

Survival and Growth Factors of the Handloom Industry in the Eastern Province of Sri Lanka

A. A.J. Fernando

University of Sri Jayewardenpura, Gangodawila, Nugegoda, Sri Lanka

email: p.anil.jayantha@gmail.com

Abstract

Sri Lankan local industries specifically in Northern and Eastern areas were badly affected by the decade lasted internal civil war from 1983 to 2009. Handloom industry is one of the few industries in the Eastern Province that survived and thrived amidst intense hostilities existed while many collapsed. The purpose of this paper is to investigate how and why this handloom industry survived and what strategies helped the industry in the Eastern Province to overcome unfriendly market conditions.

This case research used a mixed research methodology. Primary data was gathered from 32 handloom company owners and 105 individual weavers using unstructured questionnaires and data was analysed both qualitatively and quantitatively .

The study found that cluster formation, participatory process adopted by weavers and marketing strategies unique to Eastern Province community had significantly helped the handloom industry to survive. , product diversification and creative designs are found to be key growth factors of the industry even in a market where intense hostilities and unfriendly market conditions exist. Research findings and recommendations would provide some underpinning reasons and guidance for handloom and similar industry entrepreneurs to survive and grow in hostile and entrepreneur unfriendly market conditions.

Key Words: Market Hostilities, Handloom Industry, Survival Factors, Growth Factors, Strategies.