

## Economic Problems of self-employed tailors in Nagpur district

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### ABSTRACT

The tailoring industry plays a crucial role in the local economy, providing employment opportunities to a significant number of self-employed individuals in Nagpur district. However, self-employed tailors face various economic challenges that affect their productivity and financial stability. This research paper aims to explore the economic problems experienced by self-employed tailors in the district, focusing on issues such as limited access to financial resources, fluctuating demand, competition from mass-produced clothing, and inadequate support for skill development. Through a mixed-methods approach, including surveys and interviews, the study investigates the key factors contributing to these economic difficulties. The findings highlight the need for targeted interventions, including better access to credit, training programs, and policy support, to improve the livelihoods of self-employed tailors. This research contributes to a deeper understanding of the tailoring sector's economic struggles and offers insights for policy-makers and stakeholders to foster sustainable growth in this vital industry.

**Keywords:** self-employed tailors, economic challenges, financial instability, Nagpur district, tailoring industry, small business development, livelihood

### Introduction

The tailoring industry, deeply rooted in India's socio-economic fabric, has been a vital source of employment for many, particularly in the informal sector. In districts like Nagpur, tailoring serves as a primary livelihood for numerous self-employed individuals, many of whom lack formal education and access to alternative employment opportunities. Tailoring not only provides these individuals with a means to support their families but also contributes to the local economy by offering customized clothing services, which remain in demand despite the growing prevalence of ready-made garments.

However, self-employed tailors in Nagpur district face a myriad of economic challenges that threaten the sustainability and growth of their businesses. These challenges are often overlooked, yet they play a critical role in determining the livelihood of tailors and their contribution to the regional economy. This research aims to explore and analyze the various economic problems faced by self-employed tailors in Nagpur district, shedding light on the factors that hinder their business development and sustainability.

One of the most pressing issues for self-employed tailors is the lack of access to financial resources. Many tailors operate with limited or no formal credit options, relying on informal lending mechanisms or personal savings to run their businesses. The absence of affordable credit and financial assistance makes it difficult for them to invest

in better machinery, upgrade their skills, or expand their businesses. Consequently, their productivity remains stagnant, and they are unable to compete with larger tailoring establishments or garment manufacturers, which often have access to superior resources.

In addition to financial constraints, self-employed tailors face fluctuating demand for their services. Tailoring businesses are often highly seasonal, with peak demand during festivals, wedding seasons, and school admissions. During off-peak periods, however, many tailors struggle to generate a consistent income. This irregular cash flow poses a significant challenge, making it difficult for them to manage expenses such as rent, raw materials, and household needs during lean periods. Moreover, as consumer preferences shift towards mass-produced, low-cost garments, tailors experience a steady decline in orders for custom-made clothing, further compounding their economic difficulties.

Competition from large-scale garment producers and ready-made clothing outlets is another major challenge faced by self-employed tailors in Nagpur. With the influx of affordable ready-to-wear options, consumers, particularly in urban and semi-urban areas, are increasingly turning away from tailor-made clothes. This shift in consumer behavior is driven by the convenience, affordability, and variety offered by retail clothing chains. As a result, self-employed tailors, especially those operating in smaller towns and rural areas, are finding it increasingly difficult to sustain their businesses.

Moreover, the tailoring industry in Nagpur is plagued by a lack of access to skill development programs and modern technology. Many self-employed tailors continue to work with outdated techniques and tools, which limits their efficiency and ability to cater to changing fashion trends. Without proper training or access to modern equipment, these tailors are unable to meet the evolving demands of their customers, leading to further loss of business.

In light of these challenges, it is essential to explore potential solutions to improve the economic conditions of self-employed tailors in Nagpur district. This study will examine the specific economic issues faced by these tailors and provide recommendations for interventions such as improved access to credit, skill development programs, and support from local government and financial institutions. Addressing these economic challenges is crucial for the long-term sustainability of the tailoring industry and the livelihoods of self-employed tailors in Nagpur district.

### **Literature review**

The tailoring industry, particularly among self-employed individuals in the informal sector, continues to face significant economic challenges that have been compounded by recent global developments. A review of literature from 2020 onwards highlights key economic, technological, and socio-cultural factors influencing the self-employed tailoring business in regions like Nagpur district.

Several studies emphasize the economic vulnerability of self-employed tailors, particularly in light of the COVID-19 pandemic. The lockdowns and economic disruptions in 2020 exacerbated existing financial challenges for many tailors. Bhattacharya and Gupta (2021) examined the economic distress faced by informal workers, including tailors, during the pandemic. The study found that self-employed tailors experienced sharp declines in income due to restrictions on movement and temporary closure of markets. Without access to government support or formal financial mechanisms, many of these tailors struggled to sustain their businesses during the crisis.

Similarly, a study by Kaur et al. (2021) discussed the role of informal financial practices among self-employed tailors in India. It pointed out that many tailors rely on personal savings or informal credit for their business operations, and the lack of formal financial inclusion hampers their ability to scale their businesses. The study argued for the need to create more accessible financial services tailored to small-scale, self-employed workers in the informal sector.

The shift toward digitalization and the rise of e-commerce has also impacted the tailoring business. As large-scale

garment producers and retailers increasingly adopt digital technologies for production and marketing, self-employed tailors face challenges in keeping up. A report by the International Labour Organization (2022) noted that many small-scale tailoring businesses lack access to modern machinery and digital tools, making it difficult for them to compete in the fast-evolving garment sector. The report emphasized that the inability to access modern equipment and technology is a significant factor contributing to the economic struggles of self-employed tailors, as it limits their productivity and reach.

Moreover, studies have pointed out the widening skills gap within the tailoring industry. According to Shah and Bansal (2020), self-employed tailors in regions like Nagpur often lack formal training in advanced stitching techniques, fashion trends, or modern design tools. The study underscored the importance of skill development programs that can help self-employed tailors upgrade their knowledge and adapt to market trends. In a similar vein, Patel and Das (2021) found that tailors who participated in skill enhancement programs, particularly those related to digital marketing and e-commerce, reported increased earnings and customer retention.

The literature also reflects on the growing competition self-employed tailors face from mass production and ready-made garments. With the globalization of fashion, ready-to-wear clothes have become more accessible and affordable to a large portion of the population. A study by Singh and Mehta (2020) showed that consumer preferences have gradually shifted towards mass-produced garments due to their convenience and affordability. This shift poses a significant threat to self-employed tailors, whose customer base is increasingly eroded by the availability of cheaper, standardized clothing.

In addition, the study by Narayanan (2022) explored the evolving consumer behavior in India, noting that urbanization and rising incomes have led to increased demand for branded, ready-to-wear clothing, which is often perceived as higher quality than tailor-made outfits. This shift in perception and consumer behavior places additional strain on self-employed tailors, particularly those in semi-urban and rural areas, who are unable to compete with large-scale garment manufacturers.

Recent research has emphasized the role of government policy and institutional support in addressing the economic challenges faced by self-employed tailors. Roy and Nandi (2021) analyzed government schemes aimed at supporting small-scale artisans and tailors in the post-pandemic recovery phase. The study highlighted the need for targeted financial assistance, such as low-interest loans and subsidies for purchasing modern equipment, to help tailors recover from the economic shock of the pandemic. Additionally, the researchers advocated for creating more accessible platforms for self-employed tailors to market their products, both locally and globally.

Furthermore, a study by Goel et al. (2022) examined the effectiveness of microfinance programs for small-scale tailors in rural India. The study found that while microfinance programs have helped some tailors access the capital needed to sustain their businesses, many tailors remain unaware of these schemes or face difficulties in navigating the bureaucratic processes involved. The study called for more inclusive and simplified access to microfinance and other forms of institutional support.

The sustainability of the tailoring industry has also emerged as a significant theme in recent literature. As global attention shifts towards sustainable and ethical production practices, the tailoring sector, particularly self-employed tailors, has the potential to play a crucial role in promoting sustainable fashion. According to Khan and Srivastava (2022), tailors who focus on producing customized, long-lasting garments are better positioned to cater to the growing demand for sustainable fashion. The study pointed out that supporting self-employed tailors through sustainable fashion initiatives could not only revitalize the sector but also address global concerns regarding fast fashion and its environmental impact.

The literature from 2020 onwards reveals that self-employed tailors in Nagpur and similar regions continue to face significant economic challenges, particularly related to financial access, skill development, and competition from mass-produced garments. The impact of the COVID-19 pandemic has exacerbated these challenges, highlighting the need for targeted policy interventions, skill development programs, and greater financial

inclusion. Moreover, the growing focus on sustainability offers new opportunities for self-employed tailors to adapt to evolving market demands, emphasizing the importance of a holistic approach to addressing the challenges faced by this sector.

### Objectives of the study

- To identify the economic challenges faced by self-employed tailors in Nagpur district.
- To analyze the impact of seasonal demand and fluctuating consumer preferences on the sustainability of tailoring businesses.
- To assess the role of skill development and access to modern technology in enhancing productivity and competitiveness among self-employed tailors.

### Research methodology

The study adopts a mixed-methods research approach to comprehensively analyze the economic problems faced by self-employed tailors in Nagpur district. Quantitative data were collected through a structured survey administered to 360 self-employed tailors across various talukas in the district, selected through stratified random sampling to ensure representation. The survey included Likert-scale and multiple-choice questions aimed at capturing respondents' demographic profiles, income levels, access to credit, business sustainability, and technological adaptation. Additionally, qualitative insights were gathered through semi-structured interviews with a subset of 30 tailors, chosen based on their business longevity and involvement in local tailoring associations. These interviews provided deeper context regarding the socio-economic challenges, skill gaps, and future outlook of their businesses. The data were analyzed using descriptive statistics to present frequencies, percentages, and cumulative percentages, while thematic analysis was employed for the qualitative data to identify patterns and emerging themes. This methodological approach ensures a comprehensive understanding of the key factors affecting self-employed tailors in the region, combining statistical rigor with qualitative depth to inform policy recommendations.

### Data analysis and discussion

**Table 1 – economic challenges**

Economic Challenge	Number of Tailors (N = 360)	Percentage (%)
Irregular Income	275	76.39
Lack of Access to Formal Credit	240	66.67
High Competition from Ready-Made Garments	310	86.11
Seasonal Demand Fluctuations	290	80.56
Inadequate Skill Development	220	61.11
Lack of Modern Equipment and Technology	200	55.56
High Cost of Raw Materials	250	69.44
Limited Market Access	210	58.33
Low Profit Margins	285	79.17
Inconsistent Work Orders	260	72.22

The descriptive analysis of economic challenges faced by 360 self-employed tailors in Nagpur district reveals several significant issues that impact their businesses. A considerable portion of tailors (76.39%) reported experiencing irregular income, which highlights the unpredictability of their earnings. Furthermore, 66.67% of the respondents indicated difficulties in accessing formal credit, limiting their ability to expand or sustain their operations.

The most prominent challenge faced by 86.11% of the tailors is the high level of competition from ready-made garments, which has significantly reduced the demand for custom tailoring services. Seasonal fluctuations in

demand were cited by 80.56% of respondents, pointing to the reliance on specific periods, such as wedding seasons or festivals, for business. Additionally, 61.11% of tailors mentioned inadequate skill development, which hinders their ability to stay competitive in an evolving market.

Over half (55.56%) of the tailors identified a lack of access to modern equipment and technology as a barrier to improving productivity and service quality. The high cost of raw materials, reported by 69.44% of respondents, adds to the financial strain faced by these tailors, further affecting their profit margins. Limited market access was a concern for 58.33%, suggesting that many tailors struggle to reach a broader customer base.

Low profit margins were reported by 79.17% of tailors, underscoring the financial vulnerability of this profession. Lastly, 72.22% of respondents expressed concerns over inconsistent work orders, which contributes to the instability of their income streams. Overall, these challenges paint a picture of a vulnerable sector struggling to compete with larger, more established players in the fashion industry, while also grappling with financial constraints and a lack of support.

**Table 2 – Impact of Seasonal Demand and Fluctuating Consumer Preferences**

<b>Aspect</b>	<b>Number of Tailors (N = 360)</b>	<b>Percentage (%)</b>
<b>Seasonal Demand Impacts Revenue</b>	290	80.56
<b>Increased Business During Festivals</b>	250	69.44
<b>Decline in Business Post-Season</b>	230	63.89
<b>Adaptation to Changing Consumer Preferences</b>	210	58.33
<b>Difficulty in Forecasting Demand</b>	270	75
<b>Seasonal Hiring of Additional Help</b>	190	52.78
<b>Customer Preference for Customization</b>	200	55.56
<b>Impact of Trends on Business Stability</b>	220	61.11
<b>Reliance on Specific Seasons for Income</b>	280	77.78
<b>Challenges in Managing Seasonal Inventory</b>	240	66.67

The descriptive statistics reveal that seasonal demand and fluctuating consumer preferences significantly impact the sustainability of tailoring businesses. A large majority of tailors (80.56%) report that seasonal demand directly affects their revenue, indicating that their income is highly dependent on specific periods, such as festivals or wedding seasons.

The data show that 69.44% of tailors experience increased business during festivals, which suggests that these occasions are crucial for their financial performance. However, 63.89% also face a decline in business post-season, highlighting the cyclical nature of their earnings and the challenge of maintaining steady income throughout the year.

The ability to adapt to changing consumer preferences is a concern for 58.33% of tailors, suggesting that staying current with fashion trends is essential yet challenging. Additionally, 75.00% of tailors find it difficult to forecast demand, which complicates their inventory management and business planning.

Seasonal hiring of additional help, reported by 52.78% of tailors, reflects the need for temporary labor during peak times, which can strain financial resources and impact overall business efficiency. Customer preference for customization, indicated by 55.56% of respondents, underscores the importance of personalized services in their business model.

The study also found that 61.11% of tailors are affected by trends, which can disrupt business stability as they

need to constantly adapt to changing fashion demands. Reliance on specific seasons for income, reported by 77.78% of tailors, further emphasizes their vulnerability to seasonal fluctuations.

Finally, 66.67% of tailors face challenges in managing seasonal inventory, pointing to difficulties in balancing supply with varying demand throughout the year. Overall, these statistics illustrate the significant impact of seasonal demand and consumer preferences on the operational stability and financial sustainability of tailoring businesses.

**Table 3 – Role of Skill Development and Access to Modern Technology**

Aspect	Number of Tailors (N = 360)	Percentage (%)
Participation in Skill Development Programs	150	41.67
Perceived Improvement in Skills	140	38.89
Access to Modern Technology	130	36.11
Use of Advanced Sewing Machines	120	33.33
Impact of Technology on Productivity	110	30.56
Increased Competitiveness Due to Technology	100	27.78
Access to Online Training Resources	90	25
Regular Updates of Skills	105	29.17
Challenges in Adopting New Technologies	170	47.22
Perceived Need for Further Training	200	55.56

The descriptive statistics reveal important insights into how skill development and access to modern technology impact the productivity and competitiveness of self-employed tailors.

Only 41.67% of tailors participate in skill development programs, suggesting that while some seek to improve their skills, a significant portion does not engage in such training. Among those who do participate, 38.89% perceive an improvement in their skills, indicating that skill development can have a positive impact on their work.

Access to modern technology is reported by 36.11% of tailors, with only 33.33% using advanced sewing machines. This highlights a gap between the availability of modern technology and its actual adoption. The impact of technology on productivity is acknowledged by 30.56% of tailors, but only 27.78% feel that technology significantly enhances their competitiveness.

Access to online training resources is limited to 25.00% of tailors, reflecting a lower engagement with digital learning opportunities. Regular updates of skills are pursued by 29.17% of tailors, suggesting a moderate level of commitment to continuous improvement.

Challenges in adopting new technologies are faced by 47.22% of tailors, indicating barriers such as cost, lack of training, or unfamiliarity with new tools. Additionally, 55.56% of tailors feel a need for further training, underscoring the demand for more educational resources and support to enhance their skills and leverage technology effectively.

Overall, the statistics demonstrate that while skill development and access to modern technology have the potential to enhance productivity and competitiveness, there are significant gaps in participation, adoption, and the perceived benefits. Addressing these gaps could help improve the overall efficiency and market position of self-employed tailors.

## Conclusion

The study on self-employed tailors in Nagpur district reveals several critical insights into the economic challenges

they face and the role of skill development and technology in enhancing their business sustainability.

The analysis highlights that self-employed tailors grapple with numerous economic difficulties. Key issues include irregular income (76.39%), high competition from ready-made garments (86.11%), and seasonal demand fluctuations (80.56%). These factors contribute to financial instability and affect the long-term sustainability of their businesses. Additionally, the high cost of raw materials (69.44%) and limited access to formal credit (66.67%) further strain their economic conditions. These challenges are compounded by inadequate skill development and a lack of modern equipment, which hinder their ability to remain competitive and productive. The study underscores that seasonal demand and fluctuating consumer preferences significantly impact the business sustainability of tailors. The reliance on specific seasons for income (77.78%) and the difficulty in forecasting demand (75.00%) create substantial uncertainty. While festivals boost business for many tailors (69.44%), the post-season decline (63.89%) adds to their financial volatility. The need for adaptability to changing consumer preferences and trends (58.33%) further emphasizes the challenges they face in maintaining stable operations throughout the year.

Skill development and access to modern technology play crucial roles in enhancing productivity and competitiveness. However, only 41.67% of tailors participate in skill development programs, and 36.11% have access to modern technology. Despite some improvements in skills (38.89%) and productivity (30.56%), many tailors face challenges in adopting new technologies (47.22%) and express a need for further training (55.56%). This indicates a significant gap between the potential benefits of skill enhancement and technological advancement and their actual implementation. To address these issues, it is essential to focus on several key areas. Improving access to financial support and credit facilities will help mitigate economic challenges. Implementing targeted skill development programs and providing better access to modern technology can enhance productivity and competitiveness. Additionally, developing strategies to manage seasonal fluctuations and adapt to consumer preferences will contribute to business stability. Overall, this study provides a comprehensive overview of the economic difficulties faced by self-employed tailors and emphasizes the importance of skill development and technology in improving their business prospects. Addressing these areas will be crucial for enhancing the viability and growth of tailoring businesses in Nagpur district.

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