

A Study about Importance of E-Commerce in Handicraft Sector in Present Situation

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Abstract

Crafts persons sell the product at the time of community fairs and festival time but in the current scenario restrictions imposed on movements of goods and transport services or gatherings due to ongoing lockdown in fight against containment of the Corona virus in community, production and marketing have come to a standstill. It has caused distress among a large number of artisans throughout the country. It becomes imperative to devise ways and means of survival and if crafts person utilize e-commerce methods for forward sale and booking they may mitigate the slump and economic breakdown of means their livelihood and continue manufacturing at subsistence level that can be later picked up. This paper tried to examine the relevance and utility of E-commerce in the present scenario for building a positive outlook and measure of rescue and also study about the Channel for distributing and transport the finished craft. A sample of 75 craft person is taken for the collection of data to study the awareness of craft person about E-Commerce and the Channel for distributing and transport the finished craft. It revealed that only 39% craft person are aware about services of E-Commerce. Majority 33.8% of the handicraft person sales their product by direct channel means direct to customer. It can be inferred 22.5% handicraft person sell their product to wholesaler. Fairs are main platform for handicraft person to sale their product but due to lockdown all fairs are cancelled. Now almost handicraft person are not have any second way to sell their product. Finished products remaining piled up at their warehouses and capital also the capital invested in them also remains locked. This problem could be avoided if they were using E-commerce as a selling platform to sell their product.

Keyword: Handicraft, E-commerce, Lock down

Introduction

India is a country of great cultural heritage and the Indian handicrafts have a flourishing history of several centuries. History testifies the fact that the craftsmanship of the artisans of India has been known worldwide. Handicrafts sector is one of the largest employers in rural India. Nearly 13 million artisans -mostly women, and people from weaker sections of the society, are engaged in this endeavor at the cottage industry level. Skilled persons produce many types of articles and objects such as objects for enduring need as well as for decorative purpose in metal, clay, wood and bamboo, sea-shells, stone with the help of traditional hand tools.

Handicrafts are generally defined as articles made by hand or by using the traditional tools for the production of handicraft goods. It is not everyone's business to make handicrafts. It requires trained laborers. This sector is affected neither by machinery nor the machinery has a place in it. Handicrafts have played an important role in our cultural life as it is considered a reflection upon skills of artisans. The products of handicraft have shown considerable demand and sustained growth due to the diversity in culture. Every State in India has its own fingerprint on its handicraft products, which enables consumers to have wider choice.

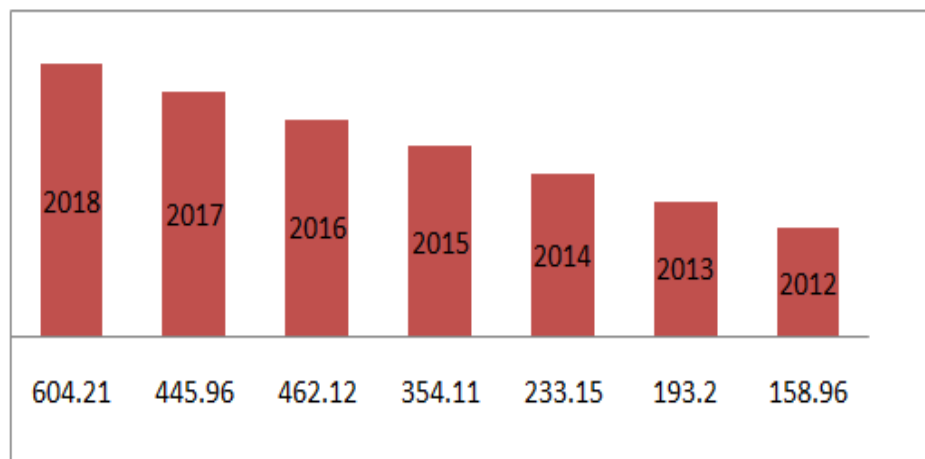
According to UNESCO (1997) artisanal products are

those that are produced with the aid of using hand tool and crafting skills by artisans. Majority of this work is a result of direct manual contribution in which substantial work in the manufacturing process makes the final product very attractive. These objects are manufactured without imposition of restrictions on quantity by using raw material from resources that are renewable and sustainable. The specific nature of various products made by hand derive their distinctive features because of differences in perception of artisans due to cultural variations that inspired them to think of creative, utilitarian, aesthetic, artistic, culturally relevant, decorative, functional, traditional, religiously and socially symbolic and significant articles. History testifies the very fact that the artisans of India were known worldwide for their acumen and craftsmanship. Handicrafts constitute a crucial segment of the decentralized/unorganized sector of our economy. India, a country inhabited by 55% of rustic population having endowed with enormous rich cultural heritage in respect of handicrafts and in manufacturing since ancient time has been able to preserve this knowledge. India is dotted with numerous places that have been well know hubs of various types of products in handicrafts such as Jaipur for quilts, Kutchh in Gujarat for embroidered stuff, Malwa region in Punjab for Phulkari –a type of rich embroidery, Jodhpur for wood craft and wrought iron

products and Kashmir for woolens such as shawl etc. Low initial investment, potential for export and foreign earnings are a few of the factors, which are considered helpful for industry to grow further. Facebook, Twitter and Pinterest, social media have been also playing an important role in E-commerce, recently. These social media platforms have made significant growth in information technology and e-commerce. India is one of the world's largest internet access countries and it is expected to surpass the US in coming years. E-Commerce has huge hidden and untapped opportunities for the small business person as well as local artisans. The major advantage is communication with contacts via Internet, which offers business opportunity in its global accessibility. Even a little known enterprise can realize

the vision of expanding its market reach beyond geographic boundaries and local customer segments. Global and local E-commerce participants have launched e-shopping for Indian consumer's websites that offer wide range of products. With the help of internet, an entrepreneur can start his business with low investment with affordable cost for business operations and services. It is convenient, when an enterprise knows how to use internet and expand. Consumers are more inclined to experiment with new forms of shopping and feel confident to look for easier ways and accessibility to buy online handicraft items. Accuracy, speed, convenience and availability have remained prominent characteristics of the various elements of IT and Internet framework.

Figure 1: User of internet in India 2012 to 2018



Internet users in India are expected to increase from 445.96 million in 2017 to 829 million by 2021. As of December 2018, internet subscribers in India stood at 604.21 million people.

Figure 2 Users of E-commerce

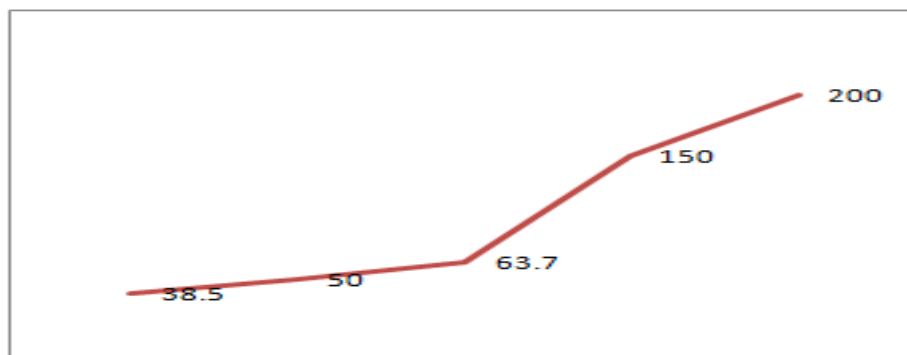


Table 1

S.No.	Years	Users of E-commerce
1.	2017	38.5
2.	2018	50
3.	2020	63.7
4.	2022f	150
5.	2026f	200

The Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest E-commerce market in the world by 2034. The E-commerce market is expected to reach US\$ 200 billion by 2026 from US\$ 63.7 billion in 2020. In India, internet and E-commerce users are continuously increased and it is big scope for handicraft person to convert selling method means fair platform to E-commerce sector.

Scope of the study: The present study is made to aware the handicraft person about the importance of E-commerce which will be helpful for them to face this type problem in future.

Objectives:

1. To study the importance of E-commerce in handicraft sector in current scenario.
2. To study about the Channel for distributing and transport the finished craft.
3. To study the awareness of craft person about e-commerce.

Research Methodology

The present study is descriptive in nature and based on both primary and secondary sources of data. A sample size of 75 crafts persons was taken for collection of the data to study the awareness about E-Commerce and the Channels for distribution and transportation of manufactured craft. Random sampling method was used for collection of the data from the person engaged in manufacture of handicrafts person. The secondary data was collected from books, magazines, journals, newspapers and websites referred to in this paper. Tables and figures have been drawn to represent and depict the existing scenario of E-commerce and internet usage as per the time frame of study.

Data analysis and interpretation

Importance of E-commerce in handicraft sector in current scenario

Due to the Covid -19, the governments of India announced lockdown on 22nd March 2020, which

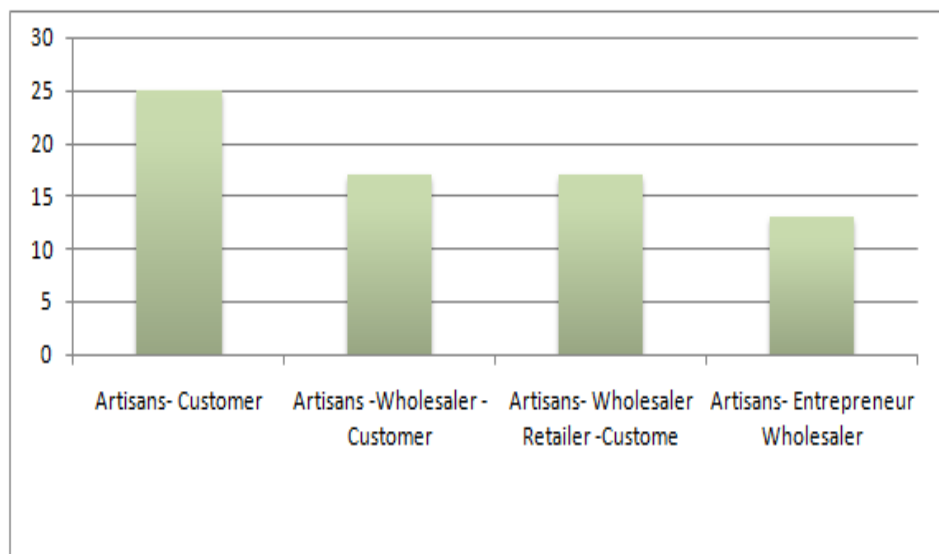
widely disrupted the economic, activates people in India, largely manufacturing sector. According to a report of the world bank and certain credit rating agencies, India's economic growth has shown on a decaling trend for the fiscal year 2021, noticed first time in three decades since advent of liberalization privatization globalization (LPG). Handicrafts sector was assuredly affected in the initial phase of lockdown but recovered in early in 2021. THE INDIAN EXPRESS reported in new Delhi edition more than 35,000 artisans engaged in manufacture of papier mache item in Kashmir were scalding under a prolonged, double lockdown. Handicraft and handloom fairs have been a takeoff platform for artisan to sell their products but due to frequent lockdowns all fairs & festival were cancelled. Fortunately artisan that was registered with various Professional bodies could access customer and bulk buyer via internet or online commerce platform. Now almost handicraft person are not have any second way to sell their product. The cancellation of 49th international handicrafts and gift festival (IHGF), spring 2020, scheduled to begin from April 15 OF THAT YEAR at the India Expo Mart in Greater Noida, that dealt to the handicraft industry. "This is a huge blow to this sector as the fair is the biggest platform for artisans to get orders from big overseas buyers. The crisis has caused an estimated loss of ₹8,000 crore in this sector so far," Finished products remaining piled up at their warehouses and capital also the capital invested in them also remains locked. This problem could be avoided if they were using E-commerce as a selling platform to sell their product.

Distribution and transportation

Channel for distributing the craft

Table number 1 above gives a clear picture of Channel for distributing the craft. Majority 33.8% of the handicraft person sales their product by direct channel means direct to customer. It can be inferred 22.5% handicraft person sell their product to wholesaler.

Figure 3 Channel for distributing the craft



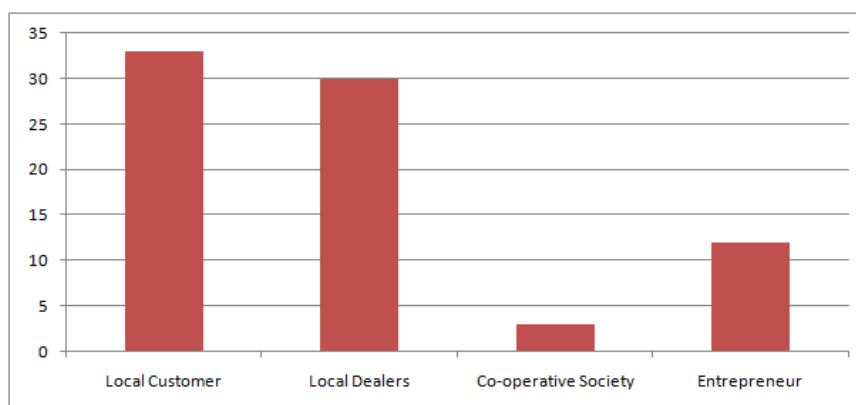
Transportation the finished craft

Table - 2

Factors	Options	Frequency	Percentage
How will you transport the finished crafts?	Own vehicle	29	38.60%
	Entrepreneur will arrange	27	36 %
	Rented vehicle	19	25.4%
	Total	75	100

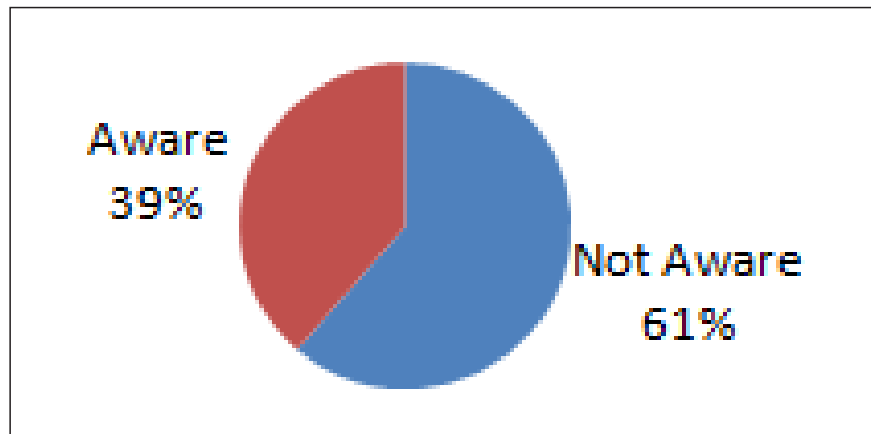
It can be inferred that 38.60% handicraft persons are using own vehicle to transport products and 37.8% transported with the help of the entrepreneur's vehicle.

Figure 4 Buyer during lockdown phases



Due to non availability of commercial vehicle during Lock down, most craft persons sold their products only to the local consumers. But if the craftsperson had knowledge of e-commerce, then they would not have faced any problem in selling their product.

Figure 5 Awareness of craft persons about E-commerce



All most craft persons are not aware about services of E-Commerce

Conclusion

Handicrafts industry is highly labor intensive, cottage based and decentralized industry. Handicraft industry whether city or village is spread all over India. Most of the manufacturing units are situated in rural and small towns, and there is huge commercial potential in all Indian cities and abroad Six million people are associated with the handicrafts industry in which woman and weaker sections are more involved infect it is a major source of income in the rural community. The review shows the current scenario of the handicraft industry with special reference to India. Due to

current scenario handicraft face problem to sale their product. In this situation E-commerce can be become very helpful to face problem. But it's not easy as ABC. According to UNCTAD E-commerce and development report 2002, “the majority of SMEs of developing countries still limit their activities to maintaining a web page, with various levels of links and advertising.” Lack of legal guarantees for online transactions, expenses related to hardware, software and maintenance, and the length and cost of training as major impediments to starting e-commerce. But handicraft person can come out this problem by these solution Individual handicraft artisan can develop his/her own website with the help of NGO and other private institute. They can start e-commerce activity; Group level efforts: At village level artisans can organize themselves in to Clusters, Co-operatives or Self-Help Groups and start e-commerce activities collectively.

Government level efforts:

There must be an effective and efficient implementation of various programmers and schemes boosting e-

commerce activities for handicraft artisans; Corporate level efforts: Under the head of Corporate Social Responsibilities (CSR), companies can focus on providing e-commerce platform to handicraft artisans; Thus, E-commerce can provide such artisans an opportunity to reap the advantage of widened markets beyond the limits of geographical boundaries. With the help of government and other institution a handicraft person can sell their product online and in future they can easily face like lock down problem.

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