

PRODUCTION AND MARKETING PRACTICES OF LEATHER MANUFACTURES IN DINDIGUL CITY

Dr. S. Selvendran

M.Com., M.Phil., M.L.I.Sc., M.Phil., B.Ed., M.B.A., Ph.D.

Associate Professor, Department of Commerce, Angappa College of Arts and Science,

Coimbatore-641 105

ABSTRACT:

The leather manufacturing industry is one of India's oldest manufacturing industries that have the demand for its products all over the world. The main objective of the study is to identify the production and marketing practices of leather manufacturers in Dindigul city. This study is descriptive in nature. The study is based on secondary data. The secondary data needed for the study has been collected from collected from related journals, annual reports magazines and text books. The study concludes that leather manufactures should ensure latest technology, e-business, training, export exhibition, updating fashion to attain global competition.

Keywords: leather, tanning, manufacturer, industries, latest, fashionable, garments, footwear, etc.

INTRODUCTION

Leather is a special and important commodity that links the rural farmer to the fashion world. In global and Indian economy at present leather industries play a significant role. The leather industries in Dindigul is a small industrial units and they are providing job opportunities to people in and around the area. They are generally play a very crucial role in raising the standard of living of the people Leather industry comprises such as Livestock, slaughter houses, raw hides and skin collection, glue and manure manufacturing industries, tanning industry, export market and other allied industries.

REVIEW OF LITERATURE

P. Pushpa (1985) observed the export oriented leather industry in the Arcot district of Tamil Nadu. This study is based on primary data using interviews methods pinions of groups of labourer, management, workers and associations are collected. This study reveals that the industries has

registered factor sector and the workers engaged in it producing the leather for export purpose. This study divides the labour force into four categories such as hand worker, unskilled workers, machine operators and helpers. The study concluded that the introduction of capital intensive industries are changing the trends and shifting the industrial base set up and the share of traditional artisans is declining.

R.R.Prasad (1986) analyzed the objective of study searching for the traditional craft and the leather worker relationship. Uttar Pradesh is study area selected for the study and 230 artisans randomly selected. The study consist of introduction, mentioning the objective of study, area of study, methodology, traces the place of scheduled caste artisans in the leather industry ,the primary leather workers- the flayers. Their problems have been discussed etc., The researcher concludes that the policy of labour development should be based on cottage level leather business where the deprived communities are based and to draw the attention of policy makers toward the welfare of leather artisans.

PaisJesim (2006) analysed wages and earnings of workers in the leather accessories manufacture in Dharavi, Mumbai. The study is based on primary data collected from leather industry. The research mainly focuses on earning of these workers over there. The study also reveals the main problem of 40 leather manufacturing industries was to find the number of workers, as work was found seasonal and more during peak periods.

OBJECTIVES OF THE STUDY

- To know the production of leather manufacturers in Dindigul City.
- To identify the marketing practices of leather manufactures in Dindigul City.

RESEARCH METHODOLOGY

Dindigul City is the study area selected for this research. This study is descriptive in nature. The study is based on secondary data. The secondary data needed for the study has been collected from relevant reports magazines and text books.

LEATHER TANNING OPERATIONS

Leather tanning operations consists of three main processes. These are:

✓ Beam house

In this beam house process in which salt, dirt and hair are removed. To preserve the skin the process of desalting and this process also include salt, hide surface impurities, dirt and globular protein substances dissolved in water. The process of unharing is done by treating soaked hides in a bath containing sodium sulphide/hydrosulphide, lime, suspended solids, sulphides, nitrogenous material, ammonium salt, proteolytic enzymes, calcium salts, sulphide residues, degraded proteins and residual proteolytic enzymatic agents.

✓ Tanning

Tanning is a process under which the hide is treated with chemicals to produce leather. Chrome is the most common tanning agent used in the world and it consists of pickling, tanning and basifying.

Post tanning is also called as wet finishing which includes neutralization, retanning, dyeing and fat liquoring.

✓ Finishing

Finishing is a process of given desired properties to leather. Now the leather is ready for manufacturing leather related garments, footwears, leather components etc.,

The following are some of the leather industries in India:

- Finished Leather
- Leather Garments
- Leather Goods
- Footwear & Leather
- Leather footwear Component
- Saddlery and Harness

Figure 1
Leather Tanning Process

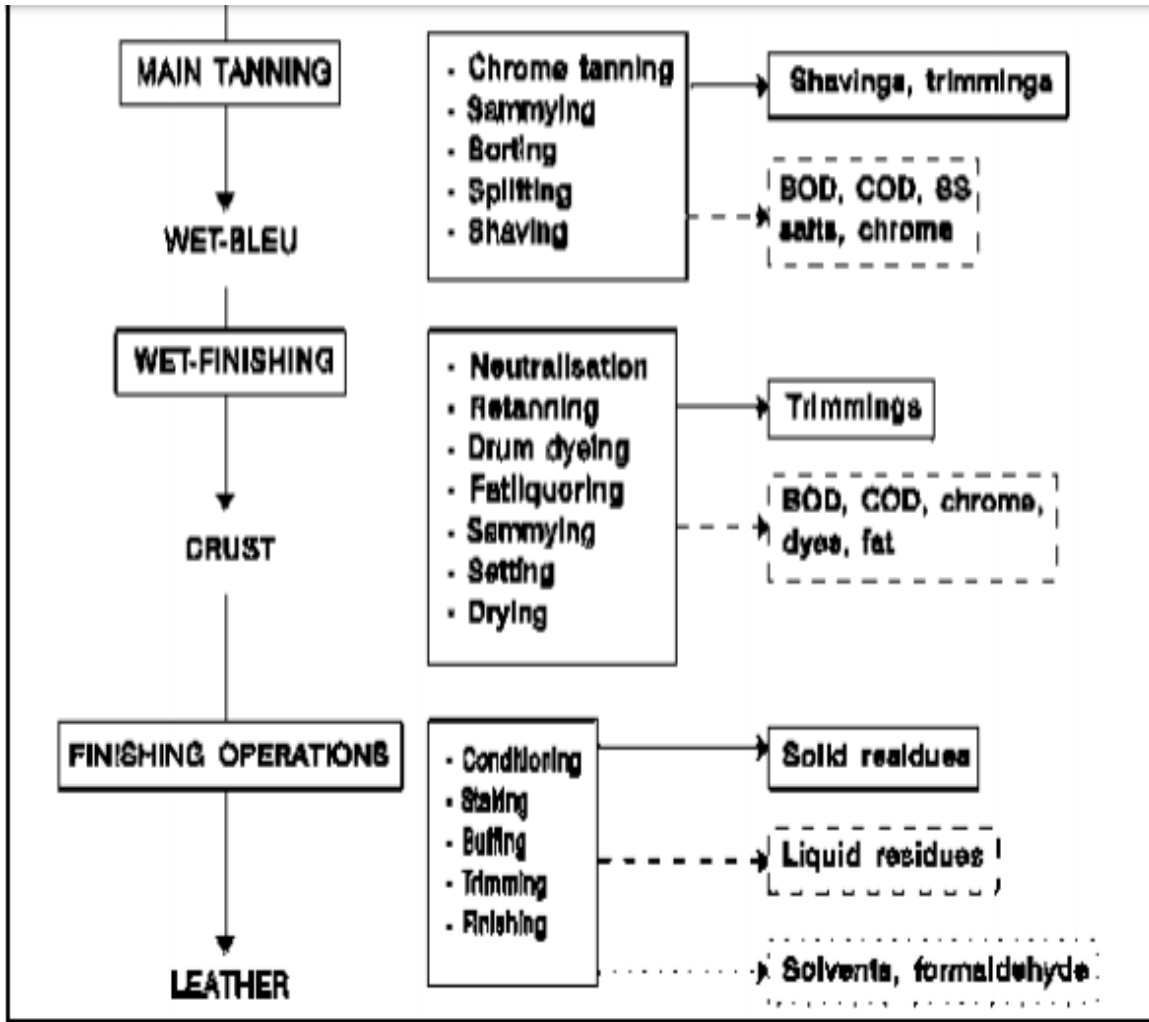


Table No.1

Raw material Details

Types of raw materials	% share
Cattle Skin	41
Buffalo skin	33
Goatskin	26

Source: Primary data

The above table shows the raw material details in Dindigul city. 41% of the raw materials are from cattle skin, 33% of the share from buffalo skin and remaining 26% from goat skin.

Table No.2

Growth of Leather Tanning Industries in Dindigul District

From 2012-13 to 2016-2017

Year	Total Investment (Rs. in lakhs)	Number of Persons Employed	Total Production (Rs. in lakhs)
2012-2013	394	2228	527.83
2013-2014	415	2242	539.63
2014-2015	430	2257	542.74
2015-2016	469	2285	558.42
2016-2017	487	2307	576.31

Source: Primary data

It is inferred from Table no. 2 that the total investments made in the industry grew from Rs.394 lakhs to Rs.487 lakhs. The employment offered by the leather industries had shown an increase from the level of 2228 persons in 2012-13 to the level of 2307 persons by the year 2016-2017.

The production, which was Rs.527.83 lakhs in the year 2012-13, had increased to Rs.576.31 lakhs by the year 2016-2017.

Table no.3

Sale Details

Sales	Percent
Local customers	6
Within in Tamil Nadu	54
Within India	20
Foreign Countries	20
Total	100

Source: Primary data

In the above table explains the market coverage of the leather manufacturers in Dindigul, 6 % of leather manufacturers sell their products to local customers, 34% of leather manufacturers sell their products within Tamil Nadu, 30% of them sell their product within India and remaining 22% of the leather manufacturers sell their product in foreign countries.

MARKETING PRACTICES IN DINDIGUL

The following are some of the marketing practices followed in Dindigul City:

- **New Markets**

In Dindigul leather industry, diversification of export markets is one of the important strategy to sustain the export growth and also imports of leather have also increased in the range of 30.0 - 40.0 per cent in a period of last five years.

- **New Trends**

The leather industry in Dindigul should keep themselves improved with latest fashion and the buyers pay attention not only to the quality of the leather products but also to the accessories used in the garments. The leather industries should also take adequate care in packing material.

- **Diverse marketing Techniques**

Dindigul leather manufacturers need to adopt aggressive marketing techniques in order to endure global competition. The industry should also take business delegation in overseas and to adopt new technology to build brand image. The leather manufactures traditional strategy of being a low price and low quality product changed to low price with high quality products. The following are some of the necessary improvements in efficiency of ports, internal transport, customs procedures and supply chain management.

- **Fairs and Exhibitions**

Leather manufacturers should participate in fairs and exhibitions organized in the international market. Export fairs and exhibitions serve as a good platform to showcase our products.

- **Training Facilities**

Training programs should be given to leather industry to adopt changing trends and technology. It is imperative that the staff is skilled and well qualified to train the trainees. Further, training programs need to be given to staff for train training them.

MARKETING PROBLEMS FACED BY LEATHER MANUFACTURERS

The following are some of the common problems faced by leather manufacturers in marketing their products:

- Product quality
- Product technology
- Product design and style
- Collection of marketing information
- Pricing the product
- Advertising and sales promotion
- Brand image
- Packaging
- Distribution co-ordination
- Transportation facilities
- Communication facilities
- Customer credit facilities
- Establishment of overseas branch
- Handling documentation

CONCLUSION

In India, leather tanneries play a vital role at Dindigul City in Tamil Nadu. The leather industries provides employment opportunities to the weaker section of the society and also helps in earning foreign exchange by exporting leather products. The advantage of leather industry in Dindigul city arises from its strong raw material base, long and rich tradition of leather craftsmanship and availability of cheap labour. The study concludes that leather manufactures should ensure latest technology, e-business, training, export exhibition, updating fashion to attain global competition. The study also concludes that leather tanning industry creates different environmental problems that affect the health and wealth of community.

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