CHAPTER – II

REVIEW OF LITERATURE

INTRODUCTION

Export business is seriously concentrate and encouraged by the Indian Government and it enjoyed phenomenal growth during recent years. Today human hair export is raising industry in India and it is the great opportunity for Indian exporters to export all over the world. Information plays vital roles in business particularly export markets, likewise it also so important for research. Here bunch of information was collected from various sources for gathering idea and data for conducting successful academic research. The information it called as literature review in academic research. Here the literature review is split into four various heads for the easy classification of information, idea, thought and opinion of the authors, which is Export of Human Hair, Export opportunities and challenges, various sources of human hair and Marketing and export opportunity of human hair. The above heads and the information are creating a bridge between the previous and present happenings in hair export. The various studies carried out in the above said four field and its implications are collected and presented in this chapter.

2.1 Export of human hair

Jaswanth Soundarapandian (2006), Regional Director of the government’s council on hair export, in Hindu Press International said that there has been steady rise in demand for human hair from China. However, while it remains our biggest buyer the burgeoning hair fashion trends in countries like the United States of America and European countries have helped to expand trade. The news item clarified “Exporters say buyers from countries such as the United States pay $1.50 for a strand of hair that expensive beauty salons may then weave into extensions or wigs that can sell for between $1,500 and $3,000. Exporters say that Hollywood is one of the biggest consumers of Human Hair.

Statement of Julia Angwin (2003) - The Wall Street Journal, India is a small part of the global hair business, compared to the market leader China, so called Indian Temple
Hair fetches among the highest prices. Indian hair is generally finer than Chinese and more similar to much European. American hairdressers say, making it the lock of choice for certain clients. At the highest end of the market, the biggest competition to Indian hair is European hair, which is more expensive and more difficult to find. Still, it’s not perfect for everyone. Susan Lipson, who specialized in procuring and inserting hair extensions for movies, says “European hair is too slick” for many actresses to use. She says that one is able to choose from hair of many different textures. It reveals the competition among the countries and China is one of the biggest competitors of Indian Hair. And also Indian hair is biggest competition in European market, and the buyers give more importance for the texture.

India exports human hair worth Rs 1300 crore a year for making mannequins, wigs and hair “extensions” mainly for young women. It is a good business for the village people to collect the long human hair from the houses which located in village. Say leading exporter and proprietor of Raj Impex (India), Chennai, Benjamin Cherian (2005), especially the long hair from India was always a big business in 1960’s and the demand was so much at that time that the prices kept soaring (high) since the quantity supplied was very limited. Now Indian human hair is exported in various colours like black, dark brown, grey white and brown and is also classified as straight, curly, wavy and silky. Cherian said his company a 100 percent exported oriented unit, exported not only raw human hair but also processed hair, after sorting, washing in detergents, shampooing, sun drying, hackling and combing. Nearly three lakhs persons are engaged in collecting 2000 to 3000 tons of this non – Remy items from villages all over India. From the above the statement given by Cherian, there is a chance to collect the human hair from villages.

There is no restriction imposed by both exporting and importing countries for exporting of human hair. It is announced by Press Information Bureau Government of India, (2005), former minister of state for commerce told in Lok Sabha that, Plastic Export Promotion Council is sponsoring two delegations to ASEAN countries and the European Union region for promotion of exports of human hair to capture overseas markets,” in his written reply he said that, China, Hong Kong, Tunisia, Italy and the US are the top five importing countries for human hair from India. India exported human hair worth $70 million in 2003-04 and efforts are on to give a major push to such exports, notably to Europe and the member countries of the Association of Southeast Asian
nations. From this study it is understood that the government of India is support hair export and provide support to promote the hair markets.

Vanka Madhusudhan Reddy (2011), say there is a good opportunity to source the long human hair from house hold women’s, and also there is less market demand in India, but there is huge demand in international market. Starting its operations with just 50 employees in Tanuku in West Godavari district, Indian Hairs Industries have grown into an Rs 120-crore company with over 2000 employees and human hair is exported to Italy, Germany and several other companies. The company collects fallen female hair from households and purchases human hair from temples. More than 80 per cent of the hair we collect comes from households from across the nation. Our agents visit each and every household in the country and collect fallen female hair. They export 200 to 250 tons of human hair every year. Of this, 50 to 80 tons come from the households while the remaining quantity comes from temples. The human hair, once collected from various sources, is processed at their facility in Tanuku where quality managers inspect and grade each bundle. Then 2,000 female workers will sort, wash and dry the hair in bundles ranging from 15 cm to 115 cm. All these processing activities are carried out manually. There is not much market for human hair in India. Invariably, they export to there is a huge demand for human hair in developed as well as other countries in the world. Export their products to China, South Korea, Indonesia, Italy, Germany and several other countries.

There is good opportunity to market human hair in Nigerian market. Toyosi Ogunseye (2011), the Indian human hair is fast gaining grounds among Nigerian women. Despite being pricey, it remains the most sought after human hair. The U.S. Census Bureau’s foreign trade division reports that $47million dollars worth of human hair was imported from around the world last year alone, mostly for wigs and hair extensions. Even though there are no statistics to reflect the number of human hair that is being imported into the country, the surge in the number of Nigerian women adorning the hair and the increase in the number of retailers of this hair are an indication that the Nigerian market is a major stakeholder in the human hair business. While the demand for Indian hair has continued to surge around the world because of its quality, it is believed that the hair is also well loved in the western world because of the spirituality attached to it.
2.2 Export opportunities and challenges

According to Parthasarathy (2010), Vice-Chairman & Managing Director, Thirumalai Chemicals Ltd. addressed the members of the Chamber said that private sector companies are doing export business when government sector is less and also they are having more advantage comparing to others, say under the Leadership series., There are many thousands of companies which include commodities and specialties in 20 segments (inorganic, colourants, textile, pharma chems, polymers, leather chemicals, etc.) which are growing at 12% per year. The below said variables are taken for framing the questionnaire to understand the relevance of hair export business. Like experience in this field, competition, investment required etc.

According to him the strength of Indian Chemical Industry are

- Long private sector history in textile chems, colourants, leather chems, etc.
- Huge internal market
- It is aggressively competitive overseas

He described the following as the weaknesses and threats:

- Lack of scale
- Huge investment with long gestation
- Major threats (Competing countries) were Korea, Taiwan, China and Gulf

Sikka et.al. (2006), Enhancing Global Competitiveness of Indian Organic Produce – opportunities and Challenges and Strategies.- say There are certain challenges to be met before India takes on the world organic markets. The Indian produce has to create a competitive niche in global markets. The challenges in international marketing of organic food are standardization of products according to the customers’ tastes and preferences, certification, consumer education, branding and promotion. Production of organic products also face challenges with regard to availability of right quality inputs, research and dissemination of appropriate technologies, processing, certification, production information and infrastructure support and policies of the government need to be revisited to fulfill its objectives to tap global organic markets. Therefore this study is based on the strategic analysis of Indian organic product industry with respect to global markets. Through SWOT analysis and TOWS matrix, the study aims to highlight the
opportunities and threats existing in global markets and strategies to develop market worldwide for India.

According to Chandrasekhar Guntur (2005) Indian exports had touched Rupees 70 crore in Indian hair industries and 30 other Indian firms faced tough competition from China. But we managed to cut the Chinese competition by supplying products of international standards. He said that in case of processed hair, they faced competition from European companies. While China gives a number of incentives to its human hair industries, the Indian government had stopped incentives in 1993. This review is focused the followings challenging aspects in human hair business. 1) Competition of china industries for raw human hair, 2) Indian industries can manage by supplying products of international standards, 3) Competition in European industries for processed hair, 4) Poor government support and incentives compared to competitive country.

In hair industries, the business people are not ready and avoid sharing their business practices exactly. They also create wrong information and discourage the new entrants to do this business, says Ram, (2010), beware of Indian Hair Manufacturers association scammers and frauds the self made “Indian Hair Manufacturers” association does have any registration they do not provide any contact landline number which are a very basic required things for any legal association. These scammers belong to a few big human hair companies in India who have a separate online department to create a bad opinion about the upcoming human hair exporters in India who are giving tough competition to these giants. The primary goal of these scammers is to create disputes and complaints in forums against growing competitive human hair exporters using fake profiles without any contact details and as a free member. In 2002, there were approximately thirteen human hair exporters in Chennai. In 2010 more than 150 human hair exporters are in Chennai alone. Because of this growing competition, the business order has got split among these new companies, which has affected the business volume of these big companies i.e., almost 50% down in sales making it tough for these big companies to maintain their infrastructure and monthly commitments. Instead of wasting their time in such stupid and useless cheap tactics, if they concentrate in developing their business by giving a healthy competition and quality product will fetch good business for these big scam human hair companies.
Hamed Bin Al-Oufi (2006) says that in export business information is more important to market the product successfully. Government support is required. Export institutions should increase the export quantity. To compete effectively with other food exporting countries and maximize foreign exchange earnings, a country like Oman, for example, must ensure its food products which are not only demonstrably safe, but of sufficiently high quality to be acceptable and competitive. Consumers in different markets have different patterns, trends and preferences, and consequently, local exporters have to be aware of such characteristics. Local exporters seem very weak to face the challenge due to shortage of raw material at home and strict trade legislations from abroad. The Government, through its different institutions such as the Omani Center for Investment Promotion and Export Development (OCIPED), can play a pivotal role in strengthening exports by exploring new markets such as Asia and Africa. Information on overseas markets are not available to individual exporters, therefore, the government needs to provide assistance for individual companies to secure the marketing information as a public service.

Distribution channel is one of the major considerations for a successful network made with overseas market, it is insisted by Cyndia Zwahlen, (2011) in Global Watch. They just have seen such a growth opportunity in their export business accelerated that emphasis to build more export markets," said Bob Hobe, Orly's vice president for international business development. But small-business owners ones want to get into exporting face a number of obstacles, especially if they want to move beyond North America. They have to find trusted overseas partners to handle distribution. They have to deal with shipping logistics and sort out sometimes-complicated import duties. Among the commercial services resources are industry-specific counseling, trade missions and conferences for companies that want to export to new markets. Information is available online at the commercial service export assistance centers across the country, including in downtown Los Angeles, West Los Angeles, Newport Beach, Ontario and Ventura. Orly International has used the agency's Gold Key Service to find prescreened distribution partner.

In export business the demographic and economic factors are considered to market the products, based on the country’s environment and people, the market opportunity for the products is differ. Country difference should affect the market say
Doug Ducker (2012), Managing Director of Pan Pac Forest Product, The opportunities arise from rapid economic growth in the world's largest market and the availability of a cheap manufacturing base to sell to China and the world. 1) Opportunities like new generation of consumers is emerging in China - they are young, well-educated and familiar with non-Chinese cultures. 2) Challenges arise because of China's size, its 'gold rush' growth style and the fact China has a very different business culture and environment from what we are used to in New Zealand and in other export markets. This review insist that the market size of the importing country, kind and high percentage of people category i.e. users classification and culture are the variables are taken into consideration while export of goods.

The work undertaken by UNCTAD (2008), including within the framework of this project, consistently reveals heterogeneity among the LDCs in terms of export competitiveness and their overall economic performance. Comparative advantage product is easily market and earns more profit and boosts their export earnings. LDCs' growth prospects could be enhanced by improving their export competitiveness, particularly in areas where they have comparative advantages. Nevertheless, countries such as Bangladesh and the United Republic of Tanzania have shown that investments to raise and enforce norms and standards, particularly in respect of exports, can significantly boost their export earnings. In some countries, political instability and insecurity, and the high cost of air transport and telecommunications, have greatly hampered the potential contribution of the tourism sector to their growth and development. Finally, traditional agricultural crops such as cotton and coffee, like horticulture, have much in common with manufacturing in generating dynamic gains in the form of technological upgrading, quality control and marketing connections. it is understood from this review the variables like political instability, high cost of air transport, telecommunications are the affecting factors in an export market. These factors are taken in framing of questionnaires.

The following points describe opportunities for better and sustainable development and exploitation of the gums and resins subsector. These points are taken into strategic consideration for suggesting improving hair business. Lemenih, and Kassa, (2011), Opportunities and challenges for sustainable production and marketing of gums and resins in Ethiopia. Improved recognition of the contribution of the resources to rural livelihoods and the national economy and their potential in sustainable land management.
Increased government attention to the resources for diversification of export products and consequently, growing encouragement and various incentives such as tax exemptions for importation of goods needed for the production and management of the resources for those investing in the development of the resources. This could encourage entrepreneurs to invest in developing the resources. Challenges related to production and supply due to lack of access to roads, poor food availability, shortage of labour force etc.

Rupa Dheerasinghe (2003), Nature of Sri Lanka’s Textile and Garment Industry and its Challenges,. The following are the challenges identified in garment industry. In export of hair market some of these factors are also taken into consideration for effective analysis of hair market.

- Overdependence on a single product
- Heavy dependence on a few export markets
- Insufficient Product Diversification
- Heavy dependence on a few large scale industries
- Lack of solid raw material base
- Lack of skilled labour
- Investment in technologies

Karmakar and Banerjee (2006) - Technical digest, Issue 9, say the success of dairy farming policy, the Government has set up a dairy processing policy, reflected in the Milk and Milk Products Order. In addition, the Government uses a variety of import restrictions to protect its domestic dairy market. India is the fourth largest economy in the world going by the purchasing power parity estimates. The untapped potential of the dairy sector is immense and opportunity to set up a new dairy venture is great. In the works of Dr. Amrita Patel, Chairperson, NDDB, there is enough place under the scheme for both private and cooperative sectors. Notwithstanding the above potential it is cautioned that, entering dairy sector is not going to be a cakewalk. From this review it is understood that the users of the target product categories is more in percentage or in numbers and it is one of the factors supporting for market the products. United States, Europe and other western countries are having cultural differences, the users of cosmetic products is high in nature particularly they preference to cosmetic products in daily life.
This is one of the advantages for the Indian hair manufacturers for exporting the hair and hair products.

According to Garibay and Katke Jyoti, (2003) Research Institute of Organic Agriculture (FIBL) Acnielsen. The answers were organized according the different aspects listed the obstacles and for the low import of Indian organic products. The following are the major factors are taken into consideration for framing the questionnaire to identify the opportunities and challenges in hair export business.

<table>
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<tr>
<th>Aspect</th>
<th>Obstacle</th>
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<tbody>
<tr>
<td>Price</td>
<td>Price expectations are too high in relation to quality.</td>
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<tr>
<td>Quality</td>
<td>Low consistency of quality; Contamination.</td>
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<tr>
<td>availability</td>
<td>Reliability of exporters.</td>
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<tr>
<td>Logistics</td>
<td>Slow shipment, restrictions for importing Indian organic products.</td>
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<tr>
<td>Certification</td>
<td>Lack of national certification and accreditation.</td>
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<td>Export authorities</td>
<td>Time consuming and complicated paper work.</td>
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<tr>
<td>Information</td>
<td>Lack of information on availability and certification.</td>
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<tr>
<td>Administration</td>
<td>Inconvenient modus of payment (letters of credit) government bank's system is too slow.</td>
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<tr>
<td>Customer Service</td>
<td>Poor customer service from the Indian traders after sales.</td>
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In order to improve / promote organic farming in India, various steps need to be taken at various levels such as:

<table>
<thead>
<tr>
<th>Category</th>
<th>Problems</th>
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<tr>
<td>Small farmers</td>
<td>• Lack of proper infrastructure (for production and logistic);</td>
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<td></td>
<td>• Lack of proper organization and domestic marketing network;</td>
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<td></td>
<td>• Lack of marketing initiative (during the conversion period and when they have been certified);</td>
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<td></td>
<td>• Lack of funds during the Conversion period and certification.</td>
</tr>
<tr>
<td>NGOs</td>
<td>• Lack of funds; Not organized ;Lack of proper Infrastructure</td>
</tr>
<tr>
<td>Traders</td>
<td>• Lack of proper marketing network and marketing implementation;</td>
</tr>
<tr>
<td></td>
<td>• Lack of domestic and export marketing initiatives.</td>
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| Certification | • Cost and quality emerge as the major constraints for certification;  
                          • Lack of national certification and accreditation. |
| Processing Industry | • No easy availability of organic raw materials;  
                          • Little knowledge on the requirements for the processing of organic products;  
                          • Availability of upgrade processing technologies |
| Government         | • Low involvement, Lack of subsides especially to small farmers  
                          • Extensive documentation, (e.g. export documentation);  
                          • Delay in policy implementation; Promote only the export market, less effort to develop domestic market |
| Domestic customers | • Lack of awareness of organic products, High prices |

According to the statement of Rajat Baisya (2005) Opportunities and Challenges of Indian Meat Industry - say in processing foods magazine, the central and state government giving more importance for local bodies like, Panchayat and Municipalities to regularize the market and quality of the product. With huge magnitude of problems including unhygienic production of meat, contamination, poor infrastructure of abattoirs, unscientific processing, absence of cold chain, poor packaging and near absence of meat safety management systems. The impact on the health of the consumers is of major concern for the public health authorities. Importing countries, however, always insist on veterinary meat inspection and certification. Starting from obtaining permission or license from the local panchayat or municipality or corporation one requires 12 different kinds of licenses to set up a meat processing plant. Under new food safety regulations authority it should be one window clearance. But it is essential to streamline and simplify the licensing procedures. The notification further said that NMPPB will also help industry to utilize slaughter house waste materials, set up quality control laboratories for meat and meat products, promote meat manufacturers to adopt GMP, HACCP, ISO-9001 standards, help industry to create data and its dissemination, train workers, technicians in meat processing industry and work as a central and national hub to address meat related issues. We can only look forward for things to happen. Govt. has taken the first step in recognizing the problems and opportunities for meat processing industry. From the review it is understood, panchayat and municipalities, and other local government bodies
are take initiate to streamline the procurement process for proper and systematic utilization of resources.

According to Raana Ahsan (2008), National University of Modern Languages Islamabad – better quality demands better marketing, but the segment also lacks marketing infrastructure. The problem lies with quality standards of Pakistani entrepreneurs. Need to have improved design and development, removal of export duty on raw cotton, frequent changes in the political governments, and inconsistency in the Policies of the Government and Financial Institutions, rapidly changing the global market trends and demands and shift towards manmade fibers.

Due to lack of infrastructures, the products exported to some countries and subsequently it is exported to some other countries, and government incentives are one of the motivations for the exporter say Rahel Abebe,(2007) Opportunities and Challenges of Development for Africa in the Global Arena, According to government officials, the potential for textile and apparel products is dampened, however, by increasing international competition stemming from removal of global quotas in 2005. The major challenges faced by the export sector in Ethiopia are:

- Lack of access to international information and technology,
- Lack of skilled labour due to social instability, civil unrest, recurring famines, disease and population displacements
- Outdated in product processing facilities in agricultural sector; and most products do not meet US and EU quality standards
- High cost of inputs in the manufacturing sector which affects competitiveness
- Insufficient textile and accessories suppliers so limited expansion in the apparel sector.
- Lack of paved roads, communication infrastructure, access to mobile and Internet.
- Structural problems in banking and finance sector which entail limited access to credit and foreign exchange.
One of the challenges in human hair business is theft. Due to its high value the hair is theft and it is happening all over the world, here some of the theft happened all over the places. Human hair now more valuable than US Dollar says Justin Rohrlich, (2011) one indication of how quickly the focus of some thieves has shifted to high-end hair is the experience of one hair supply store in Chicago. The Times points out a spate of recent thefts across the country. $150,000 in human hair stolen in Houston, $10,000 in human hair stolen in San Diego, $85,000 in human hair stolen in Missouri City, TX. $10,000 in human hair stolen in Dearborn, MI, $60,000 in human hair stolen in San Leandro, Calif. Hair for a long time came to realize that the natural human hair even though expensive is far better in quality and in comfort for wigs and extensions etc. So the demand for natural hair started picking up.

Prahalathan.(2006), in his research he identify the importance of infrastructure facilities. Expanding infrastructure facilities to and from refineries for easier and faster transport, increasing refining capacities, improving the quality of products by increasing research activities, increasing the use of new technologies, the study has focused on various challenges that hinder the export growth of the Indian petroleum products industry. These include price volatility of crude oil, supply disruptions, imparting capital-intensive technology and improvement in quality of petroleum products to enhance its competitiveness. The study has also highlighted various suggestions by which India can make its presence felt in the global market for petroleum products. These include, increasing strategic reserves, both within and outside the country, through joint ventures and energy agreements; integration of existing refineries, with both forward and backward linkages and strengthening of energy diplomacy, with oil producers and consumers of petroleum products in the world.

Sikka et.al. (2004), in Indian journals, Global competitiveness of Indian Organic Produce. This study focus on the following challenges and opportunities in organic products. Some of these challenges and opportunities are taken into consideration for hair business to overcome the problems and to enhance the hair business.

Challenges

- Brand Promotion
- Balancing Demand and Supply
Supply Chain Linkages
Certification

Opportunities

- Favourable government vision
- WTO offering global opportunities
- Price – premiums in different markets
- Export opportunities in new product/market (section)
- USA, Europe and Japan are rising markets
- Branding offers new opportunities for differentiation
- Rising demand for organic products

Francis Cherunilam, (2011), Essential condition for globalization, there are some essential conditions to be satisfied on the part of the domestic economy as well as the firm for successful organization of the business. They are

- Business freedom - there should not be unnecessary government restrictions which come in the way of globalization, like import restriction, restriction on sourcing finance or other factors from abroad, foreign investments, etc.

- Facilities – the extent to which an enterprise can develop globally from home country base depends on the facilities available like the infrastructural facilities.

- Government Support – government support may take the form of policy and procedural reforms, development of common facilities like infrastructural facilities, R&D, financial market reforms and so on.

- Resources – resources is one of the important factors which often decide, the ability of a firm to globalize. Resources include finance, technology, R&D capabilities, managerial expertise, company and brand image, human resources etc.

- Competitiveness – the competitive advantage of the company is a very important determinant factor for success in global business. A firm may derive competitive advantage from any one or more of the factors such as low costs and price,
product quality, product differentiation, technological superiority, after sales service, marketing strength, etc.

According to Francis Cherunilam, (2011), in international business, the following factors are considered as essential for entering in to international business transactions. There are number of market related factors which need to be carefully evaluated for market selection. The market related factors may be broadly grouped into general factors and specific factors. General factors are factors general to the market as a whole, whereas the specific factors are factors which are specific to the industry concerned.

Specific factors

- Trends in domestic production and consumption and estimates for the future of the products concerned.
- Trends in imports and exports and estimates for the future.
- Nature of competition
- Government policy and regulations pertaining to the industry.
- Infrastructure relevant to the industry.
- Supply conditions of raw materials and other inputs.
- Trade practices and customs.
- Cultural factors and customer characteristics.
- Market characteristics including the number and nature of market segments, price trends, etc.

The major drawbacks of India’s export sector are:

- Lack of Integrated approach.
- Problem recognition and action.
- Technological Factors (High Cost)
- Poor Quality Image (Unreliability)
- Supply problems.
- Infrastructural Bottlenecks
- Structural weakness.
- Uncertainties, procedural complexities and Institutional Rigidities.
- Inadequacy of trade information system.
Transportation is one of the major considerations while transacting goods in international markets. Czinkota et al. (2011) state that Chinese transportation bottlenecks costs can be easily outweigh its gain from trade, McKinsey and Co. study asserts. Poor infrastructure, continued restrictions for foreign entrance in logistics and transportation, inefficient freight operators and corruption are only some of the barriers separating multinational companies from the 1.3 billion potential Chinese consumers. Total shipping cost in China is 40 to 50 percent more expensive than in the United States. For the international firm, consumer locations and sourcing opportunities are widely dispersed. The firm can attain a strategically advantageous position only if it is able to successfully manage complex international networks consisting of its vendors, suppliers, other third parties and its consumers. Due to diminished market share, more expensive supplies or low profits. Effective international logistics and supply chain management can produce higher earnings and greater corporate efficiency, which are the cornerstones of corporate competitiveness.

According to Czinkota et al. (2011), packaging is instrumental in getting the merchandise to the ultimate destination in safe, maintainable, and presentable condition. Packaging that is adequate for domestic shipping may be inadequate for international transportation because the shipment will be subject to the vessels on which it is carried. The weight of packaging must also be considered, particularly when airfreight is used, as the cost of shipping is often based on weight. At the same time packaging materials must be sufficiently strong to permit stacking in international transportation. The shipper must pay sufficient attention to instructions provided by the consumer for packaging. For example, requests by the consumer that the weight of the package should not exceed the limit or that specific package dimensions should be adhered. Overall cost attention must be paid to international packaging. The consumer who ordered and paid for the merchandise expects it to arrive on time and in good condition. Even with replacements and insurance, the customer will not be satisfied if there are delays. Dissatisfaction will usually translate directly into lost sales.

Packaging is one of the vital factors in export business says Allison Carie (2011), Exporting to Canada- Opportunities and Challenges. Canada is often the first country which the U.S. businesses think of when they want to begin exporting their products.
This is a logical choice due to its close proximity to the United States, the cultural similarities, free market economies, comparable standards of living, and similar business practices. In order to sell products in Canada, a U.S.-based company will likely need to make changes to the labels in order to be compliant with the Canadian government’s Federal Consumer Packaging and Labeling Act. The most notable difference is all labels should be bilingual to include both English and French. Additionally, the following information must appear on the label. Like Product Identity Declaration, Net Quantity Declaration, Dealer's Name and Principal Place of Business. Each product requires different documentation, and it is the responsibility of the exporter to make sure that everything is in order. In general, agricultural products, firearms, textiles and clothing, and steel are the most challenging products to import into Canada. It helps to streamline the customs process and manage other details necessary for exporting and importing.

According to Yunus Solanki et.al. (2001), there is an opportunity the Human hair is used in medical services. He expressed his views in expresshealthcaremgmt.com. With constant advancements in medical field, today’s surgeons have a variety of suturing material at their disposal. But when one looks into the realms of ancient Indian medicine, the human hair’s efficacy as a simple, widely-available and cost-effective suturing material is recorded. And a clinical study has been conducted to prove its utility in treating simple wounds. With further research, human hair has a great potential to be used in a wide range of surgical procedures. Today with constant advancement in treatment techniques and procedures, a wide range of suturing material are in use. Using the human hair is a suturing material in selective surgical practices throws open a wide range of benefits. Synthetic suturing materials are expensive and most of them are not available locally, more so in rural areas. But human hair is easily available, practically cost free and hence in real sense, cost-effective. Considering these features, a scientific study was undertaken to evaluate the efficacy of human hair in minor surgical treatments. The important object of this study is to propagate, popularise the human hair as a suturing material in routine practice as described by ancient texts in India. Considering the overall evaluation of the study is the efficacy of human hair as a suturing material in small superficial wounds having cosmetic value is proved and hence the mass use of human hair as a suturing material is to be propagated.
2.3 Various sources of human hair

Adrian Fisk (2004) says that there are four types of hair that are harvested in India i.e. Temple Hair, village Hair, Sikh Hair and Barber Hair. Temple hair- it is the most abundant source available. Each year thousands of worshipers make pilgrimages to temples where their hair is cut off as an act of religious sacrifice, devotion and thanks giving. Village Hair – is regarded as lower quality than temple hair, because it is derived from woman’s hair combs and brushes. The hair is collected monthly by what is known as a hacker. The hair is exchanged for sweets, plastics toys and bindis. Sikh hair is harvested regularly from men who shave the centre of their head to keep it cool under their turban. Finally barber hair or “Thuku” as it is known comes from the sweepings off the floor from barbershops. Once collected, cut, cleaned and sorted the hair is exported for different end uses.

There are different categories are human hair export. The procedure for selling of human hair by temple authorities is auctioned, says Swapna Majumdar (2006) in womensenews.org. Many Indian women offer their hair to deities in Hindu temples in a show of respect and gratitude. Few realize the offerings can wind up in a lucrative export market. Gupta Hair exporter said that he distributes plastic bags to women in the local village hair his factory in Eluru, Andhra Pradesh, to keep outside their huts. Every time they comb their hair, those that fall are collected in the bag. After a week, a broker will collect these bags and pay the women’s a small sum. Wholesalers sort the hair into five categories. The kind that is black and longer than 16 inches is the most sought after. This “Remy” or “black gold” category sells for as much as $160 per kilogram. The second category of black hair between 8 and 16 inches long, sells for around $44 a kilogram. The third category of black hair, shorter than 8 inches, sells for under a dollar a kilogram. The fourth and fifth categories are gray hair shorter than 8 inches, which sell for about 10 cents a kilogram. After the hair is collected, the temple stores it in a steel container, with male and female hair kept separate. Once the warehouse is stocked, auction notices are advertised in four languages, all south Indian, in three popular news papers and in the temple official web.

According to Megha Grover (2008) The Times of India, women in villages are willingly sacrificing their long hair, which are then exported overseas at a huge price.
Hair gets and Extensions, They are the hottest fashion accessories. Celebrities like Jessica Simpson and Paris Hilton flaunt their extensions. Today Indian hair extensions can be seen on everyone from the England footballer’s wives parading their way around Germany to the actresses Samantha Mort who wore ‘temple hair’. Though china is the major exporter of human hair but they collect the raw material from India. The demand is expected to raise more.

Opportunity to become a dealer or distributor for hair business says Gautama Swamy (2011), people in India usually donate hair, because they are grateful for blessing or asking for blessing. The sacrificed hair is then collected and kept aside for auction. Only affluent people take part in the auction of the hair from the temples as the hair has to be bought in bulk and can literally cost millions of dollars. The hair in these auctions is usually sold by multiple tons. A chain of buying continues from the main buyer to various middle men and wholesale distributors. The large quantities of hair to the factories of the suppliers and then sorted, hacked and sorted by length. It is then washed using industrial shampoo and dried under the sun outdoors. After drying, it is drawn and tied into bundles. The hair is now ready for export. It is exported by distributors to salons, beauty stores and individuals all over the world.

According to Prachi Jatania, (2006) the hair goes to German Italian Pharmaceutical and cosmetic companies for Rs 7,000 per kg. There is huge market for human hair. In fact it has major export value for pharma companies. No one really knows what happens to the tones (over 1000 tone) of human hair that lakhs of devotees offer as they get under the barber’s knife. The hair is collected, put in sealed containers and stored till the day of the annual action. The auction attracts the highest bidders from across the globe.

This article says where -Indian-hair does-come from at sexyalterego.com in (2009), there are two major sources for long human hair one from tonsuring and another one is dead hair. - Hair tonsuring: Hindu devotees offer their hair to temples throughout India. for example Venkateswara temple in Southern India, where an average of 50,000 to 1, 00,000 pilgrims visit daily from this temple alone, one ton of human hair is offered every day. The practice of tonsuring does not provide any money for the women offering the hair; instead they hope to be repaid with blessings. The temple sells the hair to wig
and hair extension companies around the world. The profit the temples make from the hair is used to fund charity programme and improve local infrastructure such as improve roads to the temple. Dead hair, only 25% of Indian Hair comes from temples. The rest comes from saloon floors or hair brushes and is referred to as dead hair or non – Remy hair. Local Indian women will comb their hair 2-3 times a day and collect the hair. Then sell this hair to help pay the bills. This hair is considered very poor quality because the hair cuticles are all messed up and face different directions. The hairs is non Remy and ever has extensions that matt within a few days and are completely unmanageable, the chances are have this hair added to head.

According to the report of Jennifer Aniston et.al. (2009), Indian Human Hair is meant for good quality. Due to the quality of Indian hair it has more demand. Indian hair exports come from Indian temples. Recent entry about the Tirumala Temple located in Southern India. Read on to know how huge this hair business is. Every year over 10 lakhs Hindus walk the hallowed halls of the devastanam (Temple) seeking that all-potent glimpse of Lord Venkateshswara. One of the prime reasons of insistence on Indian hair is the quality. Majority of the Indians use natural methods to protect their hair unlike people from other countries who use various chemicals (shampoo) to clean and beautify their hair. So the Indian hair is natural – strong and durable. "Indian hair is really the best quality,” “It is strong and durable and can be treated like one’s own. It can also be heated and curled, colored and blow-dried, and unlike acrylic looks natural.” There are 50 saloons in London alone providing Indian ‘temple hair’ and business is booming and the quality of hair is not the only reason. The hair is also preferred by stars because of its spiritual connotations. “Spirituality is very in at the moment, so it adds to the whole experience of getting temple hair,” said the spokesman.

This article depicts that the value of human hair is based on its length and the buyer of hair, it is reviewed by Mayoor Balsara (2004), good quality hair, typically from young women that is more than 16 inches long can be sold for 12,000 rupees (around $245) per kilogram or more, an independent company that buys temple hair from Tirumala, does part of its processing, then sells it to Great Lengths. "Because they understand that hair has value, they take great care that it's collected and stored in a proper manner," "We call it black gold," says O. Balaji, the chief accounts officer of the Tirumala temple say after the hair is dried, it is sorted into grades, depending on its
length. The price for temple hair has more than tripled over the past five years, thanks to
the burgeoning hair-extension industry - a fact that "was really a big surprise for us,"
Balaji says. "Really now it is fetching a good amount. The hair must be given lots of
importance here because of the amount of revenue it produces. Our deity is now the
richest deity in the world. Before the hair extensions craze began, about ten years ago, the
hair was sold to wigmakers or to furniture companies as mattress stuffing -- but far less
of it was sold, and for far less money. After the hair is sold at temple auctions to Indian
hair brokers, it typically is sold to factories in India where it is sorted by length and goes
through the first stages of cleaning, fumigating, and processing. Then it is sold to
wigmakers or hair-extensions makers, who process the hair further at facilities in Tunisia
and Italy. From there, it is sold to distributors to dozens of countries around the world,
who in turn sell the hair extensions to salons.

BBC (2001) has a page on where the hair that comprises your extensions or wigs
would have originated from. Human hair is a lucrative business in India. Companies
export long hair to the West where it is used for wigs and hair extensions, whilst the
shorter hair is mainly sold to Chinese firms who extract amino acids from it. For large
temples, where it is considered auspicious for pilgrims to have their heads shaved, the
clippings are a major source of income. Hair Importers say that Indian hair is the best
money can buy, and good profits can be made. Werner Diaber is a software engineer in
his native Germany, but twice a year he visits India to buy as much hair as he can carry.
He explains the desire for Indian human hair in the West. They are the strongest hair and
the most beautiful hairs, and the Indian women they have very long hairs. 'It is a
lucrative thing for everybody, because in the western world these hair extensions are
getting very popular now. And if you manage to get the hairs here for a reasonable price
you can make money.' On this trip Werner was attempting to carry home two suitcases,
two hold alls and a cardboard box all full of hair. If he managed to get the 40 kilos back
to Germany he would make over 1500 profit (nearly $2500 profit).Tirumala’s income
from human hair is in a different league. It is understood from the above review even a
common man can able to sell the hair in unorganized manner and get more profit.
2.4 Marketing and business opportunity of human hair

India is one of the leading exporters of Human Hair, it is told by Mohita Nagpal (2008). Hair – raising business ideas! – Opportunities – Manufacturing–. Moreover Indian Hair is considered to be fine, lustrous and free from chemical treatments, making it suitable for manufacturing wigs. India has thousands of exporters. But sources are few. The hair is once collected from Tirumala Temple the hair is reportedly separated into five different varieties. The hair exported from India is raw or processed or polished. The profit margin is around 15% to 50% respectively. It is not a bad deal considering the huge demand for Indian hair in France, UK, US, Canada and a few other European countries. Today he exports raw and processed hair in countries across globe, own three factories and manufacturing customized wigs. So the point is why not manufactured wigs and hair extensions in a big way. The price of a hair extension is Rs 20,000 and that of a wig is Rs30, 000 at the minimum. The market demand is more for hair extensions. As Amit says “Of the total manufacturing they do 75% are hair extensions and 25 % are wigs”. They produces wigs, glue based hair extensions and normal hair extensions. He has 25 machines costing Rs 80 lakhs in total. Eighteen of them are for knotting of hair, seven for fixing glue to hair tips. There are 40 workers in the factory. He has also got a hair dresser to design 60-70 odd wigs designs. This review reveals the cost of machinery for hair process and the value of finished products.

According to Nitasha Tiku (2007) in Going Global, Indian human hair trade has ballooned into a multimillion dollar industry, encompassing ‘temple hair’ prized by wig makers. “Entrepreneurs and small business have a bigger opportunity and it is easier for them to go global than large corporation”, explains Robert D. Hisrich, Director of the Thunderbird school’s centre for Global Entrepreneurship in Arizona, citing the flexibility that comes without the bureaucratic and legal constraints on deal making that can hamper big business. The observer uncovered the dark side of the “temple hair” trade in villages around Chennai. In order to get a foothold in a market monopolized by the Hindu temples, “unscrupulous agents of small time exporters.
Shana Morgan (2003) say in ehow.com, How to start a Business selling Human Hair for weaving. Selling Human Hair for weaving can be lucrative business. It is important to have the proper approach in order to get the results that can make one financially independent. The majority of human hair is imported from countries like China and India. Indian Remy hair is the most expensive hair that one can buy and it normally ranges between $100 to $300 a pack, depending on the length of the hair. Nonetheless, the human hair weaving industry has become a multimillion dollar business, and many investors are looking to get in. This article will get one started on the path of owning his own human hair weaving business.

In an article - A Hairy Problem (2011), The market for human hair, used for wigs and extension, has been booming, wearing hair extensions, once considered the domain of strippers, has become fashionable for celebrities and the like. Most hair comes from China, but its roughness makes it the least valuable, Chinese hair is difficult to process into the luxurious waves demanded by current fashion. Of course the extensions must be top quality – raising the demand for human hair. Indian hair fetches a high price because it is malleable enough to look European. Indeed, Indian hair is enjoying something of a renaissance.

With a growth rate curving upward, the hair care market in India is going through a major paradigm shift said Priyanka Bhattacharya (2008). With consumers ready to experiment with new products and services and marketers churning out new products at an impressive rate, there is a sense of excitement in the industry. The Indian hair care market has shown growth of 3.8% over the previous year. The change is visible at two levels – consumer behaviour and marketers trying to grow market by introducing new product categories and services. As the market matures, marketers are looking to create more awareness and feed the fashion and beauty aspirations of Indian consumers. We are trying to create more consciousness and bring in the awareness that hair care is as customized and as evolved as a skin care regimen. We are hoping to bring in that change amongst the consumers in the country. In fact we are looking to foster their need for world – class hair treatments. According to this review there is chance to grow for hair industries, because of the changing consumer behaviour, and marketers trying to grow market by introducing of new product. There is a fine opportunity for the Indian hair industry to market the hair products in India itself.
Jerome Taylor (2006), Indian hair is cheaper than European varieties and less chemically treated and so soft compared with Chinese hair. It is the great opportunity for the Indian exporters to capture the world market. And also it is clearly known there is a good employment opportunity among the Indian low income group of people. Hair has been carefully tied together and placed in a giant steel tub for storage. The temple can able to cash in on an incredible growth in demand. The price of hair from the temple is now 10 times more what it was five years ago. The Indians started understanding that this was a booming business and that we would still purchase at whatever price. The industry has also benefited from a shift in the public’s perception of hair extensions. The global hair industry is now worth an estimated £160m and is growing by 25 to 30 percent each year. Indian hair is particularly sought after because it is cheaper than European varieties and will not have been chemically treated or dyed. Moreover Chinese hair, which still globally makes up the majority of hair exports, is considered too coarse (rud) to make good hair extensions. Hair wholesalers and the thousands of low income Indians employed in the country’s hair trade, the popularity of hair extensions could not have come at a more opportune (appropriate) time. we clearly state that there is huge demand for Indian hairs, because of cheaper than European varieties and less chemically treated and so soft compare with Chinese hair. There is huge demand for Indian hair, there is nothing to hide about this beautiful business. It’s a win – win situation for everyone.

Today this hair has become a precious commodity and an extraordinary economic resource say Raffaele Brunetti (2010), for centuries Hindu pilgrims have donated their hair in a ritual of purification. People are donating their hair for a spiritual reason as a sacrifice to God. For them the hair was something they got rid of and whatever may happen to it afterwards is none of their concern. Until a few years ago the hair donated to the temples was burned or used to stuff mattresses. Today this hair has become an extraordinary economic resource. Indian hair is considered the best in the market for its quality and length. Companies like Great Lengths have developed and patented innovative ways of colouring and applying the hair and this is also part of the cost. Financial crisis is not affecting the hair market which owes its success to the eternal desire to attain and retain beauty. Also trends will not affect the market. Extensions are more and more used by women who want to thicken their hair and are not young any longer. Indian hair will soon be insufficient to meet the demand, big steps are being made to produce synthetic hair.
According to Tracy Bowden, (2011), Hair extension industry built on Indian sacrifices. In an act of religious piety, hundreds of thousands of Indian women have their heads shaved, unaware that their valuable hair is then collected and used to support a multi-million-dollar fashion industry in the West. The hair industry claims the situation is a win-win. The Indian women are able to make a sacrifice to the gods, the temples make money, which they claim they use to support pilgrims and community programs, and the hair industry in the West has a new product to work with and happy customers. But there are critics of the process. Jamelia, a British pop star and model, has used hair extensions, and at first was delighted at the look and the confidence they gave her. A British documentary team took Jamelia to India to find the source of her hair. She says women seeking hair extensions should check that their "new" hair has been obtained ethically. Lucrative trade, while the pilgrims might not feel exploited, hair is now a valuable commodity, and the hair extension industry is making some people very rich.

Processing Human Hair - Value added products & Business Opportunities
Information Profile @ a glance http://www.primaryinfo.org/Human%20Hair.htm

- China and India export more than $150 million worth of human hair in a year
- Indian human hair is available in the colours of black and dark brown, grey, white and brown. This can be described as straight, curly, wavy and silky. Human hair waste collection by itself is a lucrative business.
- There are more than 100 players in the Indian market. US, UK, Indonesia and Malaysia are the major buyers of hair from India
- Tirumala Tirupati Devasthanam in Andhra Pradesh auctioned around 80 tonne of hair worth Rs 60 crore.
- There is a good demand for Indian hair in France, UK, US, Canada, and other European countries
- Human hair is a raw material source for L-cysteine, an amino acid frequently used in baked goods such as pizza dough and bagels.
- Cystine is a crystalline, sulphur containing amino acid. Hair and skin are made up of 10% to 14% cystine. Natural cystine and cystine have been manufactured by hydrolysis and isolation from keratin protein available in hair and feathers. Cystine is particularly abundant in skeletal and connective tissues, hair and digestive enzymes
According to Rafael Sanchez (2008) recycled as expensive hair extensions and wigs for the west or sold for use as raw material for the chemical industry, human hair trade has grown into an extremely profitable business, with more than 95% of all human hair imports coming from India and China. The human hair business first boomed across India in the sixties, but sales dropped when synthetic alternatives were introduced. Since then complaints of skin allergies, especially by European consumers, once again boosted the demand for natural hair. The human hair trade has become a large market entirely export-oriented that thrives on painstaking methods of collecting hair from villages and slums where hair is least likely to be dyed or treated with chemicals. Indian hair is renowned for its quality and is bought raw for between $2 and $5 per kilo. Once processed, it is sold to extensions and wig makers for around $40 per kilo. Lower quality hair is interwoven with other fabrics to make jackets linings, mattresses and cosmetic brushes, or it is converted into amino acids, which in turn are used in food and medicine. The demand in the UK and US for hair extensions and cosmetic products with hair extracts means that turning faith into fashion has become a new big industry over the past ten years, earning major temples and exporter’s revenues of more than $300 million annually. Celebrities are the best advertisement for companies like Great Lenghts, an international conglomerate with 45 distribution offices in 53 countries that controls around 60% of the world market for human hair extensions and processes 5 tons of hair each month. The human hair business is growing at the phenomenal rate of 40% annually, creating a network of dealers on all continents and air shipments around the globe.

The hair business is a nice steady income say Jonesboro, Ar (Kait) (2012). The hair business keeps growing in a receding economy, in spite of many jobs and small businesses going by the wayside, the hair business is thriving. Beauty salons, barbershops are moving into empty strip malls or stores and doing well. What makes this business grow even in these hard times? "This is a recession proof occupation that you can go in to and make a decent honest living." says barber Ramon Crumpler. The cost of business rises so he try to make sure that my costs are consummate with the economy. The hair business is a nice steady income. He has been in the business for 16 years now and the drop-off hasn’t been much of a drop off. It’s been just kind of steady if not increasing the whole time I been in business. The New York Times says the number of barber licenses
have nearly doubled since the 80's. The program at the NEA Barber School takes about nine months and costs about 7 thousand dollars. However Davis says that there is a shortage of barbers in Arkansas and that now is a good time to get into the business.

According to Sandeep Deshpande, (2012). there is growing demand for Indian hair in overseas markets, the world's largest online business-to-business (B2B) trading platform, 42 per cent of global searches for human hair on the website in the past year were specific to Indian hair. On Alibaba.com, business demand for Indian hair extension products from the US it is biggest markets for India, The U.K. and France were two other top buyer markets after the U.S., respectively accounting for 9 percent and 6 percent of all related buyer inquiries during the quarter. Other prominent buyer markets globally for Indian hair extensions are Brazil, Canada, South Africa, Spain, Germany and China. Spain has shown the greatest rise in demand, with the number of related buyer inquiries to India increasing by 219 percent year-on-year. Brazil and Germany were two other markets in which buyer demand for Indian hair extension products has significantly increased with the rise being 107 percent and 106 percent respectively. “In the last quarter, we have seen a spike in the overall number of inquiries for Indian hair extensions and an increase in interest from newer markets like South American countries. Indian hair is demanded across the globe, primarily because of its quality and texture.

Sanjeev (2012), is the founder of Indian Remi Hair Extensions which is doing roaring business of exporting human hair. He has been a Gold Supplier at Alibaba.com since 2006 now he exports Indian Human Hair products like wigs, hair extensions, and human hair wefts. As he started with small orders on Alibaba.com, today the total annual turnover of his business is over 1.5 million USD and has three factories along with a show-room. He credits Alibaba.com for the success he has tasted and is glad that sitting in Ludhiana he has managed to tap countries across the world for his products. it is understood that marketing of human hair as e-business is successfully carried out by the various Indian hair exporters. There is an opportunity to start hair business and entrepreneur through internet.

According to Denise Winterman, (2010), human hair is now big business in the UK and US and other parts of the world. Last year alone nearly £15m worth of treated human hair- it has been washed and sometimes dyed-was imported in to UK. it comes mainly from India, china and Europe. In fashion industry European hair is used for
designs and treated in more ways. Indian and Chinese hair tends to be stronger and harder to manipulate. Most human hair is exported from India and China, but Indian hair preferred because it is finer and less coarse. Even easier to work with is European hair. In this review it is identified Indian hair has more demand compare with our competing countries like China and Europe. so it understood Indian hair exporters have good opportunity to market the human hair all over the world.

It is understood from the statement of Earl Flournoy (2005), there is good chance to market the human hair through e-commerce trade systems. And also it is found that the hair is vary according to the quality and variety and they getting payment for their supply through bank. Human hair wigs are made from natural human hair. Manufacturers acquire human hair strands from their hair sellers. There are salons that sell strands from trimmed hairs of clients. Nowadays, individual marketers sell their hair in online stores and hair outlets in exchange for hundreds of dollars. Buyers frequently communicate through e-mails and social networking sites. After individual sellers of human hair wigs, they negotiate price depending on the features of hair strands. Other price determinants are purity of hair strands and longevity of trim. After negotiation and agreement payment is deposited in the individual marketer’s bank account.

In this study it is identify that the human hair is used as fertilizer in agriculture. It is the great opportunity to market the hair waste as fertilizer say Fernandez (2002), in his research human hair can promote growth and yield of green onion when applied at higher rates such as 10 to 12.5 grams of human hair per five Kgs. the study recommend the human hair it use as fertilizer.

Indian Human Hair is more demand in US market say Amy Walters (2006), in most big American cities, almost any luxury item can be had for a price – real champagne from France, truffles from Italy, and In Los Angles, human hair from India. The hair trade is a boon for the temple. Much of that money comes from places like Los Angles, where advertisement for Indian hair dot utility poles and storefront windows across the city. With demand for Indian hair growing, more and more Indian companies are advertising to Americans directly, hoping to cash in on the trend.
According to this article “Human hair waste collection by itself is a lucrative business”. The domestic demand for hair products such as wigs are set to grow at phenomenal rates in the coming years as beauty parlors and cosmetic salons are making headway in the country along with the advent of multinationals in the cosmetic segment. Africa is being looked at as an upcoming market for mass products that India could possibly concentrate.