FUNDAMENTALS OF MANAGEMENT

MARKETING MANAGEMENT

PROJECT

Group Members:

Arohan Sharma	**2K16/MC/22**
Ashish Gupta	**2K16/MC/23**
Aviral Sharma	**2K16/MC/24**
Ayush Gupta	**2K16/MC/25**

DELHI TECHNOLOGICAL UNIVERSITY

Contents

Introduction

India has been a land of artisans and craftsmen. From ages, we have been showcasing our creativity in arts through our traditional items.

Post 1991, changes in our policies have opened the Indian markets to the world. Mass-produced good have become more common, and availability of hand-crafted goods has gone down.

Adding to that, our hand-crafted good are localized, meaning, a Kashmiri shawl is a specialization of Kashmiri craftsmen, and to buy it at local rates and of the ultimate quality, the consumer has to go all the way to Kashmir to buy it.

We are planning to sell local hand-crafted items like local art and craft, wood work, marble statues likes of gods and goddesses, paintings of prominent artists and scenes, movie posters and handmade luxury furniture on an online platform.


Consumers can buy their products online, much like they do on any other e-retailer website, and we will get it delivered to their shipping address.

This method will reduce costs of mass-storage of goods, and also will encourage local craftsmen to make creative value-able pieces of art, without fearing disconnect from consumers.

This will also help recover the fast-fading Indian tradition or arts and crafts.

Target Audience

1) **TYPE-I** City people, mainly middle class and upper middle class. As seen below, the middle and upper middle class constitutes a considerable amount of population of our country, who have the purchasing power to invest in luxury handicrafts items. Thus there is a huge market yet to be tapped. We start with Delhi where demand is huge, then cover all northern states, then southern states.
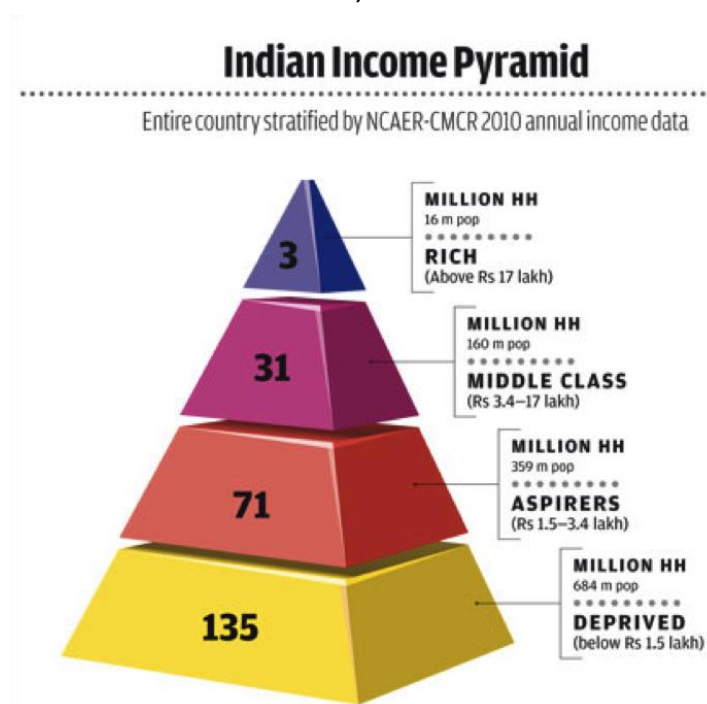
2) **TYPE-II** Neighbouring Nations like Pakistan, Nepal, Sri Lanka, and Myanmar. These nations are well connected to India through roads and seaways, hence, expanding business globally would mean beginning with our neighbouring nations.

3) **TYPE-III** Overseas Export to UAE, England, Europe, Americas etc. These nations are tough to reach, mainly due to distance and stringent policies. But once penetrated, they are the biggest consumers of hand-crafted premium products.

Research and Information Gathering

The total export of handicrafts from India is expected to increase to **US$ 3.8 billion by FY 2020-21**.

The Indian Handicraft Industry is one of the largest employment generators and accounts for a significant share in the country's exports. The Indian handicrafts industry is fragmented and unorganized, with more than **7 million regional artisans** and more than **67,000 exporters** promoting regional art and craftsmanship in the domestic and global markets.

In 2015–16, Indian handicrafts exports stood at US$ 4.5 billion, up approximately 15.4 per cent over the previous year's exports. Exports of Indian handicrafts have increased at around 16.4 per cent since the last five years.

Indian handicrafts are exported to countries like the US, the UK, the UAE, Germany, France, Latin American countries (LAC), Italy, the Netherlands, Canada and Australia.

US alone accounted for approximately 26.1 per cent of India's total handicraft exports in 2014–15. It was followed by the **EU, which accounted for approximately 24.7 per cent**.

The **UAE was the third-largest importer** of Indian handicrafts, with imports worth US$ 410 million in 2014–15.

Pricing of products

Initial Stages: Average Funding

We plan to sell products on our platform with no profit. This will help us to compete with local offline market upto some extent. This is also the - stage when we are mainly focusing on local cities, mainly Tier-I. Transportation costs would be borne by the firm, upto a maximum distance of 2000 kilometres by road. For faster means, the buyer will be asked to pay the transportation cost.

Our primary Competitor: Offline market – mainly dealing with local made goods.

Future Competitors: Online retailers like Flipkart and Amazon, who might land into this business in near future.

Advanced Stages: Good Funding

We will eventually increase our costs to ensure proper functioning of organisation. Pricing will also depend on availability and challenges faced by us to ensure delivery to the customer.
For example: Delivering a Kashmir made item to a Guwahati Housewife will need a lot of effort. Different modes of transportation and enhanced packaging. Hence pricing of the product ordered by a Guwahati housewife will be higher than a Delhiite.

Promotion

Channels to advertise: Online Media, Offline promotions like newspaper advertisements, posters and through local craftsmen. TV commercials and huge hoardings might follow, depending on investments.

Steps of Promotion:

Primary Level:

1) Posters at places with suitable consumers, like Dilli Haat, Connaught Place.

2) Engaging local craftsmen to spread awareness regarding our initiative, possibly with a sticker saying

1) Social Media marketing through Facebook, Instagram, Twitter etc.

Secondary Level:

2) Advertising through Newspapers
3) Digital Marketing through Google Ad Sense, YouTube ads.

IndiKrafts.com

A website which caters the handicraft market, IndiKrafts is designed especially focusing on Indian culture and tradition.

IndiKrafts will provide a platform for sellers to sell their products to buyers anywhere in the world, without physically interacting with each other.

This will let the buyer view all options available to him from different sellers, compare them, and see their feedbacks before finalizing upon his/her choice. Also, a wide range of options enables buyers to buy products that would have been impossible for them to buy due to their remote locations.

Sellers will get a huge benefit from IndiKrafts. Local craftsmen, weavers and painters will get a chance to showcase their talent to the world. Locals can now post their art without any hassles.
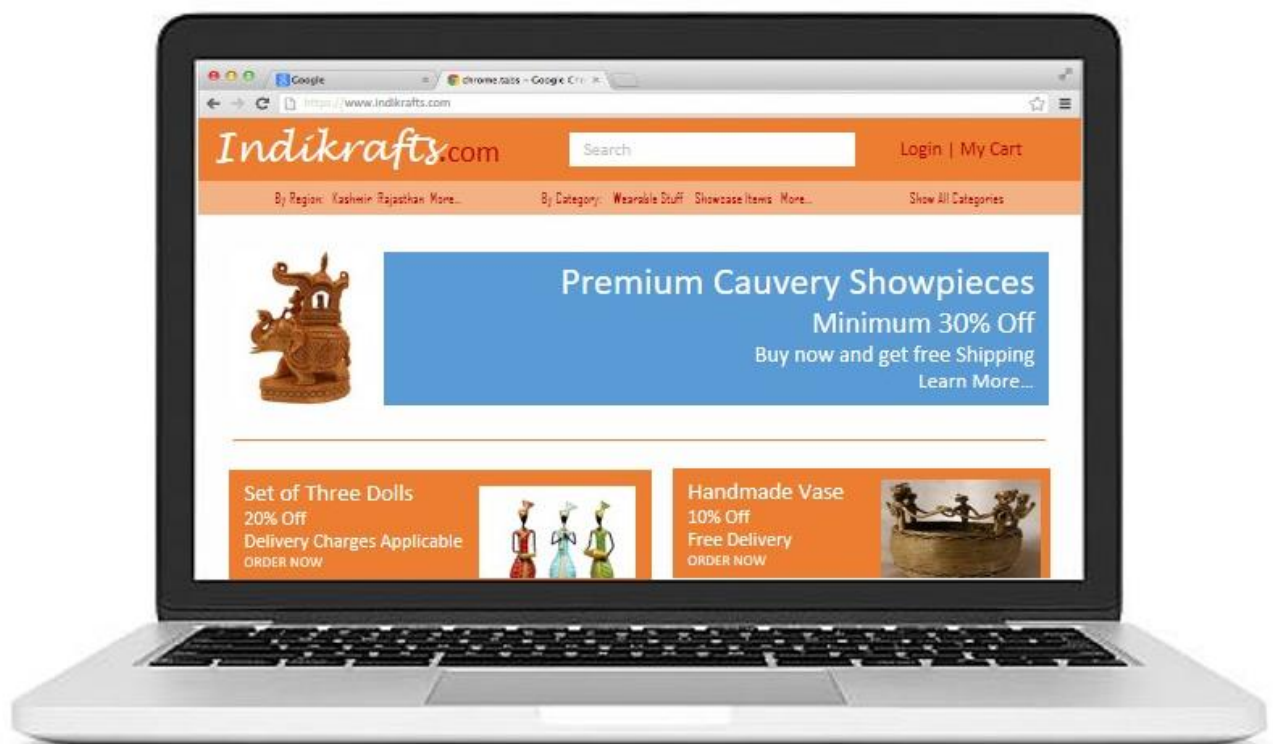
Sellers will now have no fear of their disconnect from the rest of the world. Anybody can post an advertisement of his/her product on our portal.

To ensure no buyer is left out, an option of Cash-On-Delivery (COD) will be enabled so that customers with no idea of net-banking can also buy from our website. This will help us build consumer base in Tier-II and Tier-III cities, where net-banking is not much prevalent and sometimes even in Tier-I cities, where buyers fear their loss of critical data to an unknown source.

IndiKrafts will also be launched as a web-based mobile application, for most of the popular mobile operating systems such as Android and Apple's iOS. This move will help us reach a greater customer base who rely on their mobile devices than laptops. Also, IndiKrafts can be easily expanded to link payments through mobile wallets like Paytm and MobiKwik, which is presently limited for mobile users only.

Labelling and Packaging

Importance:

Labelling is important as it guarantees a quality product to the customer. Labelling a product with its usage instructions, materials, price and certification ensures that the consumer will be at a greater comfort level physically, as well as mentally, while using the product.

Packaging a product ensures its safe delivery at its destination. Primary packaging is necessary for storing its contents. Secondary packaging is done to make the product feel premium. Another layer of packaging is done for its safe transportation.

IndiKrafts' Packaging Process:

When a buyer places his order, the product information along with all relevant details are sent to the craftsman. A local packaging service is available in most of the cities, but if it isn't present, IndiKrafts will ensure a setup of small packaging facility to facilitate the seller.

The craftsman will have to report to the local packaging service with his product, where he will provide his seller copy. A local representative will receive the same copy of the product through IndiKrafts' team. He will initiate the packaging process according to the product.
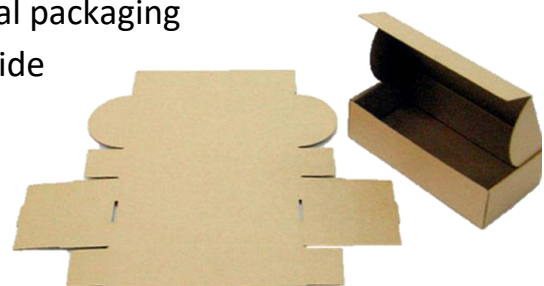
For fragile items, packaging will consist of primary layer of old newspaper balls, a secondary layer of bubble wrapping and finally, a tertiary layer of cardboard box to maintain modularity.

For non-fragile items like shawls, packaging will comprise of a primary paper-bag covering (we oppose the use of plastic in packaging), followed by a cardboard box covering for transportation.

The cardboard, after labelling is done, will further be wrapped with water-resistant coating to prevent damage during transportation.

IndiKrafts' Labelling Process

Labelling of product will be done on the cardboard box, covering the lids of the box in such a way that once labelled, it is impossible to open the box without damaging the labelling. Damaged labelling will guarantee refund, if asked by the customer.

A label will have the following information:

- Product Name – Size, Dimensions, etc.
- Delivery Address – Customer Name, Street, City, Landmark, etc.
- Address of the seller with his/her name.
- IndiKrafts' Helpline Number – For any complaints, query
- Barcode – For delivery company
- Product ID – a unique identification number given by IndiKrafts
- Handling Instructions – FRAGILE Logo, etc.

Users will be given a notification once their product has been packaged and labelled, along with a reference key, which will enable them to get details of their package and expected delivery details.
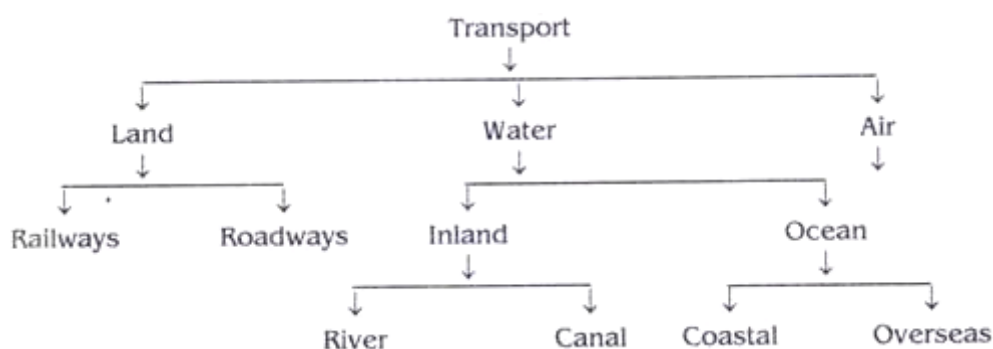
Warehousing and Transportation

Importance

Warehouse management is essential to any logistics system, which is an essential part of supply chain management. While some erroneously view a warehouse simply as a storage facility, some warehousing process elements will play a substantial role in ensuring that the entire supply chain system functions efficiently. In fact, there are a number of benefits that a warehouse offers.

Transportation is indispensable function of marketing. Transportation provides the physical means of carrying goods and persons from one place to another. In other words, it is concerned with carrying the goods from the places of production to the places of their consumption.

Transportation creates place utility and regularises supply from one place to another. Transportation greatly facilitates the performance of marketing functions like buying, assembling, selling, storage and warehousing etc. The entire economy and its development is dependent on a well- knit system of transportation.

Types and ways of transportation

IndiKrafts' Warehousing and Transportation Facility

IndiKrafts will provide transportation facility through verified third-party transport services. We will ensure the vehicle used for transportation is fully covered, to ensure safety of packages, like the truck shown in picture.

Long distance travel will be accomplished through public transport mediums such as railways. Air transport will not be provided as a default mean by IndiKrafts, however, customer can avail the facility of quick delivery through air-travel by paying the required amount of transportation charges.

Warehousing will be done through verified third-party storage facilities. Warehouses will be located in Tier-I cities where demand is high. For instance, beginning with warehouses in Delhi, Bangalore, Mumbai and Kolkata will cater as regional storage facilities to meet demand surge.

Security will be provided by verified third-party security agencies and modern technological security equipments. All database will be stored on servers, with detailed information about incoming and outgoing products, damaged and well as refunded stock. This will ensure quick response in case customer asks for a replacement or refund.

The regional warehouse will act as a node in the transportation process, where all regional goods will first check-in and then will be routed to different channels.

Consumer Protection Rights

Consumer protection is a group of laws and organizations designed to ensure the rights of consumers, as well as fair trade, competition, and accurate information in the marketplace. The laws are designed to prevent the businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors.

In India, consumer protection is specified in The Consumer Protection Act, 1986. Under this law, Separate Consumer Dispute Redress Forums have been set up throughout India in each and every district in which a consumer can file his complaint on a simple paper with nominal court fees and his complaint will be decided by the Presiding Officer of the District Level. The complaint can be filed by both the consumer of a goods as well as of the services. An appeal could be filed to the State Consumer Disputes Redress Commissions and after that to the National Consumer Disputes Redressal Commission (NCDRC).

IndiKrafts' privacy policy abides by all rules and regulation laid by the Government of India. For cases involving international trade, IndiKrafts will follow the International Trade Laws and rules of respective nations.

Customer privacy is of utmost importance. Hence, we will store all data on locally hosted servers. In case of any data theft, we are bound to be held responsible. Our servers will not store any passwords, location history and other private information about our customer. Only the billing address, customer-ID and mobile number are stored in our server, with end-to-end encryption facility.

Along with our customers, sellers and third-party agencies are also valuable assets for IndiKrafts. Hence, no personal data, except the one required for identification and company purposes, will be stored in our servers.

Our working is very transparent. Anyone can know about our regional heads, sales and execution team, and other information from our contacts page.

What we learned through this project?

Every project is a learning in itself. This project has taught us a lot of things.

We have learnt about the functioning of an organization. The difficulties involved, challenges faced in everyday life and importance of strategies in an organization.

We have learnt about different domains of marketing management. Be it transportation or warehousing, packaging or labelling, or be it deciding our target audience, every domain is a challenge in itself.

We have learnt the importance of teamwork. Working in a team always provides one with a lot of exposure. We get to know different ideas, how to accept a majority vote, and debating our points. Working in a team helps us to get a glimpse of actual working environment in organizations.

Bibliography

Reference Documents:

- http://shodhganga.inflibnet.ac.in/bitstream/10603/31920/11/11_chapter%203.pdf

- www.flipkart.com

- https://www.flipkart.com/pages/privacypolicy

- https://www.amazon.com/gp/help/customer/display.html

- https://en.wikipedia.org/wiki/Consumer_protection

Image Sources:

- https://www.vecteezy.com/vector-art/110647-free-turban-vectors

- https://www.aib-insurance.co.uk/truck-insurance

- https://www.istockphoto.com/in/photos/warehouse

- https://www.mrboxonline.com/corrugated-boxes-c-21.html