

MARKETING OF LOCAL MADE HANDICRAFT BUSINESSES IN IMPLEMENTING PROMOTION STRATEGIES FOR THEIR PRODUCTS

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ABSTRACT

The main objective of this study was to examine challenges faced by handicraft businesses in implementing product promotion strategies. It was specifically focused on strategies, effectiveness of the strategies and the challenges in implementing the promotion strategy. Descriptive approach was adopted that enabled researcher to apply various methods of data collection and analysis where questionnaires were used for data collection while tabulation and graphs were put into use for data analysis. Data were gathered at Makonde Handicraft Village which is located at Mwenge area, along Sam Nujoma road and Tingatinga Arts Cooperative Society, Oyster Bay. The major findings showed that personal selling is the effective strategy and the other promotion strategies like newspapers, radio, billboards, television, magazine, public relations, email and internet use, personal selling and trade fairs are not commonly applicable. Government negligence, exploitation, lack of training, lack of financial support, lack of promotion assistance from stakeholders, tax related complaints, expensive working tools, inability to engage with ICT and lack of ownership to the working places were the most critical challenges facing these businesses. Other striking results include the finding that the handicraft sector is dominated by owners/operators with low education level and is also attracting extremely few youngsters, a threat to its future sustainability. The study recommends that the Government through its relevant ministries, departments and agencies should come forth with support or policies that would create an environment for all stakeholders, including financial institutions, training institutions, and NGOs, to lend a helping hand in promoting skills development in the area as well as the promotion of handicraft businesses and products.

I INTRODUCTION

Handicrafts in Indian villages are of different kinds. The major types of handicrafts are pottery, metal craft, gold jewellery, wood craft, shell craft, cane craft, needle craft embroidery, ivory craft, comb craft, glass craft, paper craft, weaving, silver jewellery, etc. All these types of handicrafts are considered major sources of income for numerous people in the Indian villages. The artisans create these handicrafts either at homes or in a cooperative basis or on behalf of any big concern involved with the marketing of handicrafts products. Handicrafts in Indian villages are made for serving various purposes. While some of the handicrafts products are made for daily uses, there are a few that are made for decorative purposes. Villages in different parts of India are famous for producing different types of handicrafts. While the villages of West Bengal are famous for making the handicraft products like Terracotta, Sholapitha craft, etc., the villages of Gujarat are famous for the products like brass and iron items, clay items, wooden furniture, embroidery, silver jewellery, dhurries, carpets, blankets, rugs, etc. The villages in other parts of the country are also famous for making different types of handicrafts products. Handicrafts in Indian villages are practicing since the ancient period. Handicraft is also a major occupation for the villagers since the ancient period. The governmental authorities in India are encouraging people to take up handicrafts as their occupation in the recent years as the Indian handicrafts products bring a huge amount of foreign currency to the countries.

BACKGROUND OF THE STUDY

Small industries particularly handicraft production is a major form of employment and in every nations, it constitutes a significant part of their export economy. Observers in handicraft sector predict that the escalating number of small business turning to handicraft production is unlikely to decline significantly in the future. Artisans have been identified as the second largest sector of rural employment after agriculture in many regions of the world.

Small industries such as handicraft have not been spared from the effects of Tanzania's severe economic problems. Almost all inputs present a problem: skilled manpower, finance, raw materials, machinery/spare parts, and sometimes information. The long distances involved in distribution, prohibitive transport costs (due to extremely high prices for fuel and spare parts, and the very poor state of main roads), and difficult communications have led to ever-higher black-

market prices. As the cost of living has sky-rocketed, the purchasing power of the people has declined, so creating market problems for all industry including Small Scale Industry (SSI).

OBJECTIVES

General Objective

The general objective of the study was to examine challenges faced by handicraft businesses in Dar ES Salaam in implementing product promotion strategies.

Specific Objectives

- To identify strategies for promoting product of handicraft businesses.
- To assess the effectiveness of the strategies for promotion of handicraft businesses.
- To identify the challenges in implementing the promotion strategy.

STATEMENT OF PROBLEM

Handicraft business in developing countries, Tanzania in particular faces different challenges. Tanzania lacks promotion strategies thus operating as operational marketing industry. This brings the sector to its knees in comparison to other East African countries such as Uganda where since 2004 has Uganda Export Promotion Board and the Handicraft Sector Stakeholders are developing an export strategy for handicraft in Uganda. The formulation of the strategy was supported jointly by the Joint Integrated Technical Assistance Program through International Trade Centre (Uganda Handicraft Export Strategy, 2005). On this basis, it can be noted that small scale handicraft producers often lack adequate promotion experience or support structures, particularly for export and hence there is a highly need for Tanzania to carry out the study that would eventually facilitate knowledge to stakeholders upon challenges facing handicraft business.

However, in Tanzania, the government, donor agencies and NGOs have engaged in various phases of artisan craft development process. They have identified several problems hindering the sound development in a wide range of possible technical cooperation areas. For example, there is lack of promotional and preservation policies, supporting institutions, low craft quality, inability of craft producers to access the opportunities to up-grade their managerial skills and to access business information, lack of capable craft development coordinators and designers.

While recognizing these problems, the areas of intervention by donor agencies can rest with the following three main pillars; policy framework formulation for artisan craft promotion and preservation, Institutional capacity building for implementing the support programs and activities and strengthening managerial and production capability of craft producing companies and improving technical skills of crafts persons (UNESCO, 2000). Even though the contribution of handcraft industry has little impact as a result of no full recognition. Perhaps the key challenges and effective measure have not yet determined. Thus the new study expects to come up with the most key challenges facing handicraft business.

SIGNIFICANCE OF THE RESEARCH

This study will facilitate society members in dealing with challenges facing handicraft promotion. Specifically, stakeholders of handicraft businesses will get knowledge on strategies established for promoting handicraft businesses, factors hindering handicraft businesses in promoting their products and then applying good alternatives in promoting handicraft businesses. For instance, academicians and policy makers will use the study as the source of references while dealing with issues related to challenges facing handicraft businesses in promoting their products in Tanzania including conducting more researches, establishing policies and programs. Meanwhile, the study will facilitate review upon measures taken for promoting products of handicraft businesses in Tanzania.

II REVIEW OF LITERATURE

CONCEPTUAL DEFINITIONS

Handicraft

Handicraft are those products produced by artisans, completely by hand or with the help of hand-tools and sometimes using mechanical means as long as the direct manual contribution of the artisan remains the most substantial component of the finished product. Their special nature derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional and religiously and socially symbolic and significant. They are made of sustainably produced raw materials and there is no particular restriction in terms of production quantity. Even when artisans make quantities of the design, no two pieces are ever exactly alike (Ibid).

Handicraft Business

GEMET (2012) stated that handicraft business is the profession, commercial firm or trade involving the production and distribution of articles that are made through the skilled use of one's hands. Collins English Dictionary 5th Edition published in 2000 defined handicraft business as a particular skill or art performed with the hands, such as weaving, pottery, etc. It also identified that handicraft business can be defined as skill or dexterity in working with the hands.

Small Business Promotion

The American Marketing Association (AMA) defines Business promotion as “media and non-media marketing pressure applied for a predetermined, limited period of time in order to stimulate trial, increase consumer demand, or improve product quality.” But this definition does not capture all the elements of modern sales promotion. One should add that effective sales promotion increases the basic value of a product for a limited time and directly stimulates consumer purchasing, selling effectiveness, or the effort of the sales force. It can be used to inform, persuade, and remind target customers about the business and its marketing mix. Some common types of sales promotion include samples, coupons, sweepstakes, contests, in-store displays, trade shows, price-off deals, premiums, and rebates.

Personal Selling

Personal selling is the personal presentation made by a person to a potential person, or a group aiming to convince him to buy the product or service of the organization.

Advertising

Advertising is a non personal communication targeting the customers through the mass media with a purpose of achieving sales target for the organization.

Public Relation

Public relation is a planned and sustained effort by the organization to establish and maintain goodwill and mutual understanding with the public. It is in a form of non personal in news form creating good image about the organization products or activities that is transmitted through mass media without a charge.

THEORETICAL LITERATURE REVIEW

Avera (2004) identified that a small business owner, have to focus on what you have to offer that the big companies cannot offer. It can focus its strengths of you and your company and do not dwell on other things that you cannot do. In operation of small business, it can seem like everything around you is huge and threatening. There is a thought that the bigger companies in your arena will crush your entity and push you to the side. Inspiration can keep you going in the case of all odds instead of taking the easy way out and just giving up on your dreams. What you have to do it to innovate, find alternative ways of accomplishing your goals, and do not try to use the strategies and techniques that the large companies use. The answer may be to use a combination of the “push” and “pull” system of business. This means that you have to “push” sales to increase profits. Along with that, you need to “pull” clients, especially from the big companies, by winning them over with your commitment to quality and workmanship in your product. The way to “push” your sales is to give your product or service an edge over that the bigger companies have to offer. Since you are a small company you can offer a better price, better quality, or a higher standard of workmanship. You may not be able to compete with a large company when it comes to volume, but you can offer many things that a big company cannot. You can add a personal touch to your product or service for each individual customer. The things that a small business can offer can pull clients to your operation and away from the large companies.

EMPIRICAL LITERATURE REVIEW

According to Encyclopedia of Small Business (2002), a trade sales promotion is targeted at resellers, wholesalers and retailers to distribute manufacturers' products to the ultimate consumers. The objectives of sales promotions aimed at the trade are different from those directed at consumers. In general, trade sales promotions hope to accomplish four goals: 1) Develop in-store merchandising support, as strong support at the retail store level is the key to closing the loop between the customer and the sale. 2) Control inventory by increasing or depleting inventory levels, thus helping to eliminate seasonal peaks and valleys. 3) Expand or improve distribution by opening up new sales areas (trade promotions are also sometimes used to distribute a new size of the product). 4) Generate excitement about the product among those responsible for selling it. Some of the most common forms of trade promotions include point-of

purchase displays, trade shows, sales meetings, sales contests, push money, deal loaders, and promotional allowances.

III RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

The study used descriptive approaches due to nature of the study which target to examine challenges facing handicraft businesses. The researcher used this design because of its flexibility in terms of tools of data collection and analysis. This also enabled the researcher to apply various methods of data collection and analysis where questionnaires were used for data collection while tabulation and graphs were be put into use for data analysis.

3.3 AREA OF THE STUDY

The study was conducted at Makonde Handicraft Village Mwenge which is located at Mwenge area, along Sam Nujoma road and Tinga Arts Cooperative Society, Oyster Bay. These areas have big concentration of handcrafters therefore conducive for collecting relevant information related to challenges facing handicraft business.

3.4 POPULATION OF THE STUDY

According to Kothari (2006), the term population means an entire group of individuals, events or objects that have a common observable characteristic. It refers to all elements that meet certain criteria for inclusion in a given universe. Thus, the population of this study was comprised of the handcrafters of Makonde Handicraft Village Mwenge and Tinga Arts Cooperative Society at Oyster Bay. The population was considered with the assumption that they are the key possessors of handicraft business related information.

3.5 SAMPLE SIZE AND SAMPLING PROCEDURES

Sample Size

It was difficult to obtain a comprehensive list, and therefore number of the crafters at both centres. This made it impossible to have a predetermined sample size. However, the researcher assumed that a sample of 120 crafters would be reasonable and therefore efforts were made to

obtain at least 60 respondents from each centre. Eventually the researcher managed to obtain 102 respondents in total, 51 from each centre. The results are presented in Table 3.1:

Category of respondents	Respondents	Actual respondents	Frequency (%)
Makonde Handicraft Village Mwenge	60	51	85%
Tinga Arts Cooperative Society	60	51	85%
TOTAL	120	102	85%

Table 3.1 Sample Size and Actual Responses

IV ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION:

This chapter presents the study findings based on the analysis of the data collected from the two study areas - the Makonde Handicraft Village – Mwenge and Tinga Arts Cooperative Society, Oyster Bay. The chapter is organized in sections. Section 4.2 presents the description of the sample. Section 4.3 presents the advertising and promotion strategies that are used by the handicraft businesses involved in the study. Section 4.4 presents results of the assessment of the extent to which the promotion strategies suggested to them are effective. Section 4.5 lists the challenges faced by the handicraft businesses as they struggle to market their products. First it presents results on the challenges suggested to the respondents and secondly other challenges identified by the respondents. Finally, Section 4.6 of the chapter presents the list of measures which should be taken to strengthen promotion of handicraft businesses in Tanzania as aired by respondents.

TABLE 4.2 NUMBERS OF RESPONDENTS

Category of Respondents	Actual No. of Respondents	Frequency
Makonde Handicraft Village Mwenge	51	50
Tinga Arts Cooperative Society	51	50
Total	102	100

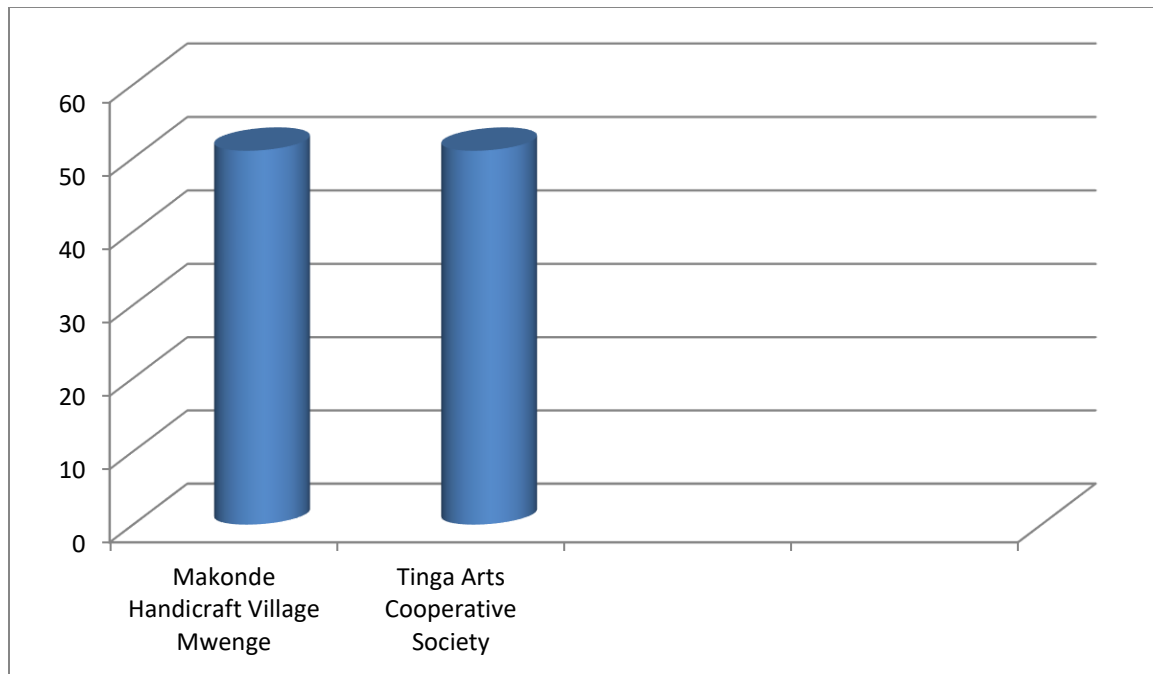


Figure 4.1 Numbers of Respondents

Table 4.2 presents distribution of respondents by location of their businesses. A total of 102 useful questionnaires were collected and inputted into SPSS for analysis. Two business centres were involved - Makonde Handicraft Village - Mwenge and Tinga Arts Cooperative Society respectively each with 51 (50%) respondents.

TABLE 4.3. GENDER RESPONDENTS

Gender	Mwenge	Percentage	Tingatinga	Percentage	Total
Male	36	70	45	88	81
Female	14	28	6	6	20
Missing	1	2	0	0	1
Total	51	100	51	100	102

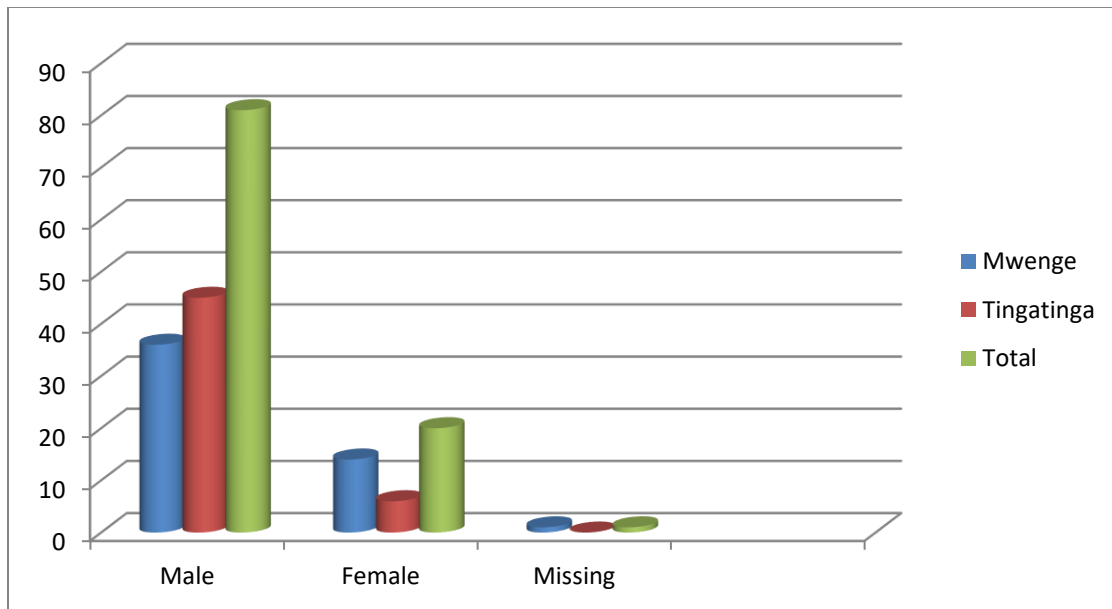


Figure 4.2. GENDER RESPONDENTS

Table 4.3 shows the distribution of the respondents by gender indicates that at Mwenge Makonde Handicraft Village, 70% of the respondents were Male and 28% were Female. At Tingatinga Arts Cooperative Society, Male artists accounted for 88% of all respondents and female artist for 12% of all respondents. One respondent (0.2%) did not disclose gender and this is indicated as missing. The number of women at Tingatinga was less than half the number of those at Mwenge. In total, 79% of the total respondents were male. This implies that more men are engaged in crafts business than are women.

TABLE 4.4 AGE RESPONDENTS

Age	Mwenge	Percentage	Tingatinga	Percentage	Total
<25 years	0	0	3	6	3
26-35	0	0	6	12	6
36-45	3	6	8	16	11
46-55	19	37	13	25	32
>55 Years	28	28	21	41	49
Missing	1	1	0	0	1
Total	51	100	51	100	102

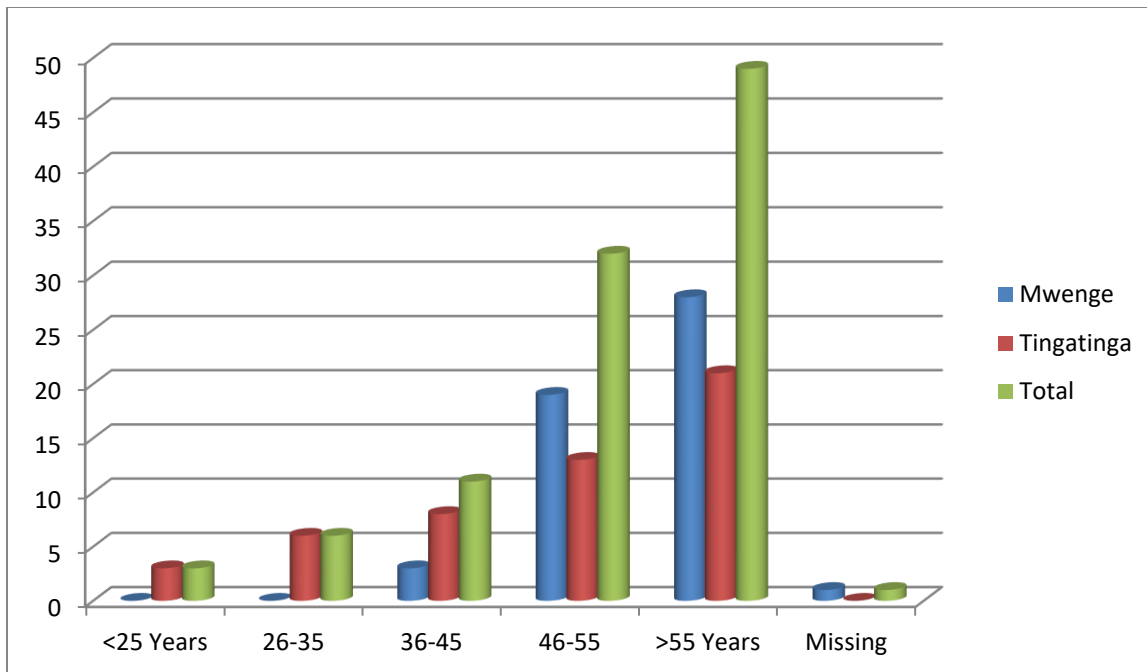


Figure 4.3 AGE RESPONDENTS

Table 4.4 shows the distribution of respondents by age. About 55% of the respondents at Mwenge were in the “above 55 years” age category, while those in the same age category at Tingatinga were 41%. On the other hand, 37% and 25% of the respondents belong to “46-55 years” category at Mwenge and Tingatinga respectively. Surprisingly, there were no people in below 36 years of age at Mwenge, and also very few (8%) at Tingatinga. The results imply that there are older people than younger, and more men than women in the handcrafts business. This is true for both centres. The presence of relatively more women at Mwenge is partially explained by their engagement in the tie and dye and women ornaments businesses. At Tingatinga centre women are also engaged with fine art (art of making pictures – abstract drawings). Overall, these results raise an important implication for the future sustainability of the handcraft businesses as it is not attracting younger people.

TABLE 4.5 EDUCATION RESPONDENTS

Education	Mwenge	Percentage	Tingatinga	Percentage	Total
Primary Education	28	54.9	35	68.6	65
Secondary Education	21	41.2	15	15	36

Post Secondary	1	2	1	1	2
Missing	1	2	0	0	1
Total	51	100	51	100	102

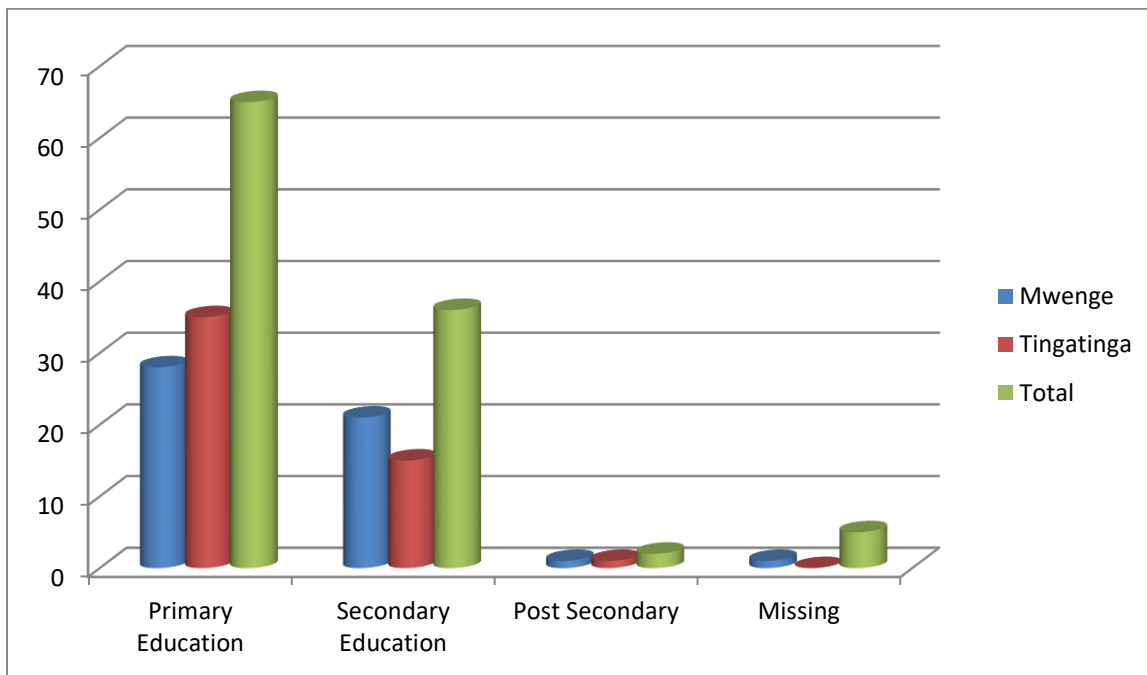


Figure 4.4 EDUCATION RESPONDENTS

Table 4.5 shows the details highest education of the respondents at the two centres. It shows that respondents with Primary level education as their highest education level accounted for 54.9% and 68.8% of all respondents at Mwenge and Tingatinga centres respectively. Those with Secondary education as their highest level of education accounted for 41.2% and 29.4% of all respondents at Mwenge and Tingatinga centres respectively. The results also show that there are more secondary education graduates at Mwenge centre than there are at Tingatinga centre. Furthermore, those with Post Secondary education as their highest level of education accounted for 2% of all respondents at Mwenge centre. None were in this category at Tingatinga centre. A clear picture that emerges from these results is that the majority (about two third) of the handcraft business players are primary school level graduates.

TABLE 4.6 EXPERIENCE LEVELS OF RESPONDENTS

Experience	Mwenge	Percentage	Tingatinga	Percentage	Total
Below 4 years	0	0	2	3.9	2
4 – 7 years	1	2	3	5.9	4
7 – 10 years	10	19.6	8	15.7	18
Above 10 years	38	74.5	38	74.5	76
Missing	2	3.9	0	0.0	2
Total	51	100	51	100	102

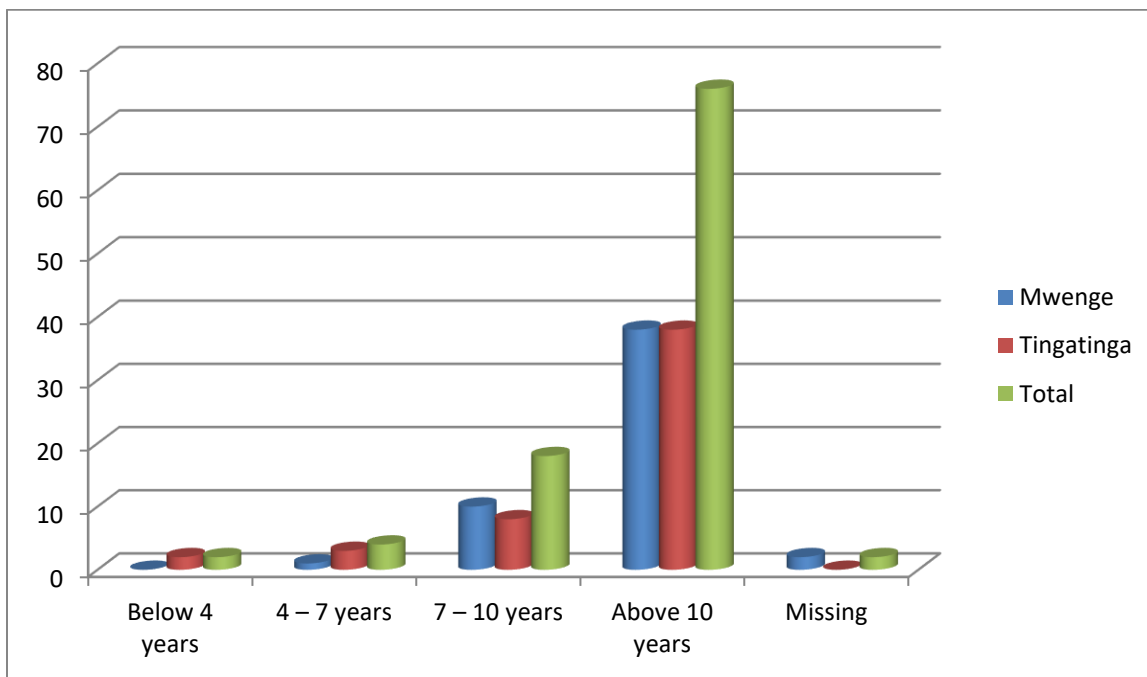


Figure 4.5 EXPERIENCE LEVELS OF RESPONDENTS

Table 4.6 details experience of the respondents. While there were no respondents at Mwenge Centre in the “below 4 years” experience category there were only 3.9% of respondents at Tingatinga in that experience category. Even in the “4-7 years” experience category, there were only 2% and 5.9% of respondents at Mwenge and Tingatinga centres, respectively. Again, in the “7-10 years” experience category, Mwenge centre recorded 19.6% of the respondents while

Tingatinga recorded 15.5% of the respondents. These results leave the majority of respondents (about three quarters) at each of the centres in the “above 10 years” experience category. The results present a worrying picture about the handcraft business in Tanzania.

V SUMMARY, CONCLUSION RECOMMENDATIONS AND IMPLICATIONS

5.1 INTRODUCTION

This chapter presents conclusions and recommendations on the challenges facing handicraft businesses in implementing promotion strategies for their products. The study objectives were to identify strategies that are used by the Handcraft businesses in promoting their businesses; to assess their effectiveness and to identify the challenges that these businesses face in implementing those strategies. The study was descriptive in nature and collected views, using a questionnaire, from a sample of 102 handcraft business owners/operators drawn conveniently and equally from two centres in Dar es Salaam; namely – the Makonde Handcraft Village Society at Mwenge and the Tingatinga Art Cooperative at Oyster bay.

5.2 CONCLUSION

From the study results it can be concluded that promotion of handcraft businesses in Tanzania is based on personal selling; thus, marketing mix is lacking. There is sufficient awareness of the other promotion strategies, but skills and affordability are the hindrances. It can also be concluded that to the extent that personal selling strategy is applied, it is effective. The overdependence on personal selling has however resulted into low sales with huge piles of handcraft stocks, un-employment and eventually it may lead to the demise of the handcraft sector. Moreover, the sector faces a number of challenges, mainly arising from the lack of government and other stakeholders’ involvement, lack of training, lack of financial assistance, lack of assistance in promotion etc.

5.3 RECOMMENDATIONS

It is recommended that:

- The government and especially the responsible ministry as well as related ministries should come together and formulate strategies which will support the sector and realize the sectors fully potential as an economic sector like other countries are doing.
- Trainings institutions, like VETA network should come up with curricula to impart skills and knowledge in the areas of craft development itself as well as in ICT focusing on how these technologies could help the handcraft businesses reach international markets. This way, the overdependence on personal selling will be mitigated.
- Financial institutions should also come forth to see how these businesses could be supported profitably now and in the future.
- Solidarity among the handcrafters is also important. Creation of associations with strong leadership will help in creating governance institutions, one voice in policy dialogues as well as common bargaining power, whether it is in price setting or in bulk procurement of materials and working tools.
- Ownership of the working places should also be looked into by relevant authorities. On the other hand, tax authorities should come up with realistic strategies of collecting taxes from these businesses but also strategies to help them grow and become large voluntary tax payers in future.

IMPLICATIONS

Implications The study findings have important implications for government in the sense that there is a need for having a balance effort to promote the handcraft businesses in a similar manner as it has been doing for other in terms of culture like music and sport. Another implication facing the sector is the demise of our culture being handled from one generation to another because the young generation sees working into handcraft sector is tedious, unattractive due to use of obsolete tools, high taxes and the rigid government system in acting on the problems facing the handcrafters. Specifically, the finding that the sector is not attracting youngsters is very worrying. Another implication of the challenges facing handicraft business is to lose the right of trademark/copyright for Tingatinga drawings and Ujamaa carvings. Both

centres have been trying to register for trademark for their applications are misplaced in Government offices. The neighboring countries are capitalizing on the weakness by drawing and carving same crafts to tourists touring their countries thus jeopardizing copyright for Tanzanian culture.

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