

RURAL ENTREPRENEURSHIP THROUGH HANDICRAFTS OF ODISHA

Sunil Kumar Das Bendi¹, Asst. Prof. in Management, Central Institute of Plastic Engineering & Technology (CIPET), Bhubaneswar;
Dr. Tushar Kanta Pany², Reader in Commerce, School of Commerce, Ravenshaw University, Cuttack, Odisha

Abstract

Rural entrepreneurship has an imperative role to play in the development of Indian economy. Taking into account the fact that nearly 70 percent of the Indian population calls rural India its home, adequate funding and support can provide a prosperous entrepreneur atmosphere in these communities. Artisans are struggling to sell handicrafts in this competitive market. The performance of the artisans and producers are not in good terms of financing and marketing. The success of handicrafts depends on how well the artisans can produce the articles and introduced in the market in keeping with the tastes and preferences of consumers. Industrialization in any kind of arts and crafts must be recognized by the market of consumers, through the exchange of commodities in order to make the artistic and ethnic value with a touch of innovation. This research paper is based on marketing concepts of four P's i.e. Product, Price, Place and Promotion.

Keywords: Handicraft, Artisans, Rural Marketing, Innovations.

Introduction

Rural entrepreneurship has the potential to drive innovations that can reduce poverty, increase access to food and create employment. Rural entrepreneurship has an imperative role to play in the development of Indian economy. Taking into account the fact that nearly 70 percent of the Indian population calls rural India its home, adequate funding and support can provide a prosperous entrepreneur atmosphere in these communities. The words entrepreneur, intrapreneur and entrepreneurship have acquired special significance in the context of economic growth in rapidly changing socio-economic and socio-cultural climates. Handicrafts are unique expressions of a particular culture or community through local craftsmanship and materials. It is no longer possible to look at traditional artisan communities and their products in isolation from global market trends and competition. Handicrafts are part of a much larger home accessory market, which includes handcrafted, semi handcrafted, and machine-made goods. The home accessory market is strongly influenced by fashion trends, consumer purchasing patterns, and economic conditions in end markets. In

many cases, artisans are out of touch with those end markets, which presents a challenge to those seeking to export their products. The response of consumers to handicrafts is unpredictable. Handicraft production is a major form of employment in many developing countries and often a significant part of the export economy.

With increased globalization, however, products are becoming more and more commoditized, with artisan producers facing increased competition from producers all over the world, particularly in China and other Asian countries. The All India Handicrafts Board assisted the state governments in setting up their Design and Technical centers in Uttar Pradesh, Bihar, Kashmir, Rajasthan, Punjab, Andhra Pradesh, Tamil Nadu, Kerala, Himachal Pradesh, Madhya Pradesh, Gujarat, Orissa, Manipur, Tripura, Haryana, West Bengal and Goa. In these centers, craftsmen and the artists jointly work out new designs and items in selected crafts. These artists strive to combine the traditional with modern. The handicraft items are carefully made by artisans so that they retain the ethnic value, while they can be put to modern day use. The designers have to keep in mind the changing needs of the consumers, especially the foreign markets.

Odisha, the land of dexterous artists and craftsmen, possesses a rich artistic tradition which enjoyed liberal patronage from the temples as well as the nobility. Diverse and varied, the enthralling craft-work of Odisha depicts the magic of the deft hands of these artisans and puts forth a perfect medium to get a glimpse of the spectacular world of a craftsman's imagination. The artisans of Odisha have still retained the glorious tradition of stone carving which has created a niche in the history of art in India. As it is evident from the innumerable archaeological monuments, sculptures and temples built centuries ago, the art of carving in stone has made Odisha reach heights of excellence perfected through centuries of disciplined efforts and generations of artisans. Pattachitra is one of the traditional art form of Odisha is Pattachitra, paintings based on Hindu mythology. It is created on a special paper hand-made from tamarind seeds and the colors used are natural extracts from fruits & flowers. Sand Art is carving of sculpture in sand or sand art as is popularly called has been historically rooted in Odisha. The lineage of this art dates back to a long time.

Objectives:

- i. To study the impact of Rural Marketing in handi-craft sector.
- ii. To study the marketing concepts based on four P's and try to relate with handicraft.

Research Methods:

This research paper is based on the secondary data by exploring various secondary data resources such as old research papers various journals, books internet, some of the governmental data etc.

The study is descriptive in nature and therefore the information presented is based on secondary data. Secondary data has been studied from various documents such as books, newsletters, reports, magazines, journals, newspaper, internet, as well as from existing literature to understand the marketing strategies in handicraft business.

The Handicrafts industry in Odisha:

Handicrafts industry is the major source of income for the rural areas in India. Odisha is famous for its art and craft all over the world. But in recent times we find handicrafts and cottage industry in Odisha exhibits a declining trend in terms of the number of units as well as employment generation. Odisha has earned a unique reputation for its cottage and handicrafts industries.

2005 - 06	18277	48.41	30052
2006 - 07	13363	39.42	22734
2007 - 08	13063	53.32	20605
2008 - 09	9011	38.3	15368
2009 - 10	9294	34.83	16279
2010 - 11	14539	37.55	28305
2011 - 12	7884	26.29	12431
2012 - 13	7293	30.31	9187
2013 - 14	1027	2.96	1393
2014 - 15	1204	3.45	1507
2015 - 16	1180	3.2	1400
2016 - 17	1110	2.88	1386

Source: Economic Survey 2016-17, Odisha

Table 1: Growth of Handicraft Industry in Odisha

Year	No. of Units established during the year	Investment (Rs. In Crore)	Employment Generated (No. of Person)
2000 - 01	2	3	4
2001 - 02	22431	40.65	37641
2002 - 03	26196	61.72	36937
2003 - 04	25401	61.34	39528
2004 - 05	23287	67.87	39743

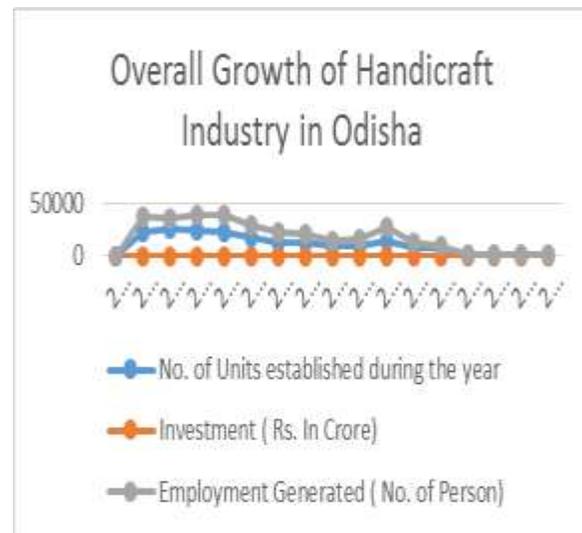


Fig 1: Overall growth of handicraft industry in Odisha

People of the state have inherited an excellent legacy in preparing these products. The state in fact is considered as the land of handicrafts which are an integral part of our cultural heritage. During 2013-14, 1,204 cottage industries have been established and gone into production with an investment of Rs. 3.45 crore and providing employment to 1,507 persons. The Table – 1 highlights handicrafts and cottage industries scenario in the state

Marketing Practices in Handicrafts:

Marketing touches everyone's life. Marketing involves a large number of activities, including Marketing research, Product development, Distribution, Pricing, Advertising, and Personal selling, Sales promotion, Packaging and Branding. Marketing combines several activities designed to sense, serve and satisfy consumer needs while meeting the goals of the organization.

Handicraft units, which are mostly run by individuals with sole proprietary form of organization can't afford to have separate and well-organized marketing system.

The artisan-cum-proprietor of the unit looks after all the functions with the help of members of his family. Most of his time is spent in the production. In case, he has a little time at his disposal, he uses it for acquiring raw materials. Usually, he has little knowledge and market information relating to his products. Hopefully, the artisans in handicraft industry give little importance to the vital marketing function. The important marketing aspects are discussed under the heads of the following are: i. Product, ii. Price, iii. Place, iv. Promotion.

I-Product:

A product is a set of tangible and intangible attributes, including packaging, colour, price, manufacturer's prestige, retailer's prestige, and manufacturer's and retailer's services, which the buyer may accept as offering want satisfaction.

Product-Line: Handicraft: Firms which market only one product are rare today. Most firms offer a product line. A product line is a group of products related in function or customer purchase needs. The benefits of changing the composition of the product line, by either adding or subtracting products, depend on a number of factors- the preferences of consumers, the tactics of competitors, the firm's cost structure, and from the product to another name but a few. The handicraft units produce a number of products applying the concept of product line. The size of product line depends on the demand for products and availability of resources like financial and raw material. In the process of assessing the demand for the products and resources availability, the arti-

ans from time to time add new products to its existing product line or drop some of its present products.

The products which are not profitable are usually deleted from the product line. The decision whether to discontinue a product is often based on how fast it moves. Deletion of some of the products from product line may also be a practice in handicrafts.

Handicrafts designs: The Design of a handicraft product should be in accordance with the tastes and preferences of customers. There are three types of designs viz., conventional, modern, combination of conventional and modern which are usually adopted by artisan. Conventional designs are age-old and traditional designs. While modern designs are in keeping with the changes of consumer preferences and tastes. Conventional and modern is a combination of both types.

Product planning and development in Handicraft: Product planning and development can be found even in handicrafts. Handicrafts are the products of creativity and workmanship. Artisans, usually, strive for excellence in their crafts by undertaking product planning and development.

Expansion in Handicraft: Expansion is increasing the present scale of operation either by mechanizing the process of production or by enhancing the installed capacity. Expansion is undertaken when there is more demand for the products. It can also be undertaken in anticipation of future demand. However, expansion involves finance, without adequate finance, expansion activity cannot be taken. The expansion of the unit can be done in various ways; that is by mechanization, enhancing the installed capacity and increasing manpower.

II –Pricing:

Price is a measure of what one must exchange in order to obtain a desired good or service. Price is the monetary expression value and is the focal point of the entire exchange process. Historically, prices have been set by buyers and sellers negotiating with each other. Sellers would ask for a higher price than they expected to pay. Through bargaining they would arrive at an acceptance price. Setting one price for all buyers is relatively modern idea.

Fixing the price in Handicraft: The craftsmen are unable to estimate the exact cost, of production due to several reasons. Hence, they find it difficult to fix the price basing on cost of production. The craftsmen have said that they fix prices of articles basing on its market acceptance and basing on the price offered by master craftsmen, dealers and co-operative societies. Prices of handicraft articles are fixed by craftsman himself, master craftsman, dealer and co-operative societies, the extent of influence of these people in fixing the prices

differ from craft to craft. Dealers and co-operative societies as viewed by a majority of the respondents influence a great deal in fixing the prices of handicrafts.

Taxes in Handicraft: Sales tax is not only high on handicrafts but also varied from craft to craft. It is suggested that the State Government may exempt handicrafts from sales tax, as it is already done in States like Bihar, Madhya Pradesh and Kerala. The absence of sales tax on handicrafts will result in reduction of Handicrafts prices and thereby increase the sales. It's quite difficult for artesian to survive in market unless government should protect them.

III-Place:

Distribution is concerned with the activities involved in transferring goods from producers to final buyers and users. It includes the physical activities, such as transporting, storing goods and the legal, promotional activities for transferring ownership.

The artisans depend mostly upon master craftsmen, dealers and co-operative societies for disposal of their finished products. Some producers sell directly to the consumers, whereas some sell through dealers, master craftsmen and sales emporia. Sometimes, the dealers and master craftsmen sell the handicraft products through sales emporia, which directly contact the galaxy of consumers through its various outlets located at various important towns in India. There are certain limitations in the present channels of distribution of handicrafts. Co-operative societies are not serving' as a channels or distribution. Handicrafts producers are depending on the dealers and master craftsmen for selling handicrafts to consumers. Sales markets are purchasing handicrafts from dealers and master craftsmen; but not from handicrafts manufacturers.

The first channel, handicrafts producers may sell their articles directly to their customers. Second channel, handicraft producers may sell to private dealers, who in turn, sell to galaxy of customers. The third channel, handicraft producers may sell to All India Handicraft Development Corporation, which in turn, sells to customers through its sales emporia and State owned emporia. The fourth channel, handicrafts producers may sell their articles to co-operative society which, in turn, may sell to All India Handicrafts Development Corporation which may sell to State owned emporia which, in turn, may sell to customers.

IV- Promotion:

Basically, it is communication information between buyer and seller to change attitudes and behaviour of consumers. Promotion-mix includes advertising, sales promotion, personal selling, publicity and packaging.

Advertising of Handicraft: Advertising is not undertaken by and respondent. The small scale operation of the artisans does not permit the craftsmen to undertake advertising of

their products individually. For the promotion of handicrafts, the Corporation has been undertaking publicity, exhibitions, printing of brochures, and participation in trade fairs. The Corporation is also putting up hoardings in important places and centers to tourist interest, which would serve as a good medium of publicity. Other forms of publicity include participation in trade fairs, and sponsoring trade / study teams covering particular crafts to other States in the country.

Promotions in Handicraft: Sales promotion covers a wide range of techniques that provide an extra short-term incentive or inducement to patronize a store or buy a product. Techniques include demonstrations and exhibitions, samples, premiums, coupons, games and contests, displays and package inserts. In general, sales promotion is designed to reinforce the other factors of the promotion mix and to improve their short-term effectiveness.

Marketing problem in Handicraft: Artisans face several problems in marketing. In view of shortage of financial resources and small scale of operation; advertising publicity cannot be undertaken by artisans. Hence, it is suggested that the Corporation may increase advertising and publicity for all the crafts. The Corporation should save the artisans from the exploitative clutches of middlemen by purchasing handicrafts at remunerative prices from artisans by giving payments promptly. Thus, government Uttar Pradesh of Handicrafts required to, play a vital role in solving the marketing problems faced by artisans

Suggestions:

In order to make handicrafts reach the top spot the following suggestions may be implemented.

Organizing marketing network of Handicraft: Absence of systematic marketing network has been a discouraging factor in this region. In my opinion, the artisans must be organized by themselves under the co-operative umbrella for marketing their products by themselves. For this more and more linkages must be developed with outside parties.

Copy right of Handicraft: Design registration should be done. That means whatever designs any artisan has introduced on any item should be registered. Then no one can copy it.

Price Uniformity in Handicraft: It is often complained that prices of handicraft products are very much erratic and not uniform. There is significant difference in prices of the same article if purchase from two shops or from two places. In this situation the customer feels very much exploited and harassed. This might have very bad repercussion on the demand of the products. Categorization of art in each craft should be done according to the skill exhibited and quality of raw materials used and pricing should be made accordingly by a team of experts.

Awareness Creation: The majority of artisans are not aware about various new schemes like loan at concessional rates,

free tools, dyes and chemical, work shed-cum-housing facilities. It is the duty of the promotional organizations to make the weavers aware about the various welfare schemes and to implement the same on a war footing.

More research and development in Handicraft: For improving the quality of the products R and D is a must. Many more new items and new designs can be developed with the help of R and D.

Foreign Collaboration with designers and artisans: Foreign master designers may be invited to the design centers to render guidance to the craftsmen.

Value addition in Handicraft: The various specialized organization, like DC (handicrafts), may help the local units to produce various value added items with would not only help to penetrate the local market, but also help in exporting of such items to foreign countries.

Publicity in Handicraft: To attract more and more buyers both within and outside the country, promotional and marketing organizations must give due emphasis on wide publicity of various local products. For this frequent buyers and sellers meets may be organized by promotional organizations.

Exports of Handicraft: If systematic efforts are made, some of the selective products could emerge as a major foreign exchange earner in the near future. However, before exporting of such items care should be taken on product identification, quantum of production, supply arrangements, price, delivery, quality, payment terms etc.

Window display of Handicraft products: In whatever possible manner, all the promotional and marketing organization, must display the local items in various airports, railway stations, bus stands, commercial centers etc. This will help the local artisans to get more orders from foreign tourists, traders, marketing organization etc.

Positioning of handicraft Products: Handicrafts, which are produced with traditional skill, are gradually facing competition from machine made products, which give greater uniformity and better finish. For large number of handicraft items, there have been neither substitutes nor competition from any significant entrant into the field. Thus, suppliers, new entrants and substitute products do not appear to be significant factors in the strategic positioning of Handicrafts. By the process of isolation we come to the buyers and buyer groups. This also includes the middlemen and distribution chain.

The Handicraft industries of Odisha should put more interest towards the advertisement. The Government should also be very interest towards the handicraft industries because these reduce the unemployment to a greater level in Odisha. More and more units or centers of handicrafts should be established so that each and every person's become aware about these industries. The various financial policies like loans should be available easi-

ly at lower interest rates so that a skilled person can setup his own unit easily. The handicraft industries should use attractive marketing strategies so that a customer will be fully satisfied with their products.

Conclusion:

Handicraft is such a product that when a buyer likes it, he is prepared to pay a price, which may be far in excess of the standard price of the product. The prime consideration is his liking of the product. Channel agents, such as middlemen, retailer or distributor try to capitalize on such possibilities and earn significant profit almost wholly at the cost of the craftsmen. Handicraft product may be categorized on the basis of price, export on domestic market, ease of maintenance, ease of storage, utility value or decorative value and modernity or traditional orientation. Besides, it is necessary for likeminded institutions to come together to provide the strategic direction and action plans to evolve systems. Procedure and norms related to design, market, technology, innovation and quality of life so that product designs, technology and marketing become integral part of the craft up gradation and repositioning process.

Craft is the standard mark of creativity and the essential differentiator for a country in the sweeping wines of globalization. Most importantly, craft has to become a fountainhead for both industrial design and communication design, for deriving the differential advantage of Indian design in the global market place.

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