a thing is done then the artisans will not be willing to work. The reason being it will consume their full time and for them their families are more important than this part-time work. The artisans also live in far of places and mostly are women hence they will not travel that much to come to a common point to work. Another argument that came against the statement was that if such a setup is established then it will require a lot of land and infrastructural inputs which will cost a lot and the setup will no more remain profitable.

All these arguments can be countered by developing a more intense centre system which is already in function. Alternatively same suggestion on a smaller scale for a single business can be successful idea.

The problems that this statement can attempt to solve are:-

− Lengthy and time taking process of production.
− Cost of production has the potential to be reduced.
− The mediators need to be eliminated from the production cycle to reduce the cost.
− Cost of lost product pieces and misplaced items can be reduced.
− Cost of future prediction errors and stock outdating risks can be reduced.

c. Statement 7: Standardisation and price band fixation can solve the problem of bargaining, commission agents and such confusion: As discussed before the Indian customer is price sensitive and suspicious by nature. They don’t believe in the offer as it is presented. The variation in prices of similar products gives the already suspicious customer a reason to be doubtful. Being price sensitive makes him bargain or move to another competitor’s product.

Another problem that has been referred here is of commission agents. This was a hot topic while the second survey was undertaken and was the foremost challenge that the genuine wholesalers wanted to remove. It was told that the system of commission agents was run by a group of wholesalers with the help and influence of an underworld mafia active in Lucknow.

Having said that, the statement was not fully accepted by the respondents. They were of the view that the price of a skill based industry product cannot be fixed or regulated under price bands because of the number of artisans involved in making a product. Another reason is that the bargaining is done at each level of value addition of the production process. If at all an attempt is made to sit and decide over price bands, it will be a very lengthy process. It will be never ending and difficult to cover each and every aspect of differentiation point in the product basket offered. Therefore the statement was marked as non-feasible by most of the respondents.

The challenges that this statement attempts to ease are:-
− Problem of bargaining
− Problem of commission agents
− The suspicious outlook of people about the price coated on the product.
− Price sensitivity of the target customers
− Competitors taking advantage of the suspicious and price sensitive mind set of the target customers.

6. Premium Positioning: This was the least feasible solution according to the respondents. According to them they cater to both the premium as well as the mass segment and cannot leave the masses and start catering to the high end segment only. According to them the mass
segment is quite large to be left aside and is too price sensitive to buy a premium positioned product. On the other hand the higher segment is not to that extent price sensitive but the expert weavers are less in number to produce that level of work in large quantity.

The suggestion of premium positioning was also rejected by the wholesalers. This was because once you place your product at the premium level in the minds of the people they start expecting a different kind of value in the product like the quality of the product will be high and the designing and look of the product will be unique and designer level etc. Today many established designers and top wholesalers who are hiring local level designers are working with Chikankari and selling it with premium positioning. But then they have to setup a full setup for the Chikankari workers to work under observation so that the desired quality is produced. This is a very tedious task and can only be successfully done if one has an already developed center or if it is done for temporary basis.

This suggestion also included an option of developing a fashion house like entity to standardize the product and can give inputs to the industry. It can collaborate with the already existing infrastructure of the government which can be used in the industry and work as a mediating body of the new system. This was also rejected by most of the respondents because they were not willing to work under someone else. They were also disappointed with the government systems and officials and were of the view that if government will interfere then it will bring an end to the industry.

The challenges that were aimed at to be reduced were:-
- Bad worker condition.
- Price sensitivity of the target customers.
- To capitalize on the uniqueness and genuineness of the product that is not being taped optimally.
- To circulate money and fair pay system in the value chain of the product.
- Lack of standards and designer inputs in the industry.
- Vague positioning of the product presently.

a. **Statement 3: Integration of other related organizations like NIFT, UP Tourism, Govt. Emporium etc can turn out to be good and profitable option:** This statement was added by seeing the need of an organized marketing effort and product development. The infrastructure that is required for the industry was broadly the same as that of the government infrastructure already present in the area. Therefore the idea of using the already present infrastructure was developed. This will ensure maximum utilization of the present infrastructure and satisfaction of the needs of the industry both can be achieved.
Developing a fashion house like organization which can work as a mediator between the integrated government infrastructure and the Chikankari Industry was an add-on suggestion to this statement. The idea was that the fashion house can regulate the standard sizes of the product, quality of the cloth etc. On the other hand it can take inputs from the designing institutes and circulate it into the industry. Further it can give inputs on the way of promotion to the U.P.-tourism and emporiums and also can set standards for emporiums to buy, display and sell Chikankari products.

Both these suggestions were not accepted by most of the respondents because they were already disappointed with the government functioning style and employee’s laid back and corruption laden attitude. Therefore they were not in favor of involving government infrastructure in the system. Also they didn’t want to work under some government or semi government organizations to take verification every time a new lot was produced. According to them it will be an added work in the already lengthy and time taking production cycle.

The problems that were aimed to be smoothen by this statement were:-
- The problem of lack of standardization and quality maintenances.
- Lack of designer inputs in the industry.
- Lack of right promotion.
- Lack of right display and distribution from a trustworthy source.
- Lack of development of new printing blocks of new designs.

b. Statement 10: *Premium pricing is the best for Chikankari:* This statement is true and the need of the industry today. The workers are in bad conditions and are paid as low as possible. The customers bargain to pay as low as possible. Middle men are a very important part of the industry. Under cutting practises are prevalent in the industry and duplicate products are present in the market to take a share of Chikankari’s market. All this points out to changing of the pricing strategy to a more relevant strategy in the present situation. Therefore premium strategy of pricing was suggested for solving the problems of the industry.

By this strategy the circulation of money would have increased in the industry. By this the problems pertaining to money would have been solved like fair pay to workers and reduction in undercutting practices etc. The problems indirectly associated to it would also have been solved for example if the pricing is shifted to premium. The price sensitive target will change to high end buyers hence the problem of cheap competitors, bargaining tendency and price sensitive mind set etc would be removed from the industry.
Having said that, the statement was not liked by the respondents and was considered to be non-feasible because the product basically is a low cost product. It is a summer product by its nature and not a party wear product neither do it has the qualities of a typical party wear. Therefore the target customer which belongs to the masses is very large and according to them cannot be totally disowned by the industry.

The problems that were aimed to be solved by using this statement were:

- The price sensitivity of industry’s target customer segment.
- The poor condition of workers.
- The attitude of workers towards their Chikankari related work.
- The competitors present in the industry that are offering low cost products.
- Prices cannot be further reduced.
- Bargaining tendency in the customers.
- Undercutting practices prevalent in the industry for reducing cost.

**c. Statement 17: Premium positioning:** Premium positioning means good quality highly priced product placement in the minds of the target customers. On the contrary the positioning of the product at present is that of a low cost good quality product which is the existing pull factor of the industry. In the present situation the industry was tapping on the price sensitive nature of the Indian customers and not on the uniqueness, ethnicity or the beauty of the art. The competitors have taken advantage of this fact and have produced similar products at a cheaper cost. Hence because the industry was already offering low cost product to the masses they don’t have the leverage of further reducing the cost. Hence the industry is losing its market share to its competitors. Therefore this suggestion was put forward but was not liked by most of the respondents because then they will have to let go all the mass market they are targeting right now. May be they feel that the situation has not worsen to the extent that such a drastic step needs to be taken.

The challenges that the above statement could have solved are:

- Breaking free of price sensitive mentality of target customers.
- Getting out of competitor’s cost war.
- At present growth prospects are less and slow.
- Money circulation in the value chain is required to satisfy the artisans and make them work sincerely on the product.
- The target customers by nature are suspicious of the product while purchasing.