CHAPTER V

A DETAILED ANALYSIS ON MARKETING SYSTEMS OF
HANDLOOM PRODUCTS AND THE SALIENT PROBLEMS
OF HANDLOOM PRODUCTS IN KANYAKUMARI DISTRICT

5.0 MARKETING CONDITIONS ANALYSIS

This chapter is an important analysis chapter which very much concentrates on the study of the marketing conditions of handloom weavers selected products in Kanyakumari district. The sellers are those are indebted to the ultimate customers. Marketing system indicates the selling conditions of the handloom sellers. The ability and power of a seller can be evaluated by the marketing system. The various factors of marketing conditions of the handloom weaver sellers are analysed in detail as follows:

5.1 ANALYSIS ON MARKETING SYSTEMS OF HANDLOOM PRODUCTS IN KANYAKUMARI DISTRICT

The analysis on various marketing systems of handloom
weaver sellers may be clearly analysed from the following table, table no. 5.1.

**TABLE No. 5.1**

MARKETING SYSTEM OF HANDLOOM PRODUCTS IN KANYAKUMARI DISTRICT

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Marketing System</th>
<th>Vilavane</th>
<th>Kalkulam</th>
<th>Agasteeswaram</th>
<th>Thovalai</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Direct selling system</td>
<td>2  (15.39)</td>
<td>4  (30.76)</td>
<td>5  (38.46)</td>
<td>2  (15.39)</td>
<td>13</td>
</tr>
<tr>
<td>2.</td>
<td>Wholesale system</td>
<td>8  (32)</td>
<td>4  (16)</td>
<td>12 (48)</td>
<td>1  (4)</td>
<td>25</td>
</tr>
<tr>
<td>3.</td>
<td>Retail system</td>
<td>12 (24.49)</td>
<td>12 (24.49)</td>
<td>15 (30.61)</td>
<td>10 (20.41)</td>
<td>49</td>
</tr>
<tr>
<td>4.</td>
<td>Through</td>
<td>3  (23.08)</td>
<td>2  (15.38)</td>
<td>6  (46.15)</td>
<td>2  (15.39)</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>25</td>
<td>22</td>
<td>38</td>
<td>15</td>
<td>100</td>
</tr>
</tbody>
</table>

SOURCE: Survey Data.
NOTE : Figure in parentheses are percentages.

From the above table it is clear that most of the handloom sellers in Kanyakumari district sell their cloths through retail selling system. From 100 samples 13 sellers sell through the middlemen and 13 handloom sellers sell through direct selling system.
5.2 NATURE OF SALES

The success or failure of a handloom seller depends on sales efficiency. Marketing can be done through different ways. The sales depends on the basis where the market is located.

TABLE No. 5.2

THE NATURE OF SALES OF HANDLOOM PRODUCTS IN KANYAKUMARI DISTRICT

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Nature of Sales</th>
<th>Vilavancode</th>
<th>Kukalam</th>
<th>Agasteeswaram</th>
<th>Thovalai</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Local market</td>
<td>8</td>
<td>10</td>
<td>11</td>
<td>8</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(21.62)</td>
<td>(27.02)</td>
<td>(29.73)</td>
<td>(21.63)</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Houses &amp; Institutions</td>
<td>9</td>
<td>2</td>
<td>10</td>
<td>4</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(36)</td>
<td>(8)</td>
<td>(40)</td>
<td>(16)</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Showrooms</td>
<td>2</td>
<td>8</td>
<td>7</td>
<td>7</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(8.33)</td>
<td>(33.33)</td>
<td>(29.17)</td>
<td>(29.17)</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Outside of the state</td>
<td>8</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(57.14)</td>
<td>(14.29)</td>
<td>(21.43)</td>
<td>(7.14)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>27</td>
<td>2</td>
<td>31</td>
<td>20</td>
<td>100</td>
</tr>
</tbody>
</table>

SOURCE: Survey Data.
NOTE: Figure in parentheses are percentages.

The above table shows the nature of sales of handloom cloths. From 100 samples 37 sellers sell their clothes in the local markets of Kanyakumari district. Some respondents are hawkers who sell their cloths to houses and institutions. 14 respondents sell their
cloths on outside the state, especially in Kerala. More number of handloom markets are located in Agasteeswaram taluk.

5.3 THE SALIENT PROBLEMS OF HANDLOOM INDUSTRY WITH REGARD TO PRODUCTION AND SALES OF HANDLOOM PRODUCTS

The following are the main problems faced by the handloom industry in Kanyakumari district:

1. Handloom industry is the largest decentralised industrial sector in this district. Management of marketing operation is the basic problem of the decentralised industrial sector units.

2. The time lag in supply of yarn and procurement of finished goods in the case of the majority of the societies ranged from one month to two month or even more. In such a situation private dealers would try to exploit the situation by offering only a lower prices for goods taken from the weavers.

3. The periodic crisis in the handloom sector is an immediate consequence of the unpredictable and sharp rise in price of cotton yarn and chemical dyes. The rise in price level of products also affects marketing.

4. There is only society dye-house in Kanyakumari district and no central dye-house.
5. The continuous unemployment, inadequate wages and low quality of raw-materials pose a barriers in the handloom industry.

6. The weak links between the sellers and the functioning agencies, the insistence of granting loan by the financial institutions makes the sellers' livelihood more and more vulnerable.

7. The weaving community is facing a pinch in every aspect of their working life, be it production or marketing or finance and anything else.

8. We know that there is a high competition from the powerloom. For the solution once the government rule says (during Indira Gandhi's period) cloths which produced in the handlooms should not be produced in the powerlooms. But it was not used in the practical life.

9. The co-operative weavers are doing the weaving work in their own loom on their residence. The looms occupied the large place of their house and it would create pollution in their houses.

10. The Primary Health Centers are not functioning in Kanyakumari district. So it is difficult to get the treatment to the weavers at low cost.

11. Only female weavers are participating in the regular weaving work and they don’t get any maternity benefit from the society.
12. The uncertain monsoon, non-availability of cotton seeds and traditional methods of production are the reasons for low production and selling of handloom clothes.

13. The co-operative societies are doing the sales of the finished goods to Co-optex. The delay payment of Co-optex to the societies affect the regular work of the weaving.

14. The main problem of the handloom industry is the rebate system that the merchants took advantages to the rebate, buy large stocks at cheap prices from the weavers and make extra profits.

15. Rebates are allowed only on a particular period. The sales affected during non-rebate period as rebate sales.

16. There has been undue delay in the disbursement of rebate claims by the state government to the primary and apex societies. As 20 per cent of the sale proceeds is locked up in the form of rebates, where the societies are unable to bear the delayed disbursements.

17. Most of the producers in Kanyakumari district are using traditional designs. This is partly due to the fact that the producers being illiterate, do not have much appreciation for new designs and they are not offered by the facilities of training.

18. The societies hesitate to take up new experiment in modernisation of looms and introduction of improved varieties, because they
feel that they can dispose the products through traditional methods and with the help of rebate favour.

19. One of the main reasons for the accumulation of stock is that, in many cases the production of cloth is not related to the market demand. The frequent changes in the fashions and designs affect the marketing of handloom goods.

20. Selling has become very difficult, often there is no regular demand for what is produced by weavers co-operatives, stock piles up, capital is locked up and the society is unable to buy raw materials for ensuring continuous flow of materials to the member-weavers for production.

21. No power subsidy for handloom sector enables to raise the cost of production in the co-operative societies.

22. The inferior quality of hank yarn produced for the handloom industry and heavy transport cost for the product produced in one region is being sold by the consumers in the other region, also add to the sellers problem.

23. Inadequate credit from financial institutions is one of the problem in handloom industry.

24. Inadequate marketing infrastructure made it more vulnerable to compete from the powerloom products.
25. There is a chronic yarn shortage. Though handlooms are spread many places in Kanyakumari district yarn is not produced in this district.

26. There is an acute shortage of chemicals and dye stuffs essentially needed.

27. Co-optex is not able to give annual or semi-annual production plan to societies.

28. Powerloom goods often get marketed as handloom products in the local as well as the export market.

29. The co-operative sector also lacks a well equipped market intelligence system to give guidance on export promotion whereas the private trade has more dependable system of market intelligence, provided by their contacts abroad.

30. The lack of co-ordination between producers of handloom goods and merchant exporters leads to the time-lag between the production of cloth and its marketing, is another problem of handloom industry.

31. There is no research centre for the promotion of handloom products in Kanyakumari district.

32. The dressing pattern has been changed from cotton sarees to churidars and dothies to pants affect the sale of handloom cloth.
33. The government had given the yarn to the weavers as debt, but nowadays it is not available.

34. One of the problem in Kanyakumari district is short width of cloth.

35. There is a lack of advertising in Kanyakumari district, which leads to low sales.

5.4 MEASURES TO RECTIFY THE MARKETING PROBLEMS OF HANDLOOM INDUSTRY IN KANYAKUMARI DISTRICT

The following are the important measures to rectify the marketing problems of handloom industry.

a) Good quality of yarn and other raw materials should be supplied in time to the handloom societies. By the way working life of the weaving community will not be affected. Thereby the continuous unemployment can be eliminated to a certain extent.

b) The government should bring a rule that cloths which produce in the handloom industry should not be produce in the powerloom industry, and it should be done in practical life.

c) There should be central dye-house in Kanyakumari district.

d) The Primary Health Centre should be functioned smoothly in Kanyakumari district.
e) The government should take steps to check whether the producers are producing the cloths according to the market demand. Also the traditional designs should be avoided.

f) An institution for handloom fashion technology and research centre for the promotion of export should be opened by the government of Tamil Nadu.

g) Adequate credit from financial institutions should be given to the producers and sellers.

h) Co-ordination among the producers, merchants and the exporters should be brought into consideration.

i) Good advertising facilities should be provided for smooth selling.

It is evident from the above detailed analysis that the handloom sellers are greatly seen in Agasteeswaram taluk. The average family size in Agasteeswaram taluk is higher than other taluks. Limited number of sellers are found to be illiterate. The average income of sellers in the Agasteeswaram taluk is the highest. It has been also found out that the problem of inequalities of income distribution is quite rampant in rural areas. The average yearly saving is lower and the average yearly income is also lower. The average sales of cloth is highest in Agasteeswaram taluk.