AFRICAN CLOTHING & FOOTWEAR RESEARCH NETWORK

# The Learning Experiences of Batik and Tie and Dye Small-Scale Exporters in Arusha and Dar es salaam, Tanzania

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**Table of Contents**

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**Abstract**
This study used the Learning Organization theoretical framework. It aimed at looking how tie and dye and batik entrepreneurs are learning to export their products in both regional and international markets. The units of enquiry in this qualitative research were small-scale batik and tie and dye garment producers as well as firms involved in production and export. Arusha and Dar es salaam were selected as areas of study because of their activeness in batik and tie and dye business. Seven cases from each town were selected with the snowballing technique being used, where one respondent was asked to identify the other. Primary data was collected for analysis using structured interview guide.

The results showed that the more experienced entrepreneurs learn how to export more than the relatively inexperienced ones, and there were more women entrepreneurs than men. Those exporting had more children and dependants than those who sold locally. They learned to export in order to get more income to support their families. The impact of education was not clear as entrepreneurs with different levels are involved in export. Most export to the East African region. Entrepreneurs learn to export through participating in exhibitions, promoting their business, dealing with intermediaries and training received in their former jobs, including UNIDO, SIDO, ADAT, Tabata Development Fund and Anglican Development Agency. They also learn through work experience, networking, export procedures, business employees and also through solving customers’ complaints.

Local authorities in areas where the batik business is active should help in training these people on marketing especially regionally and internationally. NGOs dealing with entrepreneurship should focus their training in marketing issues instead of dealing with production only. Since the study is a qualitative one with a small sample, further survey is needed to quantify the results so as to make more general conclusions.

# Chapter One: Introduction

## 1.1 Background

The growth of Small and Medium Enterprises (SMEs) in Sub-Sahara Africa has been hampered by stringent foreign exchange regulations, limited government support, little foreign competition, a focus on the domestic market by management and relatively low quality standards in products themselves and production technology (Viviers, 1996; Ibeh and Young, 2001). However, with unrelenting pressure of globalisation as well as the new political and economic dispensation that started within the region in 1990's, there has been a fundamental shift in favour of SME's internationalisation. Governments are now working hard to formulate policies and support instruments that support SME's. For example Tanzania has the Sustainable Industrial Policy and Small and Medium Enterprises Policy, although implementation of these policies by various stakeholders is one of the key challenges.

Most SME's are local in their operations. Nevertheless, many export their products to customers in other markets particularly those engaged in manufacturing but increasingly also in service activities. Small firms also contribute to exports indirectly through supplying goods and services to larger direct exporters. Some small firms do not export directly but through domestic wholesalers. In developed countries for example, United Kingdom in 1990, it was estimated that there were about 100,000 direct small firm exporters while in some European countries SME's accounted for twenty-five per cent or more of total exports (Bannock and Daly, 1994).

SME exporters have played an even greater role in the dynamic economies of East Asia, for example in Korea in 1985, SMEs accounted for forty per cent of commodity export (thirty-eight per cent in 1965) (Nugent and Yhee, 2002). In Taiwan in 1998, SMEs accounted for fifty-six per cent of exports (Kuo and Li, 2003).

SMEs are surprisingly important in invisible export in UK. Pringle (1994) estimated that invisible earnings by SMEs exceed those from the financial services of London and are particularly important in the rapidly growing sector of the business. It used to be observed that SMEs would go through series of stages from domestic to export as they gain experience and globalised activity but more recently SME's are exporting from start-up (Kundu and Katz, 2003)

There have been only a handful of Sub-Sahara African countries that have exported significant quantities of clothing from 1990 to 2002. Of these, the most important are Kenya, Lesotho, Madagascar, Mauritius and South Africa. Together these accounted for over ninety percent of African clothing in 2001 (ACP-EU, 2002).

African clothing is known for its colourful fabrics and distinctive designs. The presence of textiles in Africa dates back to Phoenician times. In order of tradition and value, weaves, tie and dye/batiks and industrial prints represent the three types of cloth used for manufacture in Africa. Batiks are cotton fabrics with designs painted on them using a wax technique. Traditionally, clothing varies with ethnic group. Each society has its own name for different types of clothing. Styles vary from simple, plain shirts and wrap to the intermediate in which there is the beginning of design and slight detail to complex more detail formal cloths (National Museum of African Art, 1998).

Nowadays African designers create clothes of western design using traditional African cloth. Today African dress influences fashion in many parts of the world. African fashion has been adopted and adapted by Africans of the Diaspora (Howard, 1999).

There is a consensus that to increase Tanzania's growth performance following a move to a market economy, it is necessary to raise the private investment response in manufacturing and enable efficient business operations (CTI/DI[1] 2000; Moshi, 2001;Wangwe, 2001;World Bank 2001;URT/UNIDO/UNDP, 2001). Given the small size of Tanzania's economy, growth will only be sustainable if it is firmly rooted in exploiting the domestic resource base, international competitiveness and pursuit of new export opportunities. Textile and garments are among the sub-sectors with unexploited domestic resource base. Being labour intensive and because of their internal linkages to the rural sector, both textile and garment industries are expected to contribute significantly to employment creation as well as generate income, hence playing a significant role in poverty alleviation (Mbwambo and Kuzilwa, 2002).

## 1.2 Statement of the Research Problem

Some studies like Mbwambo (2003) found that small-scale tie and dye and batik entrepreneurs were doing better in export compared to mainstream dressmakers in Tanzania. However, no studies have explained how they learn to export. This study set out to see how tie and dye/batik entrepreneurs learn to export their products to both regional and international markets.

## 1.3 Research Objectives

- To identify the characteristics of entrepreneurs exporting tie and dye batik.
- To identify the destinations of tie and dye/batik exports
- To examine the main sources of regional and international market information for batik entrepreneurs
- To identify the types of intermediaries used by batik exporters.

## 1.4 Significance of the Study

Studies of small-scale exports are timely since Tanzania is looking towards that end for sustainable development and growth. The garment sub-sector is particularly important because the country is endowed with resources, both human and material, and so if garment exports could be improved through modern marketing practices then both the nation and individuals stand to benefit.

[1] Joint study by Confederation of Tanzania Industries (CTI) and Danish Industries (DI)

## Chapter Two: Literature Review

### 2.1 The Garment Sub-Sector and Batik and Tie and Dye in Tanzania

In the wake of reforms, most of the garment firms, both private and parastatal, are experiencing operational problems. The problems include outdated machinery, fast liberalisation, rising prices for cotton lint, high electricity rates, shortages of inputs and spare parts and the heavy depreciation of the shilling. Consequently, most of the garment/textile mills have closed or lack working capital.

Further, low managerial skills and lack of motivation result in a stunted pace of operation (Kweka, Semboja and Wangwe,1997).

Despite the stated problems, a recent study by UNIDO and MIT (2001) found that in 2000, garment/textiles and leather sub-sectors were second in the recovering manufacturing sector after food processing. While in 1997 just one garment/textile firm (Sun Flag of Arusha) was active, by 2001 there were ten active mills/factories. These were Urafiki Textile Mills, Namera Group Textiles (the former Sungura Textiles), Blanket and Textile Manufacturers Ltd., Morogoro Canvas, Ubungo Spinning, Mbeya Textiles, Musoma Textiles, Karibu Textile Mills, Lakhan Textile Mills, Affrights Ltd. (former CIC), Kiltex Arusha, A to Z and Sun Flag.

In addition to the formal, big and medium size firms, small-scale enterprise is also featuring in the economy. With a population of about 30 million people in Tanzania, it may be concluded that the garment manufacturing handled by small-garment manufacturers (tailors) is quite significant. Despite their status, they are viewed as offering a critical contribution to the policy goals of employment creation, promotion of economic growth and poverty alleviation (Rogerson, 2000). Tailoring and dressmaking have been operating even before independence. By 1958, there were 860 establishments in tailoring and dressmaking in Tanganyika employing up to 1,954 people (International Bank for Reconstruction and Development Report, 1961).

After 1967, laws, rules and regulations did not favour the development of SME's It is argued for example, that while private SME's were tolerated in the urban areas, in the villages they were effectively outlawed, with the 1975 Ujamaa Villages Act decreeing that all village-based enterprises should be communally owned (Bagachwa, 1993). Also the government regulatory environment has been inimical to the development of such entities.

Apart from the mainstream dressmaking, there has emerged a strong desire towards garment SME's in Afrocentrics (tie and dye dresses, skirts, blouses shirts traditional dresses) which are high quality dresses with international status. These are doing better especially in export compared to mainstream dressmakers. On an average, they employ two to ten qualified tailors and quite a few a have up to or more than twenty employees (Mbwambo, 2000).

Women are quite active especially in Afrocentrics and special occasion wears. Also, they feature well in specialised high quality wears for the affluent.

Batik uses the wax technology where candles are used. Tie and dye is a technique where the material is tied well and dipped in chemical liquids of different colours. These colours contain caustic, sodium and soda ash. Different kinds of material are used to make batik and tie and dye, for example viscose, bazee[2] and cotton. In Tanzania tie and dye viscose material is sold at around six US dollars, bazee at around eight US dollars while cotton costs about five US dollars. Batik materials are more expensive than tie and dye. Most customers of batik and tie and dye in Tanzania are tourists, CCM[3] followers and church choir members. Most materials for production of batik are bought in Dar es Salaam where they are cheap, but they are also found in textiles mills located in Kagera, Musoma and Mwanza.

It is strongly argued by Biggs *et al* (1994) that there is an increasing demand for Afrocentric garments in the USA. But the market is by no means uniform. Consumer preferences and purchasing criteria differ by demographics and market segment.

**International Trade Agreements**

Tanzania is a member of World Trade Organisation (WTO). As one of the Least Developed Countries and a member of WTO, Tanzania is eligible to “special and differential treatment”.

In addition Tanzania is eligible for technical assistance from multilateral and bilateral development partners to facilitate the building of its capacity for more effective participation in the system. Further, Tanzania is an active member of two regional economic arrangements in Africa: Southern Africa Development Community (SADC) and East Africa Community (EAC), which would facilitate trade under preferential terms within the widened regional market. SADC has fourteen member states with a combined aggregate GDP estimated at USD 187.7 billion in 2000 (Kritzinger-van Niekerk, and Momeria, 2002). Industry and trade are amongst the areas of cooperation. The SADC protocol aims at achieving free trade by the year 2008. The newly formed EAC with three member states has a population of about eighty million and combined GDP estimated at USD twenty million in the year 2000.

Tanzania is also a signatory to the new EU/ACP Cooperation Agreement signed in Cotonou Benin in June 2000. One of the provisions of the agreement is *European Union acceptance to import duty free and quota free market access to all products but arms* (*ABA) from Least Developed Countries* (http://tanzania.fes-international.de/doc/cotonou-tz-trade.pdf 10th September 2005).

Tanzania is also amongst the African countries eligible for USA African Growth Opportunity Act (AGOA) which permits duty free imports to the US market of a range of goods from qualifying countries. Tanzania has fulfilled the requirements for AGOA since 2002 but trade data shows very little exports to the US of textile and apparel. Countries like Kenya and Lesotho show a very high utilisation rate (http://www.agoa.info/index.php?view=country 20th May 2005)

Again, the New Partnership for Africa’s Development (NEPAD) “Market Access Initiative” by the G8 has committed resources to be used through regional organisations such as SADC. This will offer assistance aimed at, among others, improving the quality of processed products to meet international standards, strengthen standards organisation and establish accreditation infrastructure.

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[2] Traditional wax material mostly from West Africa

[3] A political party which uses yellow and green colours in their meetings

**2.3 Support Services and Challenges to SME's**

At the institutional level there are a number of public and private sector institutions such as Artisans Development Agency of Tanzania (ADAT), UNIDO, Pride Africa, Equal Opportunity for All and Small Scale Industry Organisation (SIDO) that support industrial development. They provide various support services including finance, advisory services, information, training on entrepreneurship, research and development, investment promotion and technology development. These institutions however face capacity constraints, lack of exposure to best practices developed globally and lack of coordination. The challenge is how these institutions can be mobilised so that they apply best practices in supporting industrial development and in addressing key constraints faced by manufacturers.

Global commodity chains are instrumental to international competitiveness. The usefulness of value chain analysis has been demonstrated in studies of industries as varied as fresh fruits and vegetables, garments, footwear and automobiles. The concept of global value chain recognises that the design, production/processing and marketing of many products involve a chain of activities divided among enterprises located in different countries/places.

Value chain analysis is thus helpful in identifying those areas of production which are subject to intensifying competition and hence declining terms of trade, while exposing the processes which allow poor countries and poor producers to upgrade their activities so as to provide for sustained income growth (Gereffi and Kaplinsky 2001; Kaplinsky 2000).

Amongst the problems pointed out in recent studies, which hinder Tanzanian small scale enterprises from being internally competitive, include lack of market and technological information; poor attitude on quality or poor support services to facilitate production; low and unexploited linkages that can add value to Tanzania exports; inability to enter international supply chains with high value added, low entrepreneurship development and outdated technology. (CTI/DI, 2001; URT/UNIDO/UNDP, 2001)

At the same time, the international market for the products from these sub-sectors has over the last ten years been much influenced by liberalisation and globalisation. Industrialisation today is the result of an integrated system of global trade and production.

In this emerging global system, production capacity is distributed among an unprecedented number of developing as well as developed countries (Korzeniewicz *et al*, 1992). Full commodity network includes: the agro-extractive sector (cotton), the industrial sector (textile and clothing manufacturing) and the service sector (activities associated with export, marketing and retailing of textiles/garments). The extent to which a country can gain from trade depends on how it gets access to, and gainfully participates in the global chains.

The current industrial development context in Tanzania is characterised by a series of opportunities and challenges operating at the national, institutional and enterprise levels. At the policy level, the government has committed itself to a profound process of restructuring, promotion of foreign direct investment, capacity building and policy reform geared towards increasing the contribution of manufacturing sector in poverty reduction, equitable access to basic services and economic recovery. Sustainable Industrial Development Policy (SIDP) and Small and Medium Enterprises (SME) Policy are some of the direct testimony to this. Implementation of these policies by various stakeholders is one of the key challenges.

The country is endowed with a rich agricultural resource base, which has been instrumental in the industrialisation of Tanzania. The agricultural sector provides supplies to more than ten industry groups which together account for more than half of the manufacturing GDP and over sixty per cent of manufacturing employment.

However, the potential from this sector is far from being fully exploited. More than ninety per cent of agricultural products, including cotton, are still exported in raw form denying the country and individuals benefits originating from value added. Agro-industries, therefore, provide a base for some other sectors.

**2.4 Small Enterprise Performance**

There is no universally accepted definition of small enterprise in Africa. Even definitions in other countries lack uniformity and reflect the relative development of the respective economies. For instance in the USA, the small business administration defines small business as any business with less than 500 employees. This figure may represent medium to large enterprise in the African context. Performance, efficiency, and productivity are terms used interchangeably in discussing behaviour and achievement. Efficiency and productivity refer to a ratio of outputs divided by inputs, but performance is a broader term incorporating efficiency and productivity in overall achievement (Andersson, 1987; Balunywa, 1999). Performance refers to how well a firm is doing, in terms of measurable indicators such as: sales volume, level of employment, market share, fixed assets and the like.

Performance means a measure of competitiveness of a firm (Cohen, 1983). Good performance embodies efficiency, profitability, innovation, progress, employment and income, which in a more dynamic setting results in firm growth (Goedhuys, 1998).

White (1999) notes that unlike in medium and large enterprises where there is a management team to oversee various business functions such as marketing, finance, engineering, and research and development, in micro and small enterprises the entrepreneurs themselves perform these functions. Further, Deakins (1996) says that performance/growth in small businesses is a complex process, which is neither nearly continuous nor does it depend on a limited number of factors. In the same line of thinking, Bridge *et al* (1998) say that in practice there are many factors that interact and influence enterprise growth, and they doubt whether it is possible to isolate individual factors. In his review of a number of empirical studies that examine which characteristics are related to growth, Storey (1994) finds no conclusive evidence that permits the development of a profile or model of the growth/performance of small enterprise. Satta (2003) says that what appears to be the consensus among most scholars therefore, is that enterprise growth, or its absence, can be attributable to a wide variety of factors.

Although many studies recognise, for example, the importance of the availability of financial and other resources, managers and management skills that can adapt to and cope with a changing environment are equally important. Bridge *et al* (1998), for example, group factors that are thought to influence small business growth into two categories: factors internal to the firm, and factors external to the firm. They talk of factors internal to the firm as the entrepreneurs' characteristics such as personality, behaviour, attitude, capability, the business itself in terms of its structure and goals, and the performance of its management, in particular their ability to make rational decisions about its operations. On the other hand, factors external to the firm include among others macro-economic variables such as aggregate demand, taxation, inflation rate and interest rates. Other externally influencing factors relate to regulation and administrative burdens, or more colloquially, ‘red tape and bureaucracy’.

### 2.5 Major Influences on Firm-level Export Performance

While the literature on export performance is replete with the discussion of factors that attempt to explain successful firm-level export performance in most of the developed part of the world (Reid, 1981; Czinkota, 1982; Cavusgil and Noar, 1987; Aaby and Slater, 1989; Gripsrud, 1990; Czinkota and Ursic, 1991; Beamish, Craig and McLellan, 1993; Chetty and Hamilton, 1993; Katsikeas and Morgan, 1994; Valos and Baker, 1996; Shaoming and Simona, 1998; Thirkell and Dau, 1998), few studies have been undertaken to explain successful firm-level export performance in SSA (Lyakurwa, 1998; Wangwe, 1995; Ssemwogerere and Kasekende, 1994). Furthermore, while most of the studies have tended to concentrate on extra-firm factors such as policy environment, infrastructure and institutional environments and market factors (Ssemwogerere and Kasekende, 1994), firm level and intra-firm factors particularly, the role of key decision makers (top management) in firm-level export performance has been largely neglected. In Uganda, for instance, more research has tended to focus on extra-firm factors with limited or no research focusing on firm level and intra-firm factors affecting firm export performance. Of the extra-firm factors reported, the most serious ones were mainly: high overhead costs (utility prices, taxes, corruption, cost of finance), poor utilities, inefficient public services like customs clearance (Svensson, 1999), as well as high tariffs, quotas and unfavourable policy regimes in regional markets (Ssemwogerere, 1997).These factors have tended to be similar across most SSA countries.

For instance, the non conducive policy framework, raw material problems, infrastructure problems including the inefficiency and cost of basic utilities of telephone, electricity, water and transport, and bureaucratic obstacles were the main hindrances to successful exportation reported by firms in Zimbabwe, Nigeria, Ivory Coast, Cameroon, Tanzania and Kenya (Njikam, 1998; Wangwe, 1995). The findings underline the fact that among the extra-firm factors, infrastructure and institutional constraints including bureaucratic bottlenecks play a much bigger role in inhibiting export performance more than policy related factors. Poor infrastructure, institutional constraints and bureaucratic bottlenecks increase the cost of doing business substantially rendering firms less competitive.

Although explanations of export performance based on extra-firm factors have tended to dominate, they have left many questions unanswered and this study seeks to make a contribution to this gap.

### 2.6 Information Technology, Data Sources and Entrepreneurship

It is recognised that international competitiveness crucially depends on successful adoption and diffusion of information technology (IT). It is a tool for achieving quick response, just in time management and other modern practices. A number of organisations that aim to promote the use of IT had been established in public and private sector. It has been identified as a key sector for industrial diversification. In 1995, Mauritius established an Informatics Park to provide physical and telecommunication infrastructure to both foreign and local operators. Very recently the Mauritius government has embarked upon a cyber city development. In spite of good IT infrastructure available in Mauritius, SMEs are not principal users yet (Beyene, 2002).

Entrepreneurs globally have said that access to information, especially market information, is their first priority in accelerating the growth of their businesses. The major information needs of small businesses in developing countries are for information about supply (obtaining inputs), demand (new and existing customers), finance (business management and obtaining additional finance), the environment in which they are doing business, and skills (Hafkin and Taggart, 2001). It is assumed that IT could work well for women entrepreneurs (who in many developing countries account for majority of owners of small, medium and micro enterprises), as it allows them to save time and costs while trying to reach out existing and new customers.

According to Kristiansen (2001), lack of knowledge and access to business information has made women in small-scale businesses unable to compete with other established businesses worldwide. One of the reasons is that in Tanzania as in other developing economies, most of the women operate along traditional ways of organising production and marketing. Due to this pertinent feature, business information that comprises knowledge of suppliers and customers, competitors and business partners, as well as of technical and managerial aspects of business operation, and of relevant qualities of the business environment, such as laws and regulations is largely not available.

In a study on ICTs and Small enterprise, Duncombe and Heeks,(2001) show that entrepreneurs depend predominantly on their own internally generated knowledge and experience which has been built up within their present business or as a result previous employment/business ownership. Externally generated information is sourced primarily through informal business networks of customer and supplier of family and friends. Formal institutional data sources such as banks, consultants and business support agencies are not seen as being particularly important to them.

**Business Networks and SME’s Foreign Markets**

Studies on business networks have found that networks of the owner-managers initially facilitated entry into foreign markets. They network with friends, customers, and close family, independent distributors of foreign markets, cluster members and local producers. Enterprises with business linkages in the form of relations to parent companies or joint ventures or otherwise engage networks, like business associations have enhanced exporting probabilities (Gumede and Rasmussen, 2002; Rutashobya and Jaensson, 2004). This study aims at bridging the knowledge gap that exists on how small scale entrepreneurs are learning those networks and succeed to export.

## 2.8 Conceptual Framework

The conceptual framework used for organising and interpreting the result of the findings is the Learning Organisation framework. In the simplest sense, a learning organisation is a group of people who are continually enhancing their capability to create their future. The traditional meaning of the word learning is much deeper than just taking information in. It is about changing individuals so that they produce results they care about, accomplish things that are important to them (Senge, 1990).The learning process includes getting appropriate knowledge, the skills needed for doing what they want to do, and a change of attitude to business and what one is doing in the business. Also, networking intimacy, inspiration by others, and experience sharing are of great help. Levitt and March (1988) and Markoczy (1994) regard organisation learning as encoding past experiences into organisational routines that are interpreted by organisational members through institutional community. Organisational routines here refer to rules, procedures, conventions, strategies, structures of beliefs and paradigms that guide organisational practices and are imprinted in organisational learning, so that organisations can attain a high level of efficiency in carrying out their routines. If the organisations need to adapt themselves to a changing environment, they have to unlearn their earlier routine (Nystrom and Starbuck, 1984 cited in Markoczy, 1994). In the learning organisation managers are researchers and designers rather than controllers and overseers.

The study intends to see how tie and dye and batik entrepreneurs are learning to adapt themselves to increasingly unveil free market practices in both regional and international market and succeeds to export tie and dye and batik wear.

## Chapter Three: Methodology

### 3.1 Research Design

The two phases of the study employed qualitative methodology, and specifically a case study. This is because tracing the learning of export process in most cases entails 'how' and 'why' questions, which are better answered by case studies rather than research designs such as surveys.

Remenyi, *et al* (2000) argue that case studies are being increasingly used in business and management studies as an evidence-collection approach for several reasons, including the fact that the scope of the case study is extensive, ranging from individuals, to business groups, to fiscal policy. Further, a case study approach emphasises the total or holistic situation as a combination of different factors and this orientation is most appropriate when dealing with the complexity of business.

### 3.2 Units of Enquiry and Area of Study

The units of enquiry were small-scale batik/tie and dye garment firms that produce and export; those that export, and those that produces and sells in the local market. Non-exporting firms were included as units of enquiry to see the differences in learning the market. For convenience purposes, Dar es Salaam and Arusha cities were selected as the areas of study. These are areas where small-scale garment firms particularly in Afrocentrics, (tie and dye and batik garments) are many and quite active. Some of the cases were found in Saba Saba[4] International Trade fair in Dar es Salaam between June and July 2005.

### 3.3 Sampling Techniques

Seven cases from each town were selected from a population of small batik/tie and dye garment firms as follows: three cases making and exporting batik; two cases making and selling batik locally, and two cases dealing with export of batik only. Also snowballing technique was used i.e. the first sample element selected was asked to identify other target member of the population (Craig and Douglass, 1999). The sampling was not random, therefore it may not be possible to generalise from this study.

### 3.4 Data Collection

Structured interview guides for in-depth interview were used to collect primary data. In the process, respondents were given time an opportunity to enter the research platform with their own perspectives or "Actors View Points". Both the researcher and her assistant recorded every reply from respondents and later they compared the replies before writing a case. Observations were also important in some cases. Actors View Points is important in qualitative studies because it unravels underlying meanings and interpretations of those immersed in particular practices. Research respondents were interviewed twice. The first interview was conducted in the first two weeks of July 2005, and the other between the last week of September and the first week of October 2005. The second interview guide was based on looking at information that missed or not well explained in the first interview.

### 3.5 Data Analysis

Data analysis followed content analysis where practice was compared with grounded theory to see if there is a matching or mismatching between the two. In analysing data the main headings of the interview guide were used. In that case, each section in the analysis chapter

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[4]Saba Saba is an International Trade Fair conducted annually on 7$^{th}$ July at Julius Nyerere Grounds in Dar es salaam Tanzania

discusses one of the headings of the interview guide. Although cases are thought to have no general conclusions, such analytic generalisations are quite significant. Currently, there is a growing number of studies, especially PhD dissertations, which make conclusions on case studies. For example Gambeson (1988) said that it no longer seems so ‘obvious’ that a limited number of observations cannot be used as a basis for generalisation. Nor does it appear to be ‘obvious’ any longer that properly devised statistical studies based on large numbers of observations will lead to meaningful generalisations.

All the cases have been narrated although others show more interesting futures than others. All the cases are also included in cross case analyses in Appendix 1.

## Chapter Four: Cases of Batik and Tie and Dye Small Scale Entrepreneurs

### 4.1 Case 1

Case 1 is a Chagga businessman aged 48 years. He has six children and three dependants. He completed Form Four in the 1980's after which he started producing and selling batik and tie and dye. Case 1 like other businessmen has also ventured in other projects for extra income.

> *"This business of making and selling batik and tie and dye has increased my income which has enabled me to buy cows and pigs, therefore I am also a farmer. I have about 27 years' experience and up to date I have not hired a business place. All manufacturing is done here at my home."*

Case 1 produces tie and die batik products in large quantities. The products include wall pictures, batik materials and dresses and shirts for both children and adults. His products are sold in South Africa, Malawi and Kenya, though most are sold in Tanzania. He smuggles the batik in order to avoid custom duty.

> *"Normally I make arrangement with bus conductors or drivers so that I can share with them the little custom duties avoided. When I have a big order I pay custom duty. This method is done with export to Kenya and Zanzibar. For those products exported to South Africa and Malawi, traders approach me to buy for exports."*

Case 1 uses agents in South Africa who link him with batik retailers. He deals directly with wholesalers and retailers in Kenya, Da- es Salaam and Zanzibar. Local traders in Arusha buy the products from him to sell to tourists along the roads towards Manyara and Ngorongoro National Parks. He says he does not employ relatives as they are either uncommitted or lack knowledge of the markets, but he knew most intermediaries through exhibitions and through networking with colleagues in business. He puts a trademark with his name, mobile phone number, and postal address on each product as a way of advertising. At one time he used road signs for directions to his workshop that had the words ***'Temba Gallery: Batik Producers'***. With this method of advertising, he got many tourists in Arusha buying his products that, even after returning to their homes, used to write to him to send them some products.

> *"With this prosperity I got many foreign currencies especially dollars but thieves started following the dollars at night so I removed the road sign. Now my income has slightly gone down."*

Case 1 has attended the Arusha Museum several times to exhibit his products. These exhibitions have resulted in big orders, and he often receives orders for fifty to 100 orders of pieces from the United Kingdom, which attract give very good prices. He says the exhibitions have helped him improve on product quality and design, and also to network with agents and customers. He cannot comment on the standards of his product because he is not registered/recognised by the Tanzania Bureau of Standards [TBS], but he normally buys batik colours of high quality at higher prices to improve the quality of his product. He gave the example of a particular high quality batik colour known as 'paa ya paa' gallery.

Since 2000 Case 1 has been producing batik products only because he says tie and dye involves the use of harmful and poisonous chemicals, which he blames for the death of his wife.

*"Tie and dye producers have no standards of the concentrations or proper ratio of these chemicals as a result it is common to hear customers complaining of rashes and other skin diseases after wearing our products."*

*"I receive customer complaints directly from them. They approach or call me to give comments about my products and it has helped me to improve quality and learn the export market preferences like colour, designs and styles. For example for products to be sold in Tanzania especially for those products, which show Mount Kilimanjaro, the view must be in the northern part of Tanzania geographically and must be accompanied by green vegetation and banana plants. This is a true picture when you observe the mountain from Tanzanian side, but the same product to be sold in Kenya the picture will be observed in the southern part geographically and must be accompanied by dry vegetation (nyika). Some customers contact me to discuss issues about colour arrangements of different products. For example, a picture of a Maasai person must have only two major colours i.e. violet and blue and rarely black. Sometimes a fight against wild animal is shown. I have learned this from my customers. That is what customers abroad have heard about the Maasai. This information helps me to capture more markets both regionally and internationally.*

Case 1 cannot tell precisely what his annual income as his earnings also go to sustain his family. He is able to fend for his family's needs without financial assistance, and estimates his profit to be two million Tsh per year. He has employed six people on temporary basis, whom he pays per piece produced. Some of his employees work for other producers as well. The employees deal with production of batik and tie and dye only while he does the marketing.

He received training on how to be an artist, sewing batik and how to produce them. He was also trained on how to tie and cook tie and dye by a retired lecturer from Dar es Salaam University called Lemunge at Enaboishu Secondary School.

*"I was in form three when I received the training. It was just an informal training as it was not included in the syllabus, and being taught by part time teacher. In these sessions we were not taught anything about marketing."*

**4.2 Case 2**

Case 2 is a businessman aged 42 years. He has two children and he completed Standard Seven in 1970's. He was formally employed by Mt. Meru Hotel as a stores clerk. Later he was employed by Hard Board Industries in Arusha and lastly as an assistant in a tie and dye and batik small business. He started his own tie and dye batik business in 1979.

He produces batik and tie and dye wall pictures and batik materials with different decorations. He does not produce in large quantities because of shortage of willing people to work in the workshop. He thinks people prefer other jobs that pay better.

*"I produce in small quantity to get enough to eat in a day and every process of producing tie and dye and batik is done at home because this business is still small."*

*"My customers are here in Tanzania for example Dar es Salaam, Mwenge areas and es Salaam especially during Saba Saba International Trade Fair and Nane Nane Exhibitions. In these exhibitions we get many customers.*

Case 2 does not export any of his products. He says he has been approached by some traders to enter into the export trade but he feels he does not know enough about the export business.

The local wholesalers and retailers purchase directly from him. He says he met most of them in Saba Saba and Nane Nane[5] exhibitions, though his business colleagues also refer customers to him. Some of his customers come from Dar es Salaam.

*"After producing batik I put an emblem on it bearing my name and mobile phone number. I have also promoted my business through Nane Nane Exhibitions. However, Dar es Salaam and Arusha museums have a programme of inviting batik and tie and dye entrepreneurs for the purpose of promoting us but I have never been invited to attend. I do not know which criteria they use to select entrepreneurs. I am looking for this opportunity because it will help to learn and win both international and regional market".*

He has not registered with the TBS but tries to improve quality by adding green leaves to green colours for instance when he wishes to portray the environment in wall pictures materials. He feels it is not easy to comment on standards because he says it is all about art and different people have different tastes.

The business enables his family to survive in an expensive town like Arusha. He says he does not do any annual stock taking because he is not familiar with the accounting procedures involved. He has no permanent employees and employs temporary workers whom he pays per piece produced. He pays them 300 TSH for each picture drawn. These employees do not discuss preferences with customers, nor do they bring in new local customers.

He has never attended any formal training in the business; he says he is creative but received some informal training from a Kenyan who was once lived in Arusha in 1970's. The Kenyan was very talented in batik, tie and dye artwork and had employed him as an assistant, an opportunity that helped him learn the art and later start his own business.

### 4.3 Case 3

Case 3 has three children and six dependants. He went to school up to Form Four while his wife has a degree in Design from a UK university. He was formerly employed by the government for one year but decided to join her wife in the business in 1990. His wife worked with YMCA for eleven years before starting the business in 1986 which was formally registered in 1990.

They have a workshop which produces batik and tie and dye materials and several shops in Dar es Salaam. Her wife started the business, operating from her own house and selling especially to friends. Later she established a shop in a tourist hotel in Dar es Salaam. They produce and sell dresses; shirts fashionable wear for ladies, gents and children. They also produce beddings and table cloth.

They mostly sell their products within Tanzania using wholesalers and retailers. They also export when they get such orders.

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[5] Nane Nane Exhibitions are prepared annually on 8th August by the Ministry of Agriculture and Food Security of the United Republic of Tanzania to promote agricultural products and technology

*“Most of our customers approach us directly but for those living outside the country call or email to order our products. We pay tax for the products sent outside Tanzania. Some cultural groups also give us large orders but we do not know if they do export our products or not. We knew these cultural groups and other customers through attending different exhibitions and friends in town”.*

*“We have been in business for many years now and through that we have met many business people, friends and customers who keep on introducing us to different new customers. I have learned from my customers that batik business has a big market outside the country especially Europe and I am now thinking of attending International Tourist Exhibitions soon to capture the market. I have learned much from my customers, through their complaints I have improved quality and also learn how to price my products.”*

They network with several people in the city and outside the country, also word of mouth play a big role. They use their own website, brochures and business cards which they distribute to different people when they meet in the offices, in their shops, etc. *”We use much effort to advertise our business and it has always been a source of information about the market”.*

Last year they had a turnover of about US$60,000. They have no permanent employees.

*“When a customer complains about anything, our employee forwards it to us and this has helped us to improve in every aspect of this business. Some of these workers have worked in the same business before. They rarely bring in new wholesalers or retailers but at times they bring the local end-user.”*

Case 3 has not attended any training on batik and tie and dye processing but his wife attended some training in Greece in 1979, sponsored by YMCA.

*“My wife and I have benefited much from the training. She was trained on how to process batik, tie and dye, marketing of the end products, designing and styles. She met different people and one of them is still communicating and ordering from us.”*

**4.4 Case 4**

Case 4 is a 39-year old woman, married with two children. She completed Form Four twenty years ago. She started out as a tailor, a business that enabled her to later switch to production and selling of batik and tie and dye products, which she has done for fifteen years now. She makes men’s shirts, shorts, trousers, Nigerian designs, caps and wall pictures which she says she produces in large quantities as she has many customers.

She sells her products in Tanzania especially in Dar es Salaam and also regional markets like Kenya, Kampala in Uganda and South Africa. For large parcels she pays custom duty, but travels by bus when delivering small orders, hence avoiding the custom duty.

*“Local retailers and wholesalers approach me at my workshop but I approach retailers and wholesalers in Uganda and Kenya. I learned these markets through attending different exhibitions here in Dar es Salaam for example, The Jua Kali, Saba Saba and Nane Nane.”,*

She attends trade fairs and exhibitions every year where she meets different people from within East Africa who give her orders. Some of her products are sent to South Africa through retailers and wholesalers. She also depends on word of mouth to find consumers.

On quality of her products she says she depends on customers.

> *"When they complain of the quality, for example the colour used, I do change or modify my products according to their tastes and interests."*

She has twelve employees, but occasionally employs some on temporary basis such as during the Saba Saba Trade Fair. She has not kept proper records so she is unable to give her annual income.

> *"These employees do exchange ideas with customers about our quality but I have not been lucky to get one with experience in export market."*

She has never attended any formal training but learned producing batik, tie and dye and marketing from her friends in the city.

**4.5 Case 5**

Case 5 left school after Form Four. She has two children and one other dependant. She used to work as an apprentice in another woman's batik business before venturing out on her own, a business she has done for three years now.

She produces shirts, dresses, men's shorts, wall pictures and different decorations. She produces enough for her market and has experienced employees who try to improve quality of the products all the time.

She has a shop in Dar es Salaam and has customers in Kenya and Uganda. She would like to get customers in Europe but is hampered by the cost of transport and difficulties in getting a passport.

She pays custom duty at the border when exporting her products to Kenya and Uganda by bus. The travelling enables her to meet people in similar business, with whom she discusses issues of quality, how to get information on regional and international ones, pricing etc.

She sells through both wholesalers and retailers, some whom she met at exhibitions. She promotes and advertises the business by attending exhibitions every year, from where she learns about markets in different towns of East Africa. She uses the mobile phone, business cards and the internet to communicate with customers.

> *"To get regional market for my products I have to use colours and materials of high quality. This is because there are also Kenyans and Ugandans doing the same business. Therefore a customer can only choose to buy from me if the product is of high quality. I learned this from my customers and also just using common sense."*

She has seven temporary employees and she has no record of last year's annual sale. These employees can discuss customers' preferences but they have very little knowledge of regional markets. She has not received any formal training, but acquired some skills from different women groups in the city and also from the woman she worked with before starting her own business.

**4.6 Case 8**

Case 8 lives in Arusha where his tie and dye and batik factory and showroom are. His business experience in tie and dye and batik spans twenty-eight years. His products are mostly sold in the local market, though he occasionally travels to sell outside Tanzania. He receives orders from wholesalers and retailers who visit his showroom or workshop. The traders give him information about the market, customer tastes and about forthcoming exhibitions in Arusha or outside Arusha.

> *"I was once invited to UK by some people who at one time lived here in Arusha. This was an invitation to train youth in the technical colleges and schools on how to make tie and dye and batik. In that trip I took with me some products, which were sold in UK. Through that exposure some people in UK became familiar with the products. Up to now I am getting orders from different people in UK because of that invitation. Some come to Arusha as tourists and are directed by their friends to see me and buy my products."*

He says the number of UK customers is decreasing, probably because they are no longer being referred by friends to him. He has learnt that products such as office bags, kitchen cloths, table cloth and lamp sheds are not well known in Europe, hence there is big market as they are regarded as fashionable.

He advertises through friends in Tanzania and UK. He feels his market is temporary probably due to poor advertisement and promotion. Though he has heard about AGOA market, he feels upcountry producers of batik and tie and dye have difficulties getting enough information and contacts, unlike those in Dar es Salaam. The wholesalers and retailers he depends on at times go out of business and he is forced to seek other agents in the city. He does not use relatives because he feels they influence other workers negatively, are less committed and unfaithful.

> *"I have employed very few people at the show room and others at my workshop. These are youths who normally leave the job after mastering the skills to start their own business. All employees both at the show room and workshop discuss with customers about the products quality and sometimes they handle problems that are brought by the same. It is not easy for the employees to find market especially the international ones."*

He was trained in production of batik in Uganda in 1970's. He has attended a workshop in Arusha where people from East African countries discussed issues concerning production of batik and tie and dye. He worked as a banker formerly before switching to batiks due to his interest in art. He says his banking background has helped him in record-keeping for his business.

**4.7 Case 14**

Case 14 is fifty-four years old and has six children and three dependants. She started producing tie and dye in 1998. Before that she worked as a clerk at the Bank of Tanzania.

> *"I was invited by the Tabata Development Fund to attend a workshop on production of batik and tie and dye. The fund then was concentrating on water, road and small business projects. I was involved through the road construction project. I do not know who proposed my name to them and why but it was a very helpful training to me.*

*Maybe my name was proposed because I was unemployed as I had been retrenched in 1994."*

She started the business after managing to sell some of her products during the training. Consequently she got many other customers from other regions of Tanzania.

She gets orders through satisfied clients and through the TDF office. She once gave a visitor from Namibia some batik material as a gift, and the visitor's friends back home started buying products from her. Traders usually collect orders from her home, and use public transport through Zambia, Botswana and then to Namibia.

*"I normally use my own art and skills to produce batik. What I learned from the training was not enough. For example I started using jeans and other second hand cotton shirts to tie and dye them so as to get more income. The market is very competitive so I have to keep on learning all the time. In that training no marketing skills were taught therefore I am struggling to find market especially from outside Tanzania."*

Case 14 gets information through networking with friends, relatives and her daughter in Botswana. She also uses wholesalers and retailers to get information about the market. For example those selling in Botswana sell in hospitals and other small shops. She has never attended exhibitions due to the cost.

"*My customers give information about the quality as we know that batik and tie and dye has recently changed from a fashion of the poor to rich people. Batik seemed to be very bad material as in Mbeya in Tanzania it was called* ***kampenyoko*** *which means 'give to your grand parents'. It has really changed."*

She prefers customers from the regional markets as they pay better prices and she gets to meet new people and exchange ideas about the business. She uses apprentices as temporary employees, most of whom are nurses, primary school teachers, housewives and some youths who want to start their own business. They also help to find local customers.

Initially she promoted her business by putting a big notice board and hanging batik on it at an open space near her home. Also word of mouth played a major role. Her friends at the Bank of Tanzania also helped to advertise the business. She also got other customers from Zambia through Tanzania Zambia Railway workers.

### 4.8 Case 6

Case 6 has ten years' experience in the batik and tie and dye business. His products are sold in Nairobi, Zanzibar, Mombasa and Arusha. He gets orders from customers through telephone and sometimes physical follow-up is done i.e. customers going directly to the workshop or at the show room in Arusha town.

He says he has never done any promotion and the market is enhanced through physical contacts with customers. He says the market experiences a low season between May and July and high season between July and December. He says during the low season it is difficult to make ends meet. On exports, he says former visitors to the country send money once in a while to buy the products, which are delivered through Electronic Mail Services. Customer complaints are dealt with immediately as we receive them in order to improve our products.

He deals with wholesalers and retailers whom he meets in the course of business. He says he has benefited a lot from them because they give information about the market, the kind of products needed and pictures to be drawn. He has three temporary employees and he pays them per piece produced. These employees help him by discussing preferences with customers especially on issues of colour and styles but they do not play a role on export market.

Case 6 worked as an apprentice in a batik and tie and dye in town before he left and started his own business. He learned nothing on export market. Before starting the business he was a grocer.

**4.9 Case 10**

Case 10 sells most of his products in Arusha, and especially to tourists, in his showroom along Boma Road. Orders are obtained at the showroom. He has never done any promotion for his products but he normally gives customers his business card. On information about the local market, he says he uses his instincts to judge what product, design, colour arrangements or picture will attract customers.

He has never exported the products and also he has never received any complaints from the customers about the products. He received training from friends who encourage him to do the business. No knowledge about export market has been imparted to him.

**4.10 Case 12**

Case 12 lives in Arusha. She buys batiks from producers and sells them in Arusha. Most of her customers are tourists visiting Arusha from USA, Holland, Spain and UK. She has not done any promotion for her business due to lack of capital. Her customers buy directly from her showroom. Some of the local customers include missionaries from different churches and USA employees leaving in the country.

Case 12 says the high season, when there are many tourists, starts from July to mid December and the low season from January to late June. She has never exported her products but would do so should an opportunity arise. She receive information about the market through customers visiting her showroom. Customers' complaints are also received at the showroom.

She uses retailers as intermediaries, but sometimes the same people could buy some products with the same quality elsewhere and sell it at a lower price because they do not pay tax to the municipal authority. They sell their products just beside her shop. They have no particular place of selling but acting like hawker. She has never used relatives as middlemen.

> *"I have never employed anybody because my business is still at an infant stage, I do everything concerning this business alone"*.

She never received any training about the business but looked at what others were doing. She also got some experience at one time when she was employed to selling the same goods by someone else. She has previously been employed as an assistant accountant at a wildlife organisation.

**4.11 Case 13**

Case 13 is 30 years old and has one child. He completed Form Four in 1990's and has fifteen years of batik and tie and dye experience. He produces and sells in the local markets especially in rural areas. Most of his customers are in Turiani, Mbeya and Dar es Salaam where he lives. He sells his products on market days on Sundays. He gets information about the market by moving from one area to another. He learned how to produce batik from his parents. He uses wholesalers and retailers as intermediaries to sell his products, who also help him to learn about the market. He has two temporary employees who help him to produce batik materials but they are not aware about the markets.

**4.12 Case 11**

Case 11 lives in Arusha and operates her business along Boma Road. She produces and sells her products in Arusha but also exports to Kenya. She says that marketing the products is now a problem because they lack new skills so as to capture the market. In Arusha many youths produce batik and hence market is saturated. She depends on friends for information about the market and accuses the municipal council of not providing such information or facilitating traders to learn about the export market. She sells her products through wholesalers and retailers who at the same time give some information about the market.

She never received formal training but normally learned from other business people. She has ten temporary employees who help in production but not in marketing .She says the employees are not interested on learning the market but they can direct some local buyers to come to the workshop or show room.

**4.13 Case 9**

Case 9 lives in Dar es Salaam where she is married with two children .She completed Form four in 1990's and has been operating her business for five years now. She has never exported her products. Customers call to place their orders and she depends on them to give information concerning the market. She was trained by local batik and tie and dye producers. She has employed two people who produce tie and dye and batik but mentions that they do not help her in marketing.

**4.14 Case 7**

Case 7 is fifty years old and lives in Dar es Salaam. She is married with six children and has ten other dependants. She was formally trained as nurse midwife and was employed by Urafiki Textile mills. She started producing and selling batik locally and exporting to Uganda and Kenya in 1998.

She learns about the local and foreign market by participating in exhibitions in Kenya, Uganda and in Tanzania, and through cultural groups and friends in Kenya and Uganda. She also learns through former customers. Her employment at Urafiki Textile Mill gave her some experience in making materials. She was also trained by UNIDO, which is now called ADAT at a workshop organized for people in the batik business. She says she was not taught about exporting issues. She has only one temporary employee.

> *"I cannot employ many as city authorities require us to pay them according to government salary scales. This employee does not help in learning the export market."*

## Chapter Five: Discussion

### 5.0 Characteristics of Tie and Dye and Batik Exporters

### 5.1 Age and Sex

Table 1 shows that the age of those who export ranges from thirty-two to fifty years, and that of those who produce and sell locally ranges from thirty to forty-two. This suggests that more mature entrepreneurs are more likely to learn how to export, probably because of having more responsibilities than the younger ones.

There were more women than men in the survey group (ten, compared to six men). Seven women and two men were involved in export, while three men and one woman produced and sold locally only. It is likely that women are participating more in exporting because they cannot find formal employment. This supports the study done by Mbwambo (2003), which concluded that while men still focus on the small domestic market, women are exploiting both national and international markets.

### 5.2 Number of Children and Dependants

Those who export were found to have more dependants than those who sell locally. The number of children for those who export ranges from two to six while those who produce batik and sell locally ranges from one to two. Among those who export, two had up to ten dependants while from those who sell locally, two out of four had no dependants.

This suggests that an entrepreneur is forced to learn how to export in order to get more income to support their dependants.

### 5.3 Level of Education

Table 1 shows that the education level of entrepreneurs' ranges from Standard Seven to one with University graduate wife. However, most of the entrepreneurs fall under Form Four category. The lowest level of education is Standard Seven, where there is one person involved in producing, selling locally and exporting. It is not possible to make a definite judgment on the impact of education on learning to export batik and tie and dye.

### 5.4 Employment History and Previous Experience in Clothing and Textile

The data shows that some entrepreneurs were formerly employed in the public sector but after the collapse of some of the public companies they ventured in the batik and tie and dye business. One was a coffee farmer while two worked with textile companies. This may suggest that previous experience in clothing and textile is somehow important for one to learn how to produce, export and participate in the same market as well.

Those with experience in other industries said they learned to export after leaving their former jobs. They learned quality batik production from other business entrepreneurs and they had very little experience in marketing.

### 5.6 Destinations of Tie and Dye and Batik Exports

Most entrepreneurs export their products to the regional markets, that is Kenya and Uganda. Only two export their products to South Africa; one to Botswana one to the UK, but in very small quantities. This shows that small-scale entrepreneurs are selling in the US markets and that AGOA has not yet accelerated the small-scale business. Similarly, they are not familiar with other markets apart from those in Africa.

Some entrepreneurs have plans for exporting to international markets but they lack necessary information about customers. For instance Case 8 seemed to know about AGOA but he is not confident with the information he has. One respondent who does not export cited high costs of air tickets and difficulties of obtaining a passport.

Some entrepreneurs learn how to export by visiting the market physically instead of using some other tools of information such as the internet. It is easier to learn about the regional markets compared to the international market because entrepreneurs are familiar with neighbouring countries.

**5.6 Promotion and Gathering of Information**

Both categories of entrepreneurs i.e. those who export and those who sell locally mentioned word of mouth, networking relatives, friends and church women groups as their sources of market information. Only one entrepreneur who exports to Botswana mentioned getting information through a relative living in Botswana. All others do not network through relatives, nor employ them. Case 2 says this is because according to their culture it is not possible to sue a relative if he does contrary to the contract. Exhibitions like Arusha and Dar es Salaam Museums, Nane Nane [6]and International trade fairs like Saba Saba were also mentioned as source of information for obtaining customers. The data collected among the tie and dye and batik entrepreneurs in this study on the source of information is not different from the study conducted by Mbwambo (2003).

The use of emblems or trademarks which bear postal address, phone number and name of the producer on every product was mentioned as a form of promotion for those who export.

Entrepreneurs learn to export when they participate in exhibitions but they also get an opportunity to promote and advertise their business and to collect market information.

**5.7 Intermediaries**

Both exporters and local sellers of batik and tie and dye garments mentioned wholesalers and retailers as intermediaries they use. However, those who export also use friends and very few relatives living outside the country as agent who help in selling their products. Example case 8 has networked with friends in UK who place orders from him and also direct other customers from UK to buy from him when they visit Tanzania. Most respondents mentioned that they learn the market from intermediaries as they supply them with information for example exhibitions that are to be held, customers choices and preferences, market location etc. Only one local trader complained about intermediaries business selling the same product at lower prices and thus undercutting the producers.

**5.8 Training**

Most of those who export have attended formal training on tie and dye and batik production and marketing. They mentioned UNIDO (United Nations Industrial Development Organisation), ADAT (Artisans Development Agency of Tanzania), Anglican Development Agency, Tabata Development Fund as organisations that have helped them marketing their products by training them how to mix colours and chemicals to get quality materials and the use of ICT to get information for the markets. The cases show that some had training and some experience in tie and dye and batik production and design. Other entrepreneurs worked as apprentices in other small tie and dye and batik firms before starting their own business. Table 1 shows that those who do not export had no formal training and that most of them learned from other entrepreneurs who were already in the business.

Most of the respondents mentioned that they had none or very little training on how to find both local and export markets, although they needed that training.

**5.9 Experience in Business**

Local sellers and exporters have been in the business for many years, for example Case No 1 had twenty-six years, and Case 8 had twenty-eight years. The same applies to those who do not export, for example Case 13 has been in business for fifteen years; Case 1 had twenty-seven years; Case 10 had twenty-seven years while Case 10 has been operating for three years.

The impact of business experience on learning to export was not clearly demonstrated by the data.

**5.10 Export procedures**

All entrepreneurs exporting their products travel by bus to regional markets or by air for other international markets. Most entrepreneurs said they got orders through the Electronic Mail Services or other postal arrangements. Most customers approached the entrepreneurs in the workshops or in showrooms. Some entrepreneurs paid customs duty but others collude with bus operators to avoid paying duty. Cultural groups took the products with them when visiting other countries.

This information may suggest that very little amount of batik, tie and dye is formally exported and that batik, tie and dye exporters learn the market through networking with other entrepreneurs in the same business, cultural groups and bus operators. Also it may suggest that custom and exercise duties are unaffordable to most entrepreneurs.

**5.11 Employees**

All entrepreneurs have temporary employees whom they pay per piece produced. Some of the are also work for other employers in the same business. Attrition is high as employees often leave to start their own business after acquiring the skills. Entrepreneurs mentioned that their employees discuss preferences with customers for example on issues concerning colour, styles and designs. These employees have no knowledge on export market and only in few occasions an employee would bring in a new local customer.

**5.12 Customer Complaints**

Entrepreneurs discuss with customers about any complaints on their products. The complaints often have to do with colour arrangements, quality of the products and designs.

This feedback from customers helps entrepreneurs gain information about the export markets.

## Chapter Six: Conclusion

Batik and tie and dye entrepreneurs learned the business through apprenticeship, through imitating others, and from both formal and informal training.

Some entrepreneurs have participated in business exhibitions like Saba Saba, Nane Nane, Jua Kali and in different museums in the country. Through these exhibitions they have promoted their business and at the same time learned to export as they get different information concerning the market. Through exhibitions they have exported their products to Kenya, Uganda, Zanzibar, South Africa, Malawi and to a few European markets.

Entrepreneurs felt that there is very little training on the export trade and marketing. Most training programmes are geared towards production of tie and dye batik rather than marketing. Some institutions that offer training include UNIDO (now called ADAT) and SIDO.

Wholesalers, retailers, cultural groups, friends and to a small extent relatives were mentioned as providers of regional and international market information. Some entrepreneurs have long experience in the business and therefore they have learned about the export market.

Further formal training for entrepreneurs is required, especially on the issues of foreign markets. Since local governments are very close to these entrepreneurs and that they collect revenue from them, they should support them by putting in place some training which can be conducted by people with entrepreneurship management and particularly marketing in small scale business skills and education.

Local government trade officers could train entrepreneurs rather than just collecting revenue from them. Training should new skills as e-business. Organisations such as SIDO, ADAT and UNIDO are still needed to help entrepreneurs in the areas of marketing their products especially in international markets.

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APPENDICES

**FINDINGS FROM CASES AND ANALYSIS**

**APPENDIX (i) CROSS CASE ANALYSIS**

Table No 1.

| **Entrepreneur** | **Case 6 Mount Meru Curio Market - Arusha** | **Case 7 Sinza DAR** | **Case 8 Arusha Opposite TTCL** | **Case 9 Mabibo - DAR** | **Case 1 Sekei - Arusha** | **Case 2 Sekei - Arusha** | **Case 10 Boma Road - Arusha** | **Case 11 Boma Road - Arusha** | **Case 5 Cocacola Kwanza Road Dar** | **Case 3 Mwenge Dar** | **Case 4 Mabibo hos Dar** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Age** | 40 | 50 | 32 | 35 | 48 | 42 | | | | 52 | 39 |
| **Sex** | Male | Female | Female | Female | Male | Male | Male | Female | Female | Male | Female |
| **No. of Children** | 4 | 6 | 3 | 2 | 6 | 2 | | | 2 | 3 | 2 |
| **No. of Dependants** | 10 | 10 | | 1 | 3 | None | 2 | | 1 | 6 | None |
| **Level of Education** | STD VII | Form 4 | Form 4 | Form Four | Form 4 | STD VII | STD 7 | Form 4 | Form 4 | Form 6<br>Wife is University Graduate | Form 4 |
| **Employment history** | None | Nurse Midewife | Banker | None | None | Stores Clerk at Mount Meru Hotel | None | None | None | YMCA | Tailor |
| **Previous experience in clothing and textiles** | None | Employed by Urafiki Textile Mill | | None | None | None | | None | None | Professional designer | None |
| **No. of years in operation** | 14 | 7 | 28 | 5 | 26 | 13 | 3 | 10 | 3 | 20 | 15 |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Types of tie and dye/batik products produced/sold** | Produce and sell Wall pictures,mens shirts, batik materials | Produce and sell Dresses, shirts,skirts ,wrappers | Produce and sell Shirts,dress es,wall picture | Produce and sell dresses,shir ts,wrappers | Produce and sell Wall pictures, batik materials,dres ses,shirts | Produce and sell Wall pictures, decorations of different types using batik | sell shirts,dress es,trousers, wall pictures | Produce and sell Wrappers, dresses,shir ts,wall pictures | Produce and sell Wall pictures, batik materials,dresses,shirts | Dresses.shirts, bedworks, table cloth | Dresses.shirts, bedw table cloth |
| **Customer location** | Kenya-Nairobi and Mombasa,Tan zania(Zanziba r and Arusha) | Dar es salaam, upcountry when traveling, Kenya ,Uganda during exhibitions | Kenya, Tanzania especially tourists,UK | Dar es salaam, upcountry | South Africa,Kenya, Tanzania in Arusha and Dar,Zanzibar | Within the country especially to tourist | Tanzania especially tourists | Kenya, Tanzania | Tanzania ,Kenya,Uganda | European Union,Dar es salaam | South Africa,Ugand es salaam |
| **Problems of Regional/Intern ational market** | Lack of information about market,season al market | | Lack of information about market,fluc tuatin price for raw materials | None | How to get customers, | How to get foreign customers, producers are not recognized by the government | Seasonal market | Lack of customers, where to get them municipal council do not give information on markets | | | |
| **Procedure for export** | Pay customs duty at Kenya/Tanza | Use groups to carry in small | Send parcels using | Do not export | smuggling, illegal exportation, | Do not export | Do not export | | Pay custom duty | Use cultural groups,pay custom duty and other tax | Smuggling |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | nia border, sometimes illegal exportation | amounts when traveling, carry for exhibition for regional markets, send to some friends in Kenya and Uganda | Scandinavian busses, illegal exportation avoiding paying tax | | travel by bus to Kenya with big parcels but give some percentage to the bus conductor | | | | | | |
| **Source of information for local/export market** | Travel to respective market in nearby countries during high peak of tourism to look for customers, word of mouth | Exhibitions, taking samples to different offices in town and networking friends in nearby countries, word of mouth | Networking with friends in Kenya, UK,word of mouth | Networking with other business people, exhibition | Use emblem which contains his business particulars on every item produced and sold, word of mouth | Put emblem on each product produced and sold, word of mouth | Networking with hotel workers. | Friends in the nearby country | Exhibitions,networking | Networking with friends,former customers,cultural groups,exhibitions | Networking |
| **Intermediaries in use** | Use whole sellers and sell to retailers | None | Wholesalers and retailers | None | Wholesalers and retailers | Whole salers,retailers | Retailers | Sell to retailers, wholesalers | Wholesalers,retailers | Wholesalers ,retailers | Wholesalers,retailer |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **History and type of training received** | learned from entrepreneurs on how to make tie and dye and batik, apprentices | UNIDO,4 months, production of batik, marketing, small business manageme nt | Learning from other entrepreneu rs on the batik, tie and dye making, trained in Uganda | Trained by local tie and die producers in town on how to make tie and dye and batik | Trained and instructed by a teacher from University of Dar es salaam who is also an artist | learned from entrepreneur on production of batik, business techniques, apprentice | None | None, only informal training from well experience d producers | | Wife trained in Greece 1979 | Informal training fr friends |
| **Size of the business(last year sales volume and no. of employees** | Do not remember but much money is normally earned. 4 employees | 1 employee | 2 temporary –employees | 2 temporary employees | Approximate Tsh 10 Million 6 employees | Income depends on the size and No. of orders from customers | 2 temporary employees. Approxima te 3.5 Million TSH | 8 temporary - employees, Do not keep record of year income, | | Many temporary workers | 12 temporary emplo |

APPENDIX (ii)

**INTERVIEW GUIDE FOR EXPORT OF TIE AND DYE AND BATIK BY SMALL -SCALE GARMENT FIRMS IN TANZANIA: THE LEARNING EXPERIENCES OF ENTERPRENEURS IN ARUSHA AND DAR ES SALAAM**

**1. Marketing and destinations**

- Where do you sell your tie and dye batik products
- How do you get orders from customers?
- Do people come to you to place the order?
- Do you engage promotion activities
- What have you learned about markets in this way?

**2. Export Procedures**

- What procedures do you follow in order to export your products?
- If you travel by what means; bus, train, and plane?
- Do you go yourself or send someone?
- What have you learned about those trips in the process of exporting your products?

**3. Information about the local/export market**

- How do you gather information about what the market want?
- How did you know there is market for your product which you export/sell locally? OR how did you learn the market.
- Do you take notes about customers' complaints?

**4. Intermediaries**

- How did you find wholesalers or retailer?
- Do you use the same ones i.e. wholesalers or retailer all the time
- What has you learned from them i.e. your wholesalers and retailers
- If you are using a relative as an intermediary were you close before or it is because of the business

**5. Employees**

- Are they permanent or temporary?
- Have they been employed somewhere else?
- Do the employees discuss preferences e.g. colours, style with customers?
- Do they play any role in the learning of the export market?

**5. Training about batik and tie and dye informal or formal**

- How did it come about?
- Was there any learning of the export market?
- Did you learn as a result of training?

**6. Previous Occupation/experience in clothing and textile or any other**

- Which occupation have you had before?
- How has it helped you to learn the export market?