

Role of Middlemen in Badge Making Industry of Malerkotla, Punjab: A Critical Analysis

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Abstract. The present study attempts to examine the role of middlemen in the badge-making industry of Malerkotla, Punjab while also exploring the opportunity for the upliftment of both the artisans and traditional craft. To provide comprehensive understanding of the industry, the historical background, development, and present status of the badge-making craft have been studied in the local market. Although this craft has a rich heritage and holds significant cultural and economic value, it is gradually losing its prominence due to various challenges faced by the industry. These challenges include the irregular availability of raw materials, the declining number of skilled artisans, inadequate market exposure, and limited participation of stakeholders in the overall development of the craft. For this research, a survey was conducted among 23 middlemen engaged in badge making industry in Malerkotla. The finding revealed that issues such as low educational levels, the lack of effective communication and limited awareness of market opportunities are among the drawbacks affecting the growth of this traditional industry. At the same time, the study highlights the significant role played by middlemen, who act as a vital link between artisans and the market. They coordinate production, provide employment opportunities, ensure timely distribution of work and facilitate the marketing of finished products. Their contribution is particularly important for rural women artisans who are unable to work outside their homes, as they enable these women to earn a livelihood while preserving and promoting traditional badge-making craft. Thus, the middlemen are a strong pillar supporting the sustainability and continued existence of the badge making industry in the region.

Keywords: Badges, craft, traders, middleman, material, marketing.

1. Introduction

We discovered through the analysis of the study reveal that middlemen play a significant and influential role in the badge-making industry of Malerkotla, Punjab. Their contribution extends beyond merely facilitating trade, as they act as an important link between artisans and the market, ensuring the continuity and sustainability of the traditional craft. Punjab is well known for its rich heritage of handicraft and intricate

embroidery traditions, including *tilla* embroidery, *jutti* making, and other forms of decorative craftsmanship. Similarly, the badge-making industry represents an important traditional craft that provides livelihood opportunities to many artisans, particularly those engaged in home-based production.

The primary objective of this study is to highlight the positive role of merchants or middlemen in the badge-making industry of Malerkotla. Unlike many previous studies that have largely emphasized the exploitative or negative aspects of middlemen, this research is focus on their constructive contribution to the industry, the finding suggest that middlemen have connect skilled artisans with market demand by coordinating production, supplying the raw material, insuring quality standards, collecting finished products, and facilitating their distribution to different markets, through these activities, they contribute to the preservation and promotion of the traditional badge making craft wheel generating employment opportunities for local artisans.

The information collected from the survey respondents has been analysed to identify the major factor influencing the growth and sustainability of the badge-making industry in Malerkotla, Punjab. The study provides valuable insights into the opportunities and challenges faced by the industry and emphasizes the importance of strengthening collaboration among artisans, middlemen and other stakeholders to ensure the long-term development and preservation of the traditional craft.

2. Background

Malerkotla is renowned for its traditional needlework throughout the nation and abroad, but it is still in a crisis because it lacks a suitable trading location, according to a prior study of a research paper by the co-author about the craftswomen of the badge-making profession. The materials for the badges are not readily available on the market for the middlemen to buy. According to the previous research, even if it is still available, there is a risk of quality limitations because manufacturing is focused on the global market, much like the community of middlemen, are Muslims, who are men. It has been noted that the worsening state of the female craftsmen is the customary and cultural role of their obstruction is also to blame; it is not just the traders or middlemen who are to blame.

2.1 Purpose and Objectives

- To realise the potential for fostering craft through middlemen, it is important to recognise the responsibilities of the badge-making sector in Malerkotla.
- To identify the quality measures of badge making industry of Malerkotla due to the middle man's role.
- To acknowledge the expectations of middlemen from badge making industry.

- To identify the complete process of orders to badge making industry.
- To identify the scope of badge-making through the role of middlemen.
- To identify the challenges faced by middlemen of the badge industry of Malerkotla.

2.2 Questions

- The study will attempt to address the following queries by analysing the results and debates in the literature review:
- Why are middlemen necessary in the badge-making industry?
- What are the contributing variables that make middlemen more crucial for artisans?
- What is the current scenario of demand of badge industry of Malerkotla?
- How Middlemen is helpful to the badge-making industry?

2.3 Literature Review

2.3.1 Current scenario of domestic and international market.

Following the separation, Malerkotla, the only district with a majority of Muslims, developed its own culture. There are many craft worker families engaged in badge production, but it has been noted that domestic demand for machine-made badges—specifically for school uniforms—is greater than that for international demand and for high-profile uniforms worn by Navy officials, police officers, and army officials, which are restrained. The element has been studied. Because they are unaware of the global market for badges, handmade embroidery has decreased revenues. This unique position was accordingly given by the special individuals—those who owned the stores, sometimes known as the traders or the middlemen. They are regarded as a middleman, serving as a link between the market and the artisans. In addition to selling goods, they also take customer orders and have artists complete them. The dealers will supply the materials because they are at work. As they must deliver the raw materials to the craftsmen's homes, pick them up, and sell them by courier, the middlemen are also solely responsible for logistics. As a result, they are simultaneously handling merchandising, logistics, and marketing.

2.3.2 Commercialisation of traditional embroidery.

Malerkotla is dependent on the marketplaces of Amritsar and Delhi to obtain the materials, which cost 2.5 times as much as their value because it is bordered by rural areas (nearly 52 villages), is not a particularly vibrant city, and is not connected to a major city. Additionally, the addition's angle poses a significant restriction on where the materials are handled.

Middlemen: who are they? A middleman, according to Wikipedia, mediates and distributes the collecting and transaction chain facilities for crafts or other related sectors and promotes communication between the parties. The key tasks associated in the purchase and sale of goods, as well as their movement from producers to final consumers, are handled expertly by the parties' intermediates.



Fig. 1 Description of Middlemen

2.4 Link between buyers and manufacturers

Every market has a significant role for online theatres. In addition to constantly balancing supply and demand in the market, consumers and producers stand to gain from the services. By specialising in tasks like finance, storage, and shipping, middlemen give producers insightful input on their market offerings. They introduce the market to the financial advantages and division of labour so that market buyers get access to the right quantities of goods and services close to their homes.

They gain access to various intermediaries' services, such as delivery and advertising, via the intermediate network. Despite the many drawbacks he might offer, this is the importance of the middleman. Some people think that the middleman should be eliminated because when commodities go from one middleman to the next, the price charged at each junction rises to account for profit and costs associated with warehousing, insurance, transportation, and other expenses. The cost of having intermediaries in the channel where the artisans sell their products is ultimately borne by the consumers when the margins of each middleman are taken into account.

2.5 The tasks that middlemen perform in the marketplace

- They offer the producer helpful information and feedback, but customer behaviour is changing due to changing tastes and passions, emerging competing industries, etc.

- By taking care of the auxiliary tasks of storage, distribution, marketing, insurance, etc., they enable producers to evaluate the fundamental purpose of manufacturing. On behalf of the manufacturers, they market the products to consumers.
- The presence of middlemen, such as banks and other financial service providers, to producers ensures that consumers can access high-quality services at the appropriate location, time, and volume.
- Both buyers and sellers frequently accept the market risk or the threat of potential loss. It functions as a weak link in the process, raising the risk of theft and other potential risks.

2.6 Need of Middlemen

The fact that there are so many different brands that sell their goods shows how crucial the middleman is. We need to buy a dress, shoes, and other items, for instance. Therefore, supermarkets are the ideal option since we can find everything there.

The need to purchase a handbag, shoes, outfit, and perfume with the aid of a sample resume may be better understood as the most effective use of time and resources through the channels.

Most likely, you'll visit a warehouse or department shop where you can find everything you need under one roof. Take into account what would occur if there were no middlemen like these stores to assist with transactions. You would have to buy the item directly from the market in such a circumstance. As a result, they would manufacture shoes, whereas the same company would manufacture outfits, handbags, and perfumes.

2.6.1 Enhanced efficiency in distribution

Because it requires specialised operations like selling, shipping, storing, negotiating, and other comparable jobs, distribution is a challenging process to complete. A business that does both direct distribution and manufacturing operations will be unable to handle the distribution job.

2.6.2 Difficulty in the distributor process

Some consumers items need a large estimation network in order to reach their ultimate purchase as consumers. To sure that their goods reach the ultimate consumers, companies must rely on intermediaries for distribution, marketing and promotional coverage.

2.6.3 Convenience for the customer

The intermediaries increase consumer happiness and convenience. Convenience is that purchasing many things from a single retailer is simpler and more convenient than purchasing the same items from a lot of different locations.

The manufacturer must rely on an intermediary address because current clients are distributed across a large geographic area and are not frequently gathered in one particular area, city, or neighbourhood. The use of channels becomes crucial when a business wants to reach a broad audience and complete large-scale distribution.

The middlemen boost customer satisfaction by offering them convenience. Convenience is significant since buying several goods from one merchant is simpler and more practical than buying the same items from others.

Details on market makers, who usually set up shop far from their intended audience.

As a result, it becomes quite challenging to monitor the different consumer trends and business trends. The fact that intermediaries operate close to the market gives them ready access to market information, making them without a doubt the most authentic and trustworthy sources of new market knowledge currently available. In addition, the costs associated with gathering such information by intermediaries are frequently the most expensive method of doing so.

3. Methodology

Various studies have been conducted in the past on traditional handicrafts and the role of intermediaries in craft-based industries. However, little study has really examined *Malerkotla's* badge-making sector and the role intermediaries play in promoting and sustaining it. By analysing the function of intermediaries in assisting the badge-making skill and identifying the potential and difficulties related to the sector, the current study seeks to close this research gap. The study is limited to *Malerkotla*, Punjab, which is well known for being a significant hub for the production of badges and traditional crafts like *Tilla* and *Zardozi* work.

The research methodology was designed to investigate the role of middlemen engaged in the badge-making industry. A structured questionnaire was developed and administered to 23 middlemen who own and manage badge-making businesses in *Malerkotla*. Primary data were collected through personal visits to their business establishments, where the researcher interacted directly with the respondents. The questionnaires were completed manually during these interactions to ensure the accuracy and reliability of the responses.

After data collection, the responses were compiled, coded, and analysed using appropriate statistical techniques, including percentage analysis and multiple regression analysis, to identify the major factors influencing the badge-making industry. To get useful findings, the processed data was used to quantify the study's findings in order to gauge respondents through and perceptions about the function of intermediaries and the general operation of the badge-making

4. Data Findings

The numbers below are visual representations of the survey results: the majority of respondents were traders who were illiterate.

N23

Confirm your age
23 responses

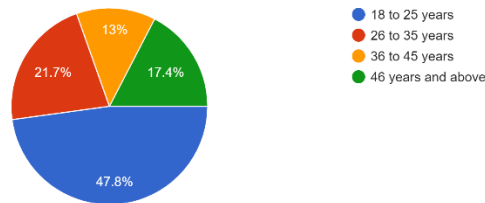


Fig. 2 Age

It was determined that 47.8%, or almost half of the respondents, were between the ages of 18 and 25, 21.7% are 26 to 30 years, whereas 17.4% are of 46 years and above, and 13% are 36 to 45 years, indicating that generation is too young to perform this profession.

Your religion?
23 responses

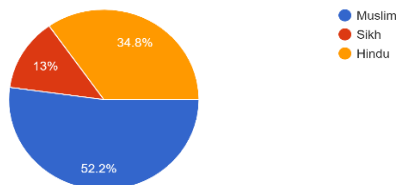


Fig. 3 Religion and qualification status

52% of the 23 respondents identified as Muslims, whereas 34.8% are from the Hindu community, 13% are from the Sikh religion, and nearly 50% were illiterate.

Which are the most popular products that you got order mostly?
23 responses

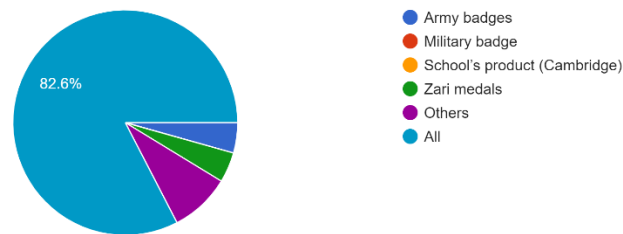


Fig. 4 Product range dealing in

Military badges are the most popular product the respondents deal with, while school uniforms are the most popular product overall; therefore, 82.6% of middlemen provide a variety of goods. Their primary source of income is the range of goods they offer.

Both 4.3% of traders confirmed about *Zari* medals and Army badges, whereas 8.7% are making products according to their customers' demands.

How long have you been in this profession?
23 responses

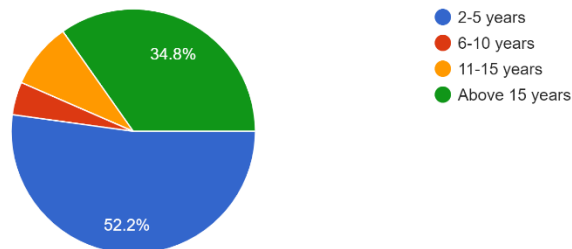


Fig. 5 Experience

52.2%, respectively have more than 5 years of expertise in this field. 34.8% have more than 15 years of expertise, and 8.7% confirmed more than 11 years' experience in the same field, whereas 4.3% have 10 years for the same profession.

What is your monthly Income?
23 responses

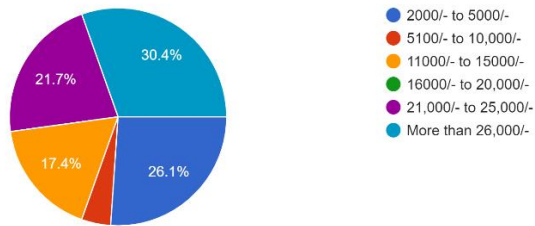


Fig. 6 Income/month

Observations show that 30.4% of shop owners make more than Rs 26000, 26.1% earn 2000 to 5000, 21.7% between 21000 and 25000, 17.4% more than 21000 to 25000. 4.3% 5100 to 10,000.

Which type of material mostly used for the badge making?
23 responses

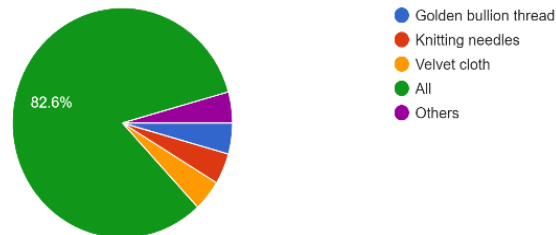


Fig. 7 Variation in material

Survey findings reveal that 82% of participants deal with all kinds of materials utilised in the badge-making sector. This suggests that the majority of dealers keep a wide variety of raw materials on hand to satisfy changing production needs and client demands.

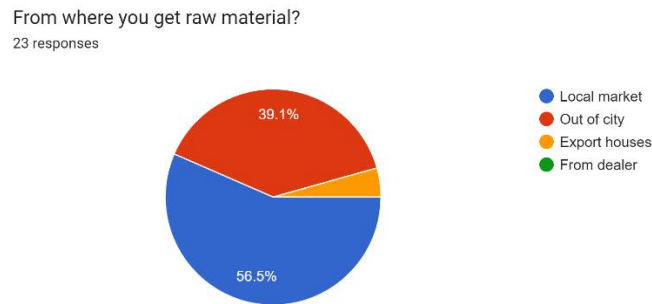


Fig. 8 Sourcing of Material

As per the demand for samples of badge 50.5% of intermediaries get their supplies of Material from the local market, whereas 39.1% from out of the city, such as Amritsar and Delhi, and the rest one from export houses.



Fig. 9 Arrangement of material to artisans

The sample revealed that 78.3% of the middlemen admitted to providing material for artisans. whereas 21.7% of people said that sometimes artisans are aware of the requirement of the material used in a specific kind of badge.

Country dealing mostly?
23 responses

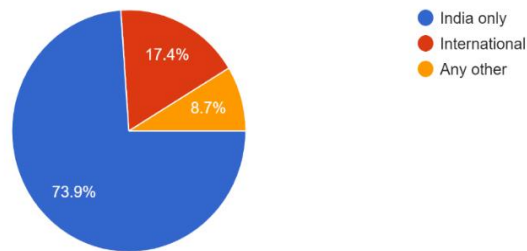


Fig. 10 Orders: domestic and international

Due to the reputation of Malerkotla, 73.9% of the middlemen do business with the Indian army, navy, and school uniforms, .17.4% with international companies and 8.7 % with other private tenders.

Process of taking orders
23 responses

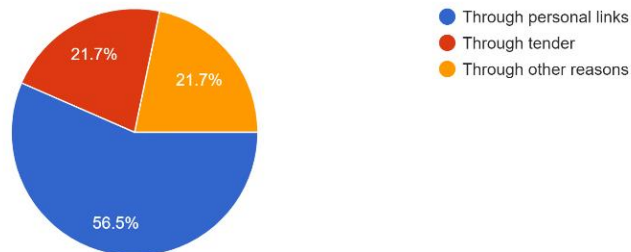


Fig. 11 Sources of Orders

According to the survey results, 56.5% of the dealers get orders from both personal and professional networks. In the meantime, 21.7% of respondents said they received orders via government channels, including tenders and the official GEM (Government E-Marketplace) portal. This implies that personal relationships continue to be the key source of commercial orders.

Are you paying same amount per badge to each artisan as per one similar piece?
23 responses

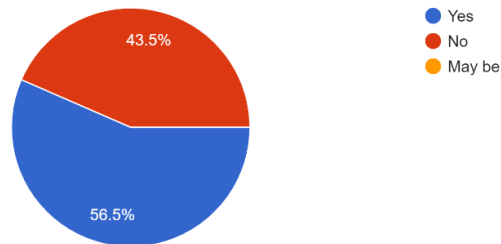


Fig. 12 Standard Payment per Badge to Artisans

The survey findings reveal that 56.5% of the merchants stated that payments are made according to the sample specifications provided. Payments, according to 43.5% of respondents, are determined by the calibre of the final goods. This suggests that sample quality and conformance are significant determinants of payouts.

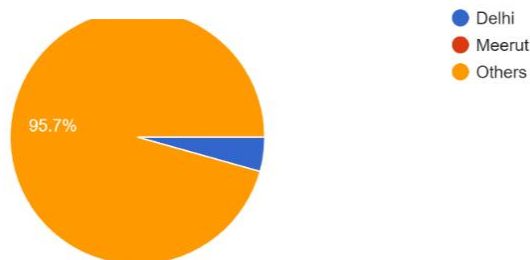


Fig. 13 Dependency upon exporters

Malerkotla is home to many independent traders; however, the majority of them (95.7%) rely on export merchants for new orders, and 4.3 % depends on others.

N23

Is your order have been rejected ever due to any issue?

23 responses

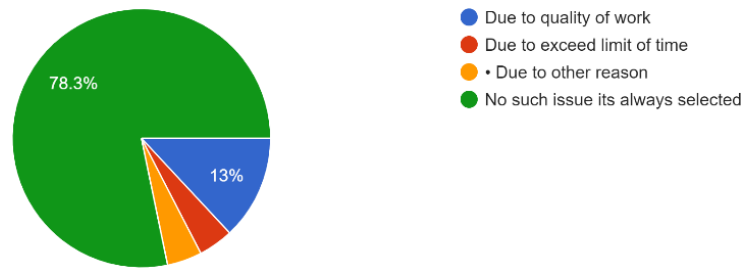


Fig.14 Challenges of order cancellation

According to the survey results, 78.3% of the participants had never encountered these kinds of problems in their business operations. However, 13 % of respondents said they had issues because of quality limitations. The result show that quality related problems are very rare, a tiny percentage of respondents are nevertheless impacted.

N23

Do you agree that buyers have to pay a higher price when purchasing badge products through middlemen?

23 responses

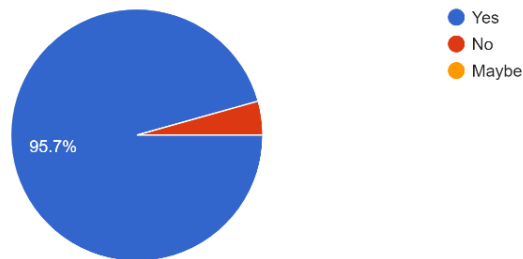


Fig. 15 Difference between retail and wholesale prices

The survey findings reveal that an overwhelming majority 95.7% of the respondents, agreed that buyers have to pay a higher price when purchasing badge products through middlemen. This suggests that the ultimate selling price reflects the value that middlemen provide to the marketing and distribution process. Overall the findings indicate that the

majority of respondents are aware that goods gathered and promoted by intermediaries are sold to consumers at somewhat higher costs.

How do you find the equality of products?

23 responses

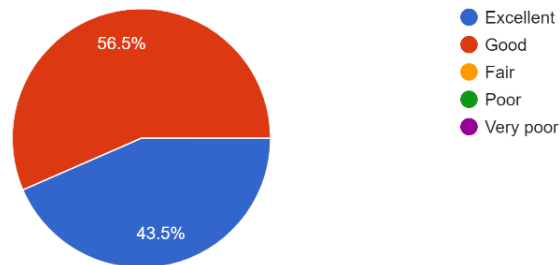


Fig. 16 Quilty measures

Malerkotla is well-known for its traditional badge-making industry and has earned a positive reputation for producing quality products. The survey findings revealed that 56.5% of the traders acknowledged that their badge products have market acceptance among customers, reflecting the popularity and demand for craft. In addition, 43% of the respondents stated that their products meet excellent quality standards, indicating their commitment to maintaining superior craftsmanship and customer satisfaction. Overall, the findings suggest that the badge making industry in Malerkotla continues to enjoy a favourable market reputation due to the quality and acceptance of its products.

why do you prefer above selected brand for buying Badge? (participant can select more than one option)

23 responses

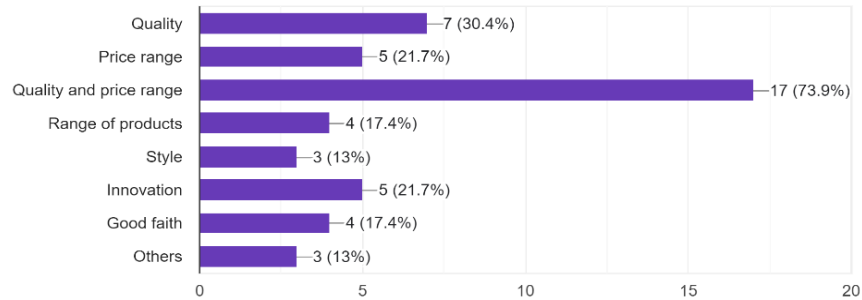


Fig. 17 Standard measures of brands

Since buyers prefer the highest quality at the lowest price, 73.9 percent of dealers concentrated on quality and price range. 30.4% look for quality, 21.7% believe in quality and innovation, 17.4% depend upon range and in good faith, and 13% are concerned about style and other variations.

Overall, the findings suggest that although style, innovation and product variety play an important role in the badge making industry, quality and competitive pricing remain the key determinants of customer preference. Dealers who successfully maintain high product standards while offering products at reasonable prices are more likely to meet customer expectations, strengthen their market position, and achieve long-term business success.

" Badge fabric/ material are very expensive." what is your opinion about the same?

23 responses

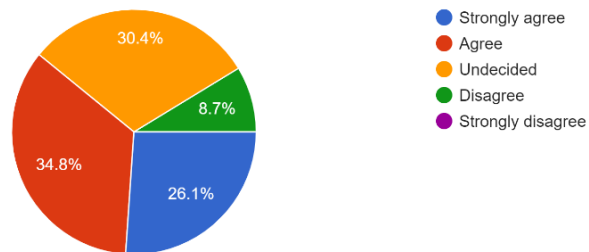


Fig. 18 Opinion of price of Raw material

The substantial impact of material costs on production was highlighted by the fact that 34.8% of respondents agreed and 26.1% strongly agreed that raw material prices are excessive. Furthermore, 30.4% of the traders were unsure, demonstrating differing perspectives on the matter. However, just 8.7% disagreed, indicating that they don't think raw resources are too costly. Overall. The findings indicate that the majority of traders view the growing cost of raw materials as a significant issue impacting the badge-making sector.

Which design factor(s) mostly common in designing for badge making? (participant can add more than one option)
23 responses

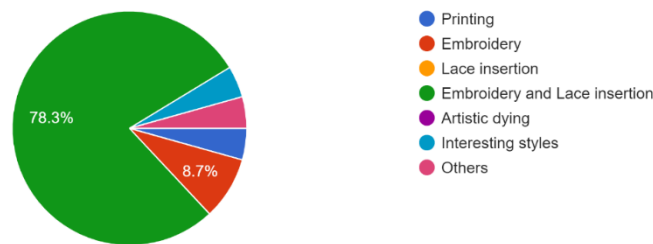


Fig. 19 Design element

Embroidery and other types of lace insertion are the most widely employed design sectors for creating badges, according to 78.3% of traders. 8.7% believes in embroidery and 4.3 % have interesting styles from schools in printing and other innovative design.

The market of badge work and traditional craft is insufficient.
23 responses

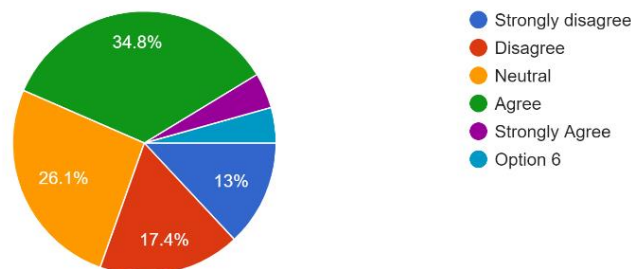


Fig. 20 Challenge for traditional badge marketing

34.8% of traders oppose enough markets for traditional crafts and badge work. Whereas 26.1% have no views, 17.4% disagree, and 13 % strongly disagree and believe that the market is sufficient.

Middle man provides the work to the artisans to earn wadges to live hood?
23 responses

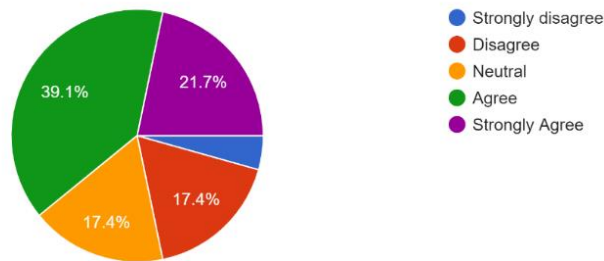


Fig. 21 Helping hand for artisans

According to the poll results, 39.1% of participants agreed that the badge-making business pays craftsmen a sufficient salary. On the other hand, 21.7% of respondents strongly disagreed with this assertion, indicating that they think the earnings are insufficient. Furthermore, 17.4% of respondents disagreed, while an equal number (17.4%) had no opinion, indicating conflicting views on the compensation that craftspeople receive. Overall, the results show differing opinions regarding how well craftspeople in the badge-making sector are compensated.

The governmental initiatives may improve the condition of traditional embroidery market.
23 responses

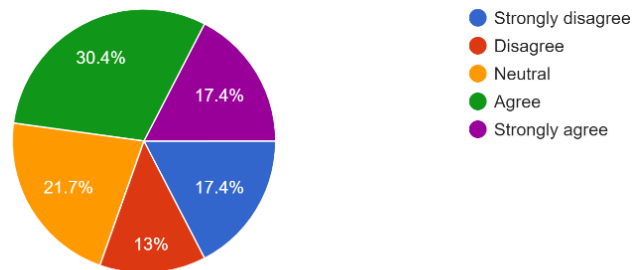


Fig. 22 Expectations from Government

The survey findings indicate that traders have certain expectations from the Government regarding the promotion and strengthening of the badge-making craft. More government support is required for the industry's growth and sustainability, according to 30.4% of respondents. On the other hand, 13% of respondents disagreed with this assertion, suggesting that did not think more government action was necessary. Overall, the results indicate that a sizable percentage of traders think that government programmes can be crucial to maintaining and promoting the traditional badge making trade.

Have you ever arranged any training for the artisans?
23 responses

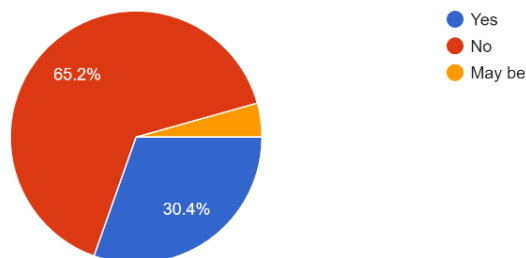


Fig. 23 Training to artisans by middlemen

Issues that middlemen encounter. According to 65.2%, the artisans did not have any professional training in the past; they now perform this work untrained, having learned it

from family members. 30.4% of traders get webinars and exhibition invitations to explore new ideas, and 4.3% are not getting any end result.

5. Conclusion

The findings of the literature review, which are supported by the analysis of the primary data collected for the study, indicate that middlemen play an important role in the badge manufacturing industry in *Malerkotla*, Punjab. Because they are well-versed in the market trends, consumer preferences, perfection, pricing, strategies, and distribution routes, their position within the production and marketing network is difficult to contest or replace. They are also able to effectively coordinate the entire production process since they have built long-term connections with suppliers, buyers, and craftspeople. Their expertise and comprehension of quality standards also aid in ensuring that the final goods fulfil the demands of both domestic and foreign clients, improving the badge making industry's marketability and reputation. The study also shows that by bridging the gap between the artisans and the market, middlemen are essential to maintaining the traditional crafts. They assist the promotion and sale of completed badges, manage the supply of raw materials, keep an eye on manufacturing schedules, regulate product quality, and give artisans frequent job opportunities. Their participation lessens the workload for artisans, enabling them to focus on the production process while guaranteeing a steady stream of orders and revenue. An important finding of the study is that the majority of the artisans involved in badge making are *Muslim* women who often face cultural and social barriers that restrict their mobility and limit their direct participation in commercial activities. These culture constraints make it difficult for many women artisans to access the market, negotiate with buyers, or independently manage the marketing and distribution of their products. In such circumstances, middlemen become an essential support system by acting as intermediaries between the artisans and the market. They collect the finished products from the artisans' homes, connect them with customers, and ensure that their craftsmanship reaches a wider market without requiring the women to leave their homes. Thus, the study comes to the conclusion that the existence of intermediaries is essential to the badge-making sector's sustained expansion and viability in *Malerkotla*. Instead of acting only as dealers, they act as intermediaries that protect traditional craftsmanship, generate employment opportunities, and fortify the bond between producers and customers. In addition to helping rural women artists financially, their involvement is crucial in promoting and conserving this distinctive traditional trade for upcoming generations. So, in the end, I conclude that the results of the literature review and data analysis show that the middlemen's position in the *Malerkotla* badge manufacturing industry cannot be challenged or replaced because of his extensive market knowledge, relationships with the artisans, and ability to guarantee product quality to both domestic and foreign customers. Due to Muslim female artists' cultural barriers, which are the

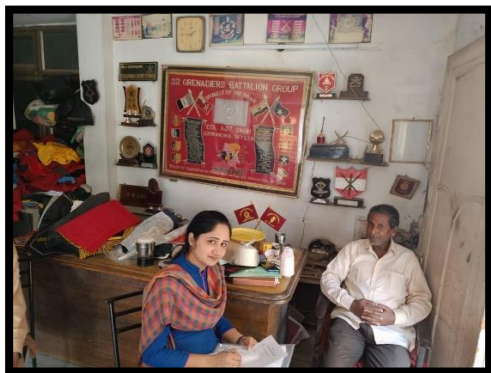
greatest impediment to the growth of craft at the level of individual artisans, the craft of badge creation can only flourish with the presence of middlemen in this industry.

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Chris Macdonald
<https://www.studocu.com/in/n/20311231?sid=01669300947>

Appendix 1: Survey images of Middlemen





“Onsite pictures by the researcher”