



Analysis of Self-Employed Tailoring Business - Case Study of Top Five Self-Employed Tailoring Shops in Nagpur District

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Abstract

The current research work aims to provide a critical examination of the five most relevant self-employed tailoring business in the Nagpur District. The objectives of the study are as follows: The operational patterns, customer relations, financial management and general difficulties experienced by the following self-employed tailors are yet to be researched. Using the case study method of data collection, interviews; observations and consultant records and additional data collected from each shop were used to establish factors that supported the success and sustainability of each shop. The study establishes that customers' on-line service and attention, product differentiation, and social media marketing have been key aspects in their growth. Nevertheless, the study also reveals that such a structure is vulnerable to fluctuation in demand, credit crunch, and competition from standardized clothes. The implication of this research is to give necessary information to perspective entrepreneurs in the tailoring business and policymakers who wish to encourage small-scale self-employment in the region.

Keywords: self-employed tailoring, entrepreneurship, Nagpur District, customer engagement, small business challenges

Introduction

Traditional mass tailoring industry has been one of the largest segments that created self-employment ventures in India. The concept of ready-to-wear is still on the rise and with that the role of the tailor in the contemporary world is still valid. In many areas including Nagpur District, fashion has been a source of income for a group of independent workers who have shunned the traditional employment opportunities hence boosting the economy. Small-scale producers, particularly the self-employed tailors, work within a system influenced by or consisting of: Consumers' purchasing preferences, fashion, and competition with standardized commercial ready-made clothes.

However, self-employed tailoring businesses have several challenges such as; restricted capital, changing consumer tastes and preferences, and competition from ready-to-wear garments. That said, those survive or thrived showed flexibility, creativity and good understanding of their clients. Such consideration makes it significant to especially understand how these businesses continue to operate and grow in the volatile markets.

The purpose of this research is to examine business activities of five well-established self-employed tailoring shops in Nagpur District. Through the examination of their approaches, engagements with customers and financial practices the research aims at identifying failure and success contributing factors. The knowledge gained from the present research will help other budding entrepreneurs to learn from the experience shared in this work to understand self-employment prospects in the tailoring sector in India.

The remainder of this paper is structured as follows: Section 2 provides a look at literature related to the self-employed tailoring business, Section 3 discusses the methodology work in the case study Section 4 looks at the findings and analysis while Section 5 comes up with major findings, recommendations, and suggestion on future research.

Literature review

The subject of the present paper concerns the activity of the tailoring business as a part of the micro-entrepreneurial environment, and thus has drawn more focus in the contemporary scientific research in the field of self-employment and resilience of small businesses. Newer literature has shed light on several perceptions of the self-employment dynamics,



opportunities and risks with special focus on the market forces, customer behaviour, technological advances and capital constraints.

A study done by Singh and Gupta (2022) focuses on the factors influencing individuals to choose self employment in tailoring profession. But in their study, the duo noted that through tailoring, basic entrepreneurship is made easier for consideration by people of low literacy levels and this is particularly so in urban and semi-urban centres such as Nagpur. This paper affirms that the model provides the adaptation and low capital threshold and the ability to expand through word-of-mouth and individualized service.

Like a similar study, conducted by Patil and Kale (2023) aimed at identifying strategies of tailoring businesses in India to implement changes in consumers' preferences where there is high demand for customized clothing. The study noted the self employed tailor has several key points to selling unique services for instance that the mass production cannot offer. However, it also briefly acknowledged these tailors struggle with the big challenge of growth because they often have limited financial and operating capacity.

Marketing and reaching out to customers have become an important concern due to the effect of digitalization in the self-employed tailors. Rajan et al. (2021) identified that self-employed tailors are using software such as Instagram and WhatsApp for sharing photographs of their work, communicating with customers and ordering. It has also opened ways for these tailors to be in a position to market their garments to different neighborhoods as opposed to marketing their garments to online customers only.

Shah et al.(2022) in their case study of several Indian Tailors found out that those who integrated themselves with e-commerce platforms and the use of digital payments positively saw an increase in their overall revenues and overall efficiency as well. But the research also noted that the majority of self-employed tailors, especially those who are based in smaller towns, are not able to use it because they do not have knowledge in information technology.

Among the more common topics that can be found in recent sources is the problem of finances among self-employed tailors. In a study that compared the small business in the tailoring sector with and without access to credit, Deshmukh and Ahuja (2021) found that the latter firm achieved greater performance. Overall, the authors' investigation showed there is still a significant dependence on informal credit sources or personal funds among a diverse range of tailors since traditional banks are not willing to fund micro-enterprises lacking tangible securities. This again reduces their level of credit access which makes it difficult for them to grow, buy better tools or hire employees.

Furthermore, Sinha and Kumar (2023) focused on the post-COVID economic vulnerability of limited scale enterprises operating as tailoring shops. The identified fact is that self-employed tailors who switched to the production of masks at least maintained their means of existence during periods of lockdowns. Nonetheless, the pandemic brought waves in demand and disrupted supply chains that this particular form of self-employment is currently weak in facing due to uncertainty.

It has become a common understanding that customer relationship management is an important factor that can either make or mar self-employed tailors. As Prakash & Mehta (2022) noted, company tailors who undergo repeated sales interactions and obtain referrals and repeat bookings from buyers learn to depend less on, for instance, tour operators, and are likely to retain the operators and fare well during downturns. They also focused on the need to consider the customers since tailoring business is more or less customer-oriented business.

In addition, Gupta and Verma (2021) mentioned that flexibility is another important factor that determine the sustainability of small scale tailoring enterprises. Fashion designers who provide new fashion, together with conventional garment services, are likely to earn more customers. Although this allows the sustenance of a business model, the drawback is that flexibility entails learning and innovativeness that most tailors are unable to afford due to expensive training information.



Over the years, different authors have endeavored to analyze the factors that constitute government policies to funding self-employed tailors. To this end, Patel and Singh (2021) have considered the main governmental interventions to support small-scale enterprises, including the PMMY, a micro-credit scheme for small enterprises. The study discovered that while such programs are helpful, most tailors never get to apply or contact them because they are often trapped in bureaucracies and most do not understand basic finances.

Therefore, the literature points to important information that can be used to understand the dynamics of change within the occupational self-employed tailoring business. Although, client relations and reliance on constant customers are and more important in this industry of business, the majority of tailors are now venturing into online business. Nonetheless, the problems like finance, technology, and fluctuating market has remained a cumbersome issue to tackle. Extending from this existing literature, the present study aims to spotlight on the successful tailoring shops in Nagpur District and how these establishments overcome these challenges and are able to survive a cut-throat competition.

Objectives of the study

- To analyze the operational strategies employed by the top five self-employed tailoring shops in Nagpur District to sustain and grow their businesses.
- To examine the financial management practices of these tailoring shops, including their access to credit, cash flow management, and reinvestment strategies.
- To explore customer engagement and service delivery models adopted by the tailoring shops to build and maintain a loyal customer base.

Research methodology

The research employs case study research methodology to establish the business activities, difficulties and issue of effectiveness of five independent tailoring shops in Nagpur District. This approach enables one to grasp comprehensively the specific modes of working of the businesses, and the methods used in engaging the customers. Quantitative data is gathered via survey questionnaires to the shop owners with potential views on business process, material, customer, and technology. However, sometimes observations of the shops' daily activities and relations to the customers are also made for live data. The findings are supported by secondary sources of data such as financial statements, customers' feedback forms, and business reports. Stratified purposive sampling technique is employed in an attempt to choose five most efficient tailoring shops in the market, featuring a diverse number of clients, and years of experience. Content analysis is performed on the collected data to compare the given cases and appreciate the overall picture of the tailoring business in the region. This methodological framework makes it possible to study all the contributing factors for a friendly environment towards sustainability and growth of the self-employed tailoring business in Nagpur District comprehensively.

Case study analysis

Case Study 1: Satyam Tailors

Business Operations: The opportunities for client satisfaction were realized at this over twenty-year-stable tailor shop which practices generation-to-generation tailoring methods. It's a clothing shop where one can dress for a man, woman, or even children since they do alterations, and create outfits that fit. It is the owner's sole strategy to ensure that he delivers the best quality of his work and excellent customer relations.

Financial Management: The funds required for the business are generated from own sources and borrowing covered only interest expenses. It is remembered that due to lack of collateral, and lack of trust in banking systems, the owner of the business does not acquire formal loans. The practice is ad hoc and since most of the profits are retained within the business, reinvestment is carried out where needed.

Customer Relationships: Customer loyalty therefore is a product of personalized services, and long-term relationship. This type of 'face-to-face' relationship gently develops new profiles and continuously strengthens customer loyalty and word-of-mouth promotion.



Technology Adoption: The shop has very low technological integration. There is no computerised ordering system, payments are mostly cash, informal, and may be done to individual servers. The owner is familiar with various tools that can be used in the digital platform but there is negative attitude towards the use of these tools due to lack of exposure.

Case Study 2: The Modern Boutique

Business Operations: This is a small scale business, which started only five years back, offers Designer Wear Clothing items, and Exclusive Bridal Wear Suits. The owner targets the number one niche market, which is the high-end market that possesses quality designs. The business model Nissan has chosen is creativity, fashion and luxury along with the ability to charge considerably higher prices.

Financial Management: The shop is supported through personal investment as well as through small business grants and loans. The owner(inputStream) handles every aspect of finance by using basic and small accounting system in order to balance expenditures and revenues. Over the financial aspect, it is said that planning is strategic; the main aims and strategies included expansion and marketing.

Customer Relationships: Loyalty concerns customers through effective communication using design consultancies and follow-ups. Most of the time, the shop utilizes various appeals for sustaining a long-term bond and relationship with customers as the business has a loyalty program.

Technology Adoption: The boutique also engages in the use of social media's such as Instagram and Facebook in advertising the designs as well as attracting more customers. An example is digital payments for services and online appointments bookings are also incorporated into the business because of benefits for clients who are part of the digital generation.

Case Study 3: The Suraj Tailoring Shop

Business Operations: This is a family business dealing mainly with insured tailoring services for the family thus having been in the market for more than 40 years and Suraj is third generation continuing in the business. It is suitable for any type of customer, offering both the conventional and the contemporary clothing styles. It is Suraj Tailors all family members are involved in running the shop from sewing to customers services.

Financial Management: In terms of access of resources the business employs family funding and other borrowings from the family members. The owner keeps at least a few accounting documents yet does not employ any bookkeeping tools. All the earnings are credited to the shop and the owner does not make the use of external debt capital.

Customer Relationships: The shop has its own regular clients for the services that have been in operation for several years. Staff is usually recruited from the neighborhood, and the shop maintains loyalty as the primary important clients will be given cut-price and will include most of the company's business.

Technology Adoption: Basic technology such as Mobile phones is used for communicating with customers and through whats app for confirming the order. However, there is very low utilization of the digital platforms especially in the marketing sector because the business majors in personal contacting via referrals and physical meetings.

Case Study 4: The Sapna Tailor

Business Operations: This is a sample of a small scale business of a tailoring shop located in the market area of a town and targets, and offers low/ middle class customers' affordable tailor services. Specifically, inherent to the owner's management, short delivery time and low prices; contribute to increased customer traffic.

Financial Management: It operates cash on cash business house and the owner operates the business on daily cash basis or on small capital base. There is no proper record-keeping and financial management is not formalised; the owner uses a notebook to manage income and expenditure. This means that the business hardly sets any money aside for expansion or even upgrades of facilities owned.



Customer Relationships: That is why customer loyalty is built on the propositions of a product that is affordable and convenient to be purchased. Although the shop does not provide specific services to its customers, it has many requests due to reasonable prices. People look for several persons for simple embroidery and inexpensive dry cleaning.

Technology Adoption: That is why the owner employs the Paytm service to pay with the smartphone and Google Pay service as many customers prefer to pay using the phone. However, the business does not have any engagement in digital marketing, social media and does not have an e-commerce site and strictly depends on the customers who visit the store.

Case Study 5: The Glamour tailor

Business Operations: This business which specializes in sewing mens and boys fashion tailored outfit is three years old and its operation is entirely computerized. The owner concentrates on take orders online customer made apparels, clothes, they deal with different styles, designs. The actual cost of running it is significantly low because orders can be managed through a website, and the shop works with freelance tailors.

Financial Management: It is also revealed that cloud book-keeping package is maintained by the owner for accounts, expenses and method of invoicing. This company was started using a small business loan as capital and all the profits we make are channeled back into digital marketing, and to improve the business technology.

Customer Relationships: Customer satisfaction is maintained well by the shop through the use of virtual consultations and home delivery. Often used newsletters and promotional emails contribute to customer relations, and moreover, the shop is active on social networks, such as Instagram.

Technology Adoption: The shop employ an online site or web application to take orders and accept such payment as online money transfer, etc. Visitors of the site can watch the list of designs, organize orders, and make payments. Marketing takes place quite frequently on social media networks where clients and customers can make inquiries through a WhatsApp business number.

Themes	Case Study 1: Satyam Tailor	Case Study 2: The Modern Boutique	Case Study 3: The Suraj Tailor	Case Study 4: The Sapna Tailor	Case Study 5: The Glamour tailor
Business Operations	Focus on traditional techniques, broad range of services	Specialized in designer and bridal wear	Traditional family-based operation, offering diverse services	High volume, affordable services	Online orders, minimal overhead, custom-made garments
Financial Management	Informal financial management, personal savings	Uses small business loans and accounting software	Informal management, family funding	Basic financial tracking, low margins	Cloud-based accounting, funded through loans
Customer Relationships	Personalized service, long-term customer loyalty	High-end client engagement, loyalty programs	Strong community ties, focus on repeat customers	Focus on affordability and convenience	Virtual consultations, strong digital customer engagement
Technology Adoption	Minimal technology usage, manual processes	Active on social media, digital payments	Basic tech, uses WhatsApp for communication	Mobile payments (Paytm, Google Pay)	Fully digital (e-commerce, cloud accounting), strong social media presence



Challenges	Reluctance to adopt technology, competition from modern tailors	High competition in high-end market, high costs	Limited financial growth, reliance on family resources	Low-profit margins, heavy reliance on daily revenue	Dependency on digital tools, maintaining online presence
Growth Potential	Limited due to lack of technology adoption	High potential through digital marketing and brand expansion	Stable but low-growth business model	Limited potential due to pricing strategy	High potential with e-commerce and online marketing expansion

Conclusion

This work will undertake a profile analysis of self-employed tailoring businesses in Nagpur District targeting five different tailoring shops. The insights show that, whereas the conventional tailoring enterprises strictly involve individualized service deliveries and business social networks, the current and more numerous and competitive tailoring stores incorporate use of technology and marketing on social media platforms to access more customers. The firms were of different financial management practices available some are going on the informal financial management and some are taking loans for easy working and financially planning the future growth.

One of the primary issues that dominated all the analyzed cases became the issue of managing customer relations as a key element for sustaining businesses' future stability; customer loyalty and individual approach seemed to be the most popular. However, the level of technology used in these businesses mostly influences their level of competitiveness and how they can be scaled up. E-commerce shops and those using integrated social media marketing experience better growth than traditional shops restricted by inhibitions toward embracing new technologies.

These businesses' borrowers' hardships consist of rivalry from today's better tailors, growing and diminishing customers' demands, and restricted opportunities to attain more traditional sources of finance. The research implications on self-employed tailoring businesses are that they need to embrace change by adopting technology to sustain the dynamic market place in Nagpur. In conclusion then, while conventional practices offer structure, the future prosperity of the independent tailors will rely more on the extent to which they adopt and improve the contemporary business elements, improve on the business planning and financial aspects, and adopt Information Technology for business expansion and sustainability.

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