



A Study on Marketing Feasibility of Lock Manufacturing Units in Dindigul District

KEYWORDS

Dindigul locks, marketing feasibility, brand image.

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ABSTRACT *Small scale industries play a vital role in economic development. In Dindigul lock manufacturing industry provides job opportunity to 3000 families in Dindigul district. Brand image maintains the marketing opportunity. In the Dindigul lock has the brand image and wide scope of business opportunities. This paper helps to focus the marketing feasibility of Dindigul locks. It helps to support the units and attracts the new entrants.*

1. Introduction

Mahatma Gandhi had strongly advocated the development of Indian villages by making them financially viable through small and village industrial units. Small scale and Cottage Industries comparatively with a small size of investment offer greater employment potential. The Return on Investment in such industries is higher. Further, their establishment is very easy and hence they could be started easily, with little efforts. Small and cottage industries are those industries whose capital is supplied by the proprietor or through means like partnership or from financing agencies setup for this purpose etc. Those industries generally use power driven machines and also employ olden methods of production, engage labour on wage, produce for expanded market.

Lock manufacturing industry is one of the most important, popular and employment oriented traditional cottage industries in India. The Dindigul locks are in demand because of their special attributes like quality, re-processing facility, key facility and attractiveness. Dindigul lock manufacturing units are more than 100 years old and are spread over more villages in the district such as Paaraipatti, Mattupatti, Nallampatti, Nagalnagar, Perumalkovilpatti, Balamarathupatti, Kammalapatti and so on. Hand-made locks have an international reputation.

2. Dindigul Lock Industry- profile

Lock manufacturing units, one of the traditional and prestigious industries of the district, has been providing jobs to over 500 families in Dindigul. Several lock manufacturing units have been functioning as cottage industries solely depending on commission agents to market their products. Some lock manufacturing unit has involved direct marketing. They got the order from the customer directly. As per their wish, they have produced the locks. Lock industry is a labour-intensive industry, which provides employment opportunities to the rural folk. Only men are engaged in the lock units.

All the locks made in this district are hand-made and each lock is unique in its design and system. The kinds of locks are Mango lock, Trick lock, Excise lock, Export lock, Bell lock, Almirah locks, Drawer lock etc., Padlocks are portable locks used to protect against theft, vandalism, sabotage, espionage, unauthorized use and harm. They designated to protect against some degree of forced and surreptitious entry. Dindigul locks mostly purchased for Temples, Government hospitals, Government offices and so on. Even though different locks in different prices are available in market, Dindigul locks maintained its brand image.

3. Review of Literature:

The Hindu (2009) several locking units have been functioning as cottage industries solely depending on commission agents to market their products. Dindigul locks were famous for their traditional design, safety and quality raw materials.

Twin keys or three keys for single lock and locks with multi-locking system were some specialties. Even government departments, temples and godowns have been using Dindigul locks.

National Manufacturing competitiveness programme (2006) gave the guidelines that Marketing, a strategic tool for business development, is critical for the growth and survival of MSMEs. Due to lack of information, scarcity of resources and unorganized ways of selling / marketing, MSME sector often faces problems in exploring new markets and retaining existing ones.

Desai (1983) also stated that rapid industrialization in India depends on the growth of small scale industries. Most of the small scale industries are operating under certain handicaps like shortage of raw materials, low levels of technical knowledge and counseling, poor infrastructure, inadequate capital and credit facilities, improper distribution system, lack of facilities for market analysis, research and development. They are also weak in marketing their products beyond their localities especially in international markets.

4. Objectives of the Study:

The main objective of the study is to analyse the marketing feasibility of lock manufacturing units in Dindigul district.

5. Need for the Study:

Dindigul town has been famously associated with iron locks, iron safe of good quality and good durability. A lock manufacturing unit under co-operative sector is functioning here. Dindigul locks are sold to local, national, and international markets. Dindigul city is also known as lock city. Lock manufacturing units, one of the traditional and prestigious industries of the district, has been providing jobs to over 3,000 families in Dindigul and several villages around it. In olden days, more than 5000 units were spread over the District. But now only 500 units are spread over the District. It is necessary to focus the market feasibility of the locks and helps to rehabilitation of the unit.

There is no documentation of the method of manufacturing and even the drawings of the locks do not exist. The entire process is based on the craftsmen's memory, most of who have been engaged in this business for many years. Because of absence of technical information, one cannot capture the skill base of this craft and so when the concerned manufacturer retires, his knowledge goes along with him. In olden days, these skills used to be transfer to the new generation, as the artisans' children too would involve themselves in the lock-making occupation. But now due to less remuneration in smith-work, an increasing number of youngsters are opting for the textile industries and are leaving their traditional businesses. The Lock cluster has the marketing feasibility, but there is a problem in lack of new entrants. This paper helps to

focus the wide scope of marketing feasibility in Dindigul lock manufacturing units and pull up the new entrants.

6. Methodology:

In the present study, both primary and secondary data have used. The secondary data have collected from the reports, magazines, newspapers and websites. Primary data have collected from the lock manufacturing units functioning in Dindigul District. For the descriptive type of researches, the best-suited research approach is survey method. From a sample, data is collected and different magnitudes measured with respect to the whole population. The researcher has used structured questionnaire for collecting primary data from the Dindigul lock manufacturing units. The questionnaire dealt the demographic details and marketing prospects.

7. Scope of the Study:

The study covers only the lock units operating in the Dindigul town only and the period covered is 2011-2012.

8. Importance of the Dindigul locks:

Dindigul locks were famous for their traditional design, safety and quality raw materials. Twin keys or three keys for single lock and locks with multi-locking system were some specialties. Even government departments, temples and godowns have been using Dindigul locks. Some of the special features in the Dindigul Locks are as follows,

1. The craftsmen claim that the precision lever mechanism of their locks is unpickable.
2. The shackles are meticulous in design and offer greater resistance to anyone who tries to break in.
3. The levers are so designed that they have a greater degree of non-interchange ability of keys. There's a combination of proper key-holes to suit male, female, round or flat type of keys.
4. A few locks are designed with unique and remarkable synthesis of traditional design and compatibility with foreign keys.
5. The motto of the lock manufacturing units in the cluster is, "Our customers are trustful and thieves are fearful".
6. Complete manual assembling with each lock having its own unique key code.

9. Marketing Feasibility of the Lock Industry:

Dindigul lock manufacturing industry has the high level of brand image. Dindigul is also known as 'lock city'. There is no need for advertisement, displays and exhibitions. Without promotional activities, they marketed their products efficiently. They are involved in direct marketing. Customers have ordered based on their specifications. The workers have produced based on customer's expectations. Sometimes they soled their products to the agents who ordered bulky. Plenty of locks available in the market, people gives first preference for quality and select the dindigul locks. It shows the prestigious image. For this purpose, analyze the competitors, customers, mode of distribution and scope of opportunity.

9.1. Knowing the competitors:

In the market, foreign locks, Multinational locks, Large scale manufactures, Aligarh locks also available. They are also the competitors of Dindigul locks. The lock manufacturers found the competitors. The frequency distribution of the respondents based on the knowing the competitors given in the following table:

Table: 9.1
Distribution of respondents based on Knowing Competitors

Response	Frequency	Percentage
1. Local manufacturers	8	16
2. Aligarh Manufactures	12	24
3. Large scale Manufacturers	5	10
4. Multinational corporation	9	18
5. Foreign manufacturers	16	32
Total	50	100

Source: Primary data

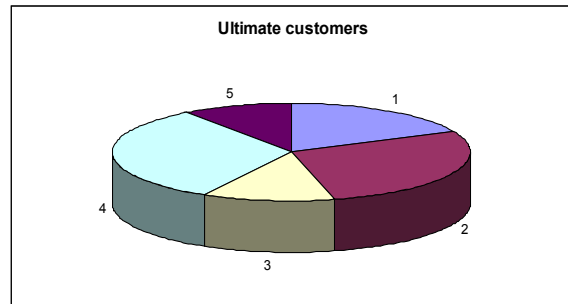
Inference

In the lock manufacturing industry, 16 percent of the respondents felt that competitors are local manufacturers, 24 percent of the respondents felt that Aligarh lock manufactures, 10 percent of the respondents felt that large scale manufactures, 18 percent of the respondents felt that multinational corporation and 32 percent of the respondents felt that foreign manufactures are competitors. It clearly shows that foreign manufactures are the competitors and the Aligarh lock manufactures are the next second competitor.

9.2 Ultimate customers:

Customer is the king. It is important to know our ultimate customers. Wide scope of customers shows the marketing feasibility. In the Dindigul lock manufacturing industry, sales their finished product to government, agents, co-operative society, individual customer and also foreigner. In our study, 16 percent of respondents find their customers to individual customer, 14 percent of respondents sales their product to agents or intermediaries, 9 percent of respondents find their customer to Government, 6 percent of respondents sales their product to co-operative society and 5 percent of respondents sales their product to foreigners. It clearly shows that individual customer who are engaged in direct marketing are the ultimate customer of the lock manufacturing unit.

Figure: 9.2
Distribution of respondents based on customers



Source: Primary data

1. Government
2. Agents
3. Co-operative society
4. Individual customer
5. Foreigners

9.3 Brand Image:

Dindigul city called as lock city. Dindigul lock manufacturing industry has run in the conventional industry in the area. Dindigul locks prefer by their superior quality. Other district people, other state people and foreigners are preferred for their high quality. In the Dindigul lock manufacturing industry, locks produced by their customer opinion. Based on their customer view, manufacturers produced their final product. Lever facility, key facility and other needy facilities would have attached in the final product. For this purpose, analyse the four factors.

Table: 9.3
Distribution of respondents selects the factor for brand image

Response	Frequency	Percentage
1. Heritage	8	16
2. Quality	15	30
3. Direct Marketing	17	34
4. Customer satisfaction	10	20
Total	50	100

Source: Primary data

Inference

In the lock manufacturing industry, 16 percent of the respondents felt heritage maintains the brand image. 30 percent of the respondents felt that quality maintains the brand image. 34 percent of the respondents felt that Direct marketing and 10 percent of the respondents felt that customer satisfaction maintains the brand image. It clearly shows that Direct marketing maintains the brand image and the quality of locks are the next factor for maintaining the brand image.

9.4 Factors affecting decreasing sales:

In the globalization era, more and more locks are available in the market. It is necessary to analyze the factors for affecting low sales. Friedman's Test is used to check whether there is any significant agreement in the ranking given by the respondents affecting low sales. To test the significant agreement in ranking the following hypotheses are formulated.

Ho – There is no significant agreement between the respondents regarding the ranking of factors affecting decreasing sales.

H1 - There is significant agreement between the respondents regarding the ranking of factors affecting decreasing sales.

Table: 9.4**Friedman's Test – Ranking of factors affecting decreasing sales**

Factors	Mean Rank	Assigned Rank
High price	1.97	2
Limited customers	4.01	4
Low promotional activities	6.91	7
Competitor's low price product	1.06	1
Low innovation	4.99	5
Lack of labours to attain the orders	3.03	3
Problem of price variation	6.03	6
N	34	
Chi-square	198.851	
Degrees of freedom	6	
Significance level	0.000	

From the table 9.4 Friedman test also confirms this positive agreement with significance level 0.000 at 99 percent confidence level. From the table 9.4, competitors low price product got the ranking 1, high price got the ranking 2, lack of labours to attain the orders got the ranking 3, limited labours got the ranking 4, low innovation got the ranking 5, problem of price variation got the ranking 6 and low promotional activities got the ranking 7 according to the factors affecting decreasing sales in the Dindigul lock manufacturing units.

10. Findings:

1. In the Dindigul lock manufactures, 32% felt that foreign manufactures are the competitors, 24% manufactures felt Aligarh lock manufactures are competitors, 18 % of manufacturers felt that multinational corporations are competitors, 16% of manufactures felt that local manufacturers are competitors and 10 % of manufacturers felt that large scale manufactures are competitors.
2. 16% of manufacturers found their customer are individual customers, 14% of manufactures found their customer are agents, 9% of manufactures found their customer re government, 6 % of manufactures are co-operative society and 5 % of manufactures found their the ultimate customer are foreigner.
3. Maintaining brand image is making the marketing viability. 34% of respondents choose the direct marketing, 30% of respondents choose quality, 20% of respondents choose customer satisfaction and 16% of respondents choose heritage.
4. There is a positive agreement between the respondents regarding the ranking of factors affecting decreasing sales.

11. Suggestions:

1. Vocational training may extended to Dindigul rural community that enables them to understand the production process.
2. Skill development can do in polytechnics and industrial training institutes. Skills put to work in training-cum-production workshops.
3. More vigorous marketing strategy is also under consideration to tap on the export potential of Dindigul locks by the various marketing channels and participation in international exhibitions.
4. Guidance Cell set up to handle the various problems of lock manufactures all over the District. Programmes for encouraging lock manufactures among men can extend at local level.
5. Government will take needy steps to pull the new entrants of labours for utilizing the marketing viability.

12. Conclusions:

The government of India has taken conscious efforts to substantially enhance the spirit of traditional workers. Traditional workers perform an important role in building the real backbone of a nation's economy. Indian traditional brands are facing a serious challenge to survive and companies are forced to redesign their marketing strategies for effective marketing and penetration in markets. But Dindigul lock manufacturing units have high level of marketing feasibility.

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