

AN ANALYSIS OF MARKETING STRATEGIES OF HANDLOOM INDUSTRY IN MARUTHAMUNAI

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ABSTRACT: Handloom textile industry in Sri Lanka is a rural based industry where labor force is highly used. It has gained high socio economic importance due to the significant employment generating potential especially among the rural women. As such, Maruthamunai, in the far north of Ampara District is the only village producing handloom garments in the district and is very well known in Sri Lanka for its handloom products. It is observed that handloom industries have rare demand for the products due to the ineffectiveness of marketing strategies and knowledge used in the industries activities. Therefore what effective marketing strategies need for the development of handloom industries in Maruthamunai is identified as the research problem of the study. The objective of the study is to find out the effective strategies for the development of the industry. For the purpose of finding out the level of effectiveness of marketing strategies for the handloom industries, the research considered four types of marketing strategies as conceptualization. Those are product, price, place and promotion related strategies. Data was collected through structured questionnaire. 200 samples were randomly selected from involving entrepreneurs of entire eight G.N. divisions of Maruthamunai. The collected data were analyzed by using SPSS with Univariate measures, such as mean, mode and standard deviation. Evaluation was made based on the average mean values of the strategies such as ineffectiveness, moderate effectiveness and effectiveness. It was found that product, price, place related strategies are moderate effective for handloom industries development, but the promotion related strategies were found ineffective in promoting handloom marketing.

Keywords: Marketing Strategies, Product, Price, Place and promotion

1. INTRODUCTION

The Sri Lanka handloom textile industry is highly labor intensive, export oriented and rural based industry generating high returns. It has gained high socio economic importance due to the potential of significant employment generation, especially among the rural women in Sri Lanka. Handloom items from Sri Lanka have gained international reputation. Sri Lanka exports a sizeable quantity of cotton goods to the US, UK, Japan, Germany, France and Netherland (EDB, 2013). In the recent past, Sri Lankan exports have increased substantially to a great level. Individual innovative designs, craftsmanship, color combinations, patterns and processing techniques have given an own identity to Sri Lankan handloom textile products today (EDB, 2013).

Maruthamunai is the only village producing handloom garment in the District of Ampara and is very well known to Sri Lanka for its handloom products. It is said that the handloom industry in Maruthamunai dates back to 18th century. This industry has suffered gravely due to various factors in the past and its continuing survival in the face of many barriers is amazing. The period between 1970 – 1978 was very successful time for the handloom industry and it flourished due to closed economic policy of the then government. In 1978, many handlooms at Maruthamunai had been destroyed by the cyclone. Subsequently, the liberalization of imports and the lifting of the ban on textiles imports by the government also affected the industry and handlooms here were reduced to 400 from 6300 during the period of 1979 – 1994 (Sunday Observer, 2003). The reduction in handlooms created unemployment problems for both men and women, who were compelled to look for greener

pastures elsewhere (Daily News, 2006).Lack of information to weavers on various policies and schemes are minimal significant cause for the dwindling fortunes of the weavers' community. Even government departments and implementing agencies related to handloom suffer from inadequate information and data which influence in widening gap between formulation of policies and implementation. Small industries, conceived and developed as an integral part of the total industrial structure of a country help achievement not only for the purely economic objectives but also certain socio economic goals of economic planning. In terms of purely economic objectives, these industries create employment opportunities, help introduction of new products and diversify the existing product line, contribute to the export promotion of manufactured products, offer potential form and save capital. In forma of socio economic goals, these industries promote entrepreneurship and strengthen the democratic base of a country through the creation and sustenance of middle classes society. These also help dispersal of industries, providing opportunities for the development of local enterprise and capital, might otherwise have reminded dormant.

2. PROBLEM RECOGNITION

Handloom producers who are engaging in production and marketing of handlooms, operate small and large scales, being marketed their products at many places in the country but has rare demands for their products. Therefore, this comprehensive research is carried out to improve the effectiveness of marketing strategies for Handloom industries in Maruthamunai.

3. OBJECTIVES

The objectives of this research study are to find out proper product related strategies, price related strategies, place related strategies and promotion related strategies for handlooms industries in Maruthamunai.

4. CONCEPTUAL FRAMEWORK

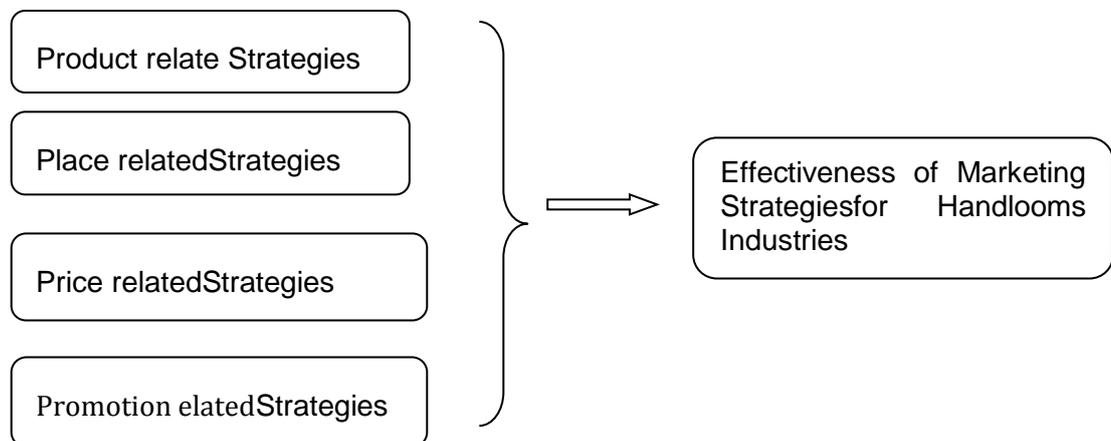


Figure 1. Conceptual framework developed for this study

4.1 Product Strategies

Product strategies are related with the product aim, benefit, position, and differentiate advantage offer over competitors product in the market. Marketing is fundamentally about providing the correct bundle of benefits to the end user, hence the saying “marketing is not about providing products or services. It is about providing changing benefits to the changing needs and demands of the customer” (Levit, 1981).

4.2 Price strategies

An organization can adopt a number of pricing strategies. The pricing strategies are based much on what objectives the company has set itself to achieve. Penetration pricing, skimming pricing, competition pricing, product line pricing, bundle pricing, psychological pricing, premium pricing and optional pricing are the examples of pricing strategies that could be adoptable (Philip Kotler, 2011).

4.3 Place strategies

Most producers do not sell their goods directly to the final users. Between producers and the final users stands a marketing channel. Most producers work with marketing intermediaries to bring their products to market. Depending on the type of product being distributed, there are three common distribution strategies available. They are intensive distribution, exclusive distribution and selective distribution. If a manufacturer decides to adopt an exclusive or selective strategy, they should select an intermediary which has experience of handling similar products, credible and is known by the target audience (Philip Kotler, 2011).

4.4 Promotion strategies

Modern marketing calls for more than developing a good product, pricing it attractively and making it accessible to target customers. Handlooms industries must also communicate with their present and potential customers. Marketing communication is focus on overcoming awareness, an image or preference gap in the target market. Presently communication is the management of the customer buying process over time, during the pre-selling, selling, consuming and post consuming stages due to different customer (Philip Kotler, 2011).

5. OPERATIONALIZATION

Table 1: Operationalization

Variables	Dimension
1. Product Strategies	1.1 Quality input 1.2 Attractiveness 1.3 Finishing of the product 1.4 Specific logo 1.5 New technology
2. Price Strategies	2.1 Total cost 2.2 Covering retailer and whole seller 2.3 Low price 2.4 Covering whole income group 2.5 Inputs price
3. Place Strategies	3.1 Distribution mode and channel 3.2 Middle man 3.3 Display center 3.4 Availability of transport services 3.5 Location of factory
4. Promotion Strategies	4.1 Faire wages 4.2 Training 4.3 Retention of employee 4.4 packaging

(Source: Prepared for this study in particular)

6. METHODOLOGY

6.1 Sample selection

The target population for this study includes all the families who are involving in the industry in Maruthamunai. According to this 200 sample elements have been selected as sample size.

6.2 Sampling and data collection

For this research 200 samples were randomly selected from the families related to handlooms industries in Maruthamunai.

Table 2: Sampling

Category of Family	No of Family	Sample size
Fully engaged family	210	100
Partly engaged family	240	100
Total	450	200

(Source: DS office, Kalmunai – 2015)

This study was carried out based on primary and secondary data sources. Primary data was mainly collected by questionnaires including personal and research data. Secondary data was collected from statistical hand book and interview.

Table 3: Likert Scale

Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	2	3	4	5

(Source: develop for the research purpose)

6.3 Methods of data presentation and analysis

For this research, data collected from questionnaire is analyzed using univariate analysis. Univariate analysis consists of mean, median, standard deviation, percentage etc. Based on the univariate analysis, establishment of each variable in conceptual frame work have been arrived.

6.4 Method of data evaluation

Based on the value indicated in the questionnaire, the average value for each factor is considered for evaluation. The average (mean) value will lie in the range 1- 5. There are three different possibilities for mean value of a variable and the decision criteria for the mean value are indicated in table 4.

Table 4: Decision criteria

Range	Decision Rule
$1.0 \leq X_i \leq 2.5$	Lower level of effectiveness
$2.5 < X_i \leq 3.5$	Moderate level of effectiveness
$3.5 < X_i \leq 5$	Higher level of effectiveness

(Source: developed for this study)

7. RESULTS AND DISCUSSION

7.1 Product strategies

The variable product strategy consists of quality input, attractiveness, finishing of the product, specific of the logo and new technology. Dimension, quality input has a mean value of 3.14. It is denoted that quality input will give effective position to the sector, but sector has to involve in the market research for their product development and understand the customer preference.

Considering attractiveness, mean value is 3.585. It means attractiveness will provide higher level of effectiveness to the industry. If customers are satisfied with attractiveness of product, market will be able to expand their market.

Dimension finishing of the product has a mean value of 3.435. It is in moderate level of effectiveness to the industry. Considering the specific logo, mean value is 2.045. It is ineffective position. Industry needs to find solution to run the business and develop the logo. Logo is major identity in market. Customer can easily identify the specific product. Dimension of new technologies has mean value of 2.045. It is ineffective position and threat to the specific sectors. Such sector has to introduce new technology and appropriate training on this.

Overall mean value of product strategies is 2.885. This is within the range of $2.5 < X_i \leq 3.5$. This clearly shows that the element of product strategies has moderate level to contribute to handloom industries in Maruthamunai.

7.2 Price Strategies

Price strategy includes the dimension of total cost, retailer and whole seller, low price, income group, and input prices. Mean value for total cost was 2.47. It shows as the ineffective position to the industry. Therefore industry has to consider the all kind of cost in their production to run the industry for long term.

Both retail and whole sellers are vital to reach the product to the final users. Mean value of this variable was 3.47. It is effective position as well as great opportunity to run the business performance very well. Sector has to adopt several strategies to keep strength position favour of retailer and whole seller such as well package and labeling, promotion activity.

Prices are indicating the value of product and quality. According to the analysis, result of mean value of the low price was 2.87. It is moderate level to the industry. When comparing with competitors product in market, they are offering the product in low price. In case of

Maruthamunai handloom industries, they have to get whole raw material from abroad. in this context, handloom industries has pass the message to government to make a proper action to reduce the cost of production and expand the activities of industries.

Mean value of the dimension, income group was 2.45. This ineffective level is threat to the industry but sector has to try to make an efficiency pricing system to cover all income groups. Then industry may expand their product line for blue collar jobs. Considering input prices, it mainly indicates as experience skill person will able to enter into the production very easily at lower wages. Therefore it got the mean value of 3.575. It is effective position to the sector and giving more opportunity to sector.

Overall mean value of price strategy is 2.973. This is within the range of $2.5 < X_i \leq 3.5$. This clearly shows that the element of price strategies has moderate level to contribute to handloom industries in Maruthamunai.

7.3 Place Strategies

Place strategy includes the dimensions of middle man, display centre, distribution mode and channel, availability of transport service and location of the factory. It is in moderate level having a overall mean value of 2.778 because strategies related to the dimension of display center and availability of transport service are effectively adopted in the industry, but strategies related to middle man, distribution mode and location of factory are ineffective with the mean value of 2.39 and 2.43 respectively.

7.4 Promotion Strategies

Regarding the variable promotion strategies, overall mean value was 2.218. It is ineffectiveness because lack of wages (2.45), lack of skill development training (2.37), lack of sales representatives (2.005), lack of interest of youth to engage in the sector (2.44) and low quality of packaging system (1.825).

8. CONCLUSION

According to the analysis and its findings, this study provides the most comprehensive test for analyzing the marketing strategies and how handloom industries will make the strategies positively to attain the target goals. Form the analysis, conclusion for research, the marketing strategies criteria such as product, price, place, and promotion strategies determine the strategies favor of specific goals and services. These strategies were divided into several parts and prepared the questionnaire related with handlooms industries to analysis of the strategies.

Handloom industries are having traditional method to products. They will be able to adopt new technologies in production process. New technology covers most of the customer first choice. 4Ps have all types of strategies, if the industries follow suitable strategies favor of production and marketing. They will be able to make fruitful development process in Ampara district as well as support the country economic growth through reduction of poverty and unemployment level in rural area.

9. RECOMMENDATIONS

Marketers have to ensure that their product gives satisfaction to the customer and consumers complying with their belief, value, norms and taste. This will lead to occupy the entire market. Handlooms product quality has to maintain accordance with the customer

preferences. Handloom industries need to know the market segmentation to realize the target market for each product. The entire product has to market under specific logo and brand name. It will lead the industries in positive approach. Entrepreneur has to try to introduce the modern technology on their process to make better and low cost in output.

Price is vital factor to run the firm that only factors to be giving income to the sectors. So handloom industries have to consider whole cost of production. When determine the price for the product should be aware the income of the specific target group. Producers can make separate pricing strategies for each product. Pricing strategies have to attract the customer. Product price has to cover the whole sellers and retailers.

Congenial working environment be ensured for employees. Place has to be easy access for customers and raw materials. Display center has to make attractive to the customer.

Industries must involve in research activities to aware the market position and to identify the target segments and analyze the marketing environment. Employee retention plan be established considering their different talent and advertisement as well as promotional activities be developed. Training be provided to employees to enhance their skill towards the production. Handloom industries have to attract the new investors in this field to develop the industries as well as get assistance from the government to reduce the vulnerability in this field.

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THE INFLUENCE OF UNIVERSITY ENVIRONMENT AND LEARNING MANAGEMENT IN THE LEARNING PROCESS OF THE UNIVERSITY STUDENTS

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ABSTRACT: The government has implemented various policies to enhance the modern learning process of the university students. Particularly, the government provides technological devices and let the use of free links in terms of promoting modern learning