

Title of the Research:

STUDIES ON SUPPLY CHAIN MANAGEMENT AND INNOVATIVE MARKETING TOOL FOR THE PROMOTION OF HANDLOOM SECTOR IN WEST BENGAL

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1. INTRODUCTION

Handloom industry in India is an ancient cottage industry. The industry as we understand it today is constantly associated with Indian rural economic scenario ever since. The artisans are accustomed to the art of weaving as an ancestral occupation. The industry transcends sectarian linguistic and communal barriers. The handloom industry generates production at low capital cost, mostly using indigenous raw material and utilizing local skills, widens entrepreneurial base, facilitates balanced regional growth and prevents the migration of labours to the metropolitan areas. However, it has many challenges too, like lack of expertise to manage the supply chain right from raw material to finished goods, facing tremendous competition from mill sectors, no proper marketing – domestic and exports. Scarcity of working capital and the absence of reliable data base is also a big difficulty to pin point problem areas.

India has a rich cultural heritage of handloom products which have a significant appeal to a niche segment of overseas customers. But due to our present socio-economic scenario, the handloom weavers are not rewarded for their god-gifted work and even sometimes they can't even meet out their daily livelihood. Due to this, we are losing this age old heritage day by day and there is an urgent need of injecting professional approach to their work and assist them for showcasing their craftsmanship talent and Indian heritage to the global arena.

Potentially, handloom sector is providing second largest employment next to agriculture. It has a heritage value, treasures of human skill acquired generation after generation, it is influenced by nature, it has ethnicity and last but not least, may not be convertible artificially.

A supply chain is the alignment of firms that bring products or services to market.

The Five Major Supply Chain Drivers are [1]:

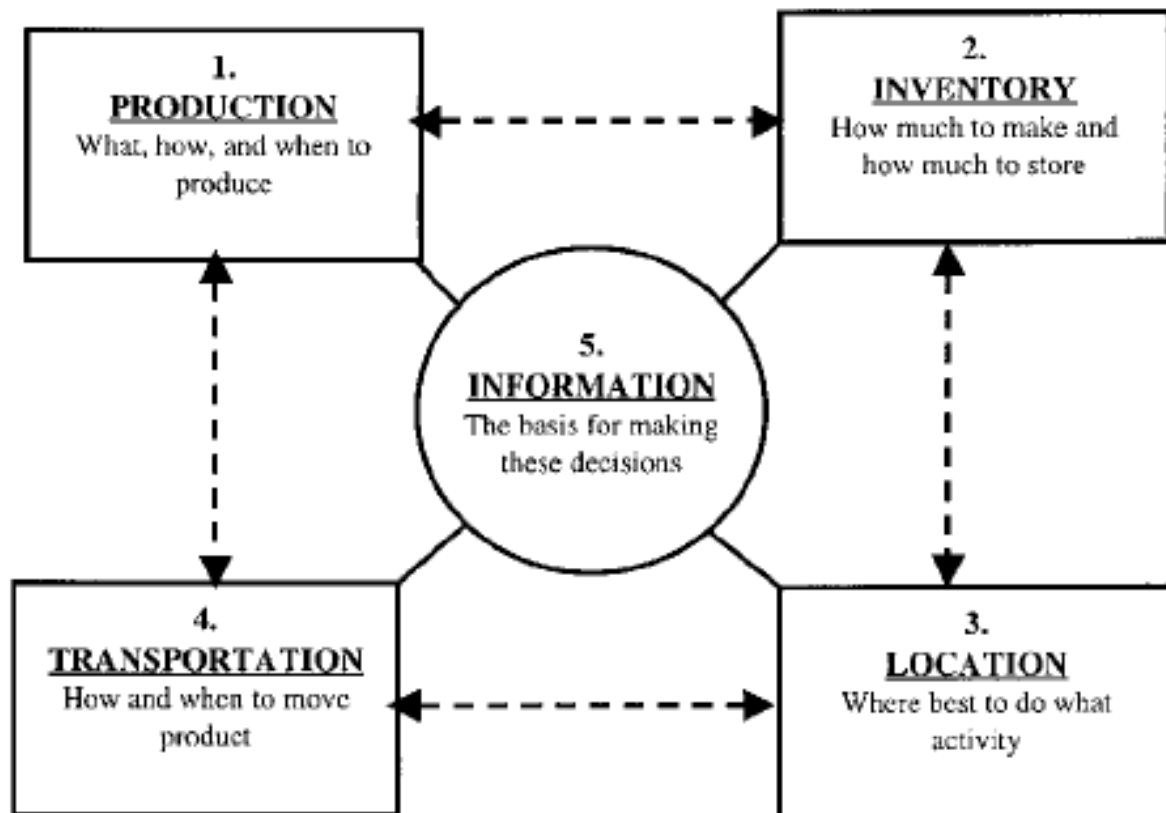


Fig. 1: RESPONSIVENESS versus EFFICIENCY

2. REVIEW OF LITERATURES

Some researchers [2-13] have emphasised on cluster for the development of handloom Industry. Many researchers [14-22] felt the importance of marketing support – domestic and international and contemporary and innovative design and development for the sustenance of handloom sectors. Few researchers [23-27] have studied on operational improvement of handloom industry through technology up-gradation and system management. The concept of value chain for sustenance of handloom industry is also reported in the literature [28]. Couple of researchers focus on changes, modification and direction of Government policies and their effect on growth or slowdown of handloom sector [29, 30]. Most of them believe Government supportive policy can be able to enhance the growth of handloom sectors. Some researchers [31-38] have done overall and empirical studies on handloom industries, small and medium enterprises (SME) vis-a-vis textile / apparel industries and rural and artisan sectors which give broader aspects of handloom and its supportive industries as a whole. One relevant research [39] has been carried out having

implication on the handloom export since it has been studied on the apparel import intermediaries. However, most of the researchers [40-52] equivocated the necessity of intelligent supply chain to improve operational and commercial effectiveness of handloom industry. In a nutshell, researchers have done some relevant works on handloom industry, clusters, apparel and textile industry linked with intelligent supply chain management and put their best to zero down the probable areas of the challenges faced by them for survival. However, most of the works are mono dynamic - be it operational, service related, work practices, Government supports or supply chain. There is still lot of scope for integrated research work on handloom sector keeping focus on supply chain management which deserves the attention of researchers.

Consequently, there is an urgent need to undertake a study of supply chain management practices in Indian handloom industry as a whole and in the state of West Bengal, in particular. This will help to identify the vulnerability profile of the traditional handloom textiles and apparel sectors as to why certain reasons deter the handloom units to grow multi-dimensionally; address the causes of those problems / factors and not the symptoms even though the handloom sector have enough potential to flourish despite the government claims to be implementing various plans and schemes for the well being of the industry. Some of the problems prevalent ubiquitously in the traditional textile clusters of India are:

- Lack of a supply system [9, 10, 13] that is geared for responding to large-scale orders, adhering to quality and product standardization, limiting them from taking a plunge into global markets.
- The competitiveness of selected sectors in terms of limited market share [6, 14] and poor productivity [4] because of lack of higher unit value realization of the products.
- Ineffective integration of scattered artisans [2], unable to build their grass roots enterprises and link them to appropriate level of technology in the sector for customized interventions and ensure economies of large scale in operations.
- Scarce livelihood opportunities [52] to the people in the industry and creation of sustainable employability for the artisans/craftsmen already engaged in this sector.
- Missing requisite support/ linkages in terms of adequate infrastructure, technology, product diversification, design development, raw material banks, marketing and promotion, social security and other components that are vital for sustainability of artisans/craftsmen engaged in the handloom sector.

- Inability to utilize the resources [18, 34] available under various ongoing schemes of the Government.
- Lack of linkages within the industry isolating and thus restricting Public Private Partnership (PPP) model in the form of collaboration between the Central/State Governments, beneficiary artisans and their groups, financially creditworthy and commercially linked marketing enterprises and the financial Institutions.
- Scarcity of proactive and visionary socially responsible leaders.
- Weak technical and program management assistance for capacity building, designing of the interventions and their implementation, through a competent professional agency.
- Lack of follow ups by various agencies, ownership, trustworthy middlemen, education, biases, single window facility and concept of globalization.

3. OBJECTIVES OF THE PRESENT WORK

- a) To study and analyse the existing supply chain and business model of handloom Industry in West Bengal.
- b) To find out the missing link in supply chain and business model vis-à-vis prevailing constraints which restricts further enhancement or improvement of their present activity in tangible scales.
- c) Resource mobilisation and derivation of effective supply chain model considering the ground reality and prevailing economic and social parameters.
- d) Implementation of the proposed model in a particular segment and derivation of its effectiveness in measurable values.

4. PLAN OF THE WORK

4.1 Sources of data

a) Primary data

A range of tools will be used to collect the required information. The following is a break-up of the data collection methodology intended to be used:

- Field Scan (Pilot Study on identified cluster)
- Interviews / Schedules
- Observations
- Demographic Survey

Execution of this methodology would include:

- Initial pilot field visit to interact with the artisans, organizations and agencies working in the area selected for the study.
- Identifying and interviewing various local cluster actors and promoting agencies to carry out an objective and issue based assessment.
- Observation / business profile review: Collection of samples from cluster would be done to review design, quality of product, marketability and overall business prospect.
- Demographic Survey – Classification and analysis of respondents based on demographic parameters.

b) Secondary data:

Gathering of information on cluster actors and contacts with various support institutions namely:

- 1) Crafts Council India
- 2) Dastkar- A Society for Crafts and Craftspeople
- 3) Crafts Revival Trust
- 4) National Institute of Design
- 5) National Institute of Fashion Technology
- 6) Asian Heritage Foundation
- 7) Ministry of Textiles, Government of India
- 8) Others: Journals, Trade Magazines, Annual Reports of Textile Committee, Ministry of Textiles, Government of India and reports of other Apex bodies like Indian Textile and Clothing Exports Association, Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industries (CII) and various other related private and public enterprises.

4.2 Correlation between primary and secondary data base and data analysis by apposite statistical tool.

4.3 Implementation of 6p model in a representative sample segment to understand and identify effective market mix and missing link or gap for achieving value maximization on the basis of perceived and/or estimated or targeted or benchmarked performance criteria of commercialization.

- 4.4 Mapping – between existing and proposed business model
- 4.5 Domain identification – both major and minor
- 4.6 Development of a business model and trial run through pilot project.
- 4.7 Compatibility test and evaluation of effectiveness index.
- 4.8 Final evolution of innovative business model on the basis of findings obtained through real life pilot project.

5 EVALUATION AND CHARACTERIZATION OF THE BUSINESS MODEL

Compatibility testing and evaluation of effectiveness index of the proposed supply chain and business model through personal interview with actual human resources directly associated with this trade with the aid of self devised structured questionnaire.

6. CONCLUSIONS

Proposed research activity and its successful implementation are expected to the prospect of the people connected directly or indirectly with handloom sector and artisans through their enrichment of life style. Furthermore this scientific and in-depth study on the subject can play a major decisive role in making Government policies.

7. EXPECTED OUTCOME

- a) Structural model of existing supply chain and business model of handloom weavers in West Bengal will be revealed.
- b) Effectiveness of improved and contemporary supply chain management system and business model will be evaluated in a particular segment of handloom sector in West Bengal.
- c) Socio-economic up-gradation for the artisans through utilisation of resources, effective Supply Chain Management and establishment of the linkage between producers and users.

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