MARKETING PRACTICES OF HANDLOOM ENTERPRISES IN THENZAWL CLUSTER, MIZORAM

Dissertation Submitted for the Award of the Degree of
MASTER OF PHILOSOPHY IN COMMERCE

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CERTIFICATE

This is to certify that the dissertation entitled 'Marketing Practices of Handloom Enterprises in Thenzawl Cluster, Mizoram' submitted to the Mizoram University for the award of the degree of Master of Philosophy in Commerce, is a record of research work carried out by Ms. Jenny B Hmangaihzuali under my supervision.

She has fulfilled all the requirements laid down in the M.Phil regulations of Mizoram University. The dissertation is the result of her investigation into the subject. Neither the dissertation as a whole nor any part of it was ever submitted to any other University for any research degree.

Date: 30th June 2014 (Dr. Rama Ramswamy)
Place: Aizawl, Mizoram Supervisor

DECLARATION

I Jenny B Hmangaihzuali, hereby declare that the subject matter of this dissertation is the record of work done by me, that the contents of this dissertation did not form bias of the award of any previous degree to me or to do the best of my knowledge to anybody else, and that the dissertation has not been submitted by me for any research degree in any other University/Institute.

This is being submitted to the Mizoram University for the degree of Master of Philosophy/Doctor of Philosophy in Commerce Department.

Date: 27th June 2014 (Jenny B Hmangaihzuali)

Place: Aizawl, Mizoram Research Scholar

PREFACE

This work is a tribute to the women weavers of Thenzawl handloom cluster, who are tirelessly working on their looms and transforming their hard work and creativity into exquisite handloom products in this remote corner of India's North East. They have transformed the domestic chore of weaving into commercially viable enterprises. The growth of micro enterprises has transformed Thenzawl into the land of entrepreneurs in the tribal state of Mizoram. Most of these women entrepreneurs were initially employed as weavers under master weavers but today have bought their own looms from their savings, generated from their hard earned money and become entrepreneurs. The impact of cluster processes on these women entrepreneurs is incredible, the hope, determination, the motivation it gives has helped all these entrepreneurs to become what they are today.

Handlooms constitute a timeless facet of the rich cultural heritage of India. As an economic activity, the handloom sector occupies a place second only to agriculture in providing livelihood to the people of India. It provides employment directly and indirectly to 27.83 lakhs handloom households in India, with most of them belonging to rural areas (87 percent).The handloom sector provides employment to a significant population of the weaker sections of the society viz; Schedule Castes (SCs), Schedule Tribes (STs), Other Backward Castes (OBCs) and women. Despite their cultural and economic importance, the handlooms sectors suffer from perennial problems of weak infrastructure, inadequate availability of inputs at regular prices, poor supply chain systems and ineffective marketing and sales practices.

Handloom represent rich cultural heritage in India. Indian handloom products depict the rich cultural diversity of the country, encompassing the varied hues of its diverse socio-cultural expression in its colours, patterns, designs and textures. It reflects the canvass of India's rich cultural heritage imbibed down the ages for more than 5000 years. The Indian weaversingenuity deftly combines creativity, traditional knowledge and precision. The handloom sector of India presents a diverse range of products from the carpets and Pashmina shawls of Kashmir, the durries of Punjab and Uttar Pradesh, silk saris of Bhagalpur (Madhya Pradesh), Sambalpur (Odisha), Kanchipuram (Tamil Nadu), the Poochampalli silks of Andhra Pradesh, the Chanderi saris of Madhya Pradesh and so on.

Clusters have emerged as a significant economic tool for development of micro enterprises in the recent decades. Artisan clusters play an important role in the Indian economy in terms of their size, spread and employment generation.

The handloom sector plays a vital role in the socio- economic milieu of the North East India. Handloom weaving is a common skill of this region which is passed on from generation to generation through their women folk. Some of the popular handloom products of this region are: *mekhlas* and *gamochas* of Assam, Gale traditional *mekhlas*, traditional *galuk* vest coats, scarves and carpets of Arunachal Pradesh, *phaneks*, *WangkheiPhee* and shawls of Manipur, Garo traditional women's *chadar*, furnishing cloths and shawls of Meghalaya, the different *Puans* of Mizoram, the scarves and shawls of Nagaland, and the tribal shawls, saris and furnishing materials of Tripura (NEDFi Databank. 2005). According to the Handloom Census of India (NCAER,2010), out of 43.32 lakh handloom workers, about 50 percent of the total handloom workforce and more than 65 percent of the total looms are in the NE States. However a large majority (more than 62 percent) of the loom in NE states are engaged in domestic production only. As mentioned earlier the handloom sector is a female dominated occupation in the NE. It has a predominantly female (99 per cent) work force (NCAER, 2010).

The small State of Mizoram has no major industry and has remained industrially backward with 60 percent of the population dependent on agriculture for their livelihood. In the absence of large industries, handloom sector plays an important role in the Mizo economy. *Puantah* (weaving in Mizo) is an integral part of the Mizo culture. The tradition of weaving by hand is intricately and inextricably meshed in the socio cultural ethos of Mizoram. Handlooms, as village industries, were originally being practiced in the region as hereditary occupation. Mizoram has a handloom workforce of 41,189 working on 23,938 looms (NCAER, 2010). Majority of the looms were found in a town called Thenzawl while the remaining looms were in certain part of Aizawl and Lunglei district.

The present study proposes to identify the marketing practices adopted by the handloom enterprises in the cluster with a view to provide remedial action to improve the marketing performance through appropriate linkages with the intermediaries, innovation in production and new product-development processes and so on.

Chapter 1 has presented an overview of artisan clusters in India, their relevance and an overview of the handloom sector in India with a focus on handloom clusters in the NE Region in India in terms of weaver households, women weavers, social groups and other parameters based on secondary data.

Chapter 2 has traced the genesis and growth of Thenzawl handloom cluster, study the gender perspective and socio-economic profile of the entrepreneurs in Thenzawl, such as, their age, educational qualifications, family structure, occupation, marital status, religion and so on.

Chapter 3 has to examine the important tools of marketing mix viz, Product, Pricing, Distribution and Promotion of the sample enterprises in Thenzawl Handloom Cluster.

Chapter 4 gives a summary of the study and provides suggestions to the micro enterprises and to the stakeholders in Thenzawl handloom cluster.

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(JENNY B HMANGAIHZUALI)

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List of Abbreviations

BDS	Business Development Services
BVS	Bunkar Vikas Sanstha
CATD	Computer Aided Textile Design
CFC	Common Factility Centre
DAMA	Dastkar Andhra Marketing Association
DCSSI	Development Commissioner Small Scale Industries
DDHPY	Deen Dayal Hathkarga Protsahan Yojana
DESI	Developing Ecological Sustainable Industry
GDP	Gross Domestic Product
GI	Geographic Indication
IHCDP	The Integrated Handloom Cluster Development Programme
IHDS	Integrated Handloom Development Scheme
IHTP	Integrated Handloom Training Project
IIE	Indian Institute of Entrepreneurship
IIFT	Indian Institute of Foreign Trade
IT	Information Technology
ITES	Information Technology Enabled Services
MAHCO	Mizoram Apex Handloom & Handicraft Cooperative Society Ltd.
MDONER	Ministry Development of North Eastern Region
MNF	Mizo National Front
MSME	Micro, Small and Medium Enterprises
NABARD	The National Bank for Agricultural and Rural Development
NCAER	National Council of Applied Economic Research
NEDFi	North Eastern Development Finance Corporation
NE	North East
NEC	North Eastern Council
NER	North Eastern Region
NGO	Non Governmental Organisation
NHDC	National Handloom Development Corporation
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NIMSME	National Institute of Micro Small and Medium Enterprises
NPC	National Productivity Council
OBC	Other Backward Communities
OECD	Organisation for Economic Cooperation and Development

R&D	Research & Development
SC	Scheduled Caste
SHG	Self Help Groups
SIDO	Small Industries Development Organisation
SIRD	State Institute if Rural Development
SME	Small and Medium Enterprises
SSI	Small Scale Industries
ST	Scheduled Tribe
STEP	Support to Training and Employment Programme for Women
UMBVS	Urmul Marusthali Bunkar Vikas Sanstha
UNCDP	United Nations Industrial Development Organisation's Cluster Development Programme
UNIDO	United Nations Industrial Development Organisation
YMA	Young Mizo Association
WIPO	World Intellectual Property Organisation
ZOHANDCO	Mizoram Handloom and Handicrafts Development Corporation Ltd.
ZOHANFED	Federation of Mizoram Handloom and Handicrafts

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Appendix-1 : QUESTIONAIRRE (IN ENGLISH)

A. SOCIO-ECONOMIC PROFILE

A.1. Name of the respondent:

A.2. Address and Phone number:

A.3. Form of organization:
- a) Sole Proprietorship
- b) Partnership
- c) Any other (please specify)

A.4. Year of commencement of commercial production:

A.5. Age of the respondent:-
- a) Below 30
- b) 31-40
- c) 41-50
- d) 51-60

A.6. Sex:
- a) Male
- b) Female

A.7. Educational Qualifications:-
- a) Illiterate
- b) School
- c) College
- d) University
- e) Professional
- f) Weaving Skills

A.8. Marital Status:-
- a) Unmarried
- b) Married
- c) Divorced
- d) Widow

A.9. Religion:-
- a) Christian
- b) Non-Christian

A.10. Caste :-
- a Schedule Caste
- b) Schedule Tribe
- c) Other Backward Classes

A.11. Family Structure
- a) Joint family
- b) Nuclear family

A.12. Family Size
- a) Upto 5
- b) 6-10
- c) 11-15
- d) Above 15

A.13. Number of weavers in the family who are below 18 years of age:

A.14. Main occupation of the family
- a) Agriculture/Jhumming
- b) Business/Trade
- c) Weaving
- d) Government servant
- e) Others (please specify)

A.15. Annual income from weaving (in rs.)
- a)Upto rs 20000
- b)Rs. 20001-40000
- c)Rs. 40001- 60000
- d)Rs. 60001- 80000
- e) Rs. 80001- 100000
- f) Above Rs. 100000

A.16. Are you a member of a co-operative society? If yes, name of the society.

A.17. Do you possess weaving identity card? If yes, weaving identity card no.

A.18. Do you possess a health card. If yes, health card no.

A.19. Where do you conduct weaving activities?
- a) Separate shed
- b) Own House

A.20. Looms detail.

Types of looms	No. of looms	No. of idle loom
Fly shuttle/ Indian loom		
Burmese loom		
Loin loom		
Any other (please specify)		

B. PRODUCT DETAILS

B.1. Raw materials used by handloom weavers.

Products	Cotton	Wool	Silk	Acrylic Yarn	Gold Thread
Puanchei					
Siniar					
Ngotekherh					
Puan Ropui					
Puandum					
Tawlhlo Puan					

Puan Plain					
Kawrchei					
Thangchhuah kawr					
Shawl					
Purse					
Bag					
Vest coat					
Diar					
Necktie					
Others (pl. specify)					

B.2. Source of raw materials.

a) Yarn merchants
b) Government office
c) Intermediaries
d) Any other source (please specify)

B.3. Whether you produce

a) As per orders received
b) First produce and then sell
c) Both the above

B.4. Quality Control

a) Follow scientific measures
b) Follow own norms for quality control

B.5. Do you have Common Facility Center (CFC)

a) Yes
b) No

B.6. Sources of design

a) Own
b) Buyers
c) Private traders/ Institutions
d) Both a & b
e) Others (please specify)

B.7. Types of design used

a) Traditional design
b) Modern design
c) Both the above
d) Others (NIFT, NID,etc.)

B.8. Do you know about NIFT, NID?

a) Yes
b) No

B.9. Size of puan

B.10. Types of products produce.

B.11. Product sold in a year.

Products	2010(in pieces)	2011(in pieces)	2012 (in pieces)
Puanchei			
Siniar			
Ngotekherh			
Puan Ropui			
Puandum			
Tawlhlo Puan			
Puan Plain			
Kawrchei			
Thangchhuah kawr			
Shawl			
Purse			
Bag			
Vest coat			
Diar			
Necktie			
Others (pl. specify)			

C. PRICING DETAILS

C.1. Who fixed the price of your products?

a) Association
b) Co-operative Society
c) Self
d) Others (pl. specify)

C.2. Selling price and profit of different products

Product Name	Range 1		Range 2		Range 3	
	S.P	Profit	S.P	Profit	S.P	Profit
Puanchei						
Siniar						
Ngotekherh						
Puan Ropui						
Puandum						
Tawlhlo Puan						
Puan Plain						
Kawrchei						
Thangchhuah kawr						
Shawl						
Purse						
Bag						
Vest coat						
Diar						
Necktie						
Others (please specify)						

C.3. Do you pay any tax such as VAT?

D. PLACING/ DISTRIBUTION DETAIL

D.1. To whom do you sell the products
a) Commission agent
b) Dealers
c) Directly to the Customer
d) All of the above
e) Others (please specify)

D.2. Any problem in selling for the last two years.
a) Yes
b) No

D.3. Has the Government gave you any support towards handloom development?

D.4. What are the main problem you face in distributing the products?

E. PROMOTION DETAILS

E.1. Have you ever been to an exhibition? If yes, is it
a) Local
b) Regional
c) National
d) International

E.2. How many times you've been to exhibitions?
a) Once
b) Twice
c) Thrice
d) More than three times

E.3. Do you give special discounts to
a) Direct customers
b) Commission agents
c) Dealers
d) Relatives

E.4. How do you promote your products?
a) Television
b) Through exhibitions
c) Branding
d) Displaying the products in retail shops

***Appendix-2*: QUESTIONAIRRE (IN MIZO)**

A. SOCIO-ECONOMIC PROFILE

A.1. Hming leh Hman hming:-

A.2. Address leh Phone number:-

A.3. Sumdawnna in relbawl dan :-

a) Mimal ta bik
b) Thawk ho
c) Adang (Chiang taka tarlan nise)

A.4. Engtik kum atanagin nge puan tah hmanga sumdawnna hi I tan:

A.5. I kum zat:-

a) Kum 30 hnuai lam
b) 31-40
c) 41-50
d) 51-60
e) Kum 60 chunglam

A.6. Sex:-

a) Mipa
b) Hmeichhia

A.7. Thiamna:-

a) Ziak leh chhiar thiar thiamlo
b) School
c) College
d) University
e) Eizawn nan a thiam nei
f) Puan tah thiam na nei

A.8. Marital Status:-

a) Kawppui nei
b) Kawppui nei lo
c) Nupui/Pasal then tawh
d) Nupui/Pasal sun tawh

A.9. Sakhuana:-

a) Kristian
b) Kristian nilo

A.10. Caste :-

a) Schedule Caste
b) Schedule Tribe
c) Other Backward Classes

A.11. Chhungkaw inrelbawl dan:-

a) Inpuia chengho
b) Inhrang chang toh

A.12. Chhungkaw member zat:-

a) 2-5
b) 6-10
c) 11-15
d) 15 leh a chunglam

A.13. Chhungkua a puantah thiam awmzat kum 18 hnuailamah:

A.14. Chhungkaw eizawnna pui ber:-

a) Lo neih
b) Sumdawng
c) Puantah
d) Sawrkar hnathawk
e) Adang (Chiang taka tarlang nise)

A.15. Kum khat chhunga puantahna atanga sum lak luh zat (in rs.)

a) Rs. 20000
b) Rs. 20001-40000
c) Rs. 40001- 60000
d) Rs. 60001- 80000
e) Rs. 80001- 100000
f) Rs. 100000 chunglam

A.16. Co-operative society-ah member i ni em? I nih cuan, society hming.

A.17. Weaving identity card I nei em? I neih cuan, weaving identity card no.

A.18. Health card i nei m? I neih cuan, health card no.

A.19. Khawi hmunah nge puan in tah thin?

a) In hrangah
b) Mahni chenna inah

A.20. Khawl dinhmun.

Khawl hman	Khawl neih zat	Khawl hman loh zat
Fly shuttle/ Indian loom		
Burmese loom		
Kawngvawn		
Adang (Chiang taka tarlan nise)		

B. PRODUCTION DETAILS

B.1. Puantahtute la hman thin te. A zawna thai zel rawh.

Particulars	Cotton	Wool	Silk	Acrylic Yarn	Dar zai
Puanchei					
Siniar					
Ngotekherh					
Puan Ropui					
Puandum					
Tawlhlo Puan					
Puan Plain					
Kawrchei					
Thangchhuah kawr					
Shawl					
Purse					
Bag					
Vest coat					
Diar					
Necktie					
A dang (chiang taka tarlan nise)					

B.2. La lakna te.

a) La a sumdawngte atangin
b) Sawrkar dawr atangin
c) Kharchhawng
d) A dang (Chiang taka tarlan nise)

B.3. Eng behchhanin nge puan in tah chhuah

a) Order hmuh atangin
b) Puantah chhuah phawta zawrhna tur zawn lehin
c) A chung pahnih angin

B.4. I puahtah quality hi engtin nge i thliar

a) Mithiamten puan quality an siam sa ka zawm
b) Keima duh dan angin puan quality hi ka siam

B.5. Common Facility Centre (CFC) in nei em?

a) Nei
b) Nei lo

B.6. Design te engtin nge i neih

a) Mahni design
b) A rawn order tu te rawn design
c) Designing zirna hmun atanga design lo kal
d) a & b atangin
e) A dang (Chiang taka tarlan nise)

B.7. Eng design te nge i hman thin?

a) Tah thin dan pangai
b) Design hrang hrang
c) A chung pahnih angin
d) A dang (NIFT, NID,etc.)

B.8. NIFT, NID ho hi i hre ngai em?

a) Hria
b) Hre lo

B.9. Puan size dung leh vang:-

B.10. Kum khat chhunga hralh chhuah zat tlangpui.

Products	2010(piece zat)	2011(piece zat)	2012 (piece zat)
Puanchei			
Siniar			
Ngotekherh			
Puan Ropui			
Puandum			
Tawlhlo Puan			
Puan Plain			
Kawrchei			
Thangchhuah kawr			
Shawl			
Purse			
Bag			
Vest coat			
Diar			
Necktie			
A dang (chiang taka tarlan nise)			

C. PRICING DETAILS

C.1. Tuin nge in puah man siam?

a) Association
b) Co-operative Society
c) Mimal
d) A dang

C.2. Puan hrang hrang zawrhna man leh hlep awm dan

Product Hming	Range 1		Range 2		Range 3	
	S.P	Profit	S.P	Profit	S.P	Profit
Puanchei						
Siniar						
Ngotekherh						
Puan Ropui						
Puandum						
Tawlhlo Puan						
Puan Plain						
Kawrchei						
Thangchhuah kawr						
Shawl						
Purse						
Bag						
Vest coat						
Diar						
Necktie						
A dang (chiang taka tarlan nise)						

C.3. Tax i pe em (VAT)?

D. PLACING/ DISTRIBUTION DETAIL

D.1. Tute hnena nge i puan ho hi i hralh tlangpui thin

a) Commission ho
b) Dawr a hralh chhawng tur ho
c) Mahni sin tura lei ho
d) A chunga tar lan ho
e) A dang (Chiang taka tarlan nise)

D.2. Kum hnih kal ta chhung khan i puan zawr chungchanga buaina i tawk em?

a) Tawk
b) Tawk lo

D.3 Sawrkar atangin eng tanpuina te nge i dawn?

D.4. In puantah sa hralh chhuah/ pek chhuah kawngah eng harsatna te nge in tawh?

E. PROMOTION DETAILS

E.1. Exhibition-ah i kal toh em? Kal toh chuan, eng exhibition ah nge i kal

a) Local Exhibition
b) India ram then khat Exhibition
c) India ram pum huam Exhibition
d) India ram pawn Exhibition

E.2. Exhibition ah voin eng zat nge i kal tawh?

a) Vawi khat
b) Vawi hnih
c) Vawi thum
d) Vawi thum aia tam

E.3. In puan te hi a tlawma pek thin i nei em (special discount)?

a) Mahni sin tura lei thin te
b) Commission a zuarchhawng tur te
c) Dawr pe chhawng leh turte
d) Chhung hnai te

E.4. Engtin nge i puante hi i advertise thin?

a) T. V hmangin
b) Exhibition hmangin
c) Chhinchhiahna nei in
d) Dawra pho chhuah

This chapter has presented an overview of artisan clusters in India, their relevance and an overview of the handloom sector in India with a focus on handloom clusters in the NE Region in India in terms of weaver households, women weavers, social groups and other parameters based on secondary data.

1.1 INTRODUCTION

Handlooms constitute a timeless facet of the rich cultural heritage of India. As an economic activity, the handloom sector occupies a place second only to agriculture in providing livelihood to the people of India. It provides employment directly and indirectly to 27.83 lakhs handloom households in India, with most of them belonging to rural areas (87 percent).The handloom sector provides employment to a significant population of the weaker sections of the society viz; Schedule Castes[1] (SCs), Schedule Tribes[2] (STs), Other Backward Castes[3](OBCs) and women. About 10 percent handloom working households belong to the SCs, 22 percent to STs and 41 percent are from OBCs. Moreover 77.9 percent of the total adult handloom workers are female, of which a huge majority (88.2 percent) resides in rural areas. Interestingly, 99 percent of the adult work force in the North Eastern (NE) states were women (NCAER, 2010).

However a comparison between second and third handloom census shows that there has been a decline in the number of weaver households during this period. All the states in India (except West Bengal and NE States) have registered a decline in the number of handloom households. The Report of the Steering Committee onHandlooms and Handicrafts constituted for the Twelfth Five Year Plan, 2011 (Govt. of India, 2011), observed that despite their cultural and economic importance, the handlooms sectors suffer from perennial problems of weak infrastructure, inadequate availability of inputs at regular prices, poor supply chain systems and ineffective marketing and sales practices.

Clusters have emerged as a significant economic tool for development of micro enterprises in the recent decades. The world began acknowledging cluster as a strategic mechanism through which regions and nations can attain higher levels of industrial development and has evinced a lot of interest in both policy making and academic circles since 1990s. Small and Medium Enterprise (SME) clusters resulted in economic success in Italy during the 80s and 90s in sectors such as textiles, leather, jewelry, optical frames and many others which kindled the interest of researchers and policy makers alike to utlised this tool for development of SMEs.

1.2 CLUSTERING OF ENTERPRISES

Clustering of enterprises has emerged as one of the most important tools for developing Micro, Small and Medium Enterprises (MSMEs) for both developed and developing economics. In order to have a clear picture of clusters, this section of the chapter has discussed the meaning of cluster, relevance of clusters and clustering in India.

1.2.1 Meaning of Cluster

Cluster may be broadly defined as sectoral and geographical concentration of enterprises. Different definitions have been given by different scholars and practitioners. Rosenfield (1996) defined clusters as, “Geographically bounded concentration of similar, related or complementary businesses with active channels for business transactions, communications and dialogue that share specialized infrastructure, labour markets and services, and that are faced with common opportunities and threats.”

The UNIDO defined clusters as "A sectoral and geographical concentration of enterprises faced with common opportunities and threats which: a) give rise to external economics (e.g. specialised suppliers of raw materials, components and machinery, sector specific skills, etc.) b) favours the emergence of specialized infrastructures and services. c) enables co-operation among public and private local institutions to promote local production, innovation and collective learning."

Porter (1998) defined clusters as "A geographically proximate group of interconnected companies and associated institutions in a particular filed linked by commonalities and complementarities. Clusters encompass an array of linked industries and other entities important to competition, including governmental and other institutions- such as universities, standard setting agencies, think tanks, vocational training providers and trade associations."

According to the Organisation for Economic Cooperation and Development (OECD), "Clusters can be characterized as being networks of production of strongly interdependent firms (including specialized suppliers), knowledge producing agents (universities, research institutes, engineering companies), bridging institutions (brokers, consultants) and customers, linked to each other in a value adding production chain. The cluster approach focuses on the linkages and interdependence between actors in the network of production when producing products and services and creating innovations (Foundation for MSME, 2007)

Meanwhile some agencies in India have defined clusters on the basis of typology of clusters, their geographic range and minimum number of units which are presented below:

The National Bank for Agricultural and Rural Development (NABARD), Cluster Development Programme: "Micro enterprises and household units functioning on Self Help Group (SHG) mode and having a minimum of 50 beneficiaries up to a maximum of 200. In intensive clusters, the number of beneficiaries may go up to 500-700 and can even extend over a block or *taluka*" (Foundation for MSME, 2007).

The Government of Gujarat, India defined a cluster as follows: "A minimum of 50 industrial units, engaging in the manufacture of the same or related products and located within a radius of 10 kms in a particular location (Foundation for MSME, 2007).

The integrated Handloom Cluster Development Programme (IHCDP), Ministry of Textiles, Government of India defined a handloom cluster as one "having a minimum of 500 looms."

The Development Commissioner (Handicrafts), Ministry of Textiles, Government of India defined a handloom cluster as "Agglomerations having 100 artisans. In case of North Eastern Region (NER), Jammu & Kashmir and other hilly terrains, the cluster will have a minimum of 50 artisans" (Foundation for MSME, 2007).

1.2.2 Relevance of Clustering

Research evidence shows that clusters stimulate industrial growth and increase productivity. Many studies confirm the benefits of clustering for SMEs operating in the same or related industrial sectors (OECD, 2007) in both developed and developing countries.

Further, there are numerous examples that indicate that collective action by clustered firm has not only led to the improvement in product quality but also helped them in having access to larger markets (Schmitz, 1999 and World Development Report, 1999). Awasthi (2004) observed that firms in clusters have shown higher productivity both in national as also international context as compared to their counterpart industries situated in isolated areas and not in clusters. It has also been observed that being clustered, MSMEs choose networking and collective action as a strategy to access market, credit, infrastructure, R&D, etc. which are required by individual units but cannot be obtained through individual efforts. Similarly, it is easier for financial institutions to offer credit at the cluster level in a targeted fashion and with greater assurance of repayment. Literature indicates that these advantages have been obtained in cluster of traditional goods such as textiles, ceramics, furniture, jewelry, leather products, garments etc. and also sophisticated products such as precision machine tools, pharmaceuticals, computer parts, surgical instruments etc (Foundation for MSME, 2007).

1.2.3 Clustering in India

The UNIDO survey reveals that there are 388 SME clusters and around 6000 rural and artisan based micro enterprises clusters in India (Foundation for MSME, 2009). This section has discussed the typology of clusters in India and their share in employment in India.

1.2.3.1 Typology of clusters in India

Clusters in India can be broadly classified as high tech clusters, traditional manufacturing clusters and micro enterprise clusters. High levels of technology such as IT and ITES, computers, biotechnology and related services etc. represent high tech clusters. On the other hand traditional manufacturing clusters are made up of non high-tech and non- micro clusters and micro enterprise clusters is comprises of low-tech poverty intensive clusters such as handloom, handicraft and other micro enterprises (MSME Foundation, 2007). Table 1.1 gives the classification and number of clusters under each category in India.

Table 1.1: Typology of Clusters in India

Parameters	Micro Enterprise Clusters	Traditional Manufacturing Clusters	High-Tech Clusters
Typology of Products (some example)	Handloom, handicraft, coir, village industries	Leather& leather products, automotive components, ceramics etc.	Information Technology, pharmaceuticals, biotechnology, computers, tourism, education etc.
Number of Clusters	6000	388	20 approximately
Percentage share of total clusters	93.6 per cent	6.1 per cent	0.3 per cent

Source: Foundation for MSME Clusters, (2007) based on Annual Reports of various Ministries, Government of India and UNIDO CDP cluster database and estimates.

It is clear from the table that 99.7 percent accounted for micro enterprise clusters and traditional manufacturing clusters, and only 0.3 per cent accounted for high- tech clusters in India.

1.2.4Relevance of Micro Enterprises Clusters

Artisan clusters play an important role in the Indian economy in terms of their size, spread and employment generation. Table 1.2 shows that the handloom and handicraft sector have a significant share of the micro enterprises clusters according to the estimates of UNIDO and Development Commissioner Small Scale Industries(DCSSI). The other clusters include coir and village industries. The table has revealed the total estimated clusters in India (except high-tech clusters) based on UNIDO and the Development Commissioner, SSI, Government of India.

Table 1.2: Industrial Clusters (SME) and Micro Enterprises in India

Micro enterprises	Numbers of Clusters			
	UNIDO* Estimates	Percent Share	DC SSI** Estimates	Percent Share
Handicraft	2780	44.33	2960	48.02
Handloom	594	9.47	372	6.03
Others	2896	46.18	2831	45.93
Total	6270	100	6163	100

Source: Foundation for MSME Clusters, (2007) based on *UNIDO Cluster Development Project, India, New Delhi.

** Government of India (2004), Report on Third Census of Small Scale Industries, Development CommissionerSmall Scale Industries

Table 1.3 gives the estimates made by the Development Commission (SSI) Government of India and the UNIDO on the contribution of micro enterprise clusters to the employment in India.

Table 1.3: Estimated Share of Employment in Clusters in India

Parameters	Micro Enterprise Cluster	Traditional Manufacturing Clusters	High-Tech Clusters
Typology of products (some examples)	Handloom, handicraft, coir, village industries	Leather & Leather products, automotive components, ceramics etc.	Information Technology, pharmaceuticals, biotechnology, computers, tourism, education etc.
No. of clusters	6000	388	20 approximately
Estimated share of employment (by cluster typology)	80 per cent	14 per cent	6 per cent

Source: Foundation for MSME clusters, (2007) based on [UNIDO Cluster Development Project, India, New Delhi Government of India (2004), report on Third Census of Small Scale Industries, Development Commissioner Small Scale Industries].

It can be observed from the table that micro enterprise clusters provided employment to the time of 80 per cent and traditional manufacturing clusters contributed to 14 per cent of the estimated share of employment in clusters in India whereas the share of hi-tech clusters was only six per cent to the total employment in clusters.

It is therefore evident that the handloom and handicrafts sector play a significant role in the Indian economy.

1.3 HANDLOOM SECTOR: AN OVERVIEW

As mentioned earlier handloom represent rich cultural heritage in India. Indian handloom products depict the rich cultural diversity of the country, encompassing the varied hues of its diverse socio-cultural expression in its colours, patterns, designs and textures. It reflects the canvass of India's rich cultural heritage imbibed down the ages for more than 5000 years. The Indian weavers ingenuity deftly combines creativity, traditional knowledge and precision.

The handloom sector of India presents a diverse range of products from the carpets and Pashmina shawls of Kashmir, the durries of Punjab and Uttar Pradesh, silk saris of Bhagalpur (Madhya Pradesh), Sambalpur (Odisha), Kanchipuram (Tamil Nadu), the Poochampalli silks of Andhra Pradesh, the Chanderi saris of Madhya Pradesh and so on.

1.3.1 Handloom Sector of India

The handloom sectors plays an important role in the Indian economy as it provides employment to 43.32 lakh handloom weavers and ancillary workers becoming the second largest employment provider next to agriculture(NCAER, 2010). Flexibility of production in small quantities, openness to innovation, low level of capital investment and immense possibility of designing fabrics has contributed to the survival of the handloom sector over the last decades. Even though handloom has been providing employment to the people of India, this sector has witnessed a decline during the past years. The total number of weavers as per the Third Handloom Census 2009-2010 was 43.32 lakh while the number of weavers according to the Second Handloom Census 1994-1995 was 65 lakh. Although between the Second and the Third Census, the number of weavers has declined, the number of full-time workers has increased from 44 per cent (Second Census) to 64 per cent (Third Census). Moreover, the days of work per weaver household increased from 197 person days as per the Second Census to 234 person days as per the Third Census. Inspite of the decline and decrease in workers, handloom still survives and continues to be the provider of livelihood to many in India.

The table1.4 shows the state wise distribution of handloom in the country for the year 2010.

Table 1.4: State Wise Distribution of Handloom in India in 2010

Sl. No	State	No. of Handloom Weavers & Allied Workers	Total Looms
1	Andhra Pradesh	355838	124714
2	Arunachal Pradesh	33041	27286
3	Assam	1643453	1111577
4	Bihar	43392	14973
5	Chhattisgarh	8191	2471
6	Delhi	2738	2560
7	Gujarat	11009	3900
8	Haryana	7967	4876
9	Himachal Pradesh	13458	5578
10	Jammu & Kashmir	33209	7301
11	Jharkhand	21160	2128
12	Karnataka	89256	40488
13	Kerala	14679	13097
14	Madhya Pradesh	14761	3604
15	Maharashtra	3418	4511
16	Manipur	218753	190634
17	Meghalaya	43528	8967
18	Mizoram	13612	24136

19	Nagaland	66490	47688
20	Orissa	114106	43652
21	Pondicherry	2803	1771
22	Punjab	2636	261
23	Rajasthan	31958	5403
24	Sikkim	568	345
25	Tamil Nadu	352321	154509
26	Tripura	137177	139011
27	Uttar Pradesh	257783	80295
28	Uttarakhand	15468	3766
29	West Bengal	779103	307829
	Total	4331876	2377331

Source: Handloom Census 2009-10 (Quoted from NCAER, Handloom Census, 2010)

Table1.4 shows that the NE region has the largest share (65.2 per cent) of the total looms in India followed by West Bengal (12.9 per cent), Tamil Nadu (6.5 per cent), Andhra Pradesh (5.2 per cent) and Uttar Pradesh (3.4 per cent) and other states.

1.3.2 Weaver Households

Further a comparison of weaver household in the Second and Third Handloom Census has been given in table 1.5 to understand the status of the handloom industry in providing employment in India.

Table 1.5: Comparison of Weaver Households in the Second and Third Handloom Census

States	Number of Weaver Households (in lakhs)	
	Second Census 1995	Third Census 2010
NE States	14.6	15.1
Other than NE States	10.8	7.6
West Bengal	2.2	2.4
Andhra Pradesh	1.5	1.3
Tamil Nadu	2.0	1.6
Uttar Pradesh	1.4	0.8
Other States	3.7	1.4
All India	25.3	22.7

Source: NCAER (2010).

A comparison between Second Census and the Third Census,shows thatthe total numbers of weaver household has decreased from 25.3 lakhs to 22.7 lakhs in 2010, however the number of weavers household has increased in the NE and West Bengal. This emphasises the need to initiate policies to sustain and develop this sector.

Table 1.6 further gives the distribution of handloom worker household by type i.e. weaver households, allied households, idle loom households and household with no adult worker.

Table 1.6: Distribution of Handloom Worker Households by Type

Type of Households	Number of Households	Percent Distribution
Weaver households	2268008	81.5
Allied workers households	391125	14.1
Idle loom households	81253	2.9
Others (households with no adult worker)	42882	1.5
Total	2783271	100.00

Source: Handloom Census 2009-10 (NCAER, Handloom Census, 2010)

The handloom census has classified the weaver households into four categories namely: weaver household, allied workers household, idle loom household and others: A) Weaver household is a household where it has any member of the household who operated the loom even for one day in the last year. B) Allied workers households are households that do not own looms but engaged in pre and post loom. C) Idle loom households are households that own looms but had not operate them during the last one year. D) Other households are households with no members who was 18 years and above. The table shows that weaver households constitute the highest share of worker households(81.5 per cent), followed by allied workers (14.1 per cent), idle loom households (2.9 per cent). Notably, households with no adult workers contributed to1.5 per cent in the total work force of handloom sector in the country which reveals that a considerable proportion of minor children are involved in weaving activities in India.

1.3.3 Weavers Households by Social Groups

The table 1.7 gives the detailed view of the social groups of the handloom workers viz. Schedule Castes, Schedule Tribes, Other backward Castes and Others (General Category).

Table 1.7: Distribution of Handloom Worker Households by Social Groups

Social Groups	Number of Households	Per Cent
Schedule castes (SCs)	273056	9.8
Schedule tribes (STs)	615277	22.1
Other backward castes (OBCs)	1138945	40.9
Others	755993	27.2
Total	2783271	100.00

Source: Handloom Census 2009-10 (NCAER, Handloom Census, 2010)

As mentioned earlier the handloom sector provides livelihood to a significant proportion of the weaker section of the society such as SCs, STs, and OBCs. The table shows that OBCs (40.9 per cent) comprised the largest share among the social groups, followed by the General category (27.2 per cent), STs (22.1 per cent), and SCs (9.8 per cent). Evidently an overwhelming majority of the weavers households (72.8 per cent) belonged to the under privileged sections of the society. This again emphasizes the need to develop handloom sector with a view to achieve inclusive growth in the Indian economy.

1.3.4 Handloom Production

The handloom sector plays an important role in the country's economy as it has maintained a share of share of 20-25 per cent, the total textile production of India (Dev et al, 2008). Table 1.8 traces the handloom cloth production for the last decade.

Table 1.8: Handloom Cloth Production Over the Years

Year	Cloth Production (Million Square Metres)
2005-06	6108
2006-07	6536
2007-08	6947
2008-09	6677
2009-10	6806
2010-11	6903
2011-12 (April-Jan)	5775

Source: Adapted from Government of India, Planning Commission,2012 and the Report of the Steering Committee on Handloom and Handicrafts constituted for the twelfth five year plan, pg 16.

The table shows that in 2008 the production of handloom fabric has shown an increased trend since 2005-08 from 6108 m sqmt. to 6903 m sqmt. in 2010-11. The handloom production has shown a consistent increase every year except in 2008-09 where a slight decline of 3.89 per cent was witnessed. Thus, despite the growing competition from mill-made and power loom sectors, handloom sector has sustained an increase in its production over the last decade.

A similar phenomenon can be observed with the handloom exports. Table 1.9 gives us the statistics on export of handloom products from 2009-2012. As shown in the table in the year, 2010-11 the export of handloom products increased by 32 per cent as compared to the previous year. The export during 2011-12, even though it is only seven months reached almost 90 per cent of exports to that of the previous year, indicating the that handloom exports have registered increase.

Table 1.9: Export of Handlooms

Year	Target	Achievement (in crore)
2009-10	NA	1252.81
2010-11	1350	1662.89
2011-2012	2250	1483.21 (April-Oct 2011)

Source: Adapted Government of India, Planning Commission, 2012, Report of the Steering Committee on Handloom and Handicrafts constituted for the twelfth five year plan, pp 17.

1.3.5 Handloom and Gender

Interestingly, handloom sector provides employment to a significant number of women in India. Table 1.10shows that 78 per cent of the total adult weavers and allied handloom workers were females and males constitute only about 22 per cent of the total work force in India. The handloom sector has been dominated by female workers and most of them belong to the rural areas (86.9 per cent). This further emphasizes the need for fostering the development of the handloom sector to augment inclusive growth.

Table 1.10: Number of Handloom Adult Weavers and Allied Workers by Gender

Particulars	Male	Female	Total
No. of Handloom adult weavers & allied workers (lakh)	8.48	29.98	38.47
Percentage of total	22.10	77.90	100.00

Source: Handloom Census 2009-10 (Quoted from NCAER, Handloom Census, 2010)

1.4 NORTH EAST INDIA: A PROFILE

North East (NE) India is a land of morning mists, majestic mountains, deep vales, mighty rivers and evergreen forests. The NE is different in many ways from the rest of India. It is located strategically in the easternmost region of India and comprises of eight states namely, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura and shares 98 per cent of its borders with four neighbouring countries. NE border with Bangladesh in the south west spans about 2500 kilometers, with Bhutan in the North West spans 650 kilometers, with Myanmar in the east spans 450 kilometers and with China in the north spans 1000 kilometers. It is a landlocked region geographically isolated from the rest of India (often known as mainland) and inhabited by diverse ethnic groups.

Troubled by history and geo-politics, the NE has remained one of the most backward regions of the country. Prior to independence, NE was a prosperous region. But the partition of India in 1947 isolated the region and sealed the land and sea routes for commerce and trade and severed access to traditional markets and the gateway to the east and South east Asia, the Chittagong port in East Bengal (now in Bangladesh). Partition also virtually disconnected the NE from the rest of India (MDONER and NEC 2008). Its land connectivity to the rest of India is today restricted to a slender corridor of 27 kilometers through Siliguri, popularly known as 'the chicken's neck.'

The region was infamously known as 'troubled area' in the past due to political disturbances and secessionist conflicts in the region. The recent years, however, have witnessed a decline in violence and strife, but intermittent secessionist conflicts still persist in some states such as Manipur, Assam and Nagaland. Arunachal

Pradesh, Mizoram and Sikkim have remained peaceful in recent times whereas Tripura and Megahalaya have shown significant improvement in law and order situation (Sadangi, 2008).

These eight states cover an area of 2,62,179 sq. kms., constituting seven per cent of India's total geographical area and is home to 39 million people (3.8 per cent of the total population of India) that belong to more than 166 tribes having their own distinct cultural identities reflected in the myriad languages, dialects, festivals, clothes, crafts and so on.

NER has a share of 3.8 per cent in the total population of India and 2.66 per cent in the Gross Domestic Product (GDP) of India. Over 68 per cent of the population of the region lives in the state of Assam alone, whereas Sikkim and Mizoram have a low population with 0.54 million and 0.89 million people, respectively. The density of population varies from 13 persons per sq. km in Arunachal Pradesh to 340 persons per sq. km. in Assam (MDONER and NEC 2008).

Assam is the largest state in terms of geographical area and has the highest share in India's GDP (1.61 per cent) in the region. Except Nagaland and Sikkim, the per capita income of all the other NER states was lower than the national average. Moreover, the gap in the region's per capita income vis-a-vis the national average has widened from 20 per cent in 1990-91 to 31 per cent by 2004-05 (MDONER and NEC, 2008).

The average literacy rate of the population of the region is 68.5 per cent which is higher than the national average. Mizoram has the second highest literacy rate of 88.5 per cent in the country, whereas Assam, Arunachal Pradesh and Megahalaya are below the national average. More importantly, the literacy rate has not translated into higher employability or productivity (MDONER and NEC 2008).

The region is rich in natural resources, forests, flora and fauna. The region is immensely rich in horticultural products, plantation crops and rare forest products. It has abundant forest resources in terms of wood, bamboo, rare herbs and medicinal plants. NE harvests about eight million tons of bamboo every year, sharing 54 per cent of the country's total bamboo production. About 37 per cent of India's river waters belong to NE and the entire region enjoys immense biodiversity with about 54 per cent of NE area covered by forests. It accounts for 20 per cent of hydrocarbon (oil and gas) potential. It is bountifully endowed with natural resources namely, limestone, dolomite, kaolin, graphite, quartzite, uranium and so on. The economy of NE is primarily agrarian, but ironically it is deficient in food supply and imports grain, oilseeds, sugar, meat, fish and eggs, apart from other civil supplies from the rest of India (Bhattacharya et al, 2005).

Several initiatives have been taken by the government of India in the Tenth and Eleventh five year plan to reduce the gap between the NE and the rest of the country and set the NER on the trajectory of economic growth and development. In the absence of large scale industries, micro enterprises especially handloom and handicraft enterprises play an important role in the economies of the states of NE. The researcher has further outlined the profile of the handloom sector in the NE in the following section.

1.4.1 Handloom Sector in North East India: An Overview

NE region of India comprises of eight states namely Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. These states being geographically isolated from the mainland of India are often referred to as the eight sisters of the north east comprising of more than hundred tribes having their own unique culture and customs, handloom being an integral part of it.

Weaving is enmeshed in the rich and diverse socio- cultural ethos of the tribal societies of the NE region. The myriad handloom products reflect the customs, traditions and identities of tribes. Weaving is a way of life for the people of the NE.

The handloom sector plays a vital role in the socio- economic milieu of the North East India. Handloom weaving is a common skill of this region which is passed on from generation to generation through their women folk. Some of the popular handloom products of this region are: *mekhlas* and *gamochas* of Assam, Gale traditional *mekhlas*, traditional *galuk* vest coats, scarves and carpets of Arunachal Pradesh, *phaneks, Wangkhei Phee* and shawls of Manipur, Garo traditional women's *chadar,* furnishing cloths and shawls of Meghalaya, the different *Puans* of Mizoram, the scarves and shawls of Nagaland, and the tribal shawls, saris and furnishing materials of Tripura (NEDFi Databank. 2005).Assam being the largest state also has the largest number of looms and work force, followed by Manipur, Tripura, Nagaland, Arunachal Pradesh and Mizoram.

According to the Handloom Census of India (NCAER,2010), out of 43.32 lakh handloom workers, about 50 percent of the total handloom workforce and more than 65 percent of the total looms are in the NE States. However a large majority (more than 62 percent) of the loom in NE states are engaged in domestic production only. As mentioned earlier the handloom sector is a female dominated occupation in the NE. It has a predominantly female (99 per cent) work force (NCAER, 2010).

As mentioned above NE also contributed the highest number of workers in the handloom sector. Table 1.11gives us the distribution of handloom worker household in the North East India, 2010.

Table 1.11: Distribution of Handloom Worker Household in the North East India, 2010

States	Total handloom worker households	Per cent distribution
Assam	1,240,817	44.58
Arunachal Pradesh	30,343	1.09
Manipur	178,975	6.43
Meghalaya	11,400	0.41
Mizoram	39,499	1.42
Nagaland	60,362	2.19
Sikkim	568	0.02
Tripura	120,652	4.33
Total	1,682,616	60.47

Source: Handloom Census 2009-10 (Adapted from NCAER, Handloom Census, 2010)

The above table shows that among the NE states, Assam had the highest handloom workers (44.58 per cent), followed by Manipur (6.43 per cent) and Tripura (4.33 per cent). This table showed us 60.47 per cent of the total work force of handloom comes from NE only, indicating that handloom has been and will continue to be a very important part in providing livelihood of the people of NE. This region has a huge potential in handloom production, in fact, this sector needs appropriate development initiatives so that their potential can be fully utilized.

1.5 MIZORAM: A BREIF PROFILE

Mizoram (the land of Mizos) is the 23rd State of the Indian union ensconced in the north eastern corner of India flanked by Assam, Tripura and Manipur and sharing its borders with Myanmar in the east and Bangladesh in the south. Mizoram is a mountainous region, covering an area of 21,087 sqkms and has a population of more than a million. The average height of the mountains is about 1000 meters. As discussed earlier, it is the second most literate state in the country. Mizoram has eight districts namely, Aizawl, Lunglei, Kolasib, Mamit, Champhai, Serchhip, Saiha, and Lawngtlai.

Nestled in the hills, Mizoram is bountifully endowed by nature with rivers, dales, forests, flora and fauna. The terrain is hilly with the average height of the hills being about 1000 meters. The state experiences heavy rainfall in the monsoon months has pleasant winters and summers with the average winter temperature varying between 11 to 21 degrees centigrade and the summer temperatures varying between 20 and 29 degrees centigrade. Mizoram is gifted with rich forests with variety of tropical trees and a predominance of bamboo forests. Several rivers criss-cross the state with the *Tlawng* being the longest river.

Mizoram, the 24th State of Indian Union, was born in February, 1987. It was one of the districts of Assam till 1972, when it became a union Territory. Surrounded by Burma in the east and south and Bangladesh in the west, Mizoram occupies an area of great strategic importance in the north-eastern corner of India with Aizawl as its capital.

The hills in Mizoram run from north to south with a tendency to be higher in the east and tapering in the north and south. The State has the most variegated hilly terrain with its steep hills being separated by rivers which create deep gorges between the hill ranges. Mizoram is rich in fauna and flora. Almost all kinds of tropical trees and plants thrive here. The hills are marvelously green.

The word ‘Mizo’ is a generic term and is used to mean hillmen or highlanders. The fabric of social life in the Mizo society has undergone a tremendous change over the years. Before the British moved into the hills, for all practical purposes the village and the clan were the chief units of Mizo society. Each village was ruled by a Chief assisted by elders called *Upa*. The Chieftainship has been replaced by the Village Councils. Every major Mizo village now has an YMA (Young Mizo Association) centre, dedicated to infuse society with its traditional lifestyle and customs.

The Mizos have faced many political struggles in the past and have emerged as the most peaceful state in the troubled North East. The *mautam* or famine caused due to bamboo flowering and proliferation of rats led to economic scarcities and resulted in a violent secessionist movement by the Mizo National Front (MNF), led by Laldenga in the 1960s. However, the organisation after a long violent struggle entered into negotiations with the Government of India and signed an accord, which is known as the peace accord, with the Government of India in 1986. Mizoram became the 23rd state of the Union of India on 20th February 1987.

The state of Mizoram is inhabited by a number of tribes who originally belong to the Assam-Burman sub-group [4] and are believed to have their origins in Chhinlung. The tribes of Mizoram may be broadly divided into nine major and 13 minor tribes and sub-tribes (Verghese and Thanzawna, 1997). These tribes and sub-tribes are further divided into a number of clans. The major tribes of Mizoram are: Lusei or

Lutsei (consists of ten clans and six chiefs' clans), *Pawi*or *Lai, Hmar, Lakher or Mara, Paite* or *Vuite, Ralte* (sub tribe), *Chakma*or *Tsak* or *Sak, Riang* or *Tuikuk*, and *Mogh* or *Mok* or *Thakma*. The sub tribes are: *Chawngthu*, *Chawthe*, *Ngente*, *Khawlhring*, *Khiangte*, *Pautu*, *Rawite*, *Renthlei*, *Tlau*, *Vangchhia*, *Zawngte*, *Pang* and *Bawng*. The *Lusei*consists of ten commoners' and six chiefs' clans. The commoners' clans include *Pachuau*, *Chhangte*, *Chawngte*, *Hauhnar*, *Chuango*, *Chuaungo*, *Hrashel*, *Tochhawng*, *Vanchhawng* and *Chhakchhuak*. The six chiefs' clans are: *Zadeng*, *Palian*, *Thangluah*, *Rivung*, *Rokhum*and *Sailo* (Verghese and Thanzawna, 1997).

The Mizos code of ethics or Dharma centred round *Tlawmngaihna*[5]and *Hnatlang*. *Tlawmngaihna* is an untranslatable term meaning that everyone should be hospitable, kind, unselfish and helpful to others. It is the core of their philosophy of life. In war or peace, in dealing with individuals or in the midst of a crowd, it was this spirit of *Tlawngngaihna* which guided their thoughts and actions. *Hnatlang* is a code of conduct that encourages voluntary community works in the society. These two codes of ethical behavior govern the social fabric of Mizos.

The Mizos festivals are connected with agricultural operations such as, *Mim kut* festivals, *Chapchar Kut, Pawl Kut. Mim Kut* of Maize Festival is usually celebrated with much fanfare during the months of August and September, after the harvest of maize. *Chapchar Kut* is celebrated sometime in March after completion of their most arduous task of jhum operations, i.e. jungle clearing. *Pawl Kut* is the harvest festival celebrated during December to January after harvests are over. It is perhaps the greatest festival with plenty of grains in the barn and all the labours of the year over. The most colourful and distinctive dances of the Mizosare*Cheraw*[6], *Khuallam*[7] and *Chheilam*[8].

Traditionally, the social unit of the Mizos was the village which was usually set on top of a hill with the chief's house at the centre and the focal point in the village was the *Zawlbuk*, a dormitory for the bachelors where all the young bachelors of the village slept. *Zawlbuk* was the training ground where the Mizo youth was trained into a responsible adult citizen of the Mizo society.

Like other states of the NE, industrialisation is at a nascent stage in Mizoram. The industries comprise of only small scale and cottage industries. These mainly include furniture, knitting, tailoring, bakery, automobile repair, TV repair and service, wood seasoning. And so on. Handlooms and Handicraft play a major role in the economy.

Garments and attires were traditionally home spun: the women gin and weave cloths out of cotton grown sufficiently in a few villages. They prefer dark colour. They use mostly wrappers or large size baldrics of a few colours. Like other tribes, dyes are processed from barks, roots and tubers, the system of steaming the yarn of cloth with the dyeing materials is kept and the whole mixture is exposed to sunshine. In this way, they procure the coloured threads and yarns varying in size, then woven into apparels.

Their traditional system of dyeing is usually rendered into a deep dark blue background of a shawl, mantle or loongi they usually wear the original white stripes either are velvet or yellow or blue. The women use kilts usually dark and deep blue and another sheet of cloth serves as an upper body apparel suspended from below the shoulder downward. The system of plaiting hairs among the ladies is practiced. The traditional dress appears now to have been more elaborately oriented which suits with the modern times.

Mizos are the fast giving up their old customs and adopting a new mode of life which is greatly influenced by the Western culture. Many of their present customs are mixtures of their old tradition and western mores. Music is a passion with the Mizos and the young boys and girls are taking to the western pattern of life. They avidly enjoy western pulsate and resound with the rhythms of the youth and the twang of guitars.

1.5.1 Handloom Sector in Mizoram

Mizoram is situated on the extreme south of northeastern India, sharing borders with Myanmar and Bangladesh. It is a land of abundant natural beauty with a variety of flora and fauna. Mizoram has remained industrially backward which is attributed to physical and psychological alienation, lack of mineral resources in the state, distance from the heart of the country, coupled with communication bottlenecks etc. Alleviation of poverty has been the primary concern, of policy makers, especially of the lower income families in Mizoram. Therefore, micro enterprises such as handlooms and handicrafts play a vital role in the economy. Traditionally, handloom was a part of the daily life of Mizos, during expression to their culture and tradition, loin loom (a type of handloom) was the most popular loom. Mizo women taught their children the art of yarning, looming and weaving cotton threads out of raw cotton to produce exquisite handloom products. As mentioned earlier handloom is a female dominated sector, men do not participate in weaving activities as sanctioned by the Mizo traditional culture. Mizo’s had woven for domestic purpose only but in these recent decades they started weaving for commercial purpose as well. The Mizo’s handloom products range from *puan* (different types of puan for different occasion), shawl, bags, vest coats etc. A Mizo lady is more fond of her *puan* than any of her other dresses as the *puans* are a colorful and breathtaking display of intricate designs. The important Mizo *puan* are: A) *Puanchei*, this is one of the most beautiful and most colourful *puan* worn by the Mizos. This is worn on occasions such as weddings and festivals-*Chapchar Kut* and *Pawl Kut*. B) *Ngotekherh* is worn in all festivals such as *Chapchar Kut, Mim Kut* and *Pawl Kut* and the colours used in this cloth are black and white. C) *Puandum* is one of the most important handlooms of the Mizos. This traditional *Puandum* is also wrapped over the shoulders while performing *Khuallam*, one of the famous traditional dances of the Mizos. *Puandum* consists of black, red, yellow and green stripes. Significantly, *Puandum* is an indispensable item which every girl has to take along with her when she gets married. It is used to cover her husband's body when he dies.

Mizoram has a handloom workforce of 41,189 working on 23,938 looms (NCAER, 2010). Majority of the looms were found in a town called Thenzawl while the remaining looms were in certain part of Aizawl and Lunglei district (Ramswamy, 2012).

Table 1.12 gives details of the number handloom worker household in Mizoram. The table shows that a huge number of workers from Mizoram were weaver household (98.5 per cent), followed by allied workers (1.3 per cent) and only 0.04 per cent were engaging in other activities. The table indicated that most of the handloom workers in Mizoram are engaged in weaving activities and only few were allied workers household.

Table 1.12: Number of Handloom Worker Household by Type in Mizoram

Type	Number of Workers	Percentage
Weaver household	38,931	98.5
Allied household	549	1.3
Others	19	0.04
Total	39,499	100

Source: Handloom Census 2009-10 (Quoted from NCAER, Handloom Census, 2010)

The number of adult handloom workers by social group is given in table 1.13. Being a state inhabited by tribals, it is observed that 97 per cent of the handloom workers belonged to the Schedule Tribes. As mentioned before, OBCs constituted (40.9 per cent) the handloom sector in the entire country but in Mizoram only 0.5 per cent of the handloom workers belonged to the OBCs category.

Table 1.13 Number of Adult Handloom Workers by Social Group in Mizoram

Social Groups	Numbers of Workers	Percentage
SCs	72	0.2
STs	40,184	97
OBCs	206	0.5
Others	727	2
Total	41,189	100

Source: Handloom Census 2009-10 (Quoted from NCAER, Handloom Census, 2010, pp 75).

Handlooms and handicrafts play a vital role in the Mizo economy in the absence of industries. This sector plays an important role in providing livelihood to a large section of tribals, particularly woman and hence there is a need to focus on developing this sector for it to sustain and grow.

1.6 REVIEW OF LITERATURE

The main objective of this section is to review the available literature on handloom industry in India and the NE and marketing of handloom products. Relevant literature in respect of these important areas was drawn to understand the current status of research.

1.6.1 Studies on Handloom Industry

Various aspects of the handloom industry and its significance have been reviewed in this section. The researcher has reviewed some significant studies conducted in different parts of India on different aspects such as significance of the industry, marketing initiatives by various government and non- government agencies.

Goyal (1990) studied the problems of the jute industry in India. He suggested qualitative improvement of the jute fiber, establishment of a brand identity and product innovation.

Menning (1997) studied the role of ethnic networks in the art silk industry of Surat, comprising four business communities. He observed that the success can be attributed to a system of ethnic entrepreneurship relying on informal networks based on bonds of kinship, caste and place of origin.

Rama Mohana Rao (1997) further identified the role of stakeholders in the handloom industry, studied the growth model of the handloom industry and analysed the strength, weaknesses, opportunities and threats of the handloom industry in India and suggested that handloom development centers should be set up at various places in the country where handloom industry is concentrated to facilitate the growth of the industry.

Bedi (2002) analysed the state of textile and clothing industry for the period 1983-2000 to find the impact of liberalization policies on the structure of textile and clothing industry during the two phases of liberalization and the future prospects of the industry. He observed that the impact of liberalization was not homogenous throughout the various production stages in the sector due to reasons related to protection and lack of competition and economics of scale which were causing lack of modernization in the weaving and dyeing segment, while rapid technological changes tool place in the spinning sector.

Kanakalatha and Syamasundari (2002) analysed the performance and prospects of handloom weaving in Andhra Pradesh and the effectiveness of government policy on handlooms.

Niranjana (2004) emphasized the importance of handloom enterprises as they ensure that traditional industries can be sustained over a period of time, without creating social upheavals or environmental degradation and highlighted the needs of the industry and challenged faced necessitating shifts in policy approach.

Thompson (2007) conducted a study on Textiles of the South-East Asia and documented the rich textile traditions that still exist throughout this region, the differences, the similarities and the links both historic and mercantile, that unite the various countries together. The costumes, weaving and textile techniques of these countries are compared and the symbolic meanings of the designs woven into or imprinted onto the cloth were explored. They also observed the links between history and handloom and their inter-relationship with each other.

Jain (2007) highlighted the woes of handloom sector and the importance of handloom sector for providing employment to the teeming millions in India.

Ranjan and Ranjan (2007) documented the Indian craft heritage across the country. Their work provides a geographic organization of craft distribution including hand woven products across the length and breadth of the country and shows how craft permeates even the remotest corner of India. It has attempted to summarize the enormity of craft variety and the significant role it plays in the day-to-day lives of Indian crafts persons. The study has showcased the creative potential of Indian crafts person and has made a directory of their resources-skills, materials, their capabilities and products.

Sinha (2007) brought out the importance of handlooms to the economy and listed the policies and initiatives of the government of India to revive the handloom sector in India.

Reddy (2007) discussed the present status of the handloom industry in India, its strengths and relevance to the India economy and suggested relevant policy measures that would provide the sector a level playing field to compete in the globalized economy.

Hafeez M (2007) traced the case study of a nonagenarian Muslim weaver in Malegaon, his trials and tribulations and the transformation of a traditional weaver family to other more preferred non-weaving professions in modern times. Ministry of Labour, Government of India (1986-87), studied the working and living conditions i.e., employment, social security, assets, qualitative standard of living, housing , health conditions and so on of workers employed in the handloom industry. The survey which was conducted in pockets/centres having concentration of handloom manufacturing units in all the states where the total looms were 35000 or more (15 states that satisfied this criterion). The study revealed that a lot of improvement is desirable in the living conditions of the handloom weavers.

The First Census on the handloom sector was conducted in 1985-86 observed that the total estimated numbers of looms in India were about 33 lakh and Tamil Nadu had the highest number of looms followed by Andhra Pradesh (Soundarapandian 2002). The eight NE states were not having a separate state status as they either apart of other states or union territories. Hence, the state wise data of looms in NE states were not available in this census. Mizoram attained statehood in the year 1987 only and hence no data on Mizo handloom sector was available. However the National Productivity Council of India conducted a study on Mizoram and profiled the number of looms, weavers and other aspects in the erstwhile Mizoram union territory which had eight districts (NPC, 1987).

The Second Handloom Census in India was conducted in 1995-96. This census estimated the number of handloom clusters and the size of such clusters in different states in India in 1995-96. According to the Census there were about 470 handloom clusters in the country in 1995-96. Smaller clusters were prominent in number with clusters upto 1000 looms having a share of 51.48 percent and clusters with 1000-5000 looms having a share of 23 percent in the total handloom clusters. Whereas large clusters having more than 50000 looms had a share of only 4.04 percent in the total clusters. Uttar Pradesh and Bihar, the large state by size of population, had the highest of handloom clusters with 14.25 percent and 11.27 percent respectively. Assam had a substantial share of about 77 percent of the largest clusters (having more than 50000 looms) (www.ministryof textiles, Government of India).

The Third National Handloom Census of Weavers and Allied Workers (NCAER, 2010), provided comprehensive information of the handloom sector of India. The Census covered areas such as a) demographic profile of handloom worker households- social groups, religion, possession of loom, type, purpose of usage of loom, type and ownership of dwelling units and type of ration card owned. b) Profile of handloom workers-total workforce, type of workers, gender, level of education. c) Looms and usage pattern- distribution of looms by location, by working status, household and non household units, types of looms, purpose of usage, type of yarn used. d) Production, earnings and indebtedness- production of major fabrics, source of raw materials, share of income from handloom activity, and so on. According to the census the handloom sector provides employment directly and indirectly to 27.83 lakhs handloom households in India, with most of them belonging to rural areas (87 percent).The handloom sector provides employment to a significant population of the weaker sections of the society viz; Schedule Castes (SCs), Schedule Tribes (STs), Other Backward Castes(OBCs) and women. About 10 percent handloom working households belong to the SCs, 22 percent to STs and 41 percent are from OBCs.Moreover 77.9 percent of the total adult handloom workers are female, of which a huge majority (88.2 percent) resides in rural areas. Interestingly, 99 percent of the adult workforce in the North Eastern (NE) states was women (NCAER, 2010).

Jaitly (2012) work on crafts encapsulates the rich and varied range of hand woven textile across all the states of India.

1.6.2 Studies on Handloom Industry in the North-East

In this section, the researcher has reviewed various government reports and literature related to the status of handloom sector in North East India.

The Indian Institute of Foreign Trade (IIFT) (1982), in its Report on the ‘Export Potential Survey of Handicrafts and Handlooms of North East Region,’ based on a study conducted on cotton handloom industry and silk industry of the states of Assam, Manipur, Tripura, Nagaland and Arunachal Pradesh in the NER studied various aspects of the handloom sector in NE India such as number of commercial looms, number of weavers, types of looms, production and product range.

Indian Institute of Entrepreneurship (IIE) (2005) in its Evaluation cum Impact Study of STEP (Support to Training and Employment Programme for Women) Project for Handloom Weavers of Assam made an analysis on some basic parameters and found major gaps in the sustained operation of the project in North East India. The report recommended clustered approach towards beneficiaries and a strict adherence to the criteria of selecting poor asset-less rural women as beneficiaries. The report also recommended the criteria for selection of beneficiaries, their training, implementation of the project and modus operandi for distribution of materials and financial support.

Pandya and Thoudam (2010), studied the traditionally hand woven Manipuri textile which were very few to be found due to the social changes incorporated with modern technology, they were rapidly changing in terms of designs, motifs, yarns and processes. Therefore, Pandya and Thoudam conducted a study towards the preservation of the textiles.

According to the Handloom Census (2010), the eight states of the NE has the largest concentration of handloom in the country (more than 65 percent of the total) and about 50 percent of the handloom workforce. Assam has the largest number of looms in the region, follow by Manipur, Tripura, Nagaland, Arunachal Pradesh and

Mizoram. However, a large majority of the looms (62 percent) in the NE states are engaged in domestic production only. Moreover, 99 percent of the adult workforce in NE is women (NCAER, 2010)

The report also found that the NE states, with 61 percent handloom households, have weave more than one kind of fabric. It was observed that Assam produces more of *Mekhla-chaddar* and *Gamcha,* while some of the other states produce *Sarongs*, bedsheets, skirt material etc. Notably *Gamcha* and *Makla-chaddar* had a significant share (about 60 per cent) in the total handloom production of these products in India. The other products which have a share in the total production of these products were: *Sarong* (21.6 percent), towels and napkins (8.3 percent) and bedsheets (6.17 percent).

The study also observed that (NCAER, 2010) the major type of yarn used by weaver households in North East was cotton (70.3 percent) and wool (29.7 percent). They also observed that an overwhelming majority of the weaver households in NE procure raw materials (dyed yarn and hank yarn) from open market. The NHDC, Cooperatives Societies and Master Weavers comprise a very insignificant share of the raw material procurement for the weaver households in the NE. However scant data was available on other aspect of marketing.

Devi (2012) conducted a study to understand the world of the women weavers of Manipur in the context of a changing society. Their integral role in an industrially backward state is reflected in the lives of the 300 women selected for this study, which examines their socioeconomic conditions; the advantages and disadvantages associated with their working conditions; aspects of their health, wages and aspirations; their social relations with family and community; as well as the changing market structure, the technology used and production. Thus, an exploration of the women weavers' lives becomes a matter of acknowledging their contribution to society in the performance of their duties and roles according to their capacity, culture and traditions.

Hmar (2013) conducted a study on the history and folk stories of the *Hmars* in which he included traditional costumes worn by the *Hmars*. He even mention the two types of cotton plants used for weaving and indicated that the *Hmar* girls learn the art of yarning, looming and weaving cotton threads out of raw cotton to produce beautiful handloom products through the process called *Hmar Puon. Hmars* produce a wide variety of handloom products such as- *Puon Tiel, Puon Phawk, Naupuok Puon, Thangsuo Puon, Hmar Puon* etc.

Borah and Borah (2014) conducted a study on Traditional Costumes of *Garo* and *Khasi* Tribes of Meghalaya and observed that it had rich cultural connotations. They observed that ordinary looms were mainly used for weaving thesetraditional costumes. The traditional costumes worn by *Garo*male were- *Gandu Makal, Pendra ,Ganna Reking, Gandu Mahal, Kotip,* Vest coat and *Jalonga*. Meanwhile *Garo* female traditional costumes were- *Ganna Re-king, Kilneba.ra, Dakmanda, Daksari, Sengki, Ba.ra Marang*(Shawl), *Gando, Turban, Chunni, Kotip, Morang Jasku, Garo Jengbong* and *Debra*. On the other hand the *Khasi* women wore- *Puhsara Jainsem, Sohriees Shella, Muga Synteng, Dhara, Ryndia Lieb, Top,* Shawl, and Wrapper. *Khasi*men wore- *Jympong Shad, Turban, Jainboh or doti,* Shirt, Ribbon, *Jainteh Syngkai and Putoi.*

1.6.3 Studies on Handloom Industry in Mizoram

Although various aspects of handloom industry in India have been researched, only a few studies have been conducted on the handloom Industry in Mizoram.

National Productivity Council (NPC) (1984) studied the status of handloom industry in Mizoram. The report explored the tradition of Handloom and Handicraft (H&H) in NER, status of H&H and the reasons for the poor state affairs of the sector and recommended improvements such as supply of yarn, training, design development and market expansion.

The Third Handloom census observed that Mizoram has a handloom workforce of 43.528 persons working on 23938 looms (NCAER, 2010).

Ramswamy (2012) conducted a study on the entrepreneurial aspects of tribal weavers in Thenzawl handloom cluster in Mizoram. The study ascertained the entrepreneurial motivations of the weavers, evalutated the growth and managerial performance and the problems of the micro handloom enterprises in Thenzawl.

1.6.4 Studies on Marketing of Handloom Products

Some significant studies on marketing of handloom products were reviewed to understand the marketing policies of the handloom sector in India.

Rama Mohana Rao (1990) conducted a study on the production and marketing characteristics of handloom industry in Karimnagar district (Andhra Pradesh).

Sudan (1997)critically analyzed the prevailing marketing practices, policies and the working of Jammu &Kashmir State Handloom Development Corporation Ltd.

He also analyzed the problems faced by the corporation so as to provide suitable remedial measures to overcome them.

Niranjana (2004) in her study based on three regions of Andhra Pradesh, namely, coastal Andhra, Rayalseema and Telangana, contradicted the popular perceptions that handlooms catered to a niche market only, both overseas and in India; and that setting up of cooperatives was a panacea to tackle the problems of yarn, market access and employment of the handloom industry. It was further observed that on the one hand, the well functioning smaller cooperatives had suffered due to mergers with larger cooperatives, and on the other side, the apex body of weavers' cooperative societies had failed in their marketing strategies, which led to the collapse of many cooperatives and ultimately affected the common weavers in the state. The study suggested that several issues related to the handloom industry required mapping and analysis on the basis of field information.

Sharma (2004) traced the success of providing innovative Business Development Services (BDS) in design and product development; upgradation of weavers' skills and development of marketing tie-ups through National Institute of Fashion Technology (NIFT) in different handloom clusters in 14 districts of Andhra Pradesh.

Durai (2005) studied the functional problems faced by the handloom cooperative societies in Tamil Nadu and highlighted the importance of the handloom sector in the Indian economy.

Niranjana et al. (2006) attempted to highlight certain trends and processes that typify marketing of handlooms and offered insights into understanding marketing practices of artisanal production. Syamandari and Niranjana (2006) also found answers to the non market factors and conditions that influence marketing practices of the handloom industry in India. They studied the production-related innovations undertaken by handloom firms and argued for a production paradigm that values growth along with equity.

Kumar (2006) presented the case of Anokhi (a federation of craftsmen) in reviving Rajasthan block prints and changing the way in which these craft items were marketed while Aruna M. (2006) traced the case study of Urmul Trust in Bikaner, Rajasthan in making handloom weaving a major income generating activity by product innovation and diversification to cater to the demands of national and international markets.

Mathur (2006) cited the role of Rehwa Society in the phenomenal growth of Maheshwari handlooms in the Nimmar region of Madhya Pradesh. Kasturi (2006) explored the successful marketing strategies adopted by Developing Ecological Sustainable Industry (DESI) trust in creating a brand identity for handloom products in Karnataka.

Niranjana and Syamasundari, (2006) presented a case study of the role of master weavers of Mangalagiri town in Andhra Pradesh in product differentiation and exploring new markets.

Puri (2006), studied the marketing strategies adopted byDastkar Andhra Marketing Association (DAMA) in Andhra Pradesh to expand market share of handloom products. In a similar study, Dharmaraju (2006) explored the experiences of weavers in two handloom weaver cooperatives in Angara and Koyyalagudem in Andhra Pradesh.

Modak (2006,2007) traced the success of Fab India as a major player in the retail handloom sector in India and the reasons behind the success of Fab India.

Syamasundari (2007) contended that the handloom industry is far from being a ‘sunset industry’ and by building upon the strengths of the handloom industry such as product innovation, organizations involved in the marketing of handlooms can lead the industry into a bright future.

Gopisetti and Venkateshwari (2008) analyzed certain marketing aspects such as the production method, branding and packaging of several products, including handloom saris by Self Help Groups (SHGs) in Nellore, Kurnool and Nalgonda districts in Andra Pradesh.

Twenty handloom clusters from different parts of India were identified by the Office of the Development Commissioner (Handlooms), Ministry of Textiles, Government of India in the first phase during the Eleventh Plan for cluster development activities on the basis of diagnostic studies prepared on these 20 handloom clusters. This includes two handloom clusters in the NE region, namely, Imphal and Bijoy Nagar. However, other handloom clusters in the NE region have been neglected as areas of research.

SIRD (2007) in its study on the Handloom Sector of Assam observed that the sector has been perceived as a vehicle for eventual growth and progress of the region by policy- makers, planners and others at the helm of power. But it has also been conceded that it has traditionally engaged in mass production of low- value items with its full potential yet to be explored. According to the report, a few reasons for low performance were unorganized production based, outdated technology, irregular supply of raw material, ascertaining changing needs of customers, failure to forecast appropriate demand, inability to determine extent of competition, resolving an effective pricing policy, sloth in identifying a proper distribution network and deficiency in formulating a sales promotion policy. The report also observed that handloom is more practiced in the tribal dominated areas than the non-tribal areas. Conclusion was drawn by stating that marketing is one of the weakest links in the handloom industry of the State. Production in the handloom sector should be linked with adequate understanding of the markets to avoid accumulation of stock and also developing consumer tastes and preferences.

The studies on marketing on handloom products in NE region are scanty and particularly in Mizoram. Ramswamy (2012) conducted a study on entrepreneurial aspects of tribal weavers in Thenzawl handloom cluster in Mizoram. This study ascertained the entrepreneurial motivations of the weavers, evalutated the growth and managerial performance and the problems of the enterprises micro handloom enterprises. Marketing emerged as a significant problem of the micro enterprises in Thenzawl.

Thus, there is no substantive evidence of any in depth research work done so far exclusively on the marketing aspects of handloom products of Mizoram. This research gap has prompted the researcher to take up the proposed study.

1.7 NEED FOR THE STUDY

The North East region has a rich tradition of weaving exquisite cloth material on handlooms. Some of the handloom products, which are known for their excellent craftsmanship in the region are- carpets of Arunachal Pradesh, *muga* silk products of Assam, *lashingphee* of Manipur, shawls of Nagaland and *puans* of Mizoram. Other common handloom products such as bed sheets, *chaddar*, scarf and jackets are found in almost all the States of the region (NEDFi, 2005).

As discussed earlier, the handloom sector provides employment to the most vulnerable sections of the Indian population, viz SCs, STs, OBCs and women. The NE States of India have the largest concentration of handlooms in the country (more than 65 per cent of the total looms). Mizoram has a handloom workforce of 41,189 persons working on 23,938 looms (NCAER, 2010). The looms are located mostly in Thenzawl of Serchhip district and in certain parts of Aizawl district and Lunglei district. The Government of India envisages to develop the handloom sector on a cluster based approach. The government of India aims to organize more than 36.88 lakhs weavers in handloom cluster based on mapping of new clusters to determine the presence of crafts people across the country (Government of India, 2011).

The small State of Mizoram has no major industry and has remained industrially backward with 60 percent of the population dependent on agriculture for their livelihood. In the absence of large industries, handloom sector plays an important role in the Mizo economy. *Puantah* (weaving in Mizo) is an integral part of the Mizo culture. The tradition of weaving by hand is intricately and inextricably meshed in the socio cultural ethos of Mizoram. Handlooms, as village industries, were originally being practiced in the region as hereditary occupation.

As evidenced from the research study conducted by (Ramswamy, 2012) the market for the products of the entrepreneurs in Thenzawl handloom cluster was primarily local in nature i.e. restricted to the State of Mizoram only. The marketing problems plaguing the cluster were: low margin, slackness in demand, traders not giving good price for products and problem of distribution in that order. She observed that there was an over dependence of the entrepreneurs on a few retail outlets who exploit them by charging high margin of profits.

In this context, the present study proposes to identify the marketing practices adopted by the handloom enterprises in the cluster with a view to provide remedial action to improve the marketing performance through appropriate linkages with the intermediaries, innovation in production and new product-development processes and so on. In the words of Gupta (1997), 'Marketing is the centre nerve of every industrial activity. It is equally vital for the handloom sector which is not only unorganized but also lacks the research base.' An in depth study on the marketing practices adopted by the entrepreneurs of Thenzawl cluster would enable the researcher to provide concrete suggestions for improving the marketing performance of the micro enterprises in Thenzawl handloom cluster.

1.8 STATEMENT OF THE PROBLEM

Marketing has been a general problem faced by the handloom industry in India, since these products are known for niche marketing and meant for mass marketing.

Research evidence shows that marketing has been a general problem faced by the handloom industry in India (Mahapatro, 1986, Kanakalatha and Syamasundari, 2002, Rama Mohana Rao, 1997, Narasaiah and Krishna, 1999, Sudan, 1997, Venkateswarlu, 2005 and Dev et al, 2008).

Ramswamy (2012) in her study on Thenzawl cluster observed that the market for the products of the entrepreneurs in Thenzawl handloom cluster was primarily local in nature i.e. restricted to the State of Mizoram only. The significant marketing problems plaguing the cluster were: low margin, slackness in demand, traders not giving good price for products and problem of distribution in that order. She observed that there was an over dependence of the entrepreneurs on a few retail outlets who exploit them by charging high margin of profits.

In spite of the challenges faced, the handloom sector has shown great resilience in surviving and growing over decades. Cluster such as Chanderi in Madhya Pradesh and Kannur in Kerela which were faltering and declining in terms of growth in market and sales have demonstrated that with the appropriate kind of intervention from and collaboration with various national and international agencies and Business Development Services (BDS) providers they have not only survived but shown exemplary growth in terms of quality, sales turnover and market spread and become benchkmark clusters for others to emulate. Several other case studies viz Anokhi (Kumar, 2006) in Rajasthan, Rehwa (Mathur, 2006) in Madhya Pradesh, DESI (Kasturi et al, 2006) in Karnataka, Dama (Puri, 2006), weavers of Mangalagiri town in Andhra Pradesh (Niranjana and Syamasundari, 2006) provide an insight into successful marketing strategies initiated in these regions based on indepth studies on the marketing practices in these clusters.

This study proposes to focus on the marketing aspects of the micro handloom enterprises in Thenzawl cluster. Marketing involves a number of functions in order to achieve its target of consumer satisfaction. These functions are independent in themselves and often described as marketing mix. The marketing mix is made up of four elements namely Product, Price, Place and Promotion(4 P's) that constitute the marketing decisions from marketers view point. The present study proposes to identify various aspects relating to the 4 P's of marketing mix as follows:

Product practices: product planning, product design, product mix and product line, product features such as branding, packaging, and quality.

Pricing practices: pricing objectives, factors influencing pricing policies, discounts, responding to price changes.

Placing (Distribution): factors influencing channel decision, channel management, physical distribution.

Promotion: promotion mix in terms of advertising, personal selling or salesmanship, sales promotion, publicity, exhibitions and fairs, public relations and so on.

1.9 OBJECTIVES OF THE STUDY

1. To identify marketing practices viz product, price, place and promotion of micro handloom enterprises in Thenzawl cluster.
2. To provide suggestions to the handloom enterprises and other stakeholders involved in the development of the enterprises.

1.10RESEARCH METHODOLOGY

1.10.1 Scope of the study: The study will be restricted to Thenzawl handloom cluster, located in Serchhip district, one of the eight districts of Mizoram. Thenzawl is at a distance of about 93 kilometers from Aizawl, having population of 7219 and a literacy rate of 85.59 per cent (Directorate of Economics and Statistics, Mizoram, 2012). Thenzawl is perhaps the only handloom cluster which has been mapped in the state of Mizoram. Thenzawl is also popularly known as weaving town in Mizoram and it is perhaps the only town in the state where one can find such a large concentration of weavers.

1.10.2 Sampling: In 2012 there were 325 micro handloom enterprises engaged in commercial weaving activities, operating on the basis of sole proprietorship in Thenzawl. Out of 325 entrepreneurs, 175 respondents (based on formula developed by Krejcie and Morgan, 1970) were randomly selected on lottery basis to collect primary data.

1.10.3 Data Collection: A structured questionnaire in Mizo language was administered to the sample respondents in order to collect relevant primary data on the marketing practices adopted by the sample enterprises .This was supplemented by unstructured interviews and participatory observations with the sample entrepreneurs and intermediaries.

Secondary data was collected by consulting relevant reports, journals, magazines, books, newspapers and websites. Some of such data was collected from the following reports and institutions:

- Handloom Census Reports
- Diagnostic Reports of Handloom Clusters
- National Institute of Micro Small and Medium Enterprises (NIMSME), Hyderabad.
- Entrepreneurship Development Institute of India (EDI), Ahmedabad.
- Indian Institute of Entrepreneurship (IIE), Guwahati.
- Central Library, Mizoram University.
- Directorate of Industries (Handlooms & Handicrafts), Government of Mizoram.

Simple statistical tools were used to interpret and analyse the data collected.

1.11 CHAPTERIZATION

Chapter I- Introduction

Chapter II- Thenzwl Handloom Cluster: An Overview

Chapter III –Marketing Mix of Handloom Enterprises- Product, Pricing, Distribution and Promotion

Chapter IV- Conclusion and Suggestions

Bibliography

NOTES

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1. Scheduled Castes (SCs) are Indian population groupings that are explicitly recognised by the Constitution of India (http://en.wikipedia.org/ wiki/Scheduled castes and scheduled tribes).

2. Scheduled Tribes (STs) are Indian population groupings that are explicitly recognised by the Constitution of India (http://en.wikipedia.org/wiki/ Scheduled castes and scheduled tribes).

3. Other Backward Castes (OBCs)is a collective term, used by the Government of India, for castes which are economically and socially disadvantaged and face, or may have faced discrimination on account of birth (http://en.wikipedia.org/wiki/Other Backward Class).

4. *Assam-Burman sub-group*Mizos are said to be the Assam-Burman sub group that had branched off from the Tibeto-Burman group of the main Tibeto-Chinese race. Some authors have classified them as Tibeto-Burman, because of the affinity of the language, even though they have described them as people who once lived in Chhinlung (Verghese and Thanzawna, 1997).

5. *Tlawmngaihna*is a moral code of conduct which encouraged the Mizos to be courteous, unselfish, courageous and industrious and always to help others even at considerable inconveniences to oneself and to surpass others in doing one's daily task efficiently. There is no equivalent English word for this good quality (Verghese and Thanzawna, 1997).

6. *Cheraw:* The popular bamboo dance which displays a perfect synchrony of the movements of the footsteps of the Mizo girls to the beats of the bamboo. A long bamboo staves are used for this dance, many people call it the bamboo dance.

7. *Khuallum*is the dance performed by a group of dancers in colourful dresses to the tune of drums and gongs. Khuallum is the dance for the visitors or guests.

8. *Chhei la*m is the dance that personifies the spirit of joy and exhilaration performed to the song known as *Chhei Hla*, which contains lyrics that are simple and spontaneous.

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THENZAWL HANDLOOM CLUSTER: AN OVERVIEW

This chapter proposes to trace the genesis and growth of Thenzawl handloom cluster, study the gender perspective and socio-economic profile of the entrepreneurs in Thenzawl, such as, their age, educational qualifications, family structure, occupation, marital status, religion and so on.

2.1 THE GENESIS OF THE CLUSTER

The idyllic town, Thenzawl is located in Serchhip district in the state of Mizoram (see exhibit 1), with a population of 7,219 and at a distance of 93 kilometers from Aizawl, the capital city (Directorate of Economics and Statistics, Mizoram, 2012).Among the eight districts of Mizoram, Serchhip ranks fourth in population density and seventh in population size. Serchhip ranks first in terms of sex ratio, with 51 per cent male and 49 per cent female.

Thenzawl was historically a dense forest inhabited by wild animals before agricultural cultivation began in 1960s. Benghuaia Sailo established a settlement and transformed it into a village in 1960s.Kamlova's son, Lalngurchhina was the last chief of Thenzawl. In the aftermath of the 1966 Mizo National Front uprising, Thenzawl was among the villages where people were regrouped together in 1968.

Thenzawl is popular for its natural beauty as well as for its traditional Mizo handloom industry. Thenzawl handloom cluster was mapped for the first time by Rama Ramswamy in 2008 as part of her research study on entrepreneurs and she traced the birth of Thenzawl handloom to 1982 when four enterprises started operating (eight) looms for commercial production of handloom products. During 1982-1985, six more enterprises started commercial weaving activities increasing the number of looms to 35.

Since then the cluster has been on a growth trajectory registering an increase in enterprises as well as the number of looms. In 2008, the cluster reportedly had 205 handloom enterprises operating in the cluster (Ramswamy, 2012).The present study observed that there has been a steady increase of micro enterprises since then and the researcher observed that presently (2013) there were 325 micro enterprises operating in the cluster. Today almost every house owns a loom and as one walks the street of Thenzawl, the sound of loom operating can be distinctly heard. During the field study it was observed that most of the weavers (88.6 per cent)weave at their home. Thenzawl has become an important centre of weaving providing livelihood to a significant number of households in the town. The looms at Thenzawl weave rich and colourful varieties of handloom products.

2.2 GROWTH OF THE CLUSTER

Notably, most of the entrepreneurs in the cluster were women. These women in Thenzawl have transformed the weaving activities from a domestic chore to a viable commercial enterprise and empowered themselves economically. The women mostly weave at home or weave in sheds located in close proximity to their homes as it allows them the convenience of weaving as well as managing their household chores.

Cluster processes have played a vital role in influencing the decision of the entrepreneurs to set up handloom enterprises in the cluster. There is evidently a positive impact of cluster on entrepreneurship as cluster relationship and deriving positive synergies from linkages with other units in the cluster was the dominant expectation of the entrepreneurs in setting up their own enterprises. Networking of firms in the cluster appears to be an important advantage derived by the enterprises which has led to an agglomeration of firms (Ramswamy and Jyoti Kumar, 2011).

This growth of micro enterprises has transformed Thenzawl into the land of entrepreneurs in the tribal state of Mizoram. Most of these women entrepreneurs were initially employed as weavers under master weavers but today have bought their own looms from their savings, generated from their hard earned money and become entrepreneurs. The impact of cluster processes on these women entrepreneurs is incredible, the hope, determination, the motivation it gives has helped all these entrepreneurs to become what they are today. This further corroborates the findings of the study conducted by Ramswamy and Joyti Kumar (2011) in 2008, on the impact of cluster on entrepreneurship as the number of enterprises has risen from 205to 325 in five years.

The table below gives the year of commencement of business by the sample entrepreneurs. As mentioned earlier, though commercial production of handloom products started in 1982 in Thenzawl it is observed from table 2.1 that during the first phase i.e. 1982-1990 only 16 per cent of the total sample entrepreneurs started their enterprises. The growth of enterprises witnessed during 1991-2000 was not very significant as only 11.4 per cent started their business during this period. 2001-2010decade witnessed the commencement of 27.4 per cent of enterprises. Notably, 45.1 per cent of the sample respondents started their enterprises during the years 2011-2013, out of which 23.3 per cent became entrepreneurs in 2013, showing the tremendous growth of the cluster in this decade. It may be inferred that cluster processes are playing an important role in agglomeration of firms in the cluster.

Table 2.1: Year of Commencement of Business by the Entrepreneurs

Year of Commencement	No. of Entrepreneurs	Per cent
1982-1990	28	16
1991-2000	20	11.4
2001-2010	48	27.4
2011-2013	79	45.1
Total	175	100

Source: Primary data collected in August 2013

2.3 THE SOCIO-ECONOMIC MILIEU

The Mizos are a distinct community and traditionally their life revolves around their village. The Mizo village is usually located on top of a hill with the Chief's house in the centre and the bachelor's dormitory, called *Zawlbuk*, prominently located at a central place. *Zawlbuk* was the focal point where all young bachelors of the village dwelled. It was the training ground and indeed the cradle wherein the Mizo youth was shaped into a responsible adult member of the society. Although Christianity has brought about a near- total transformation in the urban Mizolife style and outlook some customary laws have stayed on. Some of the customs and traditions that have been replaced are- tea replaced *Zu* (Alcohol) as a popular drink among the Mizos, *Zawlbuk* has been replaced by modern education and animal sacrifices on ceremonial occasions, which were once an integral part of the traditional Mizo tribal system are now considered anathema. Mizos are a closely-knit society with no class distinction and no discrimination on the ground of sex or caste. The important occasions of the Mizo community are birth of a child, marriage in the community and death of a person in the community, wherein, almost the whole community gets involved and bond with each other.

The Mizos festival such as, *Mim kut*, *Chapchar Kut, Pawl Kut* are connected with agricultural operations. *Mim Kut* also known as the Maize festival is usually celebrated with much fanfare during the months of August and September, after the harvest of maize; *Chapchar Kut* is celebrated sometime in March after completion of their most arduous task of *jhum* operations; and *Pawl Kut* is the harvest festival celebrated during December to January. It is perhaps the most popular festival with plenty of grains in the barn and all the labour of the year over.

2.3.1 Clan of Entrepreneurs

Mizos were broadly classified into nine major and 13 minor tribes and sub-tribes. These tribes and sub-tribes are further divided into number of clans. The major tribes of Mizoram are: *Lusei* or *Lutsei* (consists of ten clans and six chief's clans), *Pawi* or *Lai, Hmar, Lakher or Mara, Paite or Vuite, Ralte* (sub tribe), *Chakma or Tsak or Sak, Riang or Tuikuk, and Mogh or Mok or Thakma*. The sub tribes are*: Chawngthu, Chawthe, Ngente, Khawlhring, Khiangte, Pautu, Rawite, Renthlei, Tlau, Vangchhia, Zawngte, Pang and Bawng*. The *Lusei* consists of ten commoners' and six chiefs' clan. The commoners' clan include*Pachuau, Chhangte, Chawngte, Hauhnar, Chuaungo, Hrahsel, Tochhawng, Vanchhawng* and *Chhakchhuak*. The six chiefs'clans are: *Zadeng, Palian, Thangluah, Rivung, Rokhum and Sailo* (Verghese and Thanzawna, 1997). The following are the different tribes/ sub-tribes/ clan of the sample entrepreneurs.

Table 2.2: Distribution of Tribes/Sub-Tribes/Clans of the Entrepreneurs

Tribes/Sub-Tribes/Clan	No. of entrepreneurs	Percentage
Bangsal	1	0.6
Bawitlung	4	2.3
Bethlun	2	1.1
Bungsut	2	1.1
Chalching	1	0.6
Chawngthu	14	8.0
Chhakchhuak	26	14.9
Chhangte	2	1.1
Chingzah	1	0.6
Chuauhang	2	1.1
Fanai	4	2.3
Hauhnar	6	3.4
Hlawnchhing	1	0.6
Hmar	11	6.3
Hnamte	4	2.3
Hrahsel	1	0.6
Kawlni	1	0.6
Khawlhring	12	6.9
Khiangte	2	1.1
Lathang	1	0.6
Lungthing	1	0.6
Ngente	1	0.6
Pachuau	11	6.3

Palian	1	0.6
Pautu	1	0.6
Ralte	24	13.7
Renthlei	4	2.3
Rokhum	1	0.6
Sailo	13	7.4
Thangluah	3	1.7
Tlau	6	3.4
Vanchhawng	6	3.4
Vangchhia	2	1.1
Zadeng	3	1.7
Total	175	100

As shown in the table among the 175 sample entrepreneurs in Thenzawl, 14.9 per cent belonged to *Chhakchhuak*, the commoners' clan, followed by *Ralte* (sub tribe) constituting 13.7 per cent of the entrepreneurs, followed by the Chiefs' clan, *Sailo* (7.4 per cent).

Mizoram being the land of tribals, it was observed that all the sample entrepreneurs belonged to the Schedule Tribe. Moreover, social relationships are not dominated by tribes or sub tribes or clans within the Mizo community. Further the occupation of weaving is not restricted to specific castes, clans or tribes. It is observed from table 2.2 that entrepreneurs from the commoners' clan as well as chiefs' clan were involved in weaving activities. This phenomenon seems to be unique to this cluster as it is evident from research literature that in many parts of India such as Kanchipuram (Tamil Nadu), Varanasi (Uttar Pradesh), Sonepur and

Bargarh (Orissa) and Bhalgalpur (Bihar), the weavers belonged predominantly to certain castes (Arterburn, 1982 and Dignostic Reports). Handloom weaving in the country has remained more or less a traditional caste and family based occupation. The entry barrier was very high in terms of caste in many weaving clusters. Whereas it is observed that there are no such entry barriers to the weaving occupation in Thenzawl on the basis of clans/ tribes/ sub-tribes.

It is observed that the sample entrepreneurs in Thenzawl share a strong sense of common identity despite the fact that they belonged to different tribes or sub-tribes or clans and abound in 'social capital.'

2.3.2 Age of the Entrepreneurs

Traditionally, the mizo women learnt the skills of weaving from their mother at early childhood. Lalrinmawia (1995) while the young Mizo men went hunting, the girls sat and weaved or spinned with their mothers, watched with keen interest by their little sisters- all of whom eagerly would jump at any offer to try their hand at this fascinating past time of their elders. Even though modernization has transformed the life of the urban Mizo women in many ways, the tradition of weaving has sustained in this remote cluster. Table 2.3 shows the age group to which the sample entrepreneurs belonged.

Table 2.3: Distribution of Age of the Entrepreneurs

Age (in years)	No. of Respondents	Per cent
Below 30	54	30.9
31-40	64	36.6
41-50	36	20.6
51-60	16	9.1
Above 60	5	2.9
Total	175	100

A large number of entrepreneurs (36.6 per cent) were in the age group between 31-40 years, followed by the age group of below 30 years (30.9 per cent) and 41-50 years (20.6 per cent). Only five respondents were above 60 years (2.9 per cent).

The present study corroborated the findings made by Ramswamy and Joyti Kumar (2010), in which she observed that the age group of 31-40 years were maximum among her sample entrepreneurs, followed by 41-50 years and below 30 years.

2.3.3 Education

As the British invaded the hills of Mizoram in the 19th century, Lushai Hills (erstwhile name for Mizoram) came under the influence of the British Missionaries. One of the gains of missionary activities was the spread of education. As the Mizo language had no script of its own, the missionaries introduced the Roman script for the Mizo language. They learnt the local languages and set up primary schools and hospitals (Sharma and Sharma, 2005).

The state today boasts of a high percentage of literacy (91.58 per cent), in fact Mizoram ranked second in literacy rate among all the states in India. The overall literacy rate of Serchhip is 98.76 per cent. The literacy rate among males was 99.24 per cent 98.28 per cent among females (Census Report, 2011). However, this high literacy rate does not reflect in quality of the education.

According the Census Report 2011, Thenzawl town had an overall literacy rate of 84.81 per cent. The literacy rate among males was 84.1 per cent whereas the literacy rate among females was 85.53 per cent. Table 2.4 indicates that almost all the sample entrepreneurs (99.6 per cent) were literate in the cluster. Interestingly, the literacy rate among the sample entrepreneurs surpassed the overall literacy rate of the state of Mizoram (91.58 per cent), the district of Serchhip (98.76 per cent) and Thenzawl village (84.81 per cent).

Table 2.4: Educational Level of the Entrepreneurs

Education	No. of Entrepreneurs	Per cent
Illiterate	1	0.6
School	157	89.7
College	17	9.7
University	0	0.0
Professional	0	0.0
Total	175	100

Out of the 175 sample entrepreneurs, 89.7 per cent attended school but only nine per cent of the sample entrepreneurs have attended college. Among the 175 sample only one entrepreneur is illiterate. Ramswamy and Joyti Kumar (2013) observed that the girl children in Thenzawl help out their mothers in weaving, pre-weaving and post-weaving activities while schooling and normally drop out of school in Class 7 or Class 8 after attaining competence in weaving handloom products

It was observed that Thenzawl did not have a college which forced them to travel 30 kms to Serchhip town (the headquarters of Serchhip District) for higher education. The fact that only nine per cent of the sample entrepreneurs have attained college education may be attributed to this. The findings of the present study corroborate the findings of the study conducted by Ramswamy and Jyoti Kumar (2010). The literacy rate in Thenzawl, however, at compares favorably with other clusters such as Bhagalpur in Bihar where majority of the weavers were illiterate, Barabanki in Uttar Pradesh, majority of the weavers had not gone to school and Nellore in Andhra Pradesh where 18.26 per cent of the weavers were illiterate (Diagnostic Reports and Bhaskar Rao, 1998).

Though the educational background of the entrepreneur is crucial for his/her success, in the case of craft entrepreneurs lack of education does not restrict their entry into entrepreneurship in their field of activity. Moreover, their creative ingenuity, creativity and precision finds expression in their products. Notably all the sample entrepreneurs possessed weaving skills imbibed from their mothers from early childhood which has encouraged them to initiate themselves to start their own micro handloom enterprises. However, formal education would certainly enable them to manage their enterprise successfully. In fact, McCrory (1956) and Norman Smith (1967) observed that success often eluded craft entrepreneurs. Bhaskar Rao (1998), on the basis of his study on weavers in Andhra Pradesh opined that that education is necessary to understand and keep pace with up-to-date changes in the market and technical field.

The entrepreneurs in Thenzawl lacked managerial skills to operate their enterprises which are crucial for the success of any enterprise. They lacked even the knowledge of maintenance of documents and preparation of basic Books of accounts.

2.3.4 Marital Status of Entrepreneurs

Being a tribal society Mizos do not lead a conservative social life. According to Sharma and Sharma (2005), in the evenings the bachelors would go round courting the maidens, this system of dating is known as '*nula rim.'* The boys get married between the ages of 18 and 23 and the girls between 16 and 22. The groom has to pay bride price to the relations of the bride. In earlier times bride price was paid in the form of *mithuns*, pigs and guns. Now this is paid in cash and marriages are solemnized in the church. The Mizos also follow simple laws of divorce. Traditionally the Mizo men are sanctioned by their society in certain circumstances to divorce their wives by merely uttering the word "*ma*" which means that he divorces his wife. Subsequently, the wife will just pay back the bride price and the divorce is effected. Besides the above mentioned customary law, Mizos, being a patriarchal society, property is inherited by men rather than women. Pertinently, all the sample entrepreneurs n the present study were female who would not inherit the family property according to the Mizo customs but can depend on weaving to make their living.

As shown in table 2.5 a majority of the sample entrepreneurs were unmarried (62.9 per cent), followed by married women (17.1 per cent), divorcees (14.3 per cent) and widows (5.7 per cent).

Table 2.5: Marital Status of the Entrepreneurs

Marital Status	No. of Entrepreneurs	Per cent
Unmarried	110	62.9
Married	30	17.1
Divorced	25	14.3
Widow	10	5.7
Total	175	100

Even though, there were many similarities between the study conducted in 2008, (Ramswamy and Jyoti Kumar 2010) and the present study, there is a marked difference in the marital status of the sample entrepreneurs in the present study. In 2008 married (62.89 per cent) status was the highest, followed by unmarried (23.71 per cent). In contrast, a majority of the sample entrepreneurs (62.9 per cent) were unmarried in the present study. It may be inferred that weaving is suitable even for single women, who wanted to start their enterprises at young age. Interestingly, it appears that weaving has made the women economically independent even before marriage as they have initiated themselves into the occupation at a young age. This augurs well for the economic empowerment of tribal women in this remote corner of India's NE.

2.3.5 Type and Size of Family

Handlooms in India are traditionally family based enterprises where the members of the family engage in ancillary activities. Lalrinawma (1995) observed that joint family system was still prevailing in Mizoram.

Table 2.6: Family Structure of the Entrepreneurs

Family Structure	No. of Entrepreneurs	Per cent
Joint family	85	48.6
Nuclear family	90	51.4
Total	175	100

Ramswamy and Joyti Kumar (2010) in her study conducted in 2008 observed that only 26.80 per cent of the sample entrepreneurs were living in nuclear families and high proportion (73.20 per cent) of the sample entrepreneurs were from joint families.

However, in the present study the researcher observed that joint family and nuclear family co-existed. Nuclear families (51.4 per cent) were marginally more in proportion as compared to joint families (48.6 per cent) among the sample entrepreneur’s families (Table 2.6).

The size of the family suggests the number of members dependent on the enterprise. Moreover, as discussed earlier, young Mizo girls learn the weaving skills from their mothers very early and make valuable contributions to the enterprise. Table 2.7 analyses the size of the family of the sample entrepreneurs. It is observed from the table that 53.1 per cent of the sample entrepreneurs have family up to five members, 44 per cent have 6- 10 members and 2.9 per cent of the entrepreneurs have 11-15 members in their family.

Table 2.7: Family Size of the Entrepreneurs

Family Size	No. of Entrepreneurs	Per cent
Upto 5	93	53.1
6-10	77	44.0
11-15	5	2.9
Above 15	0	0.0
Total	175	100

2.3.6 Main Occupation of the Entrepreneurs Family

Mizoram is an agrarian economy with more than 60 per cent of the population depending on agricultural popularly known as ‘jhum cultivation’. All their activities revolved around these jhum operations (clearing the jungles for cultivation) and their festivals too are connected with such agriculture operations. The researcher enquired about the main occupation of the sample entrepreneurs to understand the significance of weaving among the sample entrepreneurs. Table 2.8 shows that 72.6 per cent of the sample entrepreneurs’ family depends on weaving as their main occupation.15.4 per cent of the sample entrepreneurs’ family depended on government jobs, 5.1 per cent on agriculture and business respectively and 1.7 per cent of the sample entrepreneurs depended on other occupations.

Table 2.8: Main Occupation of the Entrepreneurs

Occupation	No. of Entrepreneurs	Per cent
Agriculture/*Jhumming*	9	5.1
Business/Trade	9	5.1
Weaving	127	72.6
Government servant	27	15.4
Others	3	1.7
Total	175	100

According to the study conducted by Ramswamy and Joyti Kumar (2013) weaving was a significant income activity providing livelihood to 68.04 per cent entrepreneurs. Handloom continues to be an important occupation in the cluster, emphasizing the need for promoting this sector in Thenzawl.

2.3.7 Number of weavers below 18 years within the Entrepreneurs Family

The present study attempted to analyse the role played by minor children in the cluster. Table 2.9 shows the number of girl weavers below 18 years of age within the family. It is observed that in 66.9 per cent of the sample enterprises children below 18 years were not engaged in weaving activities whereas 33.9 per cent of the sample enterprises engage children in weaving activities. 24 per cent of the sample entrepreneurs have one weaver below 18 years , 6.9 per cent sample enterprises have two weavers, and 1,1 per cent sample enterprises have three and four weavers respectively in their households who actively engage in weaving activities.

Table 2.9: Number of Weavers below 18 years in Entrepreneurs Households

Weavers (in numbers)	No. of weavers below 18 years in entrepreneurs households	Per cent
NIL	117	66.9
1	42	24.0
2	12	6.9
3	2	1.1
4	2	1.1
Total	175	100

As mentioned earlier Mizo girls learned weaving at a very young age. It was observed that girl children usually weave before going to school and after returning from school and usually drop out from school after class seven or eight after they gain competency in weaving (Ramswamy and Joyti Kumar, 2013). A similar phenomenon was observed by the researcher in the present study. It is evident that minor children were playing a significant role in the cluster.

2.3.8 Income from the Enterprise

Making profits is a predominant objective of every enterprise and enables the firm to sustain and grow. Table 2.10 shows the annual average income of the sample enterprises from weaving only. An overwhelming majority of the enterprises (91.9 per cent) earned an annual income of above₹100,000 and above, six per cent earned ₹60,001 to 100,000 and2.2 per cent earned 20,000 -60,000 from weaving activities only. None of the sample enterprises earned less than 20,000 annually.

Table 2.10: Annual Average Income of Entrepreneurs from Weaving

Income	No. of Weavers	Per cent
₹ 20000	0	0
₹20001-40000	2	1.5
₹ 40001-60000	1	0.7
₹ 60001-80000	4	3.0
₹ 80001-100000	4	3.0
Above ₹ 100000	124	91.9
Total	135*	100

*40 sample entrepreneurs commenced their business operations in 2013 only and as the primary data for the present study was collected during August- September, these enterprises were not included in the table.

In contrast, in 2008 (Ramswamy and Joyti Kumar 2013) only 10.31 per cent of the entrepreneurs earned annual average income of ₹100000 or more. It can be inferred that weaving has emerged as a significant source of livelihood to the tribal women of Thenzawl.

2.3.9 Membership in Handloom Cooperatives

Handloom workers in India are currently scattered and work either in isolation or under different mechanisms. Membership in cooperatives societies can protect the rights of weavers and facilitate access to development programs. It is distressing to note that membership in cooperative societies is low in India. Most of the handloom households in India who have reported being members of cooperatives are found in Tamil Nadu (27.6 Per cent), Andhra Pradesh (18.1 per cent), NE (16.8 per cent), West Bengal (8.3 per cent) and Orissa (7.2 per cent) (NCAER, 2010).Table 2.11 gives the details of membership of sample entrepreneurs in Co-operative Societies. Only 5.7 per cent of the sample entrepreneurs were members of any of the co-operatives societies whereas an overwhelming majority of the entrepreneurs (94.3 per cent) have preferred not to be part of the co-operative societies.

Table 2.11: Membership in Handloom Cooperative Societies

Membership in Co-operative Society	No. of Entrepreneurs	Per cent
YES	10	5.7
NO	165	94.3
Total	175	100

As a cluster intervention strategy, the Government of Mizoram appears to have in the recent years introduced the concept of formation of co-operative society in Thenzawl to strengthen the erstwhile Thenzawl Handloom and Handicrafts Association (an unregistered institution). However, the concept of co-operative society appears to be nascent in Thenzawl cluster, as the researcher observed during the field study that only about five per cent of the entrepreneurs have taken up membership in eight co-operative societies which have been formed lately. Moreover, the government and non- government agencies need to undertake concerted efforts to educate the weavers about the fundamental concept of a co-operative society and the benefits that could be derived from it.

2.3.10 Possession of Weavers Identity Cards and Health Cards

The third Handloom Census conducted in 2010 (NCAER, 2010) envisaged to create a database of weavers and allied workers throughout the country and facilitated the distribution of photo identity cards to genuine weavers identified by the Census survey. The photo identity cards were issued to ensure that only genuine weavers would get benefits from the various schemes implemented by the Office of Development Commissioner (Handlooms), Government of India. The photo identity cards would be an effective tool for promoting the handloom sector in the country. To this end, the researcher made an attempt to find out how many sample entrepreneurs in Thenzawl cluster possessed weavers photo identity cards. Table 2.12 shows the status of the possession of the weaving identity cards by the sample entrepreneurs. It was distressing to note that only 37.1 per cent of the entrepreneurs possessed weaver photo identity cards, whereas a huge majority of 62.9 per cent of the entrepreneurs did not possess weaver photo identity cards. The fact that a majority of the weavers do not possess weavers' photo identity cards exposes the lacunae in the distribution system of weavers' photo identity cards in Thenzawl.

There is an urgent need to plug the gaps in the system of distribution of weaving identity cards and identify all the weavers in the cluster and distribute weaving identity card to each of them to facilitate the cluster to grow. (see exhibit 2)

Table 2.12: Possession of Entrepreneurs Weaver's Identity Card

Possession of Weaver's Identity Card	No. of Entrepreneurs	Per cent
YES	65	37.1
NO	110	62.9
Total	175	100

Another significant initiative taken by the Government of India was distribution of Health Cards to all the weavers possessing photo identity cards in India. The fact that a majority of the weavers in Thenzawl do not possess the weaver photo identity card will hamper the process of distribution of health cards to the genuine weavers in the cluster. The Government of Mizoram should take urgent steps to distribute photo identity cards and health cards to all the weavers in the cluster strictly adhering to the norms formulated by the Government of India.

2.3.11 Religion

The old religious tenets followed by the Mizos believed in one supreme God called the *Pathian* who is the overlord of men and in *Ramhuai* (demons) who inhabit the streams, the hills and the trees. The *Ramhuai* are the evil spirits who are responsible for all the ills in this world. They have to be propitiated for health, good harvest and well-being. The magic doctors or the sorcerers in the villages called *Puithiam*, offered sacrifices to these *Ramhuai*. After death the soul goes to *Pialral* or *Mitthi- Khua*. In *Pialral* all good things are available in plenty. Rice is abundant and life is luxurious. The people who had hunted a number of dangerous animals and had given a number of feasts would go to *Pialral*. Those who had not earned enough merit will live in *Mitthi-Khua* which is a place of sorrow and is supposed to be located in the *Rihlake* in Burma near Champhai, a border village of Mizoram. After staying in these places for some time, the spirits would be reborn in this world.

However today, more than 95 per cent of the Mizos have embraced Christianity as their religion. Protestants constitute a majority, followed by the Catholics, with many denominations, the main ones being Presbyterian, Baptist, Salvation Army etc. The missionaries entered the Mizo hills in 1891, and set up schools and hospitals. The old belief, *Pathian* is still in use to term God till today but the Mizos have been so enchanted by their new-found faith in Christianity that their social life and thought processes have been altogether transformed and guided by the Christian Church organizations directly or indirectly and their sense of values have also undergone a drastic change (Sharma and Sharma, 2005). It was observed that all the entrepreneurs in the present study were Christians. Christianity is gradually replacing the old indigenous values of the Mizos.

2.3.12The Gender Perspective

According to the Handloom Census 2010, work participation in the handloom sector is dominated by female workers in India. Almost 30 lakh (78 per cent) of the total adult handloom workers are females, 88 per cent of whom reside in rural areas. However, there a distinction in the gender composition of the adult handloom workforce between the NE and other Indian states. The NE states have a predominantly female adult workforce (99 per cent) in the handloom sector. States which have a significant proportion of male handloom workers are Uttar Pradesh (50 per cent), Andhra Pradesh (49 per cent), Tamil Nadu (47 per cent) and Karnataka (46 per cent) (NCAER, 2010).

Gender distribution by the criterion of 'engagement in weaving or allied activities' reveals that in general, male worker participation is more in weaving activity (24.3 per cent male and 75.7 per cent female) than in allied work (15.2 per cent male and 84.8 per cent female). Allied activities include pre-loom functions (dyeing of yarn, warping, winding, weft winding, sizing, testing, etc.) and/or post-loom activities (dyeing of fabric, calendaring, printing of fabric, make up, etc.). Also, male worker participation in weaving activities is far higher in urban areas (57.1 per cent) as compared to rural areas (19.2 per cent). On the other hand, female weavers in rural area account for 80.8 per cent of total weavers in the NE. In all other states, it is in allied activities that the dominance of female workers (85 per cent of total workers) has been observed (NCAER, 2010).

The researcher during the field visit observed that all the sample entrepreneurs were female, confirming that the handloom cluster in Thenzawl is a female domain.

As mentioned previously, traditionally the Mizo girls learn weaving from their mother while the boys go hunting or fishing. The practice of weaving is inherited from mother to daughters. They traditionally weaved on loin looms which were later replaced by fly shuttle looms. The Thenzawl handloom cluster has economically empowered the Mizo women.

Exhibit-1 An aerial view of Thenzawl Handloom Cluster

Exhibit-2Weavers Identity Card

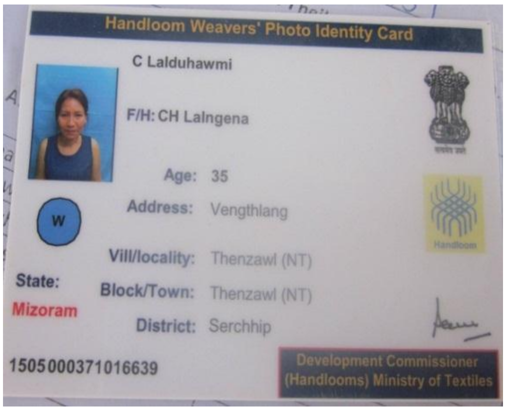

Exhibit-3 Fly shuttle loom

Exhibit-4 Weaving shed

2.4. THE HANDLOOM ENTERPRISES

2.4.1 Form of Organisation

The researcher observed that all the sample entrepreneurs were operating their enterprise on the basis of sole proprietorship.

2.4.2 Fixed Assets

This section has studied the important fixed assets owned by the sample enterprises viz, looms and working sheds

2.4.2.1 *Looms*

Thenzawl as mentioned earlier is the only mapped handloom cluster in Mizoram, table 2.13 gives us the type of looms used for weaving in Thenzawl handloom cluster. In the present study, it was observed that two types of looms were being used in Thenzawl viz, Fly shuttle/ Indian loom and Burmese looms. Looms that have fly shuttles[1] as an apparatus came to be known as fly shuttle looms (see exhibit 3). Fly shuttle loom is an advanced technological version of the loin looms. Burmese looms on the other hand is like fly shuttle loom which require lesser movements in operating. The loom is named Burmese loom, implying the country where it has originated.

98.1 per cent of the total sample entrepreneurs used fly shuttle looms. Only 1.9 per cent of the sample entrepreneurs own Burmese looms. This may be attributed to the drawbacks faced by Mizo women in operating Burmese looms due to their small physique.

Table 2.13: Types and Number of Looms Owned by the Entrepreneurs

Types of Loom	No. of Looms	Per cent
Fly shuttle/ Indian loom	506	98.1
Burmese loom	10	1.9
Total	516	100

Table 2.14 shows the number of looms owned by the sample entrepreneurs. The table indicates that 82.9 per cent of the entrepreneurs owned one to three looms. Further, it is observed that 6.9 per cent owned four to ten looms, 2.3 per cent of the sample enterprises owned 11-20 looms and 1.1 per cent owned 21-40 looms. It is evident that small weavers comprise a huge majority of the cluster. Interestingly, these entrepreneurs were operating viable enterprises with one to three looms.

Out of 516 looms owned by the sample entrepreneurs, only 5 per cent (30 looms) were idle. This compares favourably to the number of idle looms in Mizoram in 1980s. According to the survey conducted by the National Productivity Council (1984) in handloom weavers in Mizoram 11 per cent of the looms were idle. It also compares favourably to the rate of idle looms (10 per cent) at the national level (NCAER, 2010). The existence of a very low proportion (5 per cent) of idle looms in the sample enterprises in Thenzawl cluster indicates a healthy trend and shows that the enterprises were in the position to operate to maximum number of looms.

Table 2.14: Number of Looms Owned by the Entrepreneurs

No. of Looms	No. of Entrepreneurs	Per cent
1-3	142	82.9
4-6	12	6.9
7-10	12	6.9
11-20	4	2.3
21-40	2	1.1
Total	175	100

2.4.2.2 *Weaving Sheds*

An improved work shed or house-cum-work shed provides better work environment, more space, improved working hours because better lighting is available and enables the installation of improved looms (www.handlooms.nic.n/hl_workshed.pdf).

Table 2.15 indicates that 88.6 per cent of the sample entrepreneurs were operating their looms from their houses or the houses of the labourers. Only 11.4 per cent had a separate shed for weaving. A similar observation was made by Ramswamy (2012) in her study on the infrastructure of Thenzawl cluster.

Table 2.15: Place of Weaving by the Entrepreneurs

Place	No. of Entrepreneurs	Per cent
Separate shed	20	11.4
Own House	155	88.6
Total	175	100

Most of the sample entrepreneurs were operating their looms in their homes. The houses of many small weavers were typically small with two rooms, one living room with kitchen attached to it and a bedroom. The looms were usually placed in the verandah, in the living room or under the stilts in the basement of their house. Lack of space and lighting hampers their weaving activities. (see exhibit 4)

The Government of India, in pursuance of the textile Policy of 1985, introduced a centrally sponsored scheme allied Work Shed-Cum- Housing Scheme for handloom workers during the Seventh Five Year Plan, in recognition of these aspects. However, it was observed that this scheme is not functioning in Thenzawl(www.handlooms.nic.n/hl_workshed.pdf).

The Mizos are a close knit society strongly bound by religion, ethnic identities and their moral codes of conduct. Nadvi (2004) observed that the strong sense of common identity visible in clusters is based on shared norms or common notions of community that lie in ethnic, religious or cultural identities which again results in local social capital that strengthens cluster ties, fosters trust between local actors, and promotes local cooperation and support. It is evident that the cluster abounds in social capital. Interestingly the literacy levels in Thenzawl compare favourably to any other cluster in India. Moreover, the women in Thenzawl have transformed weaving from a mere domestic chore to commercially viable enterprises notwithstanding the number of looms owned by them.

Thenzawl has emerged as centre for commercial weaving activities, providing livelihood to a significant number of tribal women in a remote corner of India’s NE. Cluster processes have accelerated the development of entrepreneurship in Thenzawl and with appropriate cluster intervention strategies it can become a model cluster for others to emulate.

Note:

1. Fly Shuttle is a shuttle which is an important part of the loom made of hard wood and shaped like a miniature boat pointed at both ends. It is an improved version of the simple shuttle. The fly shuttle apparatus really quadrupled the productive capacity to the loom. The fly shuttle gave freedom to the weaver to weave straight on, which enabled him to not only produce more quickly but also enabled him to give more attention to the pattern and quality of the cloth (Murphy, 2000).

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MARKETING MIX OF HANDLOOM ENTERPRISES- PRODUCT, PRICING, DISTRIBUTION AND PROMOTION

The right blend of marketing mix strategies is vital for the success of every enterprise. This chapter attempts to examine the important tools of marketing mix viz, Product, Pricing, Distribution and Promotion of the sample enterprises in Thenzawl Handloom Cluster.

Research evidence shows that marketing has been a general problem faced by the handloom industry in India (Mahapatro, 1986, Kanakalatha and Syamasundari, 2002, Rama Mohana Rao, 1997, Narasaiah and Krishna, 1999, Sudan, 1997, Venkateswarlu, 2005 and Dev et al, 2008).

There exists a near absolute disconnect between the individual weaver and the market. The weaver who often works for the master weaver or co-operative society has no information for whom the product is produced or how it is marketed (Soumya, 2012). Ramswamy, 2012 observed in her studies on entrepreneurship in Thenzawl, that marketing was a significant problem faced by the handloom enterprises in the cluster, which has prompted the researcher to undertake the present study.

Notwithstanding these marketing problems several handloom products have found their way into international markets through the support of institutions such as Fab India, DESI and others. Fab India has over 12 stores in nine cities in India and one in Rome. It is one of the most successful pioneers in the export and retail marketing of handloom products in India. Fab India focuses on creating a brand based on quality, by educating the weavers on quality, design, customers preferences, product information and so on.

The marketing mix strategies of Anokhi (Kumar, 2007), Rajasthan; Urmul in Rajasthan (Aruna, 2006); DAMA (Puri, 2006) in Andhra Pradesh; Rehwa (Mathur, 2006) in Madhya Pradesh; DESI (Kasturi, 2007) in Karnataka give us insights on improvising the four Ps to enhance the market spread of handloom products in the national and international markets.

Marketing involves a number of functions in order to achieve its target of consumer satisfaction. These functions are independent in themselves and often described as marketing mix. The marketing mix is made up of four elements namely product, price, place and promotion (4 P’s) that constitute the marketing decisions from marketers view point.

3.1 PRODUCTPOLICIES OF MICRO HANDLOOM ENTERPRISES IN THENZAWL CLUSTER

This section examines the product policies of the handloom enterprises viz: product mix, product lines, sales turnover, branding, quality control and so on.

3.1.1 What is a Product?

A product is a good, service or idea consisting of a bundle of tangible and intangible attributes that satisfies consumers and is received in exchange for money or some other unit value. Product is a key component in the marketing mix which makes the entire process of connecting with consumers and generating sales possible. Along with price, place and promotion, the product provides the ultimate value to the customer and serves as the entire reason for the marketing effort. Therefore, a key element in the overall market offering is a product. All marketing activities revolve around product, without it all the marketing activities would be useless. Product may be a purely tangible good or service or a combination of both. A product comprises of its physical attributes, the intangible benefits, brand and product service.

According to Theodore Levitt (1975), ‘Products are almost always combinations of the tangible and intangible. To the buyer, a product is a complex cluster of value satisfactions. The generic component by itself is not a product, it is merely the minimum that is necessary at the outset to give the producer a chance to play the game. It is the playing that gets the results. A customer attaches value to a product in proportion to its perceived ability to help solve his problems or meet his needs. All else is derivative. The product is the total package of benefits the customer receives when he buys it. The customer never just buys the generic products, he buys something that transcends and what that something is, helps determine from whom he’ll buy, what he’ll pay.’

In the words of William J. Stanton (1986), ‘A product is a complex of tangible and intangible attributes, including packaging, colour, price, manufacturer’s prestige, retailer’s prestige and manufacturer’s and retailer’s services which buyers may accept as offering satisfaction of wants or needs’

3.1.2Handloom Products

The handloom product is a transformation of the yarn into exquisite fabrics by the ingenuity of the weavers. It is a combination of the yarn and the skill of the weaver.

The final product is the outcome of the creativity and expertise of the weavers. The handloom industry is dependent on the skills and enterprise of the weavers. Even the machine (loom) is manually handled by the weaver without the use of any automation or power. The weavers’ services are the most important input in the handloom industry. The weaver uses his/her nimble fingers deftly to create the varied colourful and intricate designs on the fabrics. The Mizo women have raised the craft of weaving to the level of an art form. As observed by Jaitly (2012) sophisticated colour combinations and exquisite mofits set Mizo textiles apart.

3.1.3 Product Policies

The handloom product is an expression of the socio-cultural ethos of the community and their identity. The designs and patterns are an outcome of the traditional wisdom gained, nurtured and evolved through generations. Product polices may be defined as the determination of what products to make and what are the markets to serve in order to relate an organization's productive capacity and managerial and other capabilities to customer demand (Project Report, 1990). Product policies are a statement of common elements that bind products together in a product line. They identifythe underlying logic of the product line, such as basic technology, a production liability, a distribution, strength, a focus in a well defined set of market needs, a common raw material etc. (Mamoria and Joshi, 1982).

The researcher has attempted to explore the product policies of the handloom enterprises of Thenzawl in this section.

3.1.3.1 *Product mix*

Product policy decisions are made at three different levels of product aggregation, viz., product item, product line and product mix. Product mix is the entire range of products of a company for sale. It is the full list of all the products offered for sale by a company. According to the American Marketing Association (1960), 'Product mix is the composite of products offered for sale by a firm or a business’. Kotler (1984) defines product mix as, ‘The set of all product line and items that a particular seller offers for sale’. Product mix has four important dimensions: length, width, depth and consistency.

- Length of product mix: is the total number of items offered by the company.
- Width of product mix: is the number of different product lines offered by the company.
- Depth of product mix: is the average number of items offered by the company under each product line.
- Consistency of product mix: is how closely related the various product lines are in terms of production requirement, consumer behavior, and distribution channel or in some other way.

According to Kotler and Armstrong (2008), ‘The company can increase its business in four ways. It can add new product lines, widening its product mix. In this way, its new lines build on the company’s reputation in its other lines. The company can lengthen its existing product lines to become a more full-line company. Or it can add more versions of each product and thus deepen its product mix. Finally, the company can pursue more production line consistency- or less- depending on whether it wants to have a strong reputation in a single field or in several fields’.

Table 3.1: Product Mix of Thenzawl Handloom Cluster

<table>
<tr><th colspan="5">PRODUCT MIX WIDTH</th></tr>
<tr><td rowspan="11">PRODUCT LINE LENGTH</td><td>Product Line 1
Puan</td><td>Product Line 2
Bags and Purses</td><td>Product Line 3
Traditional attire</td><td>Product Line 4
Other items</td></tr>
<tr><td>*Puanchei*</td><td>Sling bag</td><td>*Kawrchei,*</td><td>Shawl</td></tr>
<tr><td>*Ngotekherh*</td><td>Hand bag</td><td>*Thangchhuah Kawr*</td><td>Vestcoat</td></tr>
<tr><td>*Siniar*</td><td>*Iptechei*</td><td>*Diar*</td><td>Necktie</td></tr>
<tr><td>*PuanRopui*</td><td>Purse</td><td></td><td></td></tr>
<tr><td>*Puandum*</td><td></td><td></td><td></td></tr>
<tr><td>*Tawlhlo Puan*</td><td></td><td></td><td></td></tr>
<tr><td>*Puanlaisen*</td><td></td><td></td><td></td></tr>
<tr><td>*Puan* Plain</td><td></td><td></td><td></td></tr>
<tr><td>*Puantial*</td><td></td><td></td><td></td></tr>
</table>

Table 3.1 is an illustration of product mix of Thenzawl Handloom Cluster. Thenzawl Handloom products are generic products as they are unbranded and undifferentiated commodities in the market. The product does not have an identity through a brand name and is not linked to any one maker or owner. However every handloom product has a soico-cultural connotation in the Mizo tribal society and is symbolic of their ethnicity and has purpose and status in ceremonies.

The term *puan*refers to the traditional clothing which wraps Mizo women and men from waist to ankle (Fanai, 2009), the standard size of every *puan* is length 60-65 inches and width 42 inches. As shown in the table, product line 1- *Puan* have multiple product line length, showing that the main concentration of the cluster product is *puan*. Similarly, bags and purses have a short product line length. After the *puan* are produced, the remaining bits of *puan* which are left aside are again used to produce bags and purses. Products such as *Kawrchei, Thangchhuah Kawr* and *Diar*, vest coat, necktie and shawl do not have product line length as these are not primary products.

Exhibit-5 Mizo Handloom Products: A Rich Tradition

Puanchei

Siniar

Ngotekherh

Puan Ropui

Puandum

Tawlhlo Puan

Puanlaisen

Puan Plain

Puantial

Ngotekherh modification

3.1.3.2 *Product Line*

In the words of Kotler and Armstrong (2008) product line is, 'A group of products that are closely related because they function in a similar manner, are sold to the same customer groups are marketed through the same types of outlets or fall within given price ranges'. According to Stanton (1986), 'A broad group of products interested for essentially similar uses and possessing reasonably similar physical characteristics constitute a product line'.

The product line of Thenzawl Handloom Cluster is discussed at length in the following section:

I. *Product line 1-Puan*

*Puan*consists of nine products as explained below:

a) ***Puanchei*:** In Mizo language, *puan* means cloth and *chei* means to decorate, *puanchei* literally means decorated cloth. This is a multicoloured striped *puan*. It has horizontal stripes called as *Sakeizangzia. Sakei refers to the tiger and zia* means the stripes of the tiger. It is embroidered with arrow heads and diamonds along its stripes. It is by far the most colourful costume having the colour combination of red, green, yellow, black, blue, pink and white. As mentioned earlier the standard length of every *puan* is 60-65 inches and width 42 inches. The yarn used for this particular *puan* is wool and acrylic yarn, occasionally silk and gold thread is also used. It is used as a wedding costume and for festivals and dances. Traditionally, the Mizo bride wore *Puanchei* on her wedding day. (see exhibit5)

b) ***Ngotekherh*:** Traditionally the *puan* was known as *Puan Hruih. Hruih* is a technique of weaving. It is also an important Mizo traditional *puan*. Traditionally, it has white and black stripes but nowadays fresh combinations of colours like blue and red are being adopted by the weavers to cater to the preferences of the modern Mizo society. The yarn used for *Ngotekherh* is wool and acrylic yarn. Both men and women wear this *puan*. It is worn for all festivals such as *Chapchar Kut, Mim Kut* and *Pawl Kut*. (see exhibit 5)

c) ***Siniar*****:** The term *Siniar* is an improvisation of the plain *puan*. It is *puan* which does not adhere to a particular pattern or design and includes varied colours and design. *Siniar* is one of the *puan* where the weavers can show their creativity as there are no rigid rules to be followed. *Siniar* is the modern *puans* of the Mizos'. The yarn used for this *puan* is mainly acrylic and silk yarn. (see exhibit 5)

d) ***Puan Ropui*****:** The term *ropui* means 'grand', implying that *puan ropui* is a grand cloth. The name itself defines the *puan*, it is richly embroidered with *zari* and intricate designs and motifs all over the *puan*. Unlike *Siniar, Puan Ropui* has exquisite motifs and design. Silk and acrylic yarn is used for this particular *puan*. It is a modern improvisation of the *Siniar.*(see exhibit 5)

e) ***Puandum*****:** In literal terms it means 'black cloth' also known as *Zawlpuan. Zawl* means friendly. It is woven in black, red, green and yellow stripes, using acrylic yarn. Traditionally, when a Mizo girl got married, she carried the *Puandum* in her *thul or trousseau* basket to her husband's home. The *Puandum* was used to cover her husband's body when he died. It is usually worn as a mark of respect to a dead person during mourning and condolence. (see exhibit 5)

f) ***Tawlhlo Puan*****:** As Mizos are a warrior tribe, the attribute of courage or bravery is associated with this *puan.* In ancient times, *Tawlhlo puan* was worn by the warriors as it symbolizes the undying spirit for defeating the enemy in the battle ground. The design of this *puan* is vertical stripes of white, red and yellow made on a black background. Wool and acrylic yarn are used for this *puan.* (See exhibit 5)

g) ***Puanlaisen*****:***Lai* means middle and *Sen* means red, the term *Puanlaisen* means 'cloth with a red middle streak'. The colour red runs throught the middle horizontally. There is an element of similarity between *Puanchei* and *Puanlaisen* in the design. This *puan* is also worn as a wedding costume and for special festivals and dances. The yarn used for *Puanlaisen* is wool and acrylic yarn.(see exhibit 5)

h) ***Puan Plain*****:** It is a commonly worn *puan* by the Mizo women as a daily dress and is available at low price. Acrylic yarn is used in *puan plain*. It is a traditional practice among Mizos to drape a dead body with a plain *puan* brought as a mark of respect by relatives and friends of the deceased. (see exhibit 5)

i) ***Puantial*****:** *Puantial* is a *puan* almost similar to *plain puan*. The only difference is instead of plain the product adopts a stripe, having variation of colours and do not have a particular colour. The stripe colour and back ground of the *puan* is created reflecting the innovative side of the entrepreneur. (see exhibit 5)

Exhibit-6 Mizo Handloom Products: A Rich Tradition

Kawrchei

Thangchhuah Kawr

A man wearing *Diar*

Vest Coat

Necktie

Sling bags

Iptechei

Shawl

II. *Product line 2- Bags and Purses*

As mentioned earlier, the remaining bits of *puan* which are left aside after weaving a *puan* are often used to produce bags and purses. Bags and purses with typical ethnic Mizo designs and colours are being produced in the cluster. The different product line of bags and purses are as follows:

a) **Sling bags**: Ethnic design with modern style sling bags are produced in the cluster. These are trendy as well as traditional which takes a certain share in the market. It is common among Mizo women to carry a sling purse on their person. Mizo women are very hard working and usually carry their babies behind by tying them securely with a shawl. The Mizo women also carry their load behind as they have to climb heights in the hilly terrain that they inhabit. They usually carry sling purses around their shoulder and neck which usually contains their cash. (see exhibit 6)

b) **Hand bag:** Ladies hand bags with the *puan* design influence are also available. Suitable for modern women as it suits all occasions. Mizo women take pride in owning a hand bag as an accessory.(see exhibit 6)

c) ***Iptechei:****Ipte*means bag and *chei* means to decorate, it means ‘decorated bag’. This is a bag which is used both by men and women. It is colourful and is used by anyone who fancies it. It is a uni-sex product which is woven in typical ethnic Mizo designs. (see exhibit 6)

d) **Purse:** Typical ethnic Mizo design and colour purses are also woven in the cluster.

III. *Product Line 3- Thenzawl Traditional Attire*

The product line consists of traditional attires namely: *Kawrchei, Thangchhuah Kawr and Thangchhuah Diar.*

a) ***Kawrchei*:** A distinctive blouse worn by women. It is a black and white striped full sleeve blouse and is usually worn along with *Puanchei* and while performing the bamboo dances. (see exhibit 6)

b) ***Thangchhuah Kawr* and *Diar:*** The *Thangchhuah puan* is symbolically worn only by the highly coveted Mizo. *Thangchhuah* is a ceremony which was so ostentatiously expensive, that it could be performed only by the exceptionally brave hunters or the exceptionally wealthy. A Mizo man who has either hosted two complete series of five communal feasts or killed an entire series of wild animals attained the greatest merit and was known as *Thangchhuahpa.* Thus, it was a mark of social status to be able to wear such a *puan*. A small turban in the same design called *Thangchhuah Diar* is an accessory which again could be worn only by the *Thangchhuahpa*. The title could be attained only by the brave and the rich. *Thangchhuah puan* was worn in the earlier times but now the *puan* has been transformed to a shirt and is worn on every festive occasion. (see exhibit 6)

IV. *Product Line 4- Other Items*

Other items including shawls, vest coats and neckties with typical ethnic Mizo designs and colours are becoming popular in recent times. Weavers have gradually diversified into these products to cater to the increasing demand from the customers.(see exhibit 6)

3.1.3.3 Product Modification Policy

This is primarily related to the products in the mature stage of the product life-cycle and that needs rejuvenation through product design changes. The factors which necessitate the product modification are: (a) pressure of completion; (b) technological developments; (c) declining sales or profits. Product modification may be done by changing or improving the attributes of quality, style, colour and other feature of the product (Sudan, 1995).

Some modifications in product line observed in Thenzawl cluster are mentioned below:

a) *Ngotekherh*: As mentioned earlier, traditionally, *Ngotekherh* had black stripes. But the entrepreneurs have introduced new colours such as red, green and blue to cater to the demands of the market. (see exhibit 5)
b) *Siniar*: New designs and motifs have been introduced in the *Siniar* to make it a niche product demanding a high price.
c) Vest Coat: This product was introduced by the sample entrepreneurs in 2006 and the number of units produced has almost doubled in 2008. The vest coat is woven in colourful patterns following the ethnic Mizo designs.
d) Bags: These were introduced in 2006 and the production in terms of units produced has almost doubled in 2008. Bags are usually woven in red and green ethnic Mizo designs and are available in different sizes.
e) Shawls: Shawls were initially manufactured by only two sample entrepreneurs in 1980's, but it is observed that there has been an increase in the production of shawls in 2008 (Ramswamy, 2012). However, the production of shawl has registered a decline in the cluster in the year 2013 as compared to 2008.
f) *Puan Ropui*: *Puan Ropui* was introduced to the product mix in 2008 by the entrepreneurs. It was manufactured for the first time in 1998 in Thenzawl. This is a high priced product which has a niche market. It is richly embroidered with *zari* and intricate designs and motifs all over the *puan.* This product has shown a remarkable increase in the production since 2008.

g) Purses: Purses with attractive colour combinations are a recent addition to the product mix by the sample entrepreneurs. The weavers follow the ethnic Mizo colours and patterns which finds a demand in the market.

It is evident that the cluster has traversed a long way since its inception in 1982 in terms of the variety of products manufactured. The variety of products has increased from merely four viz, *Puanchei, Siniar, Puandum* and *Ngotekherh* in 1980s to 17 products in 2013.

3.1.4 Units Sold

The total sales output and the growth in sales output over a period of time is another indicator of performance of a cluster. The present study has analyzed the sales output of sample enterprises. Table 3.2 shows the sales of the sample entrepreneurs for the year 2010, 2011 and 2012.

In the years 2010, 2011 and 2012, seventeen types of handloom products were manufactured in the cluster. All products have registered an increase in production except *Puanlaisen, Puan* plain, *Kawrchei, Thangchhuah Kawr*, Shawl, Purse, Bag, Vest coat, *Diar* and Necktie. The total number of units sold by the sample enterprises has increased from 32,198 units in 2010 to 42,278 units in 2012.

Table 3.2: Number of Units Sold by the Sample Enterprises for the Years 2010, 2011 and 2012

Products	2010	2011	2012
Puanchei	10594	11322	12634
Siniar	8424	9452	11210
Ngotekherh	4838	4949	5295
Puan Ropui	4062	4834	5231
Puandum	708	4260	4260
Tawlhlo Puan	1080	1180	1116
Puantial	190	190	230
Puanlaisen	72	72	72
Puan Plain	480	480	480
Kawrchei	50	50	50
Thangchhuah kawr	50	50	50
Shawl	70	70	70
Purse	600	600	600
Bag	700	700	700
Vest coat	100	100	100
Diar	150	150	150
Necktie	30	30	30
Total	32198	38486	42278

As the entrepreneurs did not maintain any accounts or sales registered, the researcher had to largely rely on information provided by them on its face value and hence data was collected for three consecutive years 2010, 2011 and 2012.

The total output has increased from 32,198 units to 42,278 units with regard to 135 sample enterprises. The remaining 40 sample entrepreneurs started from 2013 therefore data of units sold by these enterprises could not be collected from them.

3.1.5 Estimated Sales Turnover

The sales value of handloom products of the sample enterprises for the years 2010, 2011 and 2012 has been analysed in this section. As mentioned earlier, most of the enterprises did not maintain any books of accounts or records and hence, the researcher has relied on prima facie information obtained from sample entrepreneurs at the time of field study. Table 3.3 shows the estimated sales turnover of the sample enterprises.

An increase in the sales turnover can be observed from Rs. 4.06 crore in 2010 to Rs. 5.38 crore in 2012. The total sales volume from the operation of 450 looms owned by the sample entrepreneurs in the cluster excluding the 40 new entrepreneurs was Rs. 6.81 crore in 2012. The sales turnover of the sample entrepreneurs has registered a remarkable growth, with the sales turnover increasing by over Rs 2 crore in three years since 2010, which reflects a healthy trend and indicates the degree of sustainable success of the enterprises in cluster. The products significantly contributing to the high sales turnover were: *Puanchei, Siniar, Puan Ropui,* followed by *Ngotekherh, Puandum* and *Tawlhlo Puan* respectively.

Table 3.3: Estimated Sales Turnover of Sample Enterprises for 2010, 2011 and 2012

Handloom Products	Sales (in lakhs)		
	2010	2011	2012
Puanchei	158.91	192.47	252.68
Siniar	126.36	170.14	224.20
Ngotekherh	21.77	24.74	31.77
Puan Ropui	81.24	111.18	130.77
Puandum	2.47	21.30	21.30
Tawlhlo Puan	5.40	7.08	6.69
Puantial	2.85	2.85	4.60
Puanlaisen	0.43	0.50	0.50
Puan Plain	1.44	1.44	1.68
Kawrchei	0.22	0.25	0.25
Thangchhuah Kawr	0.22	0.25	0.27
Shawl	0.24	0.28	0.32
Purse	0.60	0.90	0.90
Bag	3.50	4.20	4.90
Vest coat	0.55	0.60	0.60
Diar	0.07	0.07	0.07
Necktie	0.04	0.05	0.06
Total	406.31	538.30	681.56

- *Puanchei* has registered the highest turnover among the various handloom products with a sales turnover of Rs. 158.91 lakhs in 2010, 192.47 in 2011 and 252.68 in 2012 increasing every year.

- *Siniar* has registered the second highest turnover with a sales turnover of 126.36 in 2010, 170.14 in 2011 and 224.20 in 2012 also showing an increase each year.
- *Puan Ropui* sales turnover has registered the third highest, having sales turnover of 81.24 in 2010, 111.18 in 2011 and 130.77 in 2012.
- *Ngotekherh* has a sales turnover of 21.77 in 2010, 24.74 in 2011 and 31.77 in 2012, showing an increase from 2010 till 2012.
- *Puandum* has a remarkable growth, i.e in 2010 the sales turnover was only 2.47, coming to 2011 and 2012 the sales has increased to 21.3. The gap between 2010 and 2011 was huge and remaining constant in 2012.
- All the other handloom products have also increased in the sales, if not increase, the sales remain constant except for *Tawlhlo Puan.* This particular product had increase from 2010- 5.40 to 2011-7.08 but decline in 2012 having sales turnover of 6.69.

3.1.6 Share of Different Products in the Total Sales of Sample Entrepreneurs

The share of different products manufactured by the sample entrepreneurs in the cluster was accessed in order to understand which products are significantly contributing to the total sales turnover of the cluster.

Table 3.4: Share of Different Handloom Products in the Total Sales of Sample Entrepreneurs for the Years 2010, 2011 and 2012

Handloom Products	Shares in total sales (in per cent)		
	2010	2011	2012
Puanchei	39.11	35.76	37.07
Siniar	31.10	31.61	32.90
Ngotekherh	5.36	4.60	4.66
Puan Ropui	19.99	20.65	19.19
Puandum	0.61	3.96	3.13
Tawlhlo Puan	1.33	1.32	0.98
Puantial	0.70	0.53	0.67
Puanlaisen	0.11	0.09	0.07
Puan Plain	0.35	0.27	0.25
Kawrchei	0.05	0.05	0.04
Thangchhuah Kawr	0.05	0.05	0.04
Shawl	0.06	0.05	0.05
Purse	0.15	0.17	0.13
Bag	0.86	0.78	0.72
Vest coat	0.14	0.11	0.09
Diar	0.02	0.01	0.01
Necktie	0.01	0.01	0.01
Total	100	100	100

The following findings may be made from table:

- *Puanchei, Siniar and Puan Ropui* have been the most dominant products with a combined share of about 89 per cent in the total sales turnover of sample enterprises in the cluster in the period of 2010-2012.
- *Puanchei* maintain the highest share of about 37 per cent among all the products in the total sales of sample enterprises in the cluster in the years 2010, 2011 and 2012.
- *Siniar* was the second most important product having an average share of 32 per cent of the total sales turnover of sample enterprises for the years 2010, 2011 and 2012.
- *Puan Ropui* ranked third with an average share of 20 per cent of the total sales turnover of sample enterprises for the years 2010, 2011 and 2012.
- *Ngotekherh and Puandum* followed the above mentioned products having a share of 5 per cent and 3 per cent respectively.
- The others products have maintained a low share in the total sales turnover relating to the sample enterprises in the cluster.
- *Tawlhlo Puan, Puanlaisen, Puan plain, Kawrchei, Thangchhuah Kawr* and *Diar,* shawl, purse, bag and vest coat has marginally declined from 2010 to 2012.

3.1.7 Growth in Sales for the period 2010-2012

The growth in sales was estimated in comparison to 2010 to understand the following findings. Table 3.5 gives the details of growth (2010 as a base year) estimated change in the sales turnover. The products mentioned below have registered an increase in sales value in comparison to 2010.

- *Siniar* has registered the highest growth of 34.64 per cent in 2011 and 77.43 per cent in 2012 even though it has maintained the second highest share in the estimated sales turnover of the sample enterprises.
- *Puan Ropui* became the second highest growth, having a growth of 36.86 in 2011 and 60.97 in 2012, nevertheless, it was the third highest share in the estimated sales turnover.
- Though, *Puanchei* has maintained the highest share in the estimated sales turnover of the sample enterprises, however registered a growth of 21.12 per cent in 2011 and 59.01 per cent in 2012, lower growth percentage comparing to *Siniar* and *Puan Ropui.*
- The sales of *Ngotekherh* had shown an increase of 31.34 per cent in 2012 on comparison to 2010.

Table 3.5 Percentage Growth in Estimated Sales of Select Products of the Sample Enterprises in 2011 and 2012 (2010 as base year)

Handloom Product	Estimated Growth in Sales (in per cent) 2010 as base year	
	2011	2012
Puanchei	21.12	59.01
Siniar	34.64	77.43
Ngotekherh	2.29	31.34
Puan Ropui	36.86	60.97

3.1.8 Raw Materials Used

A material in its unprocessed, natural state considered usable for manufacture is known as raw material. The raw material for the manufacture of handloom fabric is mainly hank yarn[1]. A yarn is a thread made of natural or synthetic fibers which are used for knitting and weaving and hank yarn is a yarn specially manufactured only for handlooms. However, the entrepreneurs in Thenzawl cluster used dyed yarn procured from Aizawl and Thenzawl only for weaving their products.

3.1.8.1 Cost of Raw Materials

Different types of yarn are used, for manufacturing handloom products fabrics such as wool, silk, acrylic and gold thread. The product wise quantity of yarn required and average cost of the yarn for select products which have a substantial share in total sales has been are estimated in table 3.6. The selected products are *Puanchei, Siniar, Ngotekherh, Puan Ropui, Puandum* and *Tawlhlo Puan.* All of the mentioned products except *Puandum* used acrylic yarn and wool to manufacture the products. Silk and golden thread is also used for the motifs and patterns to enrich the final products. The yarn required for *Puandum* is only acrylic, which has reduced the average cost of raw material and price of the product was also the cheapest among the selected products. From the table, we observed that, the cost of raw materials for *Puan Ropui* was the highest followed by *Puanchei*, *Siniar, Ngotekherh* and *Tawlhlo Puan* respectively.

Table 3.6: Product-wise Details of Quantity of Yarn Required and Average Cost of Raw Materials in 2013.

Handloom Product	Quantity of yarn required (in grams)	Average cost of raw material per handloom product (in Rs.)
Puanchei	550	310
Siniar	600	282
Ngotekherh	450	234
Puan Ropui	600	318
Puandum	300	141
Tawlhlo Puan	450	212

- *Puanchei*, the most magnificent *puan* of the Mizos required 550 grams of yarn for its production, yarn used for this product are acrylic yarn, wool and even golden thread. The average cost of raw material for *Puanchei* is Rs. 310.
- *Siniar* requires more yarn comparing to *Puanchei,* i.e. 600 grams. Acrylic yarn is used for this product and according to the preference of the customer silk is also added. *Siniar* had the average cost of raw material at Rs. 282.
- *Ngotekherh* is a traditional product, it required 450 grams of yarn for its production. Acrylic yarn and wool are used in manufacturing *Ngotekherh.* The average cost of raw material is Rs. 234.
- *Puan Ropui* is a product which have substantial share in the total sales. It required 600 grams of yarn and the yarn used are acrylic yarn and silk, with the average cost of raw material at Rs. 318.

- *Puandum* is a very simple product having great significance. The amount of yarn required for this product is 300 grams and only acrylic yarn is used in producing the product. The average cost of raw materials is Rs. 141.
- The yarn used for *Tawlhlo Puan* is acrylic yarn and wool, requiring 450 grams of yarn for manufacturing the product. The average cost of raw material is at Rs. 212.

3.1.8.2 Sources of Raw Materials

The main raw materials for weavers in India are dyed yarn and hank yarn (NCAER, 2010).

The researcher enquired the source of raw materials for the sample entrepreneurs for their products. Table 3.7 shows the sources of raw materials.

Table 3.7: Sources of Raw Materials

Sources of Raw Materials	No. of Entrepreneurs	Per Cent
Yarn Merchants	169	96.6
Government office	2	1.1
Intermediaries	4	2.3
Others	0	0.0
Total	175	100

As shown in the table, 96.6 per cent entrepreneurs procure yarn from yarn merchants in Aizawl and Thenzawl while only 2.3 per cent from intermediaries and 1.1 per cent procure yarn from government office such as ZOHANDCO (Mizoram Handloom and Handicrafts Development Corporation Ltd.), ZOHANFED (Federation of Mizoram Handloom and Handicrafts) and MAHCO (Mizoram Apex Handloom and Handicraft Cooperative Society) to procure yarn for weaving. It was observed that these government agencies are not playing an important role in the cluster. There is an urgent need for them to take major part in the cluster for the development of the cluster.

A comparison to the major sources of dyed yarn for the weaver household in India revealed that 76 per cent of the household procured dyed yarn from the yarn merchants (open market), 15.1 per cent procured from master weavers, 4.1 per cent from co-operative societies, only 0.4 per cent from National Handloom Development Corporation (NHDC) and 4.5 per cent of the households procured dyed from other sources (NCAER, 2010).

3.1.8.3 Basis Of Production

The researcher further enquired whether the sample entrepreneurs plan their production based on orders received or any other basis.

Table 3.8: Basis of Production by the Sample Entrepreneur

Basis of Production	No. of Entrepreneurs	Per Cent
As per orders	15	8.6
First produce and then sell	67	38.3
Both the above	93	53.1
Total	175	100

The table shows that 53.1 per cent of the sample entrepreneurs manufacture their product based on the combination of two methods: as per orders and first manufacture and then plan to sell it in the market. The remaining 38.3 per cent follow the policy to manufacture the product and then sell while only 8.6 per cent manufacture the product on the basis of orders received.

3.1.10 Branding

A brand means, a name, term, symbol or design or a combination of them which is intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of competitors (Alexander and American Marketing Association, 1960). As mentioned earlier, Thenzawl handloom cluster products are generic products as they are unbranded and undifferentiated commodities. The product does not have an identity through a name and is not linked to any one maker or owner. However, the products have a generic name bared on traditional socio-cultural connotations, ethnic tribal identity and weaving techniques. There is an urgent need to build strong brand for the products manufactured by Thenzawl Cluster to give it a distinctive name or symbol.

3.1.11 Geographic Indications(G.I)

Geographic Indication has emerged as an important intellectual asset which not only protects the consumer’s interest in high quality products but also results in specific benefits to localized producers through enhance economic returns and protection of traditional knowledge or know-how (Soumya, 2012).

Handloom products having G.I maybe categorized as ‘credence goods’ where the type of dye used (natural, chemical free) or the fact that it is woven by weavers from a specific region denotes ‘credence good’ characteristic. For instant, Pochampally Saris, Muga Silk of Assam, Chanderi Saris etc. The geographic origin becomes a key driver behind consumer preferences, for instances, Champagne Wine, Basmati Rice, Darjeeling tea, Sambalpur Silk etc.

Handloom products are region specific and known for its uniqueness in design and style. In other words, the handloom sector is a goldmine of geographical indications. In view of this, G.I offers immense potential for handloom products as a marketing tool against power loom (Soumya, 2012). It will not only widen the consumer base but also fetch premium price for the products.

In the absence of any branding, the process for obtaining G.I for Thenzawl handloom products should be initiated urgently in the cluster.

3.1.11.1 Meaning of G.I

According to World Intellectual Property Organization (WIPO), "A Geographical Indication is a sign used on goods that have a specific geographical origin and possess qualities, reputation or characteristics that are essentially attributable to that place of origin."

Government of India has define Geographical Indications (G.I) of Goods as that aspect of industrial property which refer to the geographical indication referring to a country or to a place situated therein as being the country or place of origin of that product. Typically, such a name conveys an assurance of quality and distinctiveness which is essentially attributable to the fact of its origin in that defined geographical locality, region or country.

Most commonly, a G.I includes the name of the place of origin of the goods. Agricultural products typically have qualities that derive from their place of production and are influenced by specific local factors, such as climate and soil. Whether a sign is recognized as a geographical indication is a matter of national law.

It may be used for a wide variety of products, whether natural, agricultural or manufactured. It points to a specific place, or region of production, that determines the characteristic qualities of the product which originates from that place. It is important that the product derives its qualities and reputation from that place. Since those qualities depend on the place of production, a specific 'link' exists between the products and their original place of production.

A trademark is a sign used by an enterprise to distinguish its goods and services from those of other enterprises. It gives its owner the right to exclude others from using the trademark. A trademark will often consist of a fanciful or arbitrary name or device. A geographical indication tells consumers that a product is produced in a certain place and has certain characteristics that are due to that place of production. It may be used by all producers who make their products in the place designated by a geographical indication and whose products share specified qualities. Unlike a trademark, the name used as a geographical indication will usually be predetermined by the name of the place of production.

Some of the examples of products which have obtained G.I certification in NE Region of India are as follows:

a) Naga Mircha: A red hot chili found in Nagaland under the category of agriculture.
b) Assam (orthodox) Logo: Tea, categorized under agriculture in Assam.
c) Muga Silk: A golden yellow silk found in Assam, categorized under handicraft.
d) *Moirangphee, Shaphee Lanphee* and *Wangkheiphee*: These three magnificent Manipuri handloom fabrics obtained G.I certification recently in May 2014.

Unfortunately, the process of registration for G.I certification has not been initiated for the Mizo handloom products. The researcher suggests that initiation of the process should be started for traditional products such as *Puanchei* (The typical *sakeizangzei* design), *Ngotekherh* and *Puandum.*

3.1.12Handloom Mark

With the advancement in technology, the handloom products are being increasingly replicated on power looms at a much lower cost. Therefore, a power loom can sell the products at much lower selling price and yet keep good profit margin compared to a small time handloom weaver. The need for Handloom Mark arises in order to distinguish to the genuine handloom product from power loom products.

3.1.12.1 Meaning and Significance

According to K. Shanmugham, Assistant Director, Textile Committee, Union Ministry of Textile, "Handloom Mark scheme has been introduced by the Union Government to preserve and protect the identity of our handlooms, which are part and parcel of our rich culture and heritage".

Handloom Mark is a certified trade mark under the Trade Marks Act, 1999. The objectives of the Handloom Mark are:

- To promote handloom products in Domestic as well as international market.
- To provide assurance to the consumers about the genuiness of the product origin
- To improve international marketing linkages to the handloom weavers.
- To strengthen supply chain for handloom products.
- To improve price realization of the handloom products in domestic and international market.

- To improve earnings of the handloom weavers.
- To facilitate uninterrupted workflow throughout the year to the handloom weavers.
- To develop data base on the handloom supply and weavers.

Figure 3.1

Figure 3.2

Figure 3.1 is the logo of handloom mark for domestic markets and figure 3.2 is the logo for international markets.

The researcher recommends that the Mizoram government should initiate the process of obtaining handloom mark for the products of Thenzawl.

3.1.13 Design and Networking

3.1.13.1 Design

a) Sources of Design

Before the commencement of the weaving process different patterns and colour combinations are designed. Design of the finished product is conceived and planned before the actual weaving process is commenced. The present study also enquired from the sample entrepreneurs the sources of design. Table 3.5 gives the details about the source of designs for the products in the sample enterprises.

Table 3.9: Sources of Design

Source of Design	No. of Entrepreneurs	Per Cent
Own	144	82.3
Buyers	2	1.1
Own and Buyers	29	16.6
Private Traders/ Institutions	0	0
Others	0	0
Total	175	100

The table revealed that 82.3 per cent of the sample entrepreneurs themselves created the design for the products, while only two (1.1 per cent) sample entrepreneurs followed the design given by the buyers. However, 16.6 per cent of the total sample entrepreneurs claim that their designs were a combination of their creativity and the buyers. Interestingly no sample entrepreneur had consulted any Institutions so far for the purpose of creating designs. Being traditional in nature, the products manufactured follow traditional designs resulting in less involvement of designers from specialized institutions.

b) Types of Design Used

As mentioned earlier, before manufacture process begin the design has to be planned. Table 3.10, shows that majority (98.3 per cent) use traditional designs while only one sample entrepreneur claims to use modern design and two sample respondents used both traditional and modern designs. Some of the traditional designs are expression of the tribal culture, identity and the ways of life. For example, *Puanchei* has the stripe of the tiger *–sakeizangzia,* whereas the other design reflects the natural beauty of the Mizo hills such as fern buds and wild flowers that grow on the mountain sides.

Table 3.10: Types of Design Used

Types of design used	No. of Entrepreneurs	Per Cent
Traditional	172	98.3
Modern	1	0.6
Traditional and Modern	2	1.1
Others	0	0
Total	175	100

3.1.13.2 Networking with Specialized Institutions

The present study also enquired whether the sample entrepreneurs had any networking with specialized institutes such as National Institute of Fashion Technology (NIFT) and National Institute of Design (NID). None of the entrepreneurs had any networking with these national level institutions.

3.1.14 Quality Control

It was observed that the weavers were not even aware of the need for any scientific quality control techniques and as a consequence they did not apply any quality control measures for the handloom products manufactured by their enterprises.

None of the sample entrepreneurs follow any scientific quality control measures as they are not aware of it.

Testing facilities: The fabrics are required to be tested for fastness of colour, strength of fabric and so on. The researcher observed that there was no laboratory in the cluster for such testing activities. In fact, the entrepreneurs were unaware of any scientific techniques for testing the yarn and fabric. There is a need to establish a testing laboratory in Thenzawl with equipments such as yarn strength tester, fabric strength tester, glass instrument and chemicals for testing, PH meter and so on.

3.1.15 Common Facility Centre (CFC)

The present study enquired about the availability of common facility centres in the cluster. Common facilities centre offer facilities such as assistance for procurement of raw materials, technological, support, maintenance and repairing of looms, dye house, sheds for production activities and sharing of equipments, quality testing and counseling facilities and so on. The sample entrepreneurs were not even aware of the term Common Facility Centre. No such facilities were provided to the sample entrepreneurs.

The cluster has shown a remarkable growth in terms of product mix, product line, the number of units manufactured and the total sales turnover of the sample enterprises.

Research evidence shows that appropriate product policies have enable handloom products to increase their market spread. Fab India focuses on product information and branding as significant marketing strategies. It invests in educating the producers about quality control, product development and design innovation (Modak, 2007).

Urmul Marusthali Bunkar Vikas Samiti (UMBVS) a success story in Rajasthan focused on modifying the traditional product patterns (handwoven blankets) in Rajasthan with the help of NID with latest designs, colour combination, sizing patterns and diversifying to embroidered kurtas, bags and wall hangings in finest cotton. They built a strong brand 'Desert Craft' on the basis of distinct identity fabric, texture, shades and designs which found acceptance among the elite customers (Aruna, 2006).

DESI (Developing Ecological Sustainable Industry), a leading service organization in Karnataka provided an interfaced between urban designers, marketing experts and the weavers through a process of profiling each rural product afresh, so that it converted into useful consumer products for urban markets. They expanded the markets for the handloom products of cooperative societies and SHGs in Karnataka, on the basis of a strong brand based on quality and urban value (Kasturi, 2006).

Another case studies (Niranjana and Syamasundari, 2006) of Mangalagiri Saris Cluster in Guntur district of Andhra Pradesh show case the success of five weavers who started on a modest scale of around 10 looms and have grown to more than 100 looms by altering their product profile and diversifying to new product e.g. Saris to Punjabi suits and expanded their markets.

Similarly, the Bunkar Vikas Sanstha (BVS) in the Chanderi Cluster in Madhya Pradesh initiated training programs in weaving techniques and marketing for the weavers of the cluster for quality enhancement and product modification and has created a success story for other clusters to emulate (Bedigg, 2008).

Thenzawl cluster has demonstrated its sustainability and growth. However, there is an urgent need to provide support to the enterprises with regard to product development, improvisation of designs, building strong brands and creating networks with NIFT and NID to explore and enhance the markets for their products as they are restricted to Mizoram. There is a need to set up a testing laboratory, CFC to facilitate quality control of products. There is a need to conduct market research to understand the perception of customers at the regional, national and international level. The cluster should emulate the product policies of successful clusters to enable it to sustain and grow.

3.2PRICING OF THE PRODUCT

Price is the amount of money to be paid in return for a bundle of utilities and pricing is the function of translating into qualitative terms the value of the product or services or idea by the marketing manager before it is offered for sale to consumers. Pricing is the process of setting objectives, identifying the factors governing the price, formulating price policies and strategies setting prices, implementing them and controlling them.

According to Kotler and Armstrong (2008), “Price is the amount of money charged for a product or service. It is the sum of the values that customers exchange for benefits of having or using the product or service. It is the only element in the marketing mix that produces revenue; all other elements represent costs. Price is also one of the most flexible marketing mix elements. Unlike product features and channel commitments, prices can be changed quickly. At the same time, pricing is the number-one problem facing many marketing executives and many companies do not handle it well.”

Pricing is undoubtedly a vital decision area in marketing. Pricing is the process of quantifying product value in monetary terms at a given point in time. It is that element of marketing mix which creates sales revenue and act as an indicator of overall marketing effectiveness.

3.2.1 Factors affecting Pricing Decision

According to Kotler and Armstrong (2008), "Pricing decisions are effected by both internal factors such as marketing objectives, marketing mix strategies, cost, organizational considerations and external environmental factors including nature of the market and demand, competition and other environmental elements". Price is the only element in the marketing mix of a firm that generates revenue, all else generate only cost. Price and sales volume together decide the revenue of any business. Pricing is a highly risky decision area and mistakes in pricing seriously affect the firms, profits, growth and its future. Therefore, pricing decision should be based on comprehensive study and also to meet company's objectives. Some of theimportant factors that influence pricing decisions and which are generally taken into consideration while taking decisions in the selection of pricing are- demand for the product, cost consideration, company objectives, distribution channels, promotional strategy and product characteristics / differentiations

3.2.2 Pricing Decision of Handloom Products of Thenzawl

Cost based method of pricing was being followed in Thenzawl. According to cost based method, total cost is calculated and then the desired profit is added. The outcome is the price of the product. The total cost or cost of production is mainly comprised of the cost of raw material and labour charges. The main factors affecting the pricing decision of handloom products in Thenzawl handloom cluster are: Cost of raw materials, labour/wages charges and the distribution channel.

3.2.2.1*Cost of Raw Materials*

As mentioned earlier raw materials used in this cluster are dyed yarn. Acrylic yarn was used in manufacturing all the products in Thenzawl and according to the specifications of patterns and motifs, wool golden thread and silk is also used.

As discussed earlier, the sample entrepreneurs procured raw materials from yarn merchant (96.6 per cent)while the remaining 3.4 per cent sample entrepreneurs purchased raw materials from intermediaries and government industrial offices. The entrepreneurs were not getting any subsidy on the yarn purchased and this lack of subsidy resulted in high pricing of the products as raw material is one of the important elements which influence the pricing decisions.

Different types of yarn were used, for manufacturing handloom products fabrics such as wool, silk, acrylic and gold thread. The product wise quantity of yarn required and average cost of the yarn for select products which have a substantial share in total sales has been are estimated in table 3.11. The selected products are *Puanchei*, *Siniar*, *Ngotekherh, Puan Ropui, Puandum* and *Tawlhlo Puan.* All of the mentioned products except *Puandum* used acrylic yarn and wool to manufacture the products. Silk and golden thread is also used for the motifs and patterns to enrich the final products. The yarn required for *Puandum* is only acrylic, which has reduced the average cost of raw material and price of the product was also the cheapest among the selected products. From the table, we observed that, the cost of raw materials for *Puan Ropui* was the highest followed by *Puanchei*, *Siniar*, *Ngotekherh* and *TawlhloPuan* respectively.

Table 3.11: Requirement of Yarn in Quantity and Average Cost of Raw Materials in 2013

Handloom Product	Quantity of yarn required (in grams)	Average cost of raw material per handloom product (in Rs.)
Puanchei	550	310
Siniar	600	282
Ngotekherh	450	234
Puan Ropui	600	318
Puandum	300	141
Tawlhlo Puan	450	212

- *Puanchei,* the most magnificent *puan* of the Mizos required 550 grams of yarn for its production, yarn used for this product are acrylic yarn, wool and even golden thread. The average cost of raw material for *Puanchei* was Rs. 310.
- *Siniar* requires more yarn comparing to *Puanchei,* i.e. 600 grams. Acrylic yarn is used for this product and according to the preference of the customer silk is also added. *Siniar* had the average cost of raw material was Rs. 282.
- *Ngotekherh* is a traditional product, it required 450 grams of yarn for its production. Acrylic yarn and wool are used in manufacturing *Ngotekherh.* The average cost of raw material was Rs. 234.
- *Puan Ropui* is a product which has a substantial share in the total sales. It required 600 grams of yarn and the yarn used were acrylic yarn and silk, with the average cost of raw material at Rs. 318.

3.2.2.2 Labour/ Wages Charge

On the other hand, labour charges also play an important role in the decision making of the price for the products. The weavers of Thenzawl handloom cluster were paid on the basis of the number of the items produced, they follow a system called piece rate system. The wages of the weavers differed according to the difficulty, expertise and time required to weave different handloom products. The select products which have major shares in the market are *Puanchei, Siniar, Ngotekherh, Puan Ropui, Puandum* and *Tawlhlo Puan*.The present study has analysed the labour charges of six important products in the cluster and a comparison is made to the labour charges of these products in 1980 (National Productivity Council, 1984) and 2008 (Ramswamy, 2012). Table 3.12 shows the different rates of wages of selected item in the years 2010, 2011 and 2012.

Table 3.12 Wages Rates of Select Products for the Year 2010, 2011 and 2012

(in Rs.)

Products	2010	2011	2012
Puanchei	1000	1000	1000
Siniar	1300	1300	1300
Puan Ropui	1500	1500	1500
Ngotekherh	300	300	300
Puandum	100	100	100
Tawlhlo Puan	300	300	300

Table 3.12 shows the rate of wages of select products for the year 2010, 2011 and 2012.

- The weaving charge for *Puan Ropui* is the highest (Rs. 1500) due to the intricate designs and also need expertise in the pattern and design.
- *Siniar* labour charge is the second highest (Rs. 1300). The designs, motifs make *Siniar* a beautiful product, which is not an easy task, therefore resulting in high labour charge.
- The traditional product *Puanchei* weaving charge was the third highest (Rs. 1000) among the select handloom products.
- The labour charge of both *Ngotekherh* and *TawlhloPuan* is Rs. 300. *Puandum* has the lowest rate of weaving charge among the select products of Rs. 100.

A comparison of the weaving charges for select handloom products was made for the years 1980, 2008, 2010, 2011 and 2012.

Table3.13: Rates of Wages for Select Handloom Products in Select Years in Thenzawl (in Rs.)

Products	1980	2008	2010	2011	2012
Puanchei	150	350	1000	1000	1000
Siniar	150	500	1300	1300	1300
Puan Ropui	-	--	1500	1500	1500
Ngotekherh	100	200	300	300	300
Puandum	30	60	100	100	100
Tawlhlo Puan			300	300	300

The table above shows the different wage rates for the weavers for the years 1980,2008 and 2010,2011,2012.

- It can be observed that the labour charge for *Puanchei* has increased from Rs. 150 in 1980 to Rs. 350 in 2008 whereas wages have almost increased three times to Rs. 1000 in 2010, 2011 and 2012. Interestingly it appears that in this increase in the labour charge is encouraging the weaver to take up weaving as a main occupation as it provides livelihood for them.
- Similarly observations can be made for *Siniar.* The rate of the wage starts with Rs. 150 in 1980 and increased to Rs. 500 in 2008, in 2010, 2011 and 2012 the wages have almost increased three times to Rs. 1300.
- *Puan Ropui* is a new modified product which was manufactured for the first time in the cluster in the year 1998 but due to its intricate patterns and designs the weaving rate is high. In fact, the wages for weaving *Puan Ropui* is the highest (Rs. 1500) as compared to the other select products.
- The labour charges for *Ngotekherh* had shown a marginal from Rs. 200 in 2008 to Rs. 300 in 2010, 2011 and 2012.
- *Puandum* has also shown an increase of 66.67 per cent from 2008 to 2010, 2011 and 2012.

As indicated earlier, the main components of the cost of production in handloom products are the cost of raw materials and wages. Table 3.14 shows the total cost of production of select products in Thenzawl handloom cluster.

Table 3.14: A Comparison of Estimated Cost of Select Products in Thenzawl Cluster in 2012

Cost (in Rs.)	*Puanchei*	*Siniar*	*Ngotekherh*	*PuanRopui*	*Puandum*	*TawlhloPuan*
Raw Material	340* (25.4 %)	355* (21.5%)	264* (46.8%)	355* (19.1%)	171* (63.1%)	242* (44.6%)
Labour	1000 (74.63%)	1300 (78.55%)	300 (53.19%)	1500 (80.86%)	100 (36.90%)	300 (55.35%)
Total	1340 (100%)	1655 (100%)	564 (100%)	1855 (100%)	271 (100%)	542 (100%)

*it includes charges for warping in the drum and bim rolling which is Rs. 30 per product.

The select products mentioned in the table have a substantial share in the total production of sample enterprises viz. *Puanchei* (37 per cent), *Siniar* (32 per cent), *Puan ropui* (20 per cent), *Ngotekherh* (5 per cent), *Puandum* (3 per cent) and *Tawlhlo Puan* (1.2 per cent), their total cost of production were calculated. As the small weavers do not own the warping drum, they have to pay Rs. 30 as per product the warping charges.

- The price of *Puanchei* comprises of raw materials cost and labour charge. As shown in the table, 74.36 per cent of the price is from labour cost and 25.4 per cent is from raw materials including warping charges.
- The weaving charge for *Siniar* is 78.33 per cent and 21.5 per cent is from raw materials. High rate of wage result to high price of the product.
- The cost of raw material including warping charge for *Puan Ropui* is 19 per cent whereas 80.86 per cent is from labour charge.
- *Ngotekherh* has a raw material costing of Rs. 264 (46.8 per cent) and labour charge of Rs. 300 (53.19 per cent) which comprises the price of the product.

- The price of *Tawlhlo Puan* comprises of raw materials cost and labour charge of 55.35 per cent of the price is from labour cost and 44.6 per cent is from raw materials including warping charges.
- *Puandum* has a raw material costing of Rs. 171 (63 per cent) and the rate of weaver is Rs. 100 (36.90 per cent). Both raw materials and labour charge comprises the price of the product.

Exhibit-7 Warping drum

Exhibit-8 Weavers working on fly shuttle loom

3.2.2.3 The distribution channel

The pricing of the important products having a substantial share is presented below with the margin of profit per unit is available to the entrepreneur.

- *Puanchei*: Cost of raw material is Rs. 340, cost of labour is Rs. 1000 and the total cost of production amounts to Rs.1340. The price at which it is sold to the dealer is Rs. 1800. The entrepreneur gets the margin of Rs. 460 (about 25 per cent). The dealers get a margin of Rs. 450 (20 per cent), and the retailer gets a margin of about 10 per cent.
- *Siniar*: Cost of raw material is Rs. 355, cost of labour is Rs. 1300 and the total cost of production amounts to Rs.1655. The price at which it is sold to the dealer is Rs. 2300. The entrepreneur gets the margin of Rs. 645 (about 28 per cent). The dealers get a margin of Rs. 500 (about 17 per cent), and the retailer gets a margin of about 13 per cent.
- *Puan Ropui*: Cost of raw material is Rs. 355, cost of labour is Rs. 1500 and the total cost of production amounts to Rs.1855. The price at which it is sold to the dealer is Rs. 2500. The entrepreneur gets the margin of Rs. 645 (about 26 per cent). The dealers get a margin of Rs. 500 (about 16 per cent), and the retailer gets a margin of about 14 per cent.
- *Ngotekherh*: Cost of raw material is Rs. 264, cost of labour is Rs. 300 and the total cost of production amounts to Rs.564. The price at which it is sold to the dealer is Rs. 600. The entrepreneur gets the margin of Rs. 36 (6 per cent). The dealers get a margin of Rs. 25 (4 per cent), and the retailer gets a margin of about 3.5 per cent.
- *TawlhoPuan*: Cost of raw material is Rs. 242, cost of labour is Rs. 300 and the total cost of production amounts to Rs. 542. The price at which it is sold to the

dealer is Rs. 600. The entrepreneur gets the margin of Rs. 58 (about 9 per cent). The dealers get a margin of Rs. 30 (about 5 per cent), and the retailer gets a margin of about 3 per cent.

- *Puandum*: Cost of raw material is Rs. 171, cost of labour is Rs. 100 and the total cost of production amounts to Rs. 271. The price at which it is sold to the dealer is Rs. 300. The entrepreneur gets the margin of Rs. 29 (about 9 per cent). The dealers get a margin of Rs. 25 (about 7 per cent), and the retailer gets a margin of about 7 per cent.

The dealers are earning a high margin about 16-20 per cent for the products with the high share in the market such as *Puanchei*, *Siniar* and *Puan Ropui*. It is evident that about 40-50 per cent of the price of the products consists of the profit margin being enjoyed by the entrepreneurs and the dealers. The dealers are enjoying almost equal margin of profit on par with the entrepreneurs. It appears that there is an over dependence in a few retail outlets and a widening gap between the entrepreneurs and the final customers. As a result of this the prices of the products are being pushed up. Setting up retail outlets for the Thenzawl Association of Handloom Weavers will enable the management of prices.

3.3 DISTRIBUTION OF HANDLOOM PRODUCTS

The word distribution is the process of getting goods into the hands of the consumer. Channels of distribution denote the middlemen engaged in moving goods from the place of production to the place of consumption.

In the words William J. Stanton (1986), “A channel of distribution (sometimes called a trade channel) for a product is the route taken by the title to the goods as they move from the producer to the ultimate customer or industrial users.”

According to the American Marketing Association (1960), “It is the structure of intra company organization units and extraordinary company agents and dealers, wholesale and retail, through which a commodity, product, or service is marketed.”

Channel of distribution is the movement of goods and services between the point of production and the point of consumption through organizations that perform a variety of marketing activities. The major participants in the distribution channel are: producers, intermediaries and consumers. The activities of channel of distribution involves price fixation, routinisations of decisions, managing finances, promotional activities, aiding communications, minimising total transaction and serving the consumer. The channels of distribution include the producer, final consumer and the middlemen- wholesaler or retailer. There are different kinds of middlemen such as agents, brokers, dealers, distributors, jobbers, rack jobbers, resident buyer, retailer, wholesaler, commission houses etc. The different kinds of channels of distribution for consumer goods are: distribution through an agency, selling to wholesalers who sell to retailers, selling direct to retailers or dealers and selling direct to customers (Kumar and Sharma, 1998).

These days the manufacturing concerns do not always sell goods to consumers directly, but make use of intermediaries. So, all those institutions which perform the task of moving goods from producers to consumers can be termed as channels of distributions. Distribution channels are characterized in terms of number of channel level i.e. the number of intermediaries existing between the producer and consumers (Sudan, 1997). Distribution channels for handloom products are complex as the producers are scattered and mainly unorganized.

3.3.1 Channels of Distribution in Thenzawl Handloom Cluster

Thenzawl is a small town but they are known for their handloom production in Mizoram. As mentioned earlier, the people of Thenzawl weave for their livelihood, and handloom is their main occupation. The 175 sample entrepreneurs were asked about their channel of distribution.

Table 3.15 gives us the channels of distribution of the handloom products. Agents are middlemen who do not take any title to goods but take active part in the marketing mechanism rendering all services required whereas dealers are persons who buy or resell products at either retail or wholesale basis.

Table 3.15: Distribution of the Products

Products sold to	No. of Entrepreneurs	Per cent
Commission agents	56	32.0
Dealers	33	18.9
Directly to the Customers	16	9.1
All of the above	70	40.0
Total	175	100

As we can see in the table, 40 per cent of the total sample entrepreneurs follow channel of distribution where the manufacturer involves with intermediaries such as agent, dealers and also sell to the customers. 56 (32 per cent) sample respondents depend on the commission agent to distribute their products, meanwhile 33 (18.9 per cent) wholly depend on the dealers in their product distribution process. The remaining 16 (9.1 per cent) sell directly to the final customers.

The sample entrepreneurs were also asked if they faced any difficulty in distributing their handloom products in the past two years. As shown in table 3.16, 98.3 per cent of the sample entrepreneurs did not perceive any difficulty in distributing their products in the last two years and only 1.7 per cent perceived facing difficulty in distributing their products.

Table 3.16: Do the Sample Entrepreneurs Face Any Problems in Distribution in the Last Two Years?

Problem	Total	Per cent
YES	3	1.7
NO	172	98.3
Total	175	100

The sample entrepreneurs were asked if they had received any government support, which helped them in their enterprises growth and also for the development of the cluster. Table 3.17 examines the involvement of the government in the development of Thenzawl handloom cluster.

Table 3.17: Support Given by the Government

Support Received	No. of Entrepreneurs	Per cent
No	152	86.9
Yes	23	13.1
Total	175	100

The table shows that the government is not playing a major role in supporting the cluster. Out of the total sample entrepreneurs 86.9 per cent did not receive any support from the government, only 13.1 per cent received support from the government. This support was in the nature of looms given by the government.

The distribution channels of the cluster have to be improved to reach out to regional and national markets. Several handloom clusters have developed market linkages through innovative marketing strategies.

Dastkar Andhra Marketing Association (DAMA) an NGO established in 1995 provides design and technical support to over 450 weavers through 20 primary handloom weavers co-operatives located across seven districts in Andhra Pradesh. It markets the handloom products through innovative marketing strategies. It targets the potential of domestic market through different sales channels. It links the weavers to the market and helps them understand the needs of the consumers across different segments.

DAMA has five marketing channels:

i. Retailer- servicing:- caters mainly to boutiques shops and chains selling ready-mades.
ii. Home selling and corner shop network for the middle class housewives who wear handloom saris and salwar suits.
iii. Direct sales from its own stockroom.
iv. Exhibitions that enables direct customer contact and promotion of new products.
v. Other sales routes including exports and direct marketing by co-operative societies supported by DAMA.

DESI (Kasturi et al, 2006) on the other hand initially started marketing the products through '*jathre'*(village fairs)and '*Santhe*'(Sunday markets and exhibitions). Eventually through product modification and branding, it expanded its wings and spread to other markets. These case studies suggest ways to improve market linkages to enable the enterprises to sustain and grow.

3.4 PROMOTION

The perk of living in the 21st century is the rising level of competition. In order to meet the competition, the manufacturers must think of innovative ways in which they will reveal their new products to the customers. This is where promotion comes in as sales do not take place without the customers being familiar with the products. Sales do not happen without promotion or marketing communication. As a result, the part played by promotion in communicating the new product to the end user, which is introducing the newly products to the market. It also helps in creating and expanding demand for the existing products.

According Alderson, Wroe and Green (1964), "Promotion is any marketing effort to inform or persuade actual or potential consumers about the merits of a (given) product or service for the purpose of introducing a consumer either to continue or to start purchasing the firms product or service at same (given) price."

In the words of Brink and Kelly (1963), "Promotion is the coordination of all seller initiated efforts to set up channel of information and persuasion to facilitate the sale or a product service or the acceptance of an idea."

Promotion includes activities and processes designed to change or reinforce behavior and ideas of the consumers, through communication, so that they are persuaded to buy what they might not otherwise buy or what they don't really want to buy. Promotion is telling and selling. Promotion is the process of marketing communication involving information, persuasion and influence (Kumar and Sharma, 1998). Thus, promotion is a persuasive communication to inform potential customers of the existence of products to persuade them that those products have want satisfying capabilities.

Promotion is used by marketers to inform consumers about the availability and attributes of products and services and to convince the consumers to purchase the offering. Thus, promotion is a means of moving forward the offering of a company to intermediate and final consumers (Sudan, 1997).

3.4.1 Importance of Promotion in Marketing

Promotion is the process of marketing communication involving informing persuasion and influence. It persuades and convinces the buyer, becoming powerful tools of competition. In today's competitive world, promotional activities play an important role.

Consumers are informed about the availability of the products and services through promotions by the marketers to enhance the purchase of the commodities. The demand pattern of the customers depends highly on the promotional activities. It provides marketing information such as the availability of products, their prices, special characteristics of the product about the places where they can be purchased and so on. Consumers are often ready to pay higher amount for the commodities which are heavily promoted thus increasing the value of the products.

The need for promotional activities have been recognized by the marketers for various reasons: a) for the communication with the wholesalers, retailers since distance between product and producer have increased and the problem of communication is becoming more and more complex and important one, b) because of multi-dimensional competition in the market has put pressures on the promotional programs of sellers so that the product is identified and purchased by the consumers in the market, c) the consumers are becoming conscious of satisfying wants rather than needs and they are becoming very selective in their choices. For the purpose of stimulating and attracting consumers demand, a firm's most important priority is that it should have excellent promotional programme (Sudan, 1997).

Promoting a product is basically to attract the customer or consumer in such a way that will be willing to purchase the product and continue to buy the product in future as well. Thus, we can say that the main objective of promotion is to create awareness of the product in the most presentable way to attract the customer.

Promotional methods can be broadly classified into four categories. These categories are:

a. Advertising
b. Personal selling
c. Sales promotion
d. Public Relation and Publicity and many other sales promotional tools such as: Coupon, Free gifts, Display, Discount, Rebate, Price of Offer, Contest, Exhibition, Packaging in attractive containers, Demonstrations, Bonus stamps, Premium and Free goods.

3.4.2 Promotional Methods of Enterprises in Thenzawl Handloom Cluster

Thenzawl is a small town with population of 7,219, known for their weaving activities. Their only means of promotion is exhibition and discount.

Exhibition means an extension of the market place. There can be no doubt that exhibitions can become the most effective form of sales promotion as they bring buyer and sellers together and provide opportunity to the manufacturers to show the world their products. DAMA, Urmul, BVS of Chanderi Cluster, DESI have promoted their products through exhibitions at the local, national and international level.

The sample entrepreneurs were asked if they have participated in an exhibition. Table 3.18 shows the number of sample entrepreneurs who have been to exhibitions and the various levels at which they participated.

Table 3.18: Participation of Sample Entrepreneurs in Exhibitions

Exhibitions level	No. of Entrepreneurs	Per cent
Local	32	18.3
Regional	0	0.0
National	2	1.1
International	0	0.0
Never been to exhibition	141	80.6
Total	175	100

As shown in the table, 18.3 per cent of the sample entrepreneurs have participated in the local exhibitions while only two have participated in national exhibitions while the majority (80.6 per cent) has never been to any exhibition. This shows that even though exhibition was one of the main tools of promotion for handloom products especially for a remote cluster as Thenzawl, majority have not even been to exhibitions.

Table 3.19 further shows the number of times the sample entrepreneurs have been to the exhibitions. As mentioned before, out of the total sample80.6 per cent have not been to any kind of exhibitions, meanwhile 12.6 per cent of the sample entrepreneurs have been more than three times to an exhibition while only 1.7 per cent has been to exhibition twice and the remaining 5.1 per cent has been to exhibition only once.

Table 3.19: Number of Times Sample Entrepreneurs Been to Exhibitions

Number of times	No. of Entrepreneurs	Per cent
Once	9	5.1
Twice	3	1.7
Thrice	0	0.0
More than 3 times	22	12.6
Never been to exhibition	141	80.6
Total	175	100

It is evident that the entrepreneurs are not getting adequate opportunities to participate and exhibit their products in exhibitions at national and international levels.

Every year a number of exhibitions are organized by the government to encourage weavers in the country. It is unfortunate that the tribal weavers especially women who are under privileged are getting scant opportunities to exhibit their creations in wider platforms.

Another promotional method followed by the sample entrepreneurs was discount. Discount is a deduction from the usual price of the product. In other words, discount is an amount taken off a regular price also known as a price reduction. During the field study, the researcher asked the sample entrepreneurs if they give any discount to their customers. Table 3.20 shows the discounts offered by the sample enterprises. 12 per cent gave discount to their direct customers, 6.9 per cent draw their attention towards dealers by giving them special discount. Thenzawl handloom cluster, a cluster made up of the tribal people. In the tribal society relatives play a very important role. This is reflected in the table as eight per cent of the sample entrepreneurs gave discount to their relatives. However, a large majority 73.1 per cent of the entrepreneurs do not give discount as a form of promotional method.

Tables 3.20: Discount Given by the Entrepreneurs

Discount given to	No. of Entrepreneurs	Per cent
Direct customers	21	12.0
Dealers	12	6.9
Relatives	14	8.0
No discount given	128	73.1
Total	175	100

Table 3.21: Methods of Promotion of Sample Enterprises

Types of promotion	No. of Entrepreneurs	Per cent
Television	0	0
Through exhibitions	31	17.7
Displaying the products in retail shops	61	34.9
Promotion not done	83	47.4
Total	175	100

Discounts and exhibition were the main promotional methods followed by the sample enterprises in Thenzawl handloom cluster. Table 3.21 gives complete detail of type of promotional methods practiced by the sample entrepreneurs. Out of 175 sample entrepreneurs, 17.7 per cent takes exhibition as their promotional method and 34.9 per cent ways of promotion was displaying their product in the retail shops. Their products were being displayed in retail shops because their main customers are dealers who then sales their product to the retail shop. Out of the total sample entrepreneurs 47.4 per cent are not practicing any kind of promotion method.

As mention earlier, acquiring G.I or Handloom Mark allows greater access to markets. Empirical studies show that it induces the consumer to pay a premium price for such products. Many studies suggest that different distribution channels could be adopted to widen the consumer base of products with G.I. This could include retailers and super markets in countries with highly concentrated supply chains or selling through local boutique, shops or agro-tourism locations (Vinayan, 2012).

The weavers of Thenzawl are located in a remote corner of India and do not have access to advertisement at a large scale due to different constrains. Moreover, it was observed that the schemes of the Central Government for marketing of handloom products were not operating in the cluster. In the absence of access to widespread advertising, exhibitions can play an important role in promotion of these traditional products. Incentives should be given to give wider exposure to the women weavers of Thenzawl in exhibitions at the national and international level.

Note

1. Hank yarn: yarn manufactured in spinning mills are of two types; cone yarn and hank yarn. Cone yarn is used by power looms whereas hank yarn is used by handlooms.

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CONCLUSION AND SUGGESTIONS

The last chapter gives a summary of the study. Handlooms constitute a timeless facet of the rich cultural heritage of India. As an economic activity, the handloom sector occupies a place second only to agriculture in providing livelihood to the people of India. It provides employment directly and indirectly to 27.83 lakh handloom households in India, with most of them belonging to rural areas (87 percent).The handloom sector provides employment to a significant population of the weaker sections of the society viz; Schedule Castes (SCs), Schedule Tribes (STs), Other Backward Castes(OBCs) and women. About 10 percent handloom working households belong to the SCs, 22 percent to STs and 41 percent are from OBCs. Moreover 77.9 percent of the total adult handloom workers are female, of which a huge majority (88.2 percent) resides in rural areas. Interestingly, 99 percent of the adult workforces in the North Eastern (NE) states were women.

4.1INTRODUCTION

Chapter one is an introductory chapter, in which the researcher has presented an overview of artisan clusters in India, their relevance and an overview of the handloom sector in India with a focus on handloom clusters in the NE Region in India in terms of weaver households, women weavers, social groups and other parameters based on secondary data.

Clustering of enterprises has emerged as one of the most important tools for developing Micro, Small and Medium Enterprises (MSMEs) for both developed and developing economics. In order to have a clear picture of clusters, this section of the chapter has discussed the meaning of cluster, relevance of clusters and clustering in India.

Research evidence shows that clusters stimulate industrial growth and increase productivity. Many studies confirm the benefits of clustering for SMEs operating in the same or related industrial sectors in both developed and developing countries.

Artisan clusters play an important role in the Indian economy in terms of their size, spread and employment generation. The handloom and handicraft sector have a significant share of the micro enterprises clusters according to the estimates of UNIDO and Development Commissioner Small Scale Industries (DCSSI). The other clusters include coir and village industries.

The handloom sectors plays an important role in the Indian economy as it provides employment to 43.32 lakh handloom weavers and ancillary workers becoming the second largest employment provider next to agriculture. Flexibility of production in small quantities, openness to innovation, low level of capital investment and immense possibility of designing fabrics has contributed to the survival of the handloom sector over the last decades. The handloom sector plays an important role in the country’s economy as it has maintained a share of share of 20-25 per cent, the total textile production of India.

The handloom sector plays a vital role in the socio- economic milieu of the North East India. Handloom weaving is a common skill of this region which is passed on from generation to generation through their women folk. According to the Handloom Census of India (NCAER, 2010), out of 43.32 lakh handloom workers, about 50 percent of the total handloom workforce and more than 65 percent of the total looms are in the NE States. However a large majority (more than 62 percent) of the loom in NE states are engaged in domestic production only. As mentioned earlier the handloom sector is a female dominated occupation in the NE. It has a predominantly female (99 per cent) work force.

Mizoram, the 24th State of Indian Union, was born in February, 1987. Micro enterprises such as handlooms and handicrafts play a vital role in the economy. Traditionally, handloom was a part of the daily life of Mizos, during expression to their culture and tradition, loin loom (a type of handloom) was the most popular loom. Mizoram has a handloom workforce of 41,189 working on 23,938 looms. Majority of the looms were found in a town called Thenzawl while the remaining looms were in certain part of Aizawl and Lunglei district.

The chapter also reviewed the available literature on handloom industry in India and the NE and marketing of handloom products. Relevant literature in respect of these important areas was drawn to understand the current status of research. An extensive review of literature was done in areas such as studies on handloom industry, studies on handloom industry in the north-east**,** studies on handloom industry in Mizoram, studies on marketing of handloom products.

Marketing has been a general problem faced by the handloom industry in India, since these products are known for niche marketing and meant for mass marketing.

The objectives of the present study were to identify marketing practices viz product, price, place and promotion of micro handloom enterprises in Thenzawl cluster and to provide suggestions to the handloom enterprises and other stakeholders involved in the development of the enterprises. The study will be restricted to Thenzawl handloom cluster.

Out of 325 entrepreneurs, 175 respondents were randomly selected to collect primary data. A structured questionnaire in Mizo language was administered to the sample respondents in order to collect relevant primary data on the marketing practices adopted by the sample enterprises .This was supplemented by unstructured interviews and participatory observations with the sample entrepreneurs and intermediaries. Secondary data was collected by consulting relevant reports, journals, magazines, books, newspapers and websites.

4.2 THENZAWL HANDLOOM CLUSTER: AN OVERVIEW

This chapter traced the genesis and growth of Thenzawl handloom cluster, studied the gender perspective and socio-economic profile of the entrepreneurs in Thenzawl, such as, their age, educational qualifications, family structure, occupation, marital status, religion and so on.

- The birth of Thenzawl handloom can be traced to 1982 when four enterprises started operating (eight) looms for commercial production of handloom products. Presently (2013) there were 325 micro enterprises operating in the cluster. Today almost every house owns a loom and as one walks the street of Thenzawl. The impact of cluster on entrepreneurship as the number of enterprises has risen from 205to 325 in five years.
- 2001-2010 decade witnessed the commencement of 27.4 per cent of enterprises. Notably, 45.1 per cent of the sample respondents started their enterprises during the years 2011-2013, out of which 23.3 per cent became entrepreneurs in 2013, showing the tremendous growth of the cluster in this decade.

- 175 sample entrepreneurs in Thenzawl, 14.9 per cent belonged to *Chhakchhuak,* the commoners' clan, followed by *Ralte* (sub tribe) constituting 13.7 per cent of the entrepreneurs, followed by the Chiefs' clan, *Sailo* (7.4 per cent).
- The occupation of weaving was not restricted to specific castes, clans or tribes. It is observed that the sample entrepreneurs in Thenzawl share a strong sense of common identity despite the fact that they belonged to different tribes or sub-tribes or clans and abound in 'social capital.'
- A large number of entrepreneurs (36.6 per cent) were in the age group between 31-40 years, followed by the age group of below 30 years (30.9 per cent) and 41-50 years (20.6 per cent). Only five respondents were above 60 years (2.9 per cent).
- Almost all the sample entrepreneurs (99.6 per cent) were literate in the cluster.
- A majority of the sample entrepreneurs were unmarried (62.9 per cent), followed by married women (17.1 per cent), divorcees (14.3 per cent) and widows (5.7 per cent).
- In the present study the researcher observed that joint family and nuclear family co-existed. Nuclear families (51.4 per cent) were marginally more in proportion as compared to joint families (48.6 per cent) among the sample entrepreneur's families.
- 72.6 per cent of the sample entrepreneurs' family depends on weaving as their main occupation. Handloom continues to be an important occupation in the cluster, emphasizing the need for promoting this sector in Thenzawl.

- 33.9 per cent of the sample enterprises engaged children in weaving activities.
- The annual average income of the sample enterprises from weaving only. An overwhelming majority of the enterprises (91.9 per cent) earned an annual income of above `100,000 and above, six per cent earned `60,001 to 100,000 and 2.2 per cent earned 20,000 -60,000 from weaving activities only. None of the sample enterprises earned less than 20,000 annually.
- The concept of co-operative society appears to be nascent in Thenzawl cluster, as the researcher observed during the field study that only about five per cent of the entrepreneurs have taken up membership in eight co-operative societies which have been formed lately.
- It was distressing to note that only 37.1 per cent of the entrepreneurs possessed weaver photo identity cards, whereas a huge majority of 62.9 per cent of the entrepreneurs did not possess weaver photo identity cards.
- All the entrepreneurs in the present study were Christians.
- All the sample entrepreneurs were female, confirming that the handloom cluster in Thenzawl is a female domain.
- All the sample entrepreneurs were operating their enterprise on the basis of sole proprietorship.
- 98.1 per cent of the total sample entrepreneurs used fly shuttle looms. Only 1.9 per cent of the sample entrepreneurs own Burmese looms. 6.9 per cent owned four to ten looms, 2.3 per cent of the sample enterprises owned 11-20 looms and 1.1 per cent owned 21-40 looms. It was evident that small weavers comprise a huge majority of the cluster. Interestingly, these entrepreneurs were operating viable enterprises with one to three looms.

- Out of 516 looms owned by the sample entrepreneurs, only 5 per cent (30 looms) were idle. The existence of a very low proportion (5 per cent) of idle looms in the sample enterprises in Thenzawl cluster indicates a healthy trend and shows that the enterprises were in the position to operate to maximum number of looms.
- 88.6 per cent of the sample entrepreneurs were operating their looms from their houses or the houses of the labourers. Only 11.4 per cent had a separate shed for weaving.

It is evident that the cluster abounds in social capital. Interestingly the literacy levels in Thenzawl compare favourably to any other cluster in India. Moreover, the women in Thenzawl have transformed weaving from a mere domestic chore to commercially viable enterprises notwithstanding the number of looms owned by them. Thenzawl has emerged as centre for commercial weaving activities, providing livelihood to a significant number of tribal women in a remote corner of India's NE.

4.3 MARKETING MIX OF HANDLOOM ENTERPRISES-PRODUCT, PRICING, DISTRIBUTION AND PROMOTION

This chapter examined the important tools of marketing mix viz, Product, Pricing, Distribution and Promotion of the sample enterprises in Thenzawl Handloom Cluster.

A. Product Policies

- Thenzawl Handloom products are generic products as they are unbranded and undifferentiated commodities in the market. The product does not have an identity through a brand name and is not linked to any one maker or owner.

- There were four product lines namely *Puan,* bags and purses, traditional attire and other items.
- The first product line- *puan* consisted of nine products viz, *Puanchei, Ngotekherh, Siniar, Puan Ropui, Puandum, Tawlhlo Puan, Puan Laisen, Puan Plain, Puantial,*
- The second product line consisted of bags and purses. The remaining bits of *puan* which are left aside after weaving a *puan* are often used to produce bags and purses. Bags and purses with typical ethnic Mizo designs and colours are being produced in the cluster. The different product line of bags and purses are as follows: Sling bags, Hand bags, *Ipte chei*, Purse.
- The third product line consisted of traditional attires namely: *Kawrchei, Thangchhuah Kawr and Thangchhuah Diar.*
- The fourth product line consisted of other items which included shawls, vest coats and neckties with typical ethnic Mizo designs and colours are becoming popular in recent times.
- Some modification in product line observed with respect to *Ngotekherh, Siniar, Puan Ropui,* vest coats, shawls, Bags and purses.
- All products had registered an increase in production except *Puanlaisen, Puan* plain, *Kawrchei, Thangchhuah Kawr,* Shawl, Purse, Bag, Vest coat, *Diar* and Necktie. The total number of units sold by the sample enterprises has increased from 32,198 units in 2010 to 42,278 units in 2012.
- An increase in the sales turnover can be observed from Rs. 4.06 crore in 2010 to Rs. 5.38 crore in 2012. The total sales volume from the

operation of 450 looms owned by the sample entrepreneurs in the cluster excluding the 40 new entrepreneurs was Rs. 6.81 crore in 2012. The sales turnover of the sample entrepreneurs has registered a remarkable growth, with the sales turnover increasing by over Rs 2 crore in three years since 2010, which reflects a healthy trend and indicates the degree of sustainable success of the enterprises in cluster. The products significantly contributing to the high sales turnover were: *Puanchei, Siniar, Puan Ropui,* followed by *Ngotekherh, Puandum* and *Tawlhlo Puan* respectively.

- *Puanchei* has maintained the highest share of about 37 per cent among all the products in the total sales of sample enterprises in the cluster in the years 2010, 2011 and 2012.
- The entrepreneurs in Thenzawl cluster used dyed yarn procured from Aizawl and Thenzawl only for weaving their products. 76 per cent of the household procured dyed yarn from the yarn merchants (open market), 15.1 per cent procured from master weavers, 4.1 per cent from co-operative societies, only 0.4 per cent from National Handloom Development Corporation (NHDC) and 4.5 per cent of the households procured dyed from other sources.
- 53.1 per cent of the sample entrepreneurs manufactured their product based on the combination of two methods: as per orders and first manufacture and then plan to sell it in the market. The remaining 38.3 per cent follow the policy to manufacture the product and then sell while only 8.6 per cent manufacture the product on the basis of orders received.

- 82.3 per cent of the sample entrepreneurs themselves created the design for the products, while only two (1.1 per cent) sample entrepreneurs followed the design given by the buyers. However, 16.6 per cent of the total sample entrepreneurs claim that their designs were a combination of their creativity and the buyers. Interestingly no sample entrepreneur had consulted any Institutions so far for the purpose of creating designs. Being traditional in nature, the products manufactured follow traditional designs resulting in less involvement of designers from specialized institutions.
- Majority (98.3 per cent) use traditional designs while only one sample entrepreneur claims to use modern design and two sample respondents used both traditional and modern designs.

The cluster has shown a remarkable growth in terms of product mix, product line, the number of units manufactured and the total sales turnover of the sample enterprises.

B. Pricing

- Cost based method of pricing was being followed in Thenzawl.
- Different types of yarn are used, for manufacturing handloom products fabrics such as wool, silk, acrylic and gold thread.
- The weaving charge for *Puan Ropui* was the highest followed by *Siniar* and *Puanchei*
- About 40-50 per cent of the price of the products consisted of the profit margin being enjoyed by the entrepreneurs and the dealers. The dealers are enjoying almost equal margin of profit on par with the entrepreneurs. It

appears that there is an over dependence in a few retail outlets and a widening gap between the entrepreneurs and the final customers. As a result of this the prices of the products are being pushed up. Setting up retail outlets for the Thenzawl Association of Handloom Weavers will enable the management of prices.

C. Distribution

- 40 per cent of the total sample entrepreneurs followed channel of distribution where the manufacturer involves with intermediaries such as agent, dealers and also sell to the customers. 56 (32 per cent) sample respondents depended on the commission agent to distribute their products, meanwhile 33 (18.9 per cent) wholly depended on the dealers in their product distribution process. The remaining 16 (9.1 per cent) sell directly to the final customers.
- The sample entrepreneurs did not perceive any difficulty in distributing their products in the last two years and only 1.7 per cent perceived facing difficulty in distributing their products.
- The government is not playing a major role in supporting the cluster. Out of the total sample entrepreneurs 86.9 per cent did not receive any support from the government, only 13.1 per cent received support from the government. This support was in the nature of looms given by the government.

D. Promotion

- 18.3 per cent of the sample entrepreneurs have participated in the local exhibitions while only two have participated in national exhibitions while the majority (80.6 per cent) had never been to any exhibition.
- 80.6 per cent have not been to any kind of exhibitions, meanwhile 12.6 per cent of the sample entrepreneurs have been more than three times to an

exhibition while only 1.7 per cent has been to exhibition twice and the remaining 5.1 per cent has been to exhibition only once.

- 12 per cent of the respondents gave discount to their direct customers, 6.9 per cent draw their attention towards dealers by giving them special discount. Thenzawl handloom cluster, a cluster made up of the tribal people. In the tribal society relatives play a very important role. Eight per cent of the sample entrepreneurs gave discount to their relatives. However, a large majority 73.1 per cent of the entrepreneurs do not give discount as a form of promotional method.
- Discounts and exhibition were the main promotional methods followed by the sample enterprises in Thenzawl handloom cluster. Table 3.21 gives complete detail of type of promotional methods practiced by the sample entrepreneurs. Out of 175 sample entrepreneurs, 17.7 per cent takes exhibition as their promotional method and 34.9 per cent ways of promotion was displaying their product in the retail shops.

The weavers of Thenzawl are located in a remote corner of India and do not have access to advertisement at a large scale due to different constrains. Moreover, it was observed that the schemes of the Central Government for marketing of handloom products were not operatin*g* in the cluster. In the absence of access to widespread advertising, exhibitions can play an important role in promotion of these traditional products.

4.4 SUMMARY OF SUGGESTIONS

- As the concept of co-operative society appeared to be nascent in Thenzawl cluster, as only about five per cent of the entrepreneurs have taken up membership in eight co-operative societies which have been formed lately, the government and non- government agencies need to undertake concerted efforts to educate the weavers about the fundamental concept of a co-operative society and the benefits that could be derived from it.

- There is an urgent need to plug the gaps in the system of distribution of weaving identity cards and identify all the weavers in the cluster and distribute weaving identity card to each of them to facilitate the cluster to grow.
- There is an urgent need to build strong brand for the products manufactured by Thenzawl Cluster to give it a distinctive name or symbol.
- The researcher suggests that initiation of the process of acquiring G.I should be started for traditional products such as *Puanchei* (The typical *sakeizangzei* design), *Ngotekherh* and *Puandum.*acquiring G.I or Handloom Mark allows greater access to markets. Empirical studies show that it induces the consumer to pay a premium price for such products. Many studies suggest that different distribution channels could be adopted to widen the consumer base of products with G.I. This could include retailers and super markets in countries with highly concentrated supply chains or selling through local boutique, shops or agro-tourism locations.
- The researcher recommends that the Mizoram government should initiate the process of obtaining handloom mark for the products of Thenzawl.
- There is an urgent need to provide support to the enterprises with regard to product development, improvisation of designs, building strong brands and creating networks with NIFT and NID to explore and enhance the markets for their products as they are restricted to Mizoram.

- There is a need to set up a testing laboratory, CFC to facilitate quality control of products.
- There is a need to conduct market research to understand the perception of customers at the regional, national and international level. On the basis of such research, new products should be formulated to cater to the needs of national and international markets.
- The cluster should emulate the product policies of successful clusters such as Chanderi (Madhya Pradesh), Mangalagiri (Andhra Pradesh), Kannur (Kerala) and others to enable it to sustain and grow.
- Setting up retail outlets for the Thenzawl Association of Handloom Weavers will enable better management of prices.
- The distribution channels of the cluster have to be improved to reach out to regional and national markets.
- In the absence of access to widespread advertising, exhibitions can play an important role in promotion of these traditional products. Incentives should be given to give wider exposure to the women weavers of Thenzawl in exhibitions at the national and international level.

In conclusion Thenzawl handloom cluster has empowered the tribal women living in this remote corner of India’s NE economically. The cluster has shown a remarkable growth in terms of enterprises, sales, and number of products manufactured since its inception in 1980s.

4.5 CLUSTER DEVELOPMENT INITIATIVES

Ideally, the implementation of the centrally sponsored scheme namely the Integrated Handloom Development Scheme (IHDS) would enable to address the problems faced by the cluster discussed earlier. This scheme which is supposed to be implemented in the eleventh plan (2007-12) has included four erstwhile schemes which were implemented in the tenth five year plan viz, the Deen Dayal Hathkarga Protsahan Yojana (DDHPY), the Integrated Handloom Training Project (IHTP), the Integrated Handloom Development Scheme (IHDS) and the Work shed cum- Housing Scheme. The central government's scheme i.e. IHDS which focuses on facilitating the weavers to chart out a sustainable path for growth and diversification in line with the emerging market trends, would enable Thenzawl to become competitive in the long run and make inroads into national and international markets. The scheme is applicable to clusters having handlooms in the range of 300-500.

The subcomponents of the scheme include financial assistance for:

- *Formation of consortium:* One-time assistance of ` 50,000 would be provided to the cluster for meeting expenditure relating to formation, organisation and functioning of the consortium. It is suggested that the Thenzawl Handlooms and Handicrafts Association be converted as a consortium to do the needful as per the guidelines of the IHDS.
- *Corpus fund for yarn depot:* In order to ensure regular availability of yarn of requisite counts for 300-500 looms through a yarn depot in the cluster, one-time assistance of Rs. 3 lakh will be provided to the National Handloom Development Corporation (NHDC). This would facilitate to address the problems such as the scarcity of yarn, high price of yarn, low quality of yarn.

- *Design development and product diversification:* One-time assistance of ` 3 lakh would be provided towards the purchase of Computer Aided Textile Design (CATD) system, colour forecast and other allied requirements. Both the central and state governments have to share the financial assistance equally. Further, assistance up to Rs. 6 lakh will be provided to engage a qualified designer for a period of three years which will be entirely borne by the central government. This component would enable the entrepreneurs to overcome the problems of marketing and technical consultancy problems such as lack of consultancy for designs.

- *Common Facility Centre/Dye House:* One–time assistance for setting up of Common Facility Centre, which will include water treatment plant, effluent treatment plant, pre loom and post loom operations, quality control laboratory, display–cum-exhibition hall/committee room/ common work shed which would be entirely funded by the central government. The scheme also facilitates the setting up of a Dye House on the basis of public-private partnership involving the central government, state government and the consortium. This component would address the problems related to production viz, problems in pre–loom and post-loom processes, lack of quality testing facilities and other infrastructure.
- *Publicity and marketing*: Financial assistance would be given to the eligible organisation (in this case Thenzawl Handlooms and Handicrafts Association) for publicity and market development. It would cover expenditure towards advertisement, printing of brochures, organising buyer-seller meets, exposure visits to the weavers to other clusters, awareness programmes and so on. The assistance would be shared in the ratio of 75: 25 between central government and State government. This component would deal with the problems of limited resources for publicity.

- *Installation of dobby, jacquard and other accessories:* Assistance would be provided for the weavers organised in SHGs and cooperatives for the purchase of dobby at Rs. 4000 per weaver, for the purchase of jacquard at Rs. 6000 per weaver and other accessories at ` 2000 per weaver. The assistance would be shared in the ratio 90:5:5 between the central government, state government and implementing agency/beneficiary for the NER States. Another significant problem encountered by the entrepreneurs was lack of upgradaton of technology which could be addressed by the installation of dobby, jacquard and other accessories through this scheme.
- *Skill up gradation*: The scheme would provide assistance per batch of 20 trainees to upgrade technical and managerial skills of weavers in the cluster, which will be entirely borne by the central government.

Appropriate cluster intervention strategies to improve the marketing policies of the enterprises will enable the cluster to sustain and grow and become a model cluster for other cluster to emulate in the region. However, an absence of such support will retard the growth of the cluster.