Maheshwar is a small historic town situated around 100 kilometers south of Indore, in the prosperous Nimar region of southeastern Madhya Pradesh. The town is situated on the banks of the majestic river Narmada. For the past few years however Maheshwar is best known for revival of traditional handloom cloth, led by the Rehwa Society.

INCEPTION OF REHWA SOCIETY

The history of handloom weaving in Maheshwar dates back to the 19th century. Queen Ahilya Bai Holkar is said to have initiated weaving by giving employment to weavers of the town. The weaving here was originally done on wooden looms with yarns spun in natural dyes, and the product was mostly used for royal garments. The weavers evolved a distinct, sometimes rather austere, style of cloth, which came to be known as Maheshwari.

Post independence, Maheshwar suffered together with other handloom weaving clusters across the country. This was largely a result of government’s well intentioned but extremely shortsighted policies. For instance, the government introduced subsidies and provided cheap raw materials to the weavers, but neglected to set up proper marketing channels. As a result, the weavers were left to fend for themselves. The weavers, who were once self-sufficient, now had to rely on government-provided raw materials and subsidies. This led to a decline in the quality of the handloom cloth, which in turn affected the demand for it. By the 1970s, the handloom industry was in a state of crisis, with many clusters facing closure.

Maheshwar weaving cluster was one of the worst affected. By 1975, there were only 50 odd functional looms in all of Maheshwar. The weavers were forced to look for alternative sources of income. Many weavers turned to other professions, leaving the handloom industry in a state of disrepair.

Maheshwar weaving as a livelihood was not lucrative enough and there was an exodus of skilled workers. The skilled weavers and their families were forced to look for other means of livelihood. In 1976, Richard Shivajirao and Sally Holkar, a royal couple, set up the Rehwa Society with the objective of reviving the traditional livelihood option as well as the dying handloom weaving tradition. The Rehwa Society was established to help the weavers revitalize their craft and restore the handloom industry to its former glory. The society has been successful in reviving the handloom industry, but it has been a challenging journey. The weavers have had to overcome many obstacles, including lack of access to credit, poor market linkages, and low demand for their products. However, the Rehwa Society has been able to create a demand for their products by promoting the traditional handloom industry and by providing training to the weavers. The society has also been successful in reviving the traditional handloom industry by promoting the use of natural dyes and by encouraging the use of organic cotton. The weavers have been able to remain true to their craft, and the handloom industry has once again become a viable livelihood option for the weavers of Maheshwar.
The Livelihood School

The Livelihood School is an initiative that was essentially a weave-oriented, community-driven, and gender-responsive program. The school provides training to women in various art/craft forms and aims to empower them through skill development and income generation. The school has been successful in providing a sustainable livelihood opportunity for women, particularly those from the Maheshwar region, by focusing on traditional weaving skills. The school has evolved from a small training and production center in 1978 to a significant handloom cluster with over 1500 looms and 3000 weavers. The school is known for its high-quality products, which command a premium in the market due to their craftsmanship and cultural heritage.

INTERVENTIONS

What started as a modest training and production center with 12 women and 6 looms in 1978 has grown into a phenomenon. The growth can be attributed to various interventions that have been implemented over the years.

INTERVENTIONS

Streamlining production process

The entire production system was in shambles and the weaver motivation so low that it was difficult to work with them. The introduction of a new production system has significantly improved the situation. The new system involves a master weaver who is responsible for the entire production process. This approach has taken the risk away from the weavers and is possibly the primary reason for the return of many weavers to their traditional livelihood. Since 1987, the weavers have been provided benefits such as the Provident Fund.

The piece-rate varies with the complexity of the design to be executed. There is a system of incentives where weavers are rewarded for producing quality products within specified timeframes. The system involves multiple levels of supervision, from the weaver to the production manager. The general manager of Rehwa is responsible for the overall production process.

Primary raw materials, such as cotton and silk, are not available locally, which necessitates a high order of inventory and working capital management. Rehwa has handled this by maintaining a very efficient inventory management system.

Welfare projects for weavers and their families

One of the key initiatives adopted by Rehwa right from day one were the various social welfare activities for the weavers and their families. These projects cumulatively over the years have contributed towards improving health and sanitation conditions and have improved the overall well-being of the weavers.

The housing project, an initiative that was essentially welfare oriented, contributed a lot in improving the quality of life for the weavers and their families. The projects have been successful in enhancing the health and well-being of the weavers and their families.

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ENGAGING WITH THE MARKET

Rehwa Society's success has in a sense been one of the driving forces of the handloom's survival in the market. The society has demonstrated that it is possible to maintain and improve the quality of handloom products.

Apart from these strategic initiatives, the absolute commitment of the Holkar couple towards the objectives of the society was critical in building the institution that Rehwa is today.

One of the defining features of this segment is that it demands exclusive products and is willing to pay a premium for them. The society has successfully marketed its products by highlighting their high quality and unique design elements.

At the time Rehwa was established, the Maheshwari cloth had lost whatever little local base it may have had earlier. The society has worked hard to reestablish its presence in the market. The success of Rehwa Society has been attributed to the high quality of its products and the innovative designs.

Pricing

Rehwa's products have always been priced significantly higher than similar products available in the market. This is primarily due to the high cost of production and the unique design elements.

Segment

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Over the years Rehwa Society evolved a clear marketing strategy that closely considered the inherent strengths as well as the limitations of the Society's products. The marketing strategies are discussed in detail in the next section of the case.

Marketing initiatives

Rehwa Society's marketing strategies have evolved around two key attributes, high quality and high style. The society has been successful in creating a perception of high quality and high style in the minds of the consumers.

The society has sometimes adapted to the market, often they have contributed to redefining the structure of the market. The society's focus on high quality and unique design elements has helped in building a strong market for its products.

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Sales strategies

While Rehwa’s achievements are tremendous, their turnover has been stagnating around the Rs. 1.2 - Rs. 1.3 crore mark for the past 7-8 years. This is beginning to show in the expenditure that the Society incurs on social welfare activities. As can be seen in annexure 1, where the indirect expenses are decreasing every year, it is likely that certain heads of expenses would be taken in future to check with Rehwa’s achievements.

Marketing management team

The marketing initiatives of the Society are led by two designers, based in Delhi and Mumbai, who work full time. They are responsible for making contact with potential buyers and initiating strategies to increase sales. Based on their analysis, they then create sellable designs and ranges, and guide the production unit at Maheshwar to produce accordingly. Of course, Richard Sivandian, the tailor in Maheshwar, is a vital part of this process. The two designers are divided amongst the two roles of designing and marketing, with each specialist in their field.

CHALLENGES FOR FUTURE

Clash of objectives

The Society by mandate has to provide for the welfare of the weavers. At the same time, it is under tremendous pressure to remain competitive and in line with other players in the market. This is beginning to show in the expenditure that the Society incurs on social welfare activities. As can be seen in annexure 1, where the indirect expenses are decreasing every year, it is likely that certain heads of expenses would be taken in future to check with Rehwa’s achievements.

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Live 4 ( 5 )

whether the market will accept more expensive products is the question. Also, what would be the sustainability of such a product line?

Alternative markets and segments

As has been mentioned earlier, Rehwa caters to an exclusive segment only. How long will they be able to survive on only this segment? Moreover, is it realistic to cater to only one market from a limited facility? These are some of the questions that Rehwa may have to find answers in the near future.

Organizing the producers

The number of producers in Maheshwar has apparently crossed the carrying capacity. In a sense that what used to be a producer’s market is quickly turning into a producer’s nightmare. In such a scenario, there is a need for a producer’s market that would set rules and norms for the handloom trade in Maheshwar. It is important to ensure that such a kind of organization does not dilute the quality of the products. Therefore, it is important to ensure that a kind of formal/informal association be fostered that would set rules and norms for the handloom producers.

Annexure 1

Financials of Rehwa Society for the period 1996-97 to 2003-04

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