





# 6

## PRODUCTION AND MARKETING

CRAFTSPEOPLE'S most important prerogative is to create objects that clients need which can be sold so that they can earn a living and support their families. While aspects of design and development of the product are dealt with in another chapter, here we will look at the various traditional production, distribution and marketing strategies that are available to craft communities in India.

A craftsperson is a skilled producer working primarily with his/her hands and traditional, often simple, tools to make articles of daily use. There is great variety and diversity within the crafts community in every part of India. A craftsperson could be village or urban based, who procures his/her own material, uses manual skills learnt recently or from family traditions. He/she may produce utility items or specialised objects. The crafts community may supply local markets, sell through village *haats*, or transport goods to urban markets or for export. They may be self-employed or work as wage-earners or as members of a cooperative.

It is important to understand this diversity to appreciate the number of problems that may arise for the craftsperson at every step of the process of production and sale. It is important to remember how complex the system is and how many such systems of crafts production and marketing we have in our country.



The structure for production and marketing of crafts have the following framework:

### PRODUCTION

**Craft:** This could be in metal, wood, clay, textile, gem-cutting, jewellery, leather, cane and bamboo, tailoring, etc. Each of these groups approaches its production work in a different way.

**Location:** Rural, urban, semi-urban. The location determines access to raw material, to different clients, and transport costs. Each of these will affect production, distribution and sale of crafts.

**Raw Material:** Does the craftsperson procure the raw material independently or is it supplied by a trader or the customer, as in the case of a tailor who is given the material by the client to make a garment? The raw material may be supplied by the government at subsidised rates or by a cooperative.

**Skill and Technology:** Is the craft produced manually or with semi-automated tools?





### MARKETING

**End Product:** Is it a utility item that lasts a long time like a *belan* or *urli* or is it a daily consumable item like a flower garland? Does the craftsperson also provide services like repair and maintenance, as in the case of a blacksmith?

**Markets:** Can be termed village/urban, domestic, export. The craftsperson has to adapt to the needs of different types of markets and market demands. The client in each of these different markets has a varied set of demands.

**Sales Channel:** Does the craftsperson create objects for the village *haat*, *jajman*, traders or for the cooperative? Are the craftspersons attached to one client or many and how familiar are they with the client's needs, changing fashions and trends?

**Employment Status:** Is the craftsperson self-employed, a wage earner for a large or small organisation, a factory, an export enterprise or a member of a cooperative?



The combination and computation of these different scenarios is complicated and every situation requires a suitable response in terms of production, marketing and sales.

### **Raw Competition**

The crisis faced by cane, bamboo and fibre artisans is due to the declining availability of raw material. Apart from the fact that the raw material they depend on is often diverted to other uses, especially to the paper industry, there has been little planning or investment in regenerating the country's bamboo, cane, grass and other such natural resources. As a result, raw-material prices have spiralled and the price of the artisan's products have remained inelastic. There has been a partial erosion of the traditional markets as cane, bamboo, and fibre products are being replaced by synthetic fibres and plastics.

### **RURAL ECONOMY**

In the rural economy the sale of crafts products plays an important role. The crafts community is commissioned to prepare goods by a client e.g. *diyas* for Diwali. The weaver may be asked to weave a set of saris for a marriage and may be paid in kind (with foodgrain) or given a monetary advance. In these cases the crafts

community knows the clients and is aware of their community, status and the kind of objects they might need. Often the client is an old customer and the craftsperson's family may have served the family for many generations.

Shawls are needed in every Kashmiri home for weddings and births. These occasions ensure the *shawlwala's* regular visits to every family. He visits the homes, interacts within a strict protocol and yet is an intimate member of the client family as he deals with the women of the house in the kitchens and chambers and listens to their 'talk'. He knows the taste of all his clients and takes personalised orders for new products. Centuries-old rate samples of embroidery designs are shared with the lady of the house and the *shawlwala* suggests the colour for each flower, leaf and creeper. He then instructs the artisans who execute the orders and returns to deliver them.



### MARKET OR HAAT

In the rural area many villages, even today, organise a weekly market or *haat*. This market is organised by village artisans and each craftsperson is given a designated place in the market to sell his/her wares. The local potter produces pots for regular use and for festivals. Craftspersons from nearby villages are also invited to the weekly *haat* to sell their wares. The crafts family brings its wares, spreads them out on a *durrie*, or puts up a tent and displays its products for sale. The *haat* starts in the late morning and carries on till dusk when the unsold items are taken back home.

#### *Wandering for Markets*

“Only rain can stop my potter’s wheel from turning,” says Bhura Ram. He cannot afford to miss a day’s work or to have blemishes on his pots. “My wares must sound as good as they look. You see customers tap them with a coin to test their quality.”

Besides making pots for his *jajmans*—numbering ten in all—Bhura takes his wares to the weekly market in Pather and Chilkana. The leftover articles he loads on his mule and then roams from village to village, within a radius of 15 kms, in an effort to hawk them. Years of experience have taught Bhura to maintain the crucial balance between production and sales.



### FESTIVALS AND MELAS

Whenever there is a festival in the village the duration of the *haat* is extended by several days. The Shivratri *mela* in the village of Khajuraho, Madhya Pradesh, lasts several days so that the visitors and pilgrims to the festival could also spend the evening after the *pujas* and ceremonies in the *mela*. The *mela* sometimes has a merry-go-round, a giant wheel, magic shows and other amusements for children and families to enjoy together while they buy things for their daily use from the crafts shops.

*In Gujarat at the procession of the goddess Vardayani, or Vaduchima, the palanquin which enthrones the mother, is without wheels. Woodcutters bring wood for the chariot, carpenters prepare the frame, barbers the canopy, gardeners bring the flowers, the potters mould the clay lamps that light the procession. Muslims provide the cotton, and the tailors the wicks for the oil lamps. The Brahmins cook khichri which is distributed as prasad, and the Rajputs stand guard while the Patidars provide the garments for the goddess.*

– PUPUL JAYAKAR  
The Earthen Drum



### PILGRIMAGE CENTRES

Important temples, mosques, gurudwaras and even churches in India attract devotees from near and far. Throughout the country these pilgrimage centres draw large crowds to the market. These annual pilgrimages draw so many people that craft communities have settled near them and whole townships have developed that have become famous for the crafts they produce. Kanchipuram in Tamil Nadu has many famous temples, attracting a large number of pilgrims so that, over the centuries, it has become a thriving cotton and silk weaving centre. Today the fame of the town and the craft is so closely linked that the saris produced here are called Kanchi cottons or Kanchipuram silks. The products here achieved a certain style and quality for which they are famous and large workshops and shops have mushroomed throughout the town.



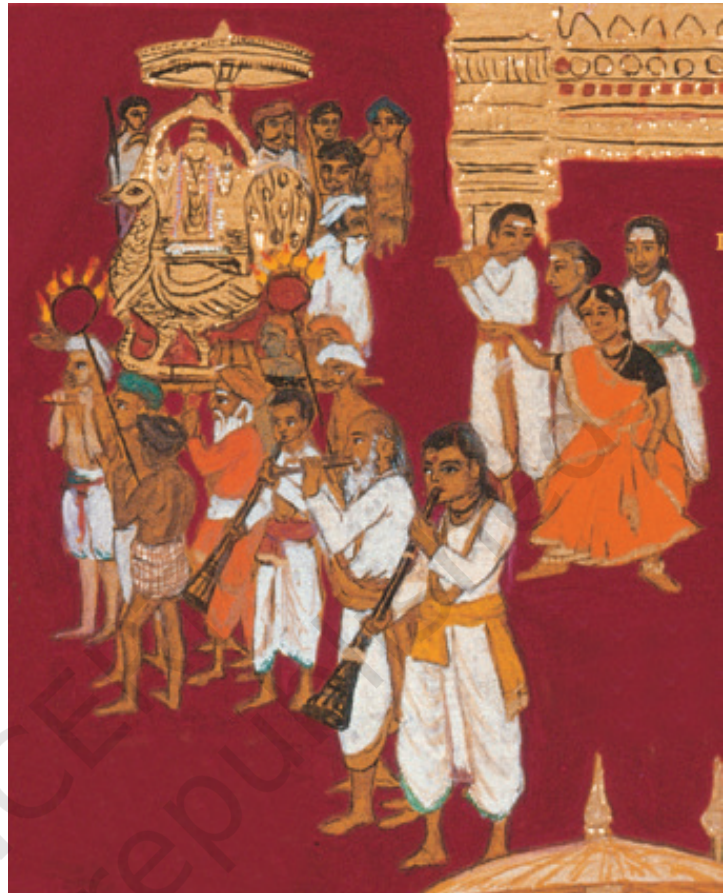
The traditional marketplaces for crafts, described above, have advantages and disadvantages for the crafts community. Consider the following:

**Advantages**

- Production units were close to the source of raw materials.
- Transport of goods were limited so prices could be contained.
- Producer and client were often known to each other and hence the artisan understood the client's needs and requirements.
- Middle men had little or no role to play in the sale transactions.

**Disadvantages**

- Stagnation of skills and tools
- Stagnation of designs
- Limitation on prices
- Limited needs of clients

**RURAL TO URBAN**

To supply the needs of the urban market the crafts community would either settle near urban markets or sell its wares at the local *haat* or bazaar, during festivals or at a pilgrimage centre. This meant transporting wares often over long distances. Whenever possible or necessary the crafts community would leave part of the family to continue production in the village where the raw materials were available. The other part of the family would reside in the urban city and set up shop for sale of goods to the urban community. The other option was for the crafts community to use the services of a middle man such as a trader. The trader would come to the village, buy goods from the crafts community and take the wares to the city for sale, keeping the profit for himself.



**Advantages**

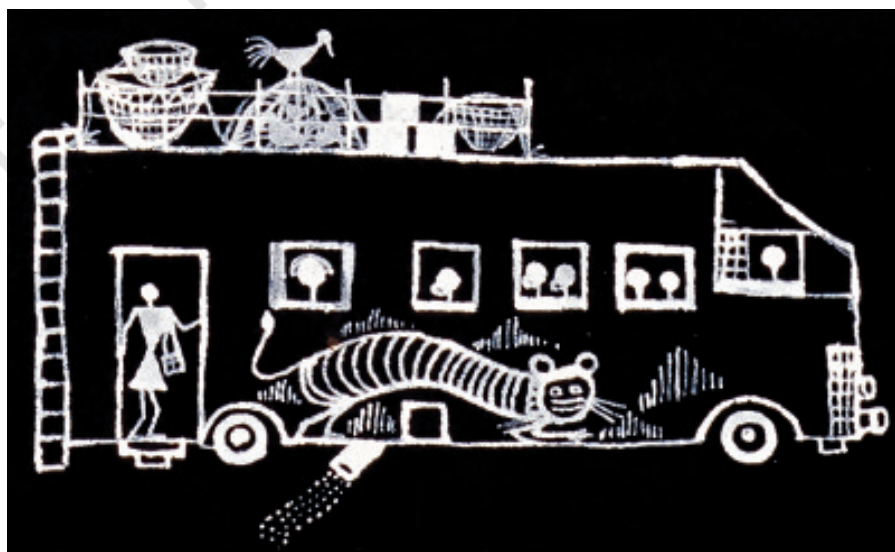
- Opportunity to develop new sets of skills and tools
- Opportunity to develop new designs for new clients

**Disadvantages**

- Pricing needed to be restructured.
- Transport of goods to greater distances caused prices to be raised.
- Producer often did not know the client.
- Producer did not understand the client's needs.
- Middle men played a major role in the sale transactions, often taking most of the profit from the crafts producer.

**PRIVATE MARKETING**

The general pattern of marketing of handicrafts is that independent artisans work in their homes or for workshop owners (*karkhanadars*, master craftsmen, sub-contractors) and sell goods manufactured by them to big stockists both domestic and international, or to small shopkeepers directly or through brokers. The stockists and small dealers in turn sell them either to local consumers or outstation merchants or foreign importers, again either directly or through specific intermediate agencies. Large dealers have relatively high financial resources and some of them have goods made to order directly from artisans, advancing money to them for



the purchase of materials. Artisans working on this basis are often in debt to dealers on account of these advances. With a more liberalised credit policy being followed by banks in India and the current emphasis on easier credit facilities being extended to the weaker sections of society, the situation of indebtedness amongst handicraft artisans is improving slowly.

The role of private enterprise in the field of handicrafts marketing has been, and is today, overwhelmingly important. About 90 per cent of handicraft production is handled by private agencies and the rest by public marketing and cooperative agencies.

### ***Home to Factory***

The gem and jewellery sector is the largest foreign exchange earner for India. In 1992–93 exports soared to ₹9,404 crore. In the international market, Indian jewellery is competitively priced, and is cheaper than products from other countries, possibly because labour is cheaper in India.

Jewellery-making was until recently a dispersed, household industry. However, as a result of various government interventions and the opening of the export market, this industry is gradually moving out of the household sector. Rural jewellers are largely self-employed, whereas most of the urban artisans tend to work as wage labourers or on contract basis. Urban production units are mainly owned by traders and retailers. Most of the non-traditional artisans are located in urban areas and are engaged in processing rough diamonds and gem stones. There are now a large number of workers in the non-household sector. As a result, today the non-traditional artisan outnumbers the traditional artisan.



### **EXPORT PROMOTION**

Planned development initiated in the country after Independence has resulted in the present growth of the Indian economy. Building infrastructure for economic development has been the major challenge of Indian planners. Over the years the country's economic base has been strengthened and diversified. Export of Indian handicrafts has gained importance, both in quantitative



and qualitative terms. Export items include clothing, gems and jewellery, handlooms, handicrafts and leather goods, among others. There are established markets for Indian handicrafts in U.S.A., U.K., West Europe, Russia and other East European countries, while new markets, namely, Japan, South Asia and the Middle East continue to expand. Today, Indian handicrafts are supplied to over 100 countries.

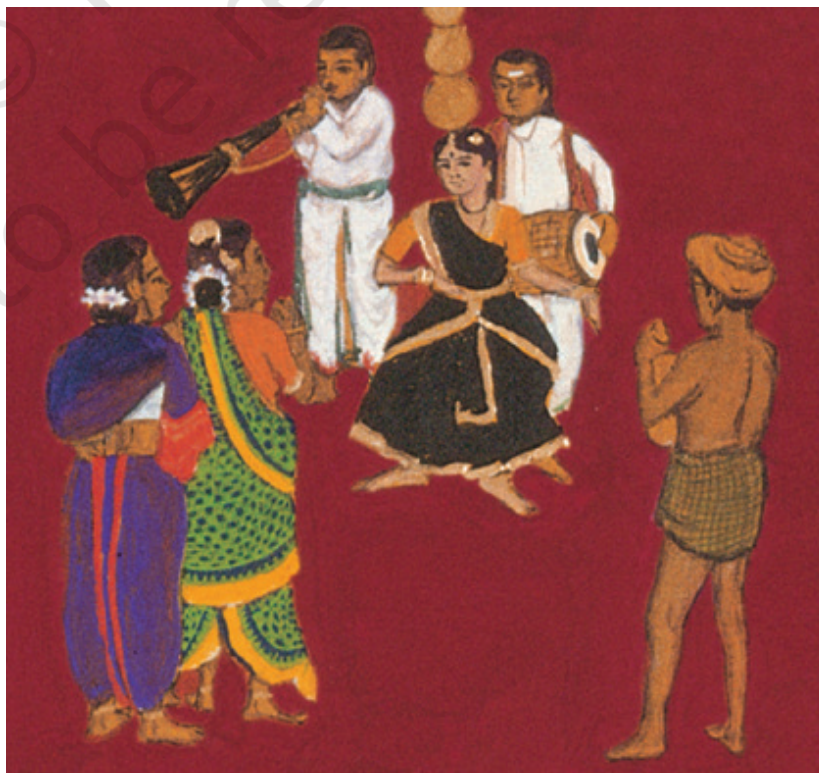
### **Questions for Craftspeople**

*Why have potters not become full-fledged ceramicists producing modern glazed tableware? Why did the weaver not find place in a textile mill? What happens to the chappal-makers when plastic footwear floods the market? Can a shoemaker produce as fast as a machine? Where should the craftspeople go with his problems in order to improve his skill or widen his market?*

*The most crucial part of a craft producer's life is the marketplace. It could be either at his doorstep or in far-off countries. Are these markets accessible without intermediaries who exploit them? Can they sell their goods or are they prisoners of greater market forces?*

– JAYA JAITLEY

Visvakarma's Children



The Government of India has several schemes for the marketing and promotion of export trade in handicrafts. Various forms of assistance are made available to export organisations, such as Export Promotion Councils and other organisations of industry and trade, as well as to individual exporters. The scheme also provides support for export publicity, participation in trade exhibitions, setting up of warehouses and in undertaking research and product development.

### ***Craft Diplomacy***

Yet another role has now emerged: crafts as a vehicle for diplomacy, demonstrated through the Festivals of India in foreign countries such as Britain, France, the United States, China and others. These great expositions of craft and design activity have highlighted the strength and potential of surviving traditions as well as the complexity of merchandising craft overseas.

The Trade Development Authority (TDA), and Trade Fair Authority of India (TFAI) were established by the Government of India. These organisations have given a new orientation to the country's trade promotion through fairs, exhibitions and other promotional activities.

### **NEW COMMERCE**

In developed countries where crafts have died out and skilled crafts communities no longer exist, there is a sharp increase in demand for Indian crafts.

The Internet and e-commerce are new forums for promotion and sales, along with the development of the retail sector, thus creating new distribution channels for the craft industry.

The biggest challenge is to understand the customers' preference and to spot the next big trend in design or accessories. From working on product display, merchandise selection to pricing or just the logistics of running a retail outlet—all are huge challenges to independent sustenance and growth of a business.





*The Indian crafts industry is growing rapidly as it is an important supplier of craft products in the world. The industry provides employment to over six million artisans. The export earnings alone from Indian handicrafts for 1998–99 amounted to ₹1,200 crore. According to data the export of handicrafts had increased to ₹10,746 crore in 2007–2008 with India's contribution in the world market being 1.2 per cent.*

*– The Times of India, July 2010*

With the crafts industry growing at such a fast pace to meet the demands for export there is need for efficient, qualified professionals to run businesses and understand the demand and supply of the sector.

Handicrafts entrepreneurs can only succeed if they take the crafts community into their confidence, make them shareholders and continue to motivate, innovate and explore possibilities along with them.

Training in the use of technologies, the latest equipment and nature-friendly techniques will also help artisans to keep abreast of global trends.



## EXERCISE

1. Research is essential for the production and marketing of any product. Problems would arise if a proper pre-production research market survey is not done in the following areas:
  - Availability of raw material  
*Example:* Setting up a carpet centre in a non-wool producing area thereby increasing the cost of transportation and production.
  - Identification of buyers and review of customer needs and demands
  - Untapped skills
  - Training and skill improvement facilities
  - Financial forecasting.
2. Amul is a rural development success story. It gives employment to 16 lakh people. But it would not be able to do so without an appropriate distribution system. What would be the appropriate distribution system for craft products in rural and urban areas?
3. Describe a local *haat* in your area. Focus on one craft and outline the main advantages and disadvantages for the local crafts community of sale in the local *haat*.
4. How could the pilgrimage centre in your area improve the marketing prospects for the crafts communities? Mention new products, pricing structure, packaging and display that could be improved.
5. The plight of the poor in the hands of a moneylender or a middle man, is a popular theme in Indian literary tradition be it prose, poetry or theatre. Find an example in the literature of your local language or mother tongue and explain.
6. Develop a format for a website to sell crafts on the Internet.