MARKETING MANAGEMENT IN SMALL SCALE INDUSTRIAL UNITS OF WOMEN ENTREPRENEURS IN KERALA—

A STUDY WITH REFERENCE TO ERNAKULAM DISTRICT

Thesis submitted to the
COCHIN UNIVERSITY OF SCIENCE AND TECHNOLOGY
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DOCTOR OF PHILOSOPHY
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by

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CERTIFICATE OF THE DOCTORAL COMMITTEE

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Certified that the thesis entitled " **Marketing Management in Small Scale Industrial Units of Women Entrepreneurs in Kerala - A Study with Reference to Ernakulam District**", is the record of bonafide research work done by Ms.Moli P.Koshy under my supervision and guidance. The thesis is worth submitting for the award of the Degree of Doctor of Philosophy.

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DECLARATION

I declare that the thesis entitled " **Marketing Management in Small Scale Industrial Units of Women Entrepreneurs in Kerala - A Study with Reference to Ernakulam District**" is the record of bonafide research work done by me under the supervision of Prof. N. Ranganathan, former Director, School of Management Studies, Cochin University of Science and Technology. I further declare that this thesis has not previously formed the basis for award of any degree, diploma, associateship, fellowship or other similar titles of recognition.

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CHAPTER I

INTRODUCTION

Management in modern times has evolved from a production oriented to sales oriented and then marketing oriented view of business. In this context, marketing becomes relevant to a country like India in the same way, as it is relevant to highly industralised and affluent countries. For many products, India has already reached a stage, where the problem is not one of supplies, but one of marketing. The marketing concept advocates a careful planning and implementation of marketing activities with particular focus on customer satisfaction. In the large sector, which has the advantage of being an organised one, with people sharing the various roles and responsibilities, marketing functions receive a professional touch. However, with the cut throat competition existing in the market, the marketing task becomes difficult. The plight of the small scale units is all the more aggravated as they lack an organised marketing system. They are hardly aware of the various marketing strategies or are unable to use them to reach the masses, thus posing a serious problem in marketing their products. Women entrepreneurs especially face acute marketing problems. Factors such as, lack of knowledge, capital scarcity and reluctance to go out of their homes are the main factors responsible for the sad state of affairs with regard to marketing of their products and services.

Small Scale Industries (SSIs) are vital to the development of any country, reaching every nook and corner of the economy. The bulk of the invention that has revolutionised human life in the twentieth century has come from independent small firms[1]. Small scale industries are of immense significance owing to their ability to contribute to dispersed development, providing employment opportunity to even the less skilled and semi-skilled, preserving traditional arts and crafts and utilising local resources for production. There are strategic benefits as well, which cannot be undermined. Entrepreneurial talents are nurtured, sharpened, developed and harnessed by

the SSI sector. A reservoir of entrepreneurial talent is created by the SSI units, which can later transform into self-sustaining forces of economic growth. It has been well accepted that "entrepreneurship and other high level human skills are the key variables which link the socio-cultural milieu with the rate of economic development"[2]

Small industry is considered to be an ideal nursery for the growth and development of entrepreneurship. It can be said that entrepreneurship is much more vital to the development of small scale industries than medium or large industries. A small scale entrepreneur, unlike a medium or large scale entrepreneur has to take on himself all the roles relating to his enterprise. The small size and flexibility commonly associated with these industries make them ideally suited for the growth of entrepreneurship. The small scale sector promotes decentralisation and widens the entrepreneurial base. Thus, entrepreneurship and small industries are closely related.

Indian economy, like many other developing economies, benefits from the SSI sector in terms of faster economic growth, swifter employment and export growth. The small scale sector has acquired a prominent place in the socio-economic development of the country. The SSI accelerates economic growth, as the SSI is far more productive than the rest of the economy. The output of SSI sector grew by 56 per cent during the period 1988–95, while that of the large scale industrial sector grew by just 36 per cent in real terms. Value of output of SSI units in 1996–97 stood at Rs.4,12,636 crores showing an increase of 15.8 per cent over 1995–96[3]. Employment generated by the SSI sector stood at 160 lakh indicating a growth of 4.8 per cent over 1995–96. Employment elasticity is around 0.6 per cent for every 1% change, while the same for the whole economy is only 0.45 per cent for a 1% change in G.D.P. The SSI sector is thus 33 per cent more employment intensive than the whole of the economy taken together. Exports of the SSI sector are also surging ahead of the exports of the industrial sector as a whole. Exports of SSI sector

increased by 7.6 per cent in 1996–97 over 1995–96. The SSI sector contributes over 40 per cent of the gross turnover in manufacturing sector, about 45 per cent of manufacturing exports and 35 per cent of total exports[4]. Besides this, the capital intensity in SSI sector is less, making it highly suitable for a capital scarce economy like India. Investment in fixed assets in SSI sector is just one fourth that of large industries, given the same output level.

The SSI sector is characterised by several strengths, such as flexibility, inexpensive labour, reduced overhead, closeness to market and owner management. SSI units can easily absorb most of the new technology, new design, new product and the like. The cost of such switchover is minimal. But they must be prepared to continually upgrade their production process and design. If technological obsolescence is allowed to creep into the system, it will result in lack of consistency in product quality and timely delivery. With the availability of cheap labour and reduced overhead, the SSI units can achieve a low break–even level of sales. Though the SSI sector suffers from lack of scale economies, it gains from low break–even point. Closeness to market enables customer orientation leading to reduced promotional cost, reduced inventory cost and direct marketing. Owner management and the consequent advantages of quicker decision making and personal commitment gets transformed into economic dynamism interfacing local, national and global economies.

Despite these strengths, the threats that the SSI units face are on the increase. Competition from large and multinational businesses is a big threat. The SSI units in India have to operate in a hostile environment[5]. The SSI sector has no easy access to sources of funds other than borrowings. The large sector, on the other hand, raises crores of rupees from the public on their projects. High cost of borrowings from financial intermediaries can only eat away the earnings of SSI units. Institutional credit to the SSI sector must reflect the contribution that the sector makes to the economy on a proportional

basis. Too many procedures and controls in many of the assistance programmes, introduced with the intention of preventing misuse, have only led to further problems of red tapism and corruption.

Economists have in recent times shifted emphasis away from growth of capital to growth of high level manpower, such as entrepreneurship, as a major determinant of the rate of economic growth of a country[6].

Awareness of women development has led many organisations toward women entrepreneurship activity, where growth and employment generations are adequate[7]. Growth of women entrepreneurship would be supplementary and complementary for women in particular and the country in general. It is convenient for a woman to be in control of a small business. This pattern of working in small units suits her dual role: that of housewife and mother, and that of the business executive in the SSI sector. Those women entrepreneurs who do not have education or any formal training in management, but have developed skills, take to small industry. They choose products that they are familiar with, such as garments, weaving, pickles, dolls and handicrafts. Some have also ventured into engineering, electronics, chemicals and pharmaceuticals. Some also make surgical instruments, furniture and pottery.

Women in our country have always remained a victim of discrimination and neglect. The need is now urgently felt that women should also work outside the home for getting better living standards for all. While in the rural areas, underemployment is a prevalent phenomenon; the urban situation is characterised by a high level of open unemployment. It is against this background that the role of women industrial enterprises arises. Two streams of thought have influenced the promotion of women's industrial enterprises in India, by the Government as well as by various other agencies[8]. The first stream is employment centered. It has been argued that considering their weaker bargaining power in society, women should be given higher priority in industrial schemes. The second stream of thought relates to the argument for

autonomy of women. The argument is that, with an assumed equal status with men in society, there should be strong efforts to develop women enterprises on par with those of men. In essence, the core of this argument relates to generating greater capabilities among women so that they may run their own enterprises independently.

A high level of literacy and educational achievement has been a unique and important feature of Kerala women. As a consequence of this, women have entered almost all walks of social life in the State. However, data on work participation rates available from census reports indicate that, the participation of women in various sectors of Kerala economy has been declining both in absolute and relative terms. This decline can be related to the sharp decline in the employment opportunities of women in traditional industries and agriculture. Participation rate of women has shown increase in the service sector, even though; it has not been significant enough to compensate the decline in the other sector of the economy.

The entry of women in organised business is a fairly recent phenomenon. Commercialisation and modernisation in the economy gradually eliminated many avenues of employment to women. Therefore, women had to look for other avenues to supplement their family income. A section of women, mostly urban, have been starting their own business and have emerged as potential entrepreneurs[9].

Many of the development indicators show that women of Kerala are ahead of their counter parts in the rest of the country. But the percentage of SSI units owned by women in Kerala is below the all India average[10]

A network of promotional agencies and institutions have been set up at the national and state level to promote small scale industries in general and women enterprises in particular. Various support measures in the form of policy, infrastructure, finance, training, raw material and marketing facilities are provided by these agencies. Inspite of all these developmental measures,

the small scale industries have not been able to play their role to the full extent as envisaged in our plans. This has been ascribed as mainly due to financial and marketing difficulties. Many units get sick during the first two or three years of their inception itself, without making any inroad into developing a market for their products. The rate of growth in the number of sick units is much higher in Kerala than the rest of the country[11]. Most of the units that had been established long ago do not find themselves capable of undertaking expansion and modernisation of their production facilities. While many have closed down, others have fallen sick and are on the verge of closure.

A number of organisations started by voluntary agencies for helping women failed for want of market for their products. The Government is helping in marketing a number of items produced by the SSI units but they are not able to realise the desired results. Moreover government agencies have their own limitations and if any gainful activity has to continue for a longer period, it is necessary that women entrepreneurs become proficient in marketing their products.

1. 1. Statement of the Problem

Two decades have passed since the Government of Kerala initiated special incentives to promote women entrepreneurship. Inspite of the growth in number, the small scale units run by women entrepreneurs are facing a number of chronic problems and have not been able to contribute significantly to the economic development of the region. Most of the units are either liquidated, dormant or are in the process of liquidation.

The present state of affairs of the SSI sector is due to a whole host of factors. These include financial, production and marketing problems. Very few studies on the management of the SSI units have been published and among these the marketing function has not been given its due importance. Some studies (Anna, 1989[12]; Manalel, 1994[13]), have highlighted working capital as a major problem for the SSI units.

According to the second All–India census of SSI units, marketing problem was found to be the second most important reason for the closure of units[14]. It is widely recognised that the financial problems of small manufacturers are hardly financial. As noted by Staley, Eugene and Morse (1965), shortage of finance in most cases is a symptom of other problems, such as poor planning, outmoded technology, and ineffective marketing[15]. About 90 per cent of the SSI units in Kerala faced marketing problems during the history of the units[16].

A close look at the causes of sickness and closure of most of the small scale units will reveal the fact that, the main ailment of most of the sick units is not finance but marketing. These units commence production usually as planned, but when the products are put in the market, the sale takes time, thus blocking the scarce capital resources. Lack of demand for their products is one of the most serious problems facing these industries. Owing to the small size, they lack the funds needed to stay in the market. Many of them have to face stiff competition from large scale or similar units.

Small scale units are not able to use sophisticated production techniques, or involve in heavy promotion of their products. Distribution of the products also becomes difficult task for a small entrepreneur. Most of the entrepreneurs are not aware of the modern techniques of marketing, such as brand promotion, packaging, advertising and conducting market surveys to asses the demand. According to Nau Nihal Singh, marketing research and sales promotion are alien to the typical small scale manager in India[17]. Most of the small scale units have neither proper staff with relevant marketing skills nor adequate resources to undertake the vital marketing tasks, such as advertising, sales promotion and establishment of distribution channels.

According to an ILO study[18], women around the world face more obstacles than men in setting up their business. Women face more problems than men in acquiring technical and entrepreneurial competencies[19]

Women entrepreneurs often select a project, which normally everyone selects, such as pickling, readymade garments, and handicrafts, thereby increasing competition. In a study[20] conducted among the women entrepreneurs in the manufacturing sector of Visakhapatanam, marketing problems were stated to be third in order, following problems of raw material and training the personnel. Marketing constraints scored a second place to financial constraints, when the resources constraints of women entrepreneurs were studied in the state of Haryana[21].

A study conducted among the women entrepreneurs of Kerala, revealed that marketing problems were second in order of difficulty after financial problems. About 61 per cent of the women entrepreneurs had marketing problems[22]. Inspite of the fact that marketing has been identified as the second most important problem or even the most important problem in some cases, it has not been given its due importance.

The women entrepreneurs, who set up business units with encouragement and institutional support, find it difficult to market their products. The marketing concept is yet to be grasped in its entirety. Women entrepreneurs especially find the marketing functions difficult to carry out. Hence, this study is carried out to understand the marketing management in SSI units of women entrepreneurs.

1. 2. Objectives

The objective of the study is to analyse the marketing management practices of women entrepreneurs in the small scale industrial manufacturing sector of Kerala with reference to Ernakulam district. With regard to this, the following are the specific objectives.

1. To study the organisation of the marketing function.
2. To understand the product selection and product management practices.
3. To know the pricing policies and practices.
4. To identify the distribution channels used.

5. To explore the promotion methods used.
6. To assess the marketing orientation.
7. To analyse the problems and prospects in marketing.

1. 3. Hypotheses

1. Women entrepreneurs do not have a proper marketing strategy.
2. Involvement of women entrepreneurs in marketing their products is low.

1. 4. Methodology

The study was conducted using both primary and secondary data. The secondary sources of data include published and unpublished studies relating to small scale industries in general and women industries programme in particular. Many of the government offices such as Directorate of Industries and Commerce, District Industries Centre, Small Industries Development Corporation, National Small Industries Corporation and Small Industries Service Institute served as sources of information in this regard.

Collection of primary data was done through a sample survey, using pre tested interview schedule, of small scale industrial units of women entrepreneurs. The SSI units that satisfied the following conditions were considered for the study.

1. The unit is registered with the department of Industries in the name of a woman or women sponsored organisations.
2. It is a manufacturing unit.
3. The investment in machinery and equipment does not exceed Rs.60 lakhs.
4. The unit has completed atleast five years of existence as on 31st March 1997.

1. 5. Sampling Technique

Simple random sampling technique was adopted to select the units. The universe of the study was restricted to the modern small scale manufacturing units of Ernakulam district. Ernakulam was selected, because it is the most industrialized district in the state and has the maximum number of SSI units.

Non–manufacturing units were excluded, because the heterogeneity of their problems would make the scope of the study too wide to be effective.

The list of names and addresses of registered units was collected from the District Industries Centre. The women entrepreneurs who registered their units on or before 31st March 1992 were selected, because it should be a running unit for atleast five years and have overcome its initial teething troubles. According to the Directorate of the Industries' records, there were 646 SSI units registered in the name of women as on 31st March 1992. But according to Kerala State Women Industries Association (KSWIA) only half of this number is actually functioning. Others were closed down or could not be traced either because the firms had gone out of existence/changed name/ ownership/location or were only paper organisations and had never been in the field. It may also be a practice with many persons to register more than one firm at a time because the registration fee is nominal and to take up one of them on which the government aid is the highest. The list was cross-checked and finalised with the help of the list prepared by KSWIA, Cochin.

As the entrepreneurs are spread all over Ernakulam district, introductory letters were sent to 150 addresses seeking appointment for personal interviews. Four entrepreneurs wrote back stating that their units were closed due to problems. Seventeen letters were returned to the sender by the postal department with remarks, left/not known/company locked etc. Only seven responses were received giving their convenient times through letters. The rest of the samples were traced by the researcher mainly through the post offices. Entrepreneurs of four units refused to cooperate with the study and hence were not included in the sample.

After all such exclusions, data were finally collected from 65 units representing 10 per cent of the registered units. This would be a much higher percentage when the surviving units were considered. Intensive case studies

were carried out personally by the researcher over a period of eight months on the basis of a comprehensive schedule appended to the thesis.

1. 6. Method of Data Analysis

Percentages and averages were used for analysing the data. The entrepreneurs were asked to rank the methods used, attributes considered, problems faced and so on, giving a rank from one to three in the order of decreasing importance.

Weights of three, two and one were assigned to ranks one, two and three respectively. Weighted scores and average weighted scores were used to express the degree of feelings, attitudes and frequencies.

Growth trends of sales have been calculated using time series analysis, to analyse the average growth in sales of the units under study.

1. 7. Relevance of the study

The study will be helpful in identifying and strengthening the role of women entrepreneurs in the SSI units and thereby help to contribute towards the development process. It will also help to fulfill the social objectives. The study will thus contribute towards:

a) Encouragement of entrepreneurship; particularly women entrepreneurship
b) Improvement in the status of women
c) Economic development through SSI sector
d) Harmony of customer expectations and product and service offer
e) Development of marketing strategies, which is a right fit in the market place and
f) Effective utilization of present and future government assistance schemes to SSI units of women entrepreneurs.

1. 8. Scope and Limitations

1. The study was restricted to SSI units of women entrepreneurs of Ernakulam district and the findings are based on the responses of the entrepreneurs
2. The study does not make a comparative evaluation with the units of male entrepreneurs.

3. Owing to the non–traceability of the wound up units, a study of the same could not be made.
4. Unregistered units were excluded from the scope of the study, though they may be as large in number as the registered units.

1. 9. Chapter Scheme

The study is presented in nine chapters.

Chapter one gives an introduction to the study, statement of the problem under investigation, scope of the study, methodology and limitations.

Chapter two develops a conceptual framework highlighting aspects relating to entrepreneurship, small scale industries and entrepreneurs, and the marketing management functions in SSI units.

Chapter three gives an over view of the sample units.

Chapter four attempts to trace the product management practices of the sample units.

Chapter five provides the pricing strategies and practices of the units in various product categories.

Chapter six explores the methods of distribution adopted.

Chapter seven throws light on various methods of promotion used.

Chapter eight deals with various issues such as problems encountered, growth pattern and prospects of SSI units of women entrepreneurs under study.

Chapter nine concludes the report with summary of findings and recommendations.

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CHAPTER II

CONCEPTUAL FRAMEWORK

This chapter gives an outline of the conceptual framework of the topic under study. Literature review and the concept of entrepreneurship, entrepreneurship in SSIs, role of SSIs in the economic system, entrepreneurship of women in the SSI sector, support systems in service of women entrepreneurs, and the marketing problems in the SSI sector are dealt with in this chapter.

2. 1. Entrepreneurship

Entreprenurship has been recognised as an essential ingredient of economic development all over the world. It is considered to be a process, with entrepreneurs making the links between opportunities and resources[1]. According to Sharma, in any developing country, the industrial development does not occur automatically, but is a result of the constant striving of human agencies that respond to the business environment and motivation. This responsiveness of human agencies has been termed as " Entrepreneurship". Entrepreneurship then, is a function of creating something new, organising, coordinating, undertaking risks and handling uncertainties. An entrepreneur is one who undertakes the above tasks[2].

Mc Clelland defined an entrepreneur as " someone who exercises some control over the means of production and produces more than what he can consume in order to sell (or exchange) it for an individual (or household) income[3]. Schumpeter reserves the term to apply only to the creative activity and emphasized innovation as the function of the entrepreneur[4]. Yet others refer to the identification and exploitation of an opportunity as entrepreneurial[5]. Those who develop a niche in the market or develop a strategy to satisfy some needs are also, by some, called entrepreneurs[6].

As noted by Stevenson, there exist a number of schools of thought, which view the notion of entrepreneurship from fundamentally different

perspectives. The term has been used to define a wide range of activities such as creation, founding, adapting and managing a venture. No single discipline provides the tools for managing an entrepreneurial venture[7].

The important factors, which influence the development of entrepreneurship according to the various researchers, are being summarised by Vinze[8] in the following exhibit.

Exhibit .1

Summary of Finding of Various Researchers

Author	Factors that contribute to development of entrepreneurship
Weber 1930	"Protestant Ethic" which emerged from the religious belief system of Calvinistic Puritanism, and which is absent in oriental religious belief system.
Schumpeter 1961	Suitable environment, intuition in grasping the essential facts.
Levine 1966	Status mobility system where status is attained through outstanding performance, initiative, industriousness and foresight through self-reliance and achievement training.
Hagen 1971	Creative personality high need achievement, need order and need autonomy. Fairly widespread creative problem solving ability, and a tendency to use it. Positive attitudes towards manual and technical labor and the physical world.
Cochran 1971	Attitude towards occupation, the role expectations held by sanctioning groups, and the operational requirement of the job.
McClelland 1969	Need for achievement through self study, goal setting, and interpersonal support. Keen interest in situations involving moderate risk; desire for taking personal responsibility; concrete measures of task performance; anticipation of future possibilities; organisational skills; energetic and/or novel instrumental activity.

Kilby 1971	Perception of market opportunities, gaining over scarce resources, and marketing of products. Dealing with public, bureaucratic concessions, licenses, taxes, management of human relations within the firm and with customers and suppliers. Financial and production management, technological knowledge. (Kilby gives low priority to "need for achievement" and "moderate risk taking").
Christopher 1971	High demand for product, and experience in the lines of business/industry.
Kunkel 1971	Values, attitudes and personality are meaningless variables leading to blind alleys of theory and action.
Nafzziger 1971	Perceived challenge to status; migrants, new religious sects, and reformed groups.
Staley & Morse 1965	Quality of service in industrial advice, managerial training and industrial research.
Fox, Mines & Papanek 1973	Economic opportunities, and political conditions
Nandy 1973	Supportive community, self–image which gives meaning, value and status to an entrepreneurial career.
Singer 1973	Traditional system of occupational cultures which facilities the process of modernisation; special opportunities; motivations, experience; training or knowledge. Traditional belief and value system which is flexible to allow for reinterpretation with changing conditions.

In brief, an entrepreneur is the person who tries to create something new, organises production, undertakes risk and handles economic uncertainty.

2. 2. Entrepreneurship in small scale industry sector

Small industry is considered to promote entrepreneurship. As Loucks observed, "throughout the 1960s, 1970s and 1980s there has been a growing awareness of the small business sector and of the importance of

entrepreneurship to the growth of the economy. This has been true in both the developed and developing economies of the world"[9].

In the developed economies, it has been found that the small enterprises have provided most of the net new jobs created over the last decade or so. Much of the innovation and invention leading to the creation of industries for future growth, (micro-electronics, information technology, biochemistry, etc.) have emerged from and been initiated by the small scale enterprise sector[10].

It has been recognised that entrepreneurship and small industries are closely inter–related. The former gives birth to small industries while the latter promotes entrepreneurship further. The small size and flexibility commonly associated with the small scale industries make them ideally suited for the growth of entrepreneurship. The small scale sector promotes decentralisation and widens the entrepreneurial base. Given the necessary and sufficient conditions for a take–off, the entrepreneurs of small units can enlarge the size of their operations. In a study covering the background of entrepreneurs of fifty two medium scale enterprises in light engineering industries in Madras State, Berna found that half of the firms studied, began as small repair shops or odd job shops but the entrepreneurs have developed their enterprises into large units[11].

Small firms in most developing countries must be encouraged because they form the seedbed for entrepreneurship[12].

A flair for innovation is not a necessary pre–requisite to entrepreneurship, especially in the small scale sector. But the modern small scale industry, marked by a certain level of technology and sophistication, offers good scope to what may be called a modified entrepreneur. A modified entrepreneur should have one or more of the skills like technical knowledge of the products, marketing ability, managerial ability and the capacity to command adequate financial resources. Though risk-taking, putting up with uncertainty is essential functions of entrepreneurship, it is up to developmental

policies to reduce these to the minimum by promotional measures. Uncertain economic conditions perhaps act as a constraint to the growth of entrepreneurship in the small scale industry[13].

Realising the effective role of entrepreneurship in the process of industralisation in the developed countries, India also made planned efforts to develop entrepreneurship to promote natural production, balanced regional development, dispersal of economic power and provide better employment opportunities.

Several studies on Kerala–Oommen[14], Marz[15], Babu[16], Dans[17], Ummer[18] –have pointed out that entrepreneurship is a developing phenomenon in Kerala. A new class of entrepreneurs is emerging, not only as agents of change, but also as generators of employment, production and income by initiating enterprises.

2. 3. Role of Small Scale Industries in the Economic System

The role of small scale industrial (SSI) units is significant in many countries as in India. World over, public policy is increasingly directed towards the promotion of small enterprises. The reason behind the special place given to small scale industries in public policy is the special advantages they are believed to possess. A few of major objectives attributed to their promotion are:

a. generation of immediate employment opportunities with relatively low investment,
b. promotion of more equitable distribution of national income,
c. effective mobalisation of untapped capital and human skills and
d. dispersal of manufacturing activities all over the country, leading to an equitable development of all regions.

In India after the attainment of independence, the industrial policy resolution of 1948 integrated the traditional thinking emphasising the need for cottage industries with the emerging view that the future growth of small

industries should be on modern lines. The second Industrial Policy Resolution of 1956 reaffirmed the vital role of small industries in planned economic growth of the nation. This "dualistic" approach has been upheld by the government policy on small scale industry ever since[19]

Some policy makers have challenged the validity of the claim for special consideration to SSI. One view considers the advantages of modern technology to be overwhelming and since modern technology usually involves larger scale production and greater capital intensity, they support large scale enterprises. It is even believed that the continued existence of small enterprises is mainly the result of market imperfections and that the resources used by those enterprises are sub-optimally allocated[20]. According to them, the removal of imperfections such as inadequate information on labour or capital markets will eventually reduce small scale activity. According to some others, though the small sector may be efficient, its productivity is not likely to increase substantially over a time, therefore it has no big role in the future.

In India, while Mahalanobis (1955), Raj (1956) and others emphasised the role of small scale industries, Vakil and Brahmananda (1956), Nurkse (1957), Rudra (1956) and others questioned their approach[22].

The SSI sector has, in recent years become the focus of attention of planners in the developed countries for a quite different and yet powerfully strategic reason. The technological revolution–popularly known as flexible specialisation or Flexible Manufacturing System (FMS)[23] has enabled flexible responses to change in market demand which has been characterised by differentiated products rather than standardised products. In this, the small scale enterprises have been found to be extremely competitive[24].

In the wake of the recent economic liberalization taking place in India, the relevance of flexible specialisation and production by the SSI sector is bound to be appreciated sooner than later.

In Kerala, as on 31.3.1997, a total number of 1,60,544 small scale units were registered. The total capital invested by these units amounted to Rs.1,922.69 crores, while the value of goods and services produced by them stood at Rs.6,330.11 crores. These units have created employment opportunities to 8,39,596 persons[25]. Ernakulam district stands first with 13.69 per cent of the total number of SSI units registered in the State of the total number of SSI units registered in the State with maximum investment value of goods produced and employment generated.

The SSI will continue to be beautiful, as small industrial units with less environmental problems are preferred to large industries, especially for regions with dense population like Kerala.

2. 4. Entrepreneurship of Women

Women have been associated with economic activity since ages. A need to accord a special place to the role of women and take due recognition of their capabilities and accord them a privileged position, has been increasingly recognised at national and international levels, specially in the developing world. The UN General Assembly has declared the decade 1976–85 as the UN decade for women[26].

Women entrepreneurship gained importance in India after the launching of International women's year in 1975. Before that, there were only a very few women entrepreneurs in India. Their number was insignificant and statistics related to them was insufficient.

As Heggade noted, " the quest for economic independence and better social status, force women into employment, self–employment and entrepreneurship. By virtue of a conducive social system, universal education and more risk bearing attitudes, women in the developed countries of the west have been able to establish themselves in social status and economic independence at par with their male counterparts to a great extent. Thus women in developed countries have not only been contributing substantially

towards supplementing their family incomes but also have been enriching their national wealth. However women in less developed countries are less privileged and economically dependent"[27].

Studies conducted all over the world establish the fact that women are the basis of subsistence economy. Ninety four per cent of them are found in the unorganised sector[28]. In a study about garment industry[29], it was found that home–based production system provided cheap labor to the industry. Usha Jumani[30] pointed out that women's work at home- based production is only one of their multiple roles at home.

Entrepreneurship is assumed to be sex–neutral. The definition of entrepreneurship had never been differentiated on the basis of sex and hence, could be extended to women entrepreneurs without any restrictions. The generally accepted definition includes women who create something new, organizes production and undertakes risk and handles economic uncertainities[31] to adjust their personality needs, family life, social life and economic independence[32]. Further they may not necessarily be the independent organizers/managers[33].

With the spread of education and awareness women are not confining themselves to traditional businesses like pickling, garment making, curry powder manufacturing etc. These days, they are venturing into higher levels of the 3 – E's (engineering, electronics and energy) and have made their presence significant in the SSI sector.

2. 5. Women in SSI Sector in Kerala

Kerala is the only state in India, where women outnumber men with a higher sex ratio since 1951. In 1991 there were 1,036 women for every 1,000 men in Kerala against the all India figure of 927. The literacy rate, life expectancy and many other indicators show that Kerala women are far ahead of their counterparts in the rest of the country. Data on various indicators of

economic and social status of women as compared to men in Kerala are given in table 2.1.

Table 2.1
Status of Women in Kerala

Sl. No.	Indicators	Reference period	Female (Percentage)	Male (Percentage)
1	Work participation	1991	15.85	47.58
2	Employment in enterprises	1990	25.19	74.81
3	Industrial training	1992	26.60	73.40
4	Teachers in Technical institutions	1992	14.72	85.28
5	Small Scale industrial units	1992	23.69	76.61
6	Literacy	1991	86.17	93.62
7	Life expectancy	1991	72.00	69.00

Source: State Planning Board, Economic Review, government of Kerala, Trivandrum, and various issues.

Thus an overview of the status of women in Kerala indicates that even though the indicators in social development are remarkable, the same degree of achievement is not recorded in the economic front as employees and entrepreneurs. Women are in employment in the low earning sectors of the economy.

Taking these aspects into consideration the Government of Kerala had taken initiative to attract women folk to participate in the industrial activities from the year 1978–79. Before 1978 there were only 73 SSI units registered in the name of women in Kerala. After still another seven years in 1992 the number of SSI units in the name of women made a significant increase to 8,331. As on 31.3.92 there were 84,440 SSI registered units in Kerala and women units formed 9.87 per cent of the total[34]. After five years in 1997, the total number of registered SSI units in Kerala reached 1,60,544 in number and 25,310 units in the name of women entrepreneurs.

During the time of second All–India census of small scale units in 1988, only 5.95 per cent of units in Kerala was owned by women against the All–

India average of 7.69 per cent [35]. In 1997, the per cent of units owned by women in Kerala has risen to 15.77 .

Table 2.2
Distribution of Women's SSI units in Kerala

Sl. No.	District	No. of units as on 31st March		Percentage increase from 1992 to '97
		1992	1997	
1	Thiruvanathapuram	1233	2909	135.93
2	Kollam	856	3105	262.73
3	Pathanamthitta	810	1646	103.21
4	Alapuzha	793	2397	202.27
5	Kottayam	814	2518	209.34
6	Idukki	428	1375	221.26
7	Ernakulam	646	2732	322.91
8	Thrissur	627	1978	215.47
9	Palakkad	535	1672	212.52
10	Malappuram	283	907	220.49
11	Kozhikode	562	1724	206.76
12	Wayanad	255	928	263.92
13	Kannur	325	891	174.15
14	Kasargod	164	528	221.95
15	Total	8331	25310	203.81

Source: Economic Review, State Planning Board, Government of Kerala; various issues

Table 2.2 gives the district wise distribution of women entrepreneurs' units as on 31st March 1992 and 1997. Thiruvananthapuram district tops with regard to the number of registered SSI units in the name of women, while Ernakulam district has shown the highest increase in registration of units from the year 1992. It is evident that women entrepreneurship in the SSI sector is increasing significantly.

2. 6. Support Systems in Service of Women Entrepreneurs

There are many agencies rendering assistance to women entrepreneurs not only in training them to be entrepreneurs but also in specific areas, such as finance and marketing. A brief description of the major agencies and their areas of assistance are discussed in the following part.

2. 6. 1. National level standing committee on women entrepreneurs

A national standing committee on women entrepreneurs has been constituted under the chairmanship of the Minister of State for sports, youth affairs, women and child welfare to look into the problems of women entrepreneurs and evolve policies for promotion of entrepreneurship among women in our country. A women's cell has also been functioning in the office of the DC, (SSI) to attend to the problems faced by them and to provide necessary assistance.

2. 6. 2. Small Industries Development Organisation (SIDO)

At the heart of all agencies dealing with the development of small industry is the Central Small Industries Organisation (CSIO) of Government of India renamed as Small Industries Development organisation. Office of the DC (SSI), commonly called SIDO provides the service through a network of Small Industries Service Institutes, Branch Institutes, Extension Centers and Regional Testing Centres, Tool Rooms and Training Centres and Production Centres. The activities of SIDO relate to the small scale industries sector, excluding those which fall within the purview of specialised boards such as All India Handloom, Handicrafts, Sericulture, Coir Boards and Khadi and Village Industries Commission.

SIDO, through its network of organisations has been motivating women entrepreneurs to take up small industries on their own. A number of project profiles have been prepared for the requirements of women entrepreneurs[36]

2. 6. 3. National Small Industries Corporation Limited

National Small Industries Corporation Ltd. (NSIC) was set up by the Government of India in 1955 to promote and develop small scale industries in the Country. The Corporation provides support to small scale sector in the following areas.

1. Supply of both indigenous and imported machines on easy hire purchase terms: The Corporation launched the Hire Purchase Scheme in 1956 to help establishment of new small and ancillary industries and to modernise the existing ones by supplying them appropriate modern and sophisticated machinery and equipment. This scheme has demonstrated direct relevance to the entrepreneurial development and employment generation in the Country. The scheme also serve as a single window for import of machines and has been an important vehicle for technology transfer and upgradation.

   The hire purchase scheme for women entrepreneurs has been formulated to provide imported and indigenous machines of the value, not less than Rs. 50,000/- (Rupees one lakh for others) and up to Rs 30 lakhs to SSI units promoted and run by women entrepreneurs.
2. Marketing of small industry products based on consortia approach.
3. Export of small industry products and developing export worthiness of small scale units.
4. Enlisting competent units and facilitating their participation in government stores purchase programme thus giving a tremendous boost to the marketing of the products of SSI units.
5. Developing prototype of machines, equipment and tools, which are then passed on for commercial production.
6. Training in several industrial trades.
7. Development and upgradation of technology for projects based on wastes.
8. Supply and distribution of indigenous and imported raw material.
9. Setting up small scale industries in other developing countries on turnkey basis[37].

Marketing Assistance Programme:

The internal marketing programme of NSIC has, since 1976, adopted a consortia approach in which a number of small units producing the same

products are associated in the form of a consortium. The orders are farmed out to small units in tune with their production capacity.

Testing facilities are provided or arranged to enable the units to improve and maintain the quality of their products and supply them confirming to standard specifications. It also holds stock of goods, and in this it directly buys and sells for a cluster of units to even out supply and demand fluctuations. It undertakes discounting of bills, wherever necessary, and releases 90–95 per cent payment upon receipt of proof of despatch.

The government stores purchase programme directs the government purchases in favour of small industries giving a boost to the marketing of their products. The government has reserved items for exclusive purchase from small units. A provision has been made for price preference up to 15 per cent over the price of the lowest large scale unit in respect of unreserved items, subject to the products being otherwise acceptable in terms of quality and specification.

Tender marketing:

The Corporation is also participating in bulk tender inquiries of Central and State Governments, Public Sector Enterprises and bulk purchases on behalf of the small scale units.

Products covered under internal marketing:

The products, which have been taken up for internal marketing are as under

- Hosiery items for which a consortium was formed in Tirupur and are sold under NSIC's brand name.
- Handmade paper for which a consortium was formed of units from all over the Country.

  A rate contract is negotiated with DGS & D, and orders for bulk quantities are secured from user departments like the railways, stationery offices as well as public sector enterprises. NSIC also supplies paper-based products such as file covers, file flaps etc.

- Electric fans for which a consortium has been formed in Calcutta.
- CTVs for which a consortium has been formed in Madras.
- Other items which have been taken up for internal marketing are PVC rigid pipes, medical kits, welding electrodes, B&W television, leather gloves, steel furniture, shoes, fire extinguishers etc.

Agency type of marketing assistance:

The NSIC markets machinery and machine tools on agency basis. It also markets as sole selling agents of a wide arrange of heavy duty multipurpose machine like Power Hammer, Sand Mixer and oil fired Tilting furnace manufactured at the Government of India Production Centre, Ettumannur and Electric Motors manufactured at the Government of India Production Centre, Thiruvalla in Kerala[38]

Market Development Centres:

The NSIC has taken up establishment of Marketing Development Centres in the country as part of its internal marketing programmes. These centres offer an unprecedented opportunity not only for exposure of small scale industries' products but also for their retail sale, wholesale distribution, tender marketing and export. The centres are intended to market on an all India basis as well as export a wide range of products.

In Kerala, the Corporation started its operation in 1982 by opening a branch at Trichur and later, one at Cochin, making it as the Head Office. NSIC has been assisting 39 units in marketing their products. Three women's co-operative societies sold their products on consignment basis through the NSIC show room. No charge is levied from the entrepreneurs for providing the shelf space and only a small commission of 5 per cent of sales is charged from the women entrerpreneurs[39].

2. 6. 4. Small Industries Service Institute (SISI)

The SISI conducts management consultancy services, entrepreneur development courses, short–term management courses, seminars on motivation

of entrepreneurs, and technical course in extension centres and technical consultancy services. It also undertakes programmes on ancillary development, subcontract exchange, modernisation and training on packaging.

The Institute continues to extend full co-operation and assistance to Director of Industries and Commerce and the District Industries Centres in the state. Technical guidance, clarification of policies and programmes are offered to the different DICs from time to time.

During the year 1996–97, the institute had provided assistance in product development and diversification in 16 cases, along with all the other services rendered by it[40].

2. 6. 5. *Small Industries Development and Employment Corporation (SIDECO)*

The main objects to be pursued by SIDECO or SIDCO incorporated in 1975, are the following:

a) To aid, counsel, finance, protect and promote the interest of small scale industries in the State.

b) To promote employment and entrepreneurship among the skilled, semi–skilled, trained, experienced and educated members of the public by promoting, establishing and undertaking the development of small scale and medium industries.

Infrastructure development for industries is the main function of the Corporation. The raw materials division has undertaken the procurement and distribution of cement, iron and steel, paraffin wax, coke and coal, a few chemicals, AC sheets, nonferrous items such as zinc, aluminum and all types of rods and angles required for industrial and correction purposes.

The Marketing and Ancillary Division is expected to assist small scale industries in the State in marketing their finished products and promote the setting up of more ancillary units for supplying components to large and medium industries in the State.

Marketing assistance from SIDECO (SIDCO)

In Kerala, the main agency for rendering marketing service for SSI units is the SIDCO. The main activities of the Corporation with regard to marketing are:

a) Sale through emporia
b) Contract marketing (Tender marketing)
c) DGS & D purchases
d) National Education Programme (NEP) : Under this programme SIDCO is the agency for supplying various items to schools in the State
e) SIDCO also has a hire purchase programme for consumer items.

In Kerala, SIDCO has sales emporia in Kannur, Kozhikode, Ernakulam, Kottayam and Thiruvananthapuram and marketing centres located in other districts. During the year 1996–97, 130 small scale industrial units were assisted in marketing of products and the value of products marketed through SIDCO amounted to Rs. 408 lakhs for the year[41].

2. 6. 6. Entrepreneurship Development Institute (EDI)

The Entrepreneurship Development Institute of India, the first of its kind in Asia, was set up in May, 1983 at Ahmedabad by all India financial institutions viz. Industrial Development Bank of India, Industrial credit and Investment corporation of India, Industrial finance corporation of India and the State Bank of India.

EDI conducts entrepreneurship development programmes for developing potential entrepreneurs and has adopted a variety of strategies to facilitate growth amongst existing entrepreneurs. Special Entrepreneurship Development Programmes (EDPs) are conducted for target groups such as, science and technology graduates, women, for rural self–employment and existing entrepreneurs. Women are treated as a special target group for entrepreneurial development by EDI. The EDI conducted a Performance

Improvement Programme (PIP) for women entrepreneurs at Ernakulam in September–October 1994.

2. 6. 7. National Alliance of Young Entrepreneurs (NAYE)

NAYE is a national organisation of young entrepreneurs of the Country. Apart from looking into the interests of young entrepreneurs, the organisation takes special care in creating and nurturing a new class of women entrepreneurs and enabling them to acquire their rightful place in the Indian economy.

2. 6. 8. District Industries Centre

The District industries Centres (DIC) programme was started in May 1978 as a centrally sponsored scheme, to provide all the support service needed for the development of tiny, cottage and small and village industries. The DIC programme continues to be a centrally sponsored scheme and Government of India would share its expenditure with the State government on 50:50 basis. The DIC aimed at providing all the service and support required by the small entrepreneurs under a single roof. Further, the Centre was to identify and help new entrepreneurs. For this, the Centre was to examine the potential for further development of industry in the districts including the availability of raw material and other resources, the supply of machinery and equipment, effective arrangement of credit facilities, marketing assistance, quality control, research, extension and entrepreneurial development. Assistance to women entrepreneurs given under the District Rural Development Agency (DRDA), Self-Employment for Educated Unemployed Youth (SEEUY) and Mahila Grammodyog Schemes, are monitored by the DIC.

2. 6. 9. National Institute for Entrepreneurship and Small Business Development (NIESBUD)

National Institute for Entrepreneurship and Small Business Development (NIESBUD) was established in 1983 by Ministry of Industry, Government of India, as an apex body for coordinating and overseeing the

activities of various institutions/agencies engaged in entrepreneurship development particularly in the area of small industry and small business.

The Institute organises training programmes for different categories such as, Trainers Training Programmes, Small Business Promoters Programmes, Top Executive orientation programmes or General EDPs for women, Defence personnel etc. The NIESBUD has a special call to meet the requirements of women entrepreneurs.

2. 6. 10. National Institute of Small Industries Extension Training, Hyderabad (NIESIET)

The Institute is conducting training programmes in the area of development, promotion and management of small, rural and artisan industries including entrepreneurship development, preparation of feasibility reports, project reports, project management, financing, self employment, development of artisan enterprises, weaker section, infrastructure planning, marketing, information storage and retrieval systems and training methods. The institute has done some studies on women entrepreneurs based on the EDP programmes for them.

2. 6. 11. Kerala Industrial and Technical Consultancy organisation (KITCO)

KITCO was established in 1972 by the Industrial Development Bank of India (IDBI) as its subsidiary with the objective of serving mainly the technical consultancy needs of small and medium scale enterprises, particularly in the rural and backward regions. It is also involved in systematic appraisal and post sanction monitoring of industrial projects of financial institutions and commercial banks.

KITCO offers various types of consultancy services to entrepreneurs/ organisations in preparation of detailed project reports including market surveys, if required, project co–ordination and monitoring detailed engineering services, working capital assessment report, computer consultancy services, in–plant consultancy services and so on

KIMS bulletin, a quarterly from KITCO gives update information about the markets, new viable projects and industry news to the entrepreneurs[42].

Conducting EDPs on a regular basis is a major activity for the management consultancy division of KITCO.

2. 6. 12. Kerala Financial Corporation (KFC)

KFC was incorporated under the State Financial Corporation Act 1951 on 1-12-1953. The main objective of the Corporation is to encourage, promote and aid the industrialisation of Kerala by providing long term loans to start new small and medium scale industrial units or to expand/diversity/modernise them.

KFC has general schemes of assistance and special schemes of assistance for small scale industries.

Some of the special schemes of assistance are:

a) Scheme for women entrepreneurs (loan upto 85 per cent of the fixed capital)

b) Mahila Udyam Nidhi Scheme (This has two components–a term loan component as per the terms and conditions of the women entrepreneur scheme and a seed capital component upto 15 per cent of the project cost).

c) Scheme for modernisation, for replacement of existing production technology.

d) Single window scheme for SSI units whose project costs do not exceed Rs. 20 lakhs and working capital requirements are under Rs 10 lakhs.

2. 6. 13. Small Industries Development Bank of India (SIDBI)

Small Industries Development Bank of India (SIDBI) was established in April 1990 under the Act of Indian Parliament as a wholly owned subsidiary of Industrial Development Bank of India (IDBI). SIDBI has a network of 33 branches, 5 regional offices and Head Office at Lucknow. It extends refinance assistance through 888 Primary Lending Institutions such as commercial banks, and State Financial Corporations, which in turn have over 60,000 branches throughout India.

Promotional and Developmental initiatives

The Promotional and Developmental (P&D) initiatives of the bank aim at improving the inherent strength of small scale sector on one hand as also employment generation and economic rehabilitation of the rural poor, on the other. The thrust areas of P&D activities of SIDBI are micro credit, enterprise promotion, human resource development, technology upgradation, marketing and environment and quality management. In micro credit, financial assistance is being channeled by the bank to the rural poor, particularly women, through non–governmental organisations for taking up income generation activities at the micro level.

The four components of the enterprise promotion initiative of the bank are Rural Industries Programme (RIP), Mahila Vikas Nidhi (MVN), Entrepreneurship Development Programmes and Enterprise promotion through mass media.

MVN: The Mahila Vikas Nidhi envisages assistance by way of a judicious mix of loan and grant to accredited NGOs for taking up activities which would ensure that the women, particularly from the rural areas, are provided with training and employment opportunities by facilitating creation of suitable infrastructure facilities with NGOs.

Marketing related initiatives

A full fledged Marketing Finance and Development Department (MFDD) was set up in March 1996 by SIDBI to provide focused attention to the marketing needs of SSI sector.

By way of promotion and development support to women entrepreneurs, SIDBI has instituted a corpus fund of Rs 2.5 crore for undertaking activities which are intangible, like brand promotion, advertising participation in trade fairs and preparation of catalogues. Besides providing financial support, several promotional activities like associating with trade fairs and exhibitions displaying products manufactured by women entrepreneurs, buyer–seller meets

and trade delegations of women entrepreneurs are proposed to be covered under this fund.

The department thus, tries to provide the necessary stimuli to the small scale sector to improve its marketing capabilities in order to face the challenges of an increasingly competitive environment[43].

2. 6. 14. Kerala State Women's Development Corporation Limited (KSWDC)

The Kerala State Women's Development Corporation (KSWDS) Limited was registered in February, 1988 according to the Companies Act, with the objective of the development of women who are economically and socially less privileged. According to KSWDC sources, the corporation has the following schemes to assist women.

1. Loans to mahila samajams and registered Women's Co-operative societies, up to a maximum of Rs.1,25,000.
2. Loans to women of the backward communities for self employment.
3. Training programmes in autorickshaw driving, tailoring, computer software, documentary production and so on.
4. Production cum tailoring centres.
5. Fish processing units for fisher women.
6. Sales centres: The corporation intends to start centres to sell the products of women entrepreneurs at Cochin, Thiruvanathapuram and Kozhikode. Each centre will have about 75 stalls under it.
7. EDP programmes for women entrepreneurs.

2. 6. 15. Special assistance for Women Industries Programme (WIP)

The government of India has been offering special assistance programmes for women entrepreneurs[44]. In order to be registered as a unit under the original WIP scheme, the unit should be owned and managed by women with not less than 80 per cent of the workers as women. The New Small Scale Industries policy announced by the Government of India in August 1991 has dispensed with the stipulation regarding employment of majority of women workers. The unit in which women entrepreneurs have a majority

shareholding and management control would be defined as women entrepreneurs[45] (The Kerala State Government has not yet adopted the management control stipulation over ruling 80 per cent women workers).

Kerala State Government's Special Assistance Scheme

The State Government has been offering the following special incentives as grant assistance by way of reimbursement from the year 1979–80 under the Women's Industries Programme (WIP):

1) Fifty per cent of the cost of machinery included in the scheme subject to a maximum of Rs.25,000/-.
2) Fifty per cent for the construction of building subject to a maximum of RS.25,000/-.
3) Salary of a paid Manager/Secretary and one Technical Expert for a period of four years on a tapering scale of 100% in the first year, 75% in the second year, 50% in the third year and 25% in the fourth year subject to a ceiling of Rs.500 /- p.m. in both cases.
4) Rent of the building on tapering scale for four years subject to a maximum of Rs.500 p.m.
5) Stipend of trainees at the rate of Rs 50 p.m per trainee for six months and wastage allowance for raw materials up to a maximum of Rs 2,000/- p.a. both stipend and wastage allowance together not to exceed Rs 10,000/- p.a. per institution.
6) Sales tax exemption: Women's Industrial units are exempted from payment of sales–tax for seven years subject to a maximum of 90% of the fixed capital investment (Now it is seven years for all).
7) Government share participation in Women's Industrial Co-operatives proportionate to the collected share i.e., six times of the collected share.
8) Fifty per cent of the hire purchase charges subject to a maximum of Rs .25,000/- for WIP units housed in mini industrial estate on hire purchase basis subject to adjustment towards pending dues of the unit.
9) Special Industrial Management Training courses and
10) Preferential treatment in getting plots/sheds in Industrial Development plots and industrial estates.
11) Special rate of interest on loans up to Rs.10 lakhs limit.

Under the Industrial Programme for women entrepreneurs, the total assistance provided by the State government during the period 1979–'80 to 1991–'92, including share participation in primary and central vanitha co–operatives, amounted to Rs.4.14 crores. The average assistance per annum was Rs.31.87 lakhs. On an average, 269 women units were assisted per year. The per unit assistance came to about Rs.12,000[46].

As on 31.3.1992 there were 517 WIP units in Ernakulam district. Table 2.3. shows the distribution of the units in various product categories.

Table 2.3
Industry wise distribution of Women Industries Programme (WIP) units in Ernakulam district till 31.3.1992

Sl. No.	Type of Industry	No. of units
1	Food processing	76
2	Readymade garments	172
3	Printing and publishing	60
4	Handicrafts	8
5	Clinical labs	9
6	Handloom	
7	Candle	10
8	Rubber products	12
9	Plastics	8
10	Engineering works	7
11	Chemicals	15
12	Matches	1
13	Electronic and Electric and Radio assembling	11
14	Others (including job work, building material etc.).	118
15	Software	7
16	Poultry	3
17	Total	517

Source : DIC office records, Ernakulam.

In Ernakulam district 767 units got WIP registration during the period 1992–97. Thus, altogether 1,284 (47%) units in Ernakulam district had WIP registration. Even though 767 units were registered in WIP scheme during this period only 715 units were in existence in Ernakulam. The number of WIP units registered during 1992-97 was one and a half times more than the number

of units registered during the period up to 1992. Hence, it is evident that more and more women are availing the WIP benefits and taking to entrepreneurship. The type of industry, number of units, investment and employment generated in the units during 1992–97 period are given in table 2.4.

Table 2.4
Distribution of WIP units in Ernakulam District (Period 1992 – 97)

Sl. No.	Type of Industry	Total Regd. Units. No.	Investment in Lakhs Rs.	Existing Units No.	Employment generated in the unit No.
1	Readymade garments	402	195.92	387	2350
2	Rubber based	27	21.35	27	113
3	Printing Press	38	30.77	37	186
4	Building Materials	31	24.46	31	163
5	Paper Products	9	7.49	7	62
6	Plastic Industry	8	7.51	8	37
7	Aluminium	4	4.52	4	18
8	Chemical	1	0.70	Nil	3
9	Resin Bag	1	0.45	1	4
10	Photostat	28	23.80	28	56
11	Candle	1	0.35	1	9
12	Crockery	1	0.60	1	9
13	Metal & Allied India	2	2.50	2	11
14	Glass Based	1	0.10	1	3
15	Electronics (1992 to 1995)	9	5.13	9	29
16	Handicrafts	4	2.21	4	13
17	Food based (Rice mills, Curry powder, Pickles, Oil mill, Bakery etc.)	167	85.00	134	778
18	Others (Optical, Handicrafts, Engineering, Electronics etc.)	33	7.34	33	90
19	Total	767	420.2	715	3934

Source: Directorate of Industries, Thiruvananthapuram

2. 7. Role of Marketing

An important and vital aspect of industry is to market the products produced. Marketing is the basis for survival and growth of any industrial unit. According to the classical view, marketing is " the performance of business activities that direct the flow of goods and services from producer to consumer or user"[47]. In modern view, marketing is human activity directed at satisfying needs and wants through exchange process[48]. Entrepreneurship is concerned with making the links between opportunities to satisfy consumer needs and resources.

Peter Drucker, one of the leading management experts, has stated that marketing and innovation are the two most important functions of a successful business enterprise[49]. Vepa is of the opinion that marketing is the single most important factor for small scale industries in India[50].

The marketing concept was born out of the awareness that, marketing starts with the determination of consumer wants and ends with the satisfaction of these wants. The concept says that a firm should focus its key efforts on satisfying its customers. No other concept has generated more interest in the entrepreneurs, than marketing. It does not mean, however, that the marketing function did not exist in the past. Drucker noted that marketing is generally the most neglected area in the economic life of developing countries[51].

Levitt[52] has drawn a difference between selling and marketing concepts. Selling is preoccupied with the seller's needs to convert his product into cash, marketing with the idea of satisfying needs of customers. In selling concept, profit is gained through sales volume, while in marketing concept, profit is derived through customer satisfaction. In the case of the small scale sector in India, more particularly than the large sector, the marketing concept is yet to be grasped in its entirety.

Marketing mix is one of the key concepts in modern marketing theory. It is the set of marketing tools that the firm uses to pursue its marketing

objectives in the market place. Jerome McCarthy[53], the well–known American Professor of marketing, describes the variables of marketing mix in terms of the four Ps - Product, Price, Place (distribution) and Promotion. In each of the marketing mix elements or four Ps, there are several sub–elements. For example sales promotion is one of the sub–elements of promotion and transportation is one of the sub–elements of place or distribution.

Basically, the marketing process is the interaction of the marketing mix variables with the environmental variables such as competition, governmental regulations, trade and the changing environment. The environmental variables are non-controllable, while the marketing mix variables are controllable to a great extent, by the marketer. The success of marketing management lies in assembling and managing the marketing mix in a changing environment.

2. 8. Marketing problems of SSI units

The marketing concept notion is still foreign to many managers and small business owners. Research on the adoption of the marketing concept (MC Namara[54], Peterson[55]) reveals that the small businesses have been more reluctant than larger firms to embrace the marketing concept to achieve the organisational goals.

Schmitz (1982) has pointed out that while the small entrepreneurs are often good in some areas such as technical skill, or risk taking, they are deficient in some other areas such as marketing or administration[56]. Nau Nihal Singh in a survey of SSI units found the highest percentage of occurrence (39%) of straight forward marketing problems all over India[57].

Vepa[58] has identified several specific marketing problems which small scale industries normally face with. Some of them are lack of standardisation of products, poor design, poor quality and lack of quality control, poor bargaining power vis–a-vis wholesalers and retailers, lack of after sales service, higher cost of production due to operation at small–scale, inadequate promotion and consequent failure to establish brand reputation, excessive

competition, lack of funds, lack of marketing knowledge and lack of knowledge of export markets and export procedures.

Inspite of the vast domestic market, marketing remains a problem area for small and tiny enterprises[59]. Small producers face problems in marketing their products as their resources and experiences are limited. Dependence on a single customer or a limited number of customers, single or a limited number of products, poor sale realisation, defective pricing policy, booking of large orders at fixed price in an inflationary market, weak market orgainsations, lack of market feedback and market research, lack of knowledge of marketing techniques and unscrupulous sales/purchase practices are cited as the marketing problems leading to industrial sickness[60].

Lack of marketing assistance, and lack of adequate funds to have a wide market coverage for the products result in not getting the desired market share for the products of small scale units. Some times the attitude of big business houses deliberately tends to ditch away the units and ultimately to knockout the units from the market segment through heavy advertisement and publicity. Products of giant industries are competing with the products of small scale units with the result, that the products of small scale units cannot withstand the competition. The lack of institutional set up to promote marketing of the products of small scale units has come in the way of marketing the products of small scale units[61].

Marketing problems were found to be third in order of importance, following raw material problem and finance problems in the All India Census of Small Scale Industries in 1972. According to the second (1987–88) All–India Census of SSI units, about one–half of the total units were closed because of finance and marketing problems, with 35 and 14 per cent respectively. The other problems individually affected a far smaller proportion of units–upto 6 per cent of the total units.

Table 2.5 lists the main reasons for closure of the units.

Table 2.5
Reasons for closure of units

Sl. No	Reasons for closure	Percentage of cases	
		Kerala	All India
1	Financial reasons	61.6	34.7
2	Marketing problem	8.9	14.4
3	Raw material constraints	3.7	5.6
4	Labor problems	3.2	2.3
5	More than one of the above	10.1	16.5
6	Other reasons	12.5	26.5

Source: DC,SSI (1992), Report of the Second All–India Census of small scale industries, Ministry of Industry, Government of India, New Delhi.

In Kerala also, even though there was slight difference of the percentage of problems faced in comparison with all India, finances and marketing problems affected the units as the first and second problems respectively.

The Sub Group on Small Scale Industries 1985 noted that it is in the sphere of marketing that small industry has the greatest weakness [62].

Marketing problem of the small units is aggravated by the small size of the units and then, inadequacy of funds. Most of the small firms do not have proper staff with the relevant marketing skills or resources to undertake the vital marketing tasks.

According to a study of SSI units in Kerala by Manalel, limited capacity for advertisement and promotion (87%) and smaller distribution net–work (55%) were the marketing problems of SSI units due to structural limitations[63]. Small scale units producing consumption goods prefer to meet the local demand rather than depending on distant markets due to constraints in having a wider distribution network[64].

Most of the ailments of small enterprises are attributed to their inability to market the goods manufactured by them at remunerative prices. Delay in

getting payment from parent industries, lack of demand, heavy competitive market and fluctuation or variation in prices make sales difficult. Mishra and Karan attribute this to no proper organisation to explore market conditions and market requirments[65]. Equally perilous is the overestimation of demand that arises in consequence of the neglect of market survey at the feasibility study stage[66]. Vaidya [67] assigned reasons for failure of most of the small units in the market, to incorrect product selection, launching, pricing and sales promotion.

In a study of the SSI units in Andhra Pradesh, it was indicated that marketing problems are either more important than or equally important as non –marketing problems[68]. There is considerable psychological resistance among consumers and purchasing agencies regarding the reliability and quality of the products of small units. This results in the exploration of the units by the intermediaries. They have to often seal their products on consignment basis and wait months for payment[69].

2. 9. Marketing problems of women entrepreneurs

A survey conducted in 1995 among the women entrepreneurs in Kerala revealed that raw material stocking and marketing were the major problems of their small scale units[70]. The cottage industries, such as, those engaged in making mats and baskets, where female employment was very high, failed because of reasons of inadequate availability of forest–based raw materials and working capital problems[71].

An industry, where entry is easy because of low technical threshold, is characterized by overcrowding of manufacturers and consequently subnormal profits, making it impossible for small firms to grow significantly[72] This is especially true for the women entrepreneurs who generally choose low technology and low risk projects for their business units.

In the following chapters, an attempt is made to analyse the organisation and management of various aspects of marketing function in the sample units of the women entrepreneurs.

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CHAPTER III

AN OVERVIEW OF THE SAMPLE UNITS

This chapter draws a broad outline of the sample units, the entrepreneurs of these units, the functional involvement of women entrepreneurs and the support obtained from their family members in running the business.

This chapter is divided into three parts:

Part I	a profile of the sample units
Part II	a profile of the women entrepreneurs and
Part III	the functional involvement of women entrepreneurs in the sample units and help rendered by family members in running the units.

Part I

3.1 Profile of the Sample Units

In this section a profile of the sample units is drawn. Location of the units, nature of activity, type of organisation, period of establishment, nature of factory building, pattern of investment and employment, use of sales force, sales turnover and market segmentation are the aspects highlighted in this section.

3.1.1 Location of Units

Among the sample units selected for study, 16.92 per cent of the units were located in the corporation area, 23.08 per cent in the municipal areas and 60 per cent of the units in the panchayat areas.

3.1.2 Nature of Activities/Type of Products

The majority of the units (85%) were engaged in manufacturing and marketing their products. Only 10 (15.38%) units were having job-work as their major activity.

The various products manufactured by the sample units were categorised under seven groups. The groups were formed considering the end

use and marketing characteristics of the products. The main products and the number of units included in each group are as follows:

i) Plastic and Rubber (P-R) Products : 10 units

This group consisted of two plastic units and eight rubber product manufacturing units. One of the plastic units manufactured homoeo medicine bottles, and the other domestic containers.

In rubber products, foam bed, pillow, cushion, rubber band, gloves, finger cap, uri-condom, air–bed and crumb rubber were the major items manufactured by the units.

ii) Readymade Garments (R-M) : 16 units

Ladies wear and kids garments were the items manufactured by the units in this group. Some of the units were also engaged in job work, such as tailoring.

iii) Concrete, Wood and Carton (C–W–C) : 5 units

Items manufactured by the two concrete units include hollow–bricks, doorframes, posts and other similar products. The two wood product units manufactured furniture, doors and windows. One unit in this category manufactured cartons of various sizes and this unit catered to industrial customers.

iv) Printing (Pri.) : 6 units

Five units of this group had printing as their major job work. One unit was manufacturing notebooks and printing was only a supplementary activity.

v) Food and Chemical (F-C) products : 17 units

This category included 14 food products manufacturing units and three chemical product units. Food products included items such as curry powders, flour, pickles, bakery products and thirst quenching water additives.

The chemical products included incense sticks, cleaning liquids, phenyl, beauty care products and liquid spices.

vi) Electrical Products (Elec) : 6 units

Items manufactured by this group included electric stove, tube fittings, electronic choke, circuit boards, stabilizers and transformers. Inverters were the latest entrants in this group.

vii) Miscellaneous (Misc.) Products : 5 units

Units in this group were involved in artificial flower making, bouquet making, embroidery, crockery–glass printing, bag manufacturing and other handicrafts.

3.1.3. Type of Registration

More than one half (53.85%) of the sample SSI units were having Women's Industries Programme (WIP) registration. A few were waiting for the same. The various types of grant assistance under the WIP scheme availed by the women entrepreneurs were as follows. Twenty one (32.31%) units received machinery grant, 8 (12.31%) units received building grant, one unit received rent subsidy and one unit got manager salary allowance.

There was one DWCRA (Development of Women and Children in Rural Area Programme) unit and two units received other subsidies/assistance. Only a few units had difficulty in getting the WIP grant assistance.

3. 1. 4. Type of Organisation

Proprietary type of organisation was seen to be predominant (66.15%) among the sample units. Charitable societies (15.38%), partnerships (10.77%) and co-operative societies (6.15%) followed it. There was one (1.55%) Private Limited Company in the sample. The distribution of units according to their products and type of organisation is given in table 3.1.

Table 3. 1

Type of organisation

Product groups	Proprie-tory	Partnership	Charitable societies	Co-operative societies	Private limited Co.	Total No. of units
Plastic–Rubber (P–R)	6	3	—	—	1	10
Readymade –Garments (R–M)	13	1	1	1	—	16
Concrete–wood–carton (C–W–C)	5	—	—	—	—	5
Printing (Pri.)	4	—	2	—	—	6
Food–chemicals (F-C)	9	3	3	2	—	17
Electrical (Elec.)	3	—	3	—	—	6
Miscellaneous (Misc.)	3	—	1	1	—	5
Total	43 (66.15)	7 (10.77)	10 (15.38)	4 (6.15)	1 (1.55)	65 (100)

Figures in parentheses represent percentages

3. 1. 5. Period of Establishment

The period of establishment of the units is presented in table 3.2

Table 3.2
Period of establishment

Sl. No.	Product groups	No . of units				Total no. of units
		Before 1980	1980 -85	1985-90	1990-92	
1	Plastic–Rubber (P–R)	1	—	2	7	10
2	Readymade–Garments (R–M)	—	—	6	10	16
3	Concrete–wood–carton (C–W–C)	—	—	—	5	5
4	Printing (Pri.)	1	2	1	2	6
5	Food–chemicals (F-C)	1	2	7	7	17
6	Electrical (Elec.)	—	—	2	4	6
7	Miscellaneous (Misc.)	—	2	—	3	5
8	Total	3	6	18	38	65

The period of establishment of the women entrepreneurs' units indicate the time and level of entrepreneurial activity among women. However, many units could not be traced at the time of data collection as they were wound up. The distribution of establishment period of the sample units was as follows: There were three (4.62%) units established before 1980. Six (9.23%) units were established during 1980–'85 period. Eighteen (27.69%) units were established during 1985-'90 period and 38 (58.46%) units commenced during 1990–'92 period.

One reason for higher proportion of units from recent periods can be attributed to increase in the number of women taking to entrepreneurship encouraged by the promotional measures initiated by the government during early part of 1980's.

3. 1. 6. Nature of Factory Building

Proximity of their house to the work place enables women to manage their house and business in a better way. This is especially true for every small units with limited resources.

The distribution of the nature of factory building is given in table 3.3.

Table 3.3

Distribution of the units based on nature of factory building

Nature of factory building	Product groups							Total
	P- R	R-M	C– W-C	Pri	F-C	Elec.	Misc	
Newly built in the premises of the house	2 (20)	4 (25)	—	1 (16.67)	6 (35.29)	—	—	13 (20)
Part of the house	3 (30)	5 (31.25)	—	—	2 (11.76)	1 (16.67)	2 (40)	13 (20)
Newly built separate building	—	2 (12.25)	1 (20)	2 (33.33)	3 (17.65)	3 (50)	1 (20)	12 (18.46)
Rented	1 (10)	3 (18.75)	—	1 (16.67)	2 (11.76)	—	1 (20)	8 (12.31)
Land and buildings in industrial estate/ developme nt plots.	4 (40)	—	3 (60)	—	3 (17.65)	2 (33.33)	—	12 (18.46)
Part of the house initially and later got separate building	—	2 (12.5)	1 (20)	2 (33.33)	1 (5.88)	—	1 (20)	7 (10.76)
Total	10	16	5	6	17	6	5	65 (100)

Figures in parentheses represent percentage of the column totals.

Thirteen units each (20%), of the selected samples were functioning in the newly built building in the premises of the houses and part of the houses.

Twelve (18.46%) units had newly built separate factory building. Eight (12.31%) units were having rented building for their units. Units with land and building in the industrial estates/development plots were about one–fifth, (18.46%) of the total. Seven (10.77%) units were operating from part of the house initially and later got separate buildings. It was seen that the units belonging to readymade garments and food–chemical products gave importance to having the factory in the premises of the houses or a part of the house serving as the factory.

3. 1. 7. Pattern of Investment and Employment

The number of employees and the functional areas that they are involved in, are an indication of the size of the organisation and the management of the enterprises. Eventhough, an attempt was made to study the functional areas that the employees were involved in, the outcome of the findings did not bring out any significant association. In the small enterprises, almost all the employees were in the production function. Some organisations had one person to handle the accounts and deal with the office work in the absence of the entrepreneurs. In most of the organisations the owner–manger did the work of administration. The units that employed sales staff are dealt with separately.

The level of investment, category of products and the number of people employed are presented in tables 3.4 and 3.5.

The highest number, of people employed as well as the per unit average number of employees were seen in units having investment level between Rupees one lakh to Rupees five lakhs. The percentage of females employed to the total number of employees was highest in the group with less than Rs.1lakh investment (89.12%). The units that had investment of five lakhs to 15 lakhs

Table 3.4
Investment and employment in SSI units

Sl. No.	Investment level Rs.	No. of people employed in various groups															
		P - R		R - M		C-W -C		Pri.		F - C		Elec.		Misc		Total	
		T	F	T	F	T	F	T	F	T	F	T	F	T	F	T	F
1	Up to 1 lakh	14 (4)	14	98 (15)	95	—	—	4 (1)	3	39 (5)	30	5 (1)	3	33 (3)	27	193 (29)	172
2	1 to 5 lakh	8 (2)	6	12 (1)	10	—	—	24 (4)	21	101 (10)	77	45 (4)	42	22 (2)	20	212 (23)	176
3	6 to 15 lakh	43 (2)	3	—	—	25 (3)	10	13 (1)	12	21 (1)	15	11 (1)	10	—	—	113 (8)	50
4	Above 15 lakh	24 (2)	8	—	—	31 (2)	16	—	—	8 (1)	8	—	—	—	—	63 (5)	32
5	Total	89 (10)	31	110 (16)	10 5	56 (5)	26	41 (6)	36	169 (17)	130	61 (6)	55	55 (5)	47	581 (65)	430

T – total number
F – no. of females

Figures in parentheses represent the number of units.

Table 3.5
Average employment in the sample units.

Sl. No.	Investment level Rs.	No. of people employed in various groups															
		P - R		R - M		C-W -C		Pri.		F - C		Elec.		Misc		Total	
		T	F	T	F	T	F	T	F	T	F	T	F	T	F	T	F
1	Up to I lakh	3.5 (4)	3.5	6.8 (15)	6.33	—	—	4 (1)	3	7.8 (5)	6	5 (1)	3	11 (3)	9	5.4 (29)	4.4
2	1 to 5 lakh	4 (2)	3	12 (1)	10	—	—	6 (4)	5.3	10.1 (10)	7.7	11.25 (4)	10.5	11 (2)	10	7.8 (23)	6.6
3	6 to 15 lakh	21.5 (2)	1.5	—	—	8.3 (3)	3.3	13 (1)	12	21 (1)	15	11 (1)	10	—	—	10.7 (8)	6
4	Above 15 lakh	12 (2)	4	—	—	15.5 (2)	8	—	—	8 (1)	8	—	—	—	—	5.1 (5)	2.9
5	Total	(10)		(16)		(5)		(6)		(17)		(6)		(5)		(65)	

T – total number
F no. of female

Figures in parentheses represent the number of units.

were having 44.25 per cent of female employees to the total number of employees, whereas the units with investment of Rupees one lakh to five lakhs had 83.01 per cent of female employees.

When the average number of persons employed per unit was considered, the units having investment of Rupees one to five lakhs had an average employment of 7.8, while units with investment of Rupees 5 to 15 lakhs had a higher average of 10.7.

Units coming under investment level up to Rupees one lakh category had third position with 5.4 as average employment and second position in female employment with 172 female employees.

According to the report on the second All–India Census of Small Scale Industries, the registered SSI units in Kerala provided employment to persons representing 4.6 per cent of All–India employment in this sector. The employment per unit in Kerala (6.6) was slightly higher than the All–India average (6.3)[1]. In the sample units a higher rate of 8.94 was seen and hence, the women entrepreneurial units were providing employment to more people on an average.

3. 1. 7. 1. Employment of sales people

The small scale units often are not able to employ persons exclusively for sales and related work. Most of the entrepreneurs in the sample did the sales job themselves or through the family members initially. Later they employed sales people. Most of them continued to involve themselves or their family members in selling and distribution.

Only 18 (about 28%) units from the sample were found to be having sales persons on their roll. The level of investment and number of sales people employed are presented in table 3.6.

Table 3.6

Distribution of sales force users by 18 units at the time of study.

Sl. No.	Investment level Rs.	No. of sales people																
		P - R		R - M		C-W -C		Pri.		F - C		Elec.		Misc		Total		
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	T
1	Up to I lakh	—	—	1 (4)	14	—	—	1 (1)	—	8 (4)	2	—	—	—	—	10	16	26 (9)
2	1 to 5 lakh	—	—	2 (2)	—	—	—	—	—	3 (2)	—	—	—	1 (1)	—	6	—	6 (5)
3	6 to 15 lakh	1 (1)	—	—	—	—	—	—	—	6 (1)	—	1 (1)	—	—	—	8	—	8 (3)
4	Above 15 lakh	1 (1)	—	—	—	—	—	—	—	—	—	—	—	—	—	1	—	1 (1)
5	Total	2 (2)	—	3 (6)	14	—	—	1 (1)	—	17 (7)	2	1 (1)	—	1 (1)	—	25 (18)	16	41

Figures in parentheses represent the number of units.

M - Male
F – Female
T – Total

The units with low levels (up to one lakh rupees) of investment were employing more sales people on an average, followed by 5–15 lakhs investment units.

With regard to the different product groups, food-chemical and readymade garment units mainly used sales force. In the total employment of 581 persons in 65 units, only 41 (7%) persons were in sales.

3. 1. 7. 2. Women in sales force

It is interesting to note that only the units with less than one lakh rupees investment were using women in sales and also the number of women employed in these units exceeded the number of men. Therefore, such units were providing more employment opportunities to women. In all other category of units, women were not employed in sales.

1. 1. 8. Average Capacity of the SSI Units (as perceived by the entrepreneurs)

Capacity utilisation of the units reflect the state of health of the SSI units. Competition, low demand and shortage of finance are the reasons often quoted by the units for not operating at full capacity. The distribution of the sample SSI units according to average capacity utilisation as perceived by the entrepreneurs is presented in table 3.7

Table 3.7

Capacity utilisation of sample SSI units

Product groups	Total No. of units	Level of capacity utilisation			
		50 % and below	51–65 %	66–80 %	81–100 %
Plastic–Rubber (P–R)	10	—	2 (20)	3 (30)	5 (50)
Readymade–Garments (R–M)	16	1 (6.25)	4 (25)	9 (56.25)	2 (12.5)
Concrete–wood–carton (C W–C)	5	—	1 (20)	3 (60)	1 (20)
Printing (Pri.)	6	—	2 (33.33)	3 (50)	1 (16.67)
Food–chemicals (F-C)	17	5 (29.41)	2 (11.76)	6 (35.29)	4 (23.53)
Electrical (Elec.)	6	2 (33.33)	2 (33.33)	1 (16.67)	1 (16.67)
Miscellaneous (Misc.)	5	1 (20)	—	3 (60)	1 (20)
Total	65	9 (14)	13 (20)	28 (43)	15 (23)

Figures in parentheses represent percentages

Only 23 per cent (15 units) of the sample units were utilising more than 80 per cent of their capacity. Fifty per cent of the plastic–rubber and 23.53 per cent of the food–chemical units were included in this category. About 43 per cent (28 units) were utilizing 66–80 per cent of the units' capacity. Twenty per cent (13 units) of the sample units were operating at 51–65 per cent of their capacity. About 14 per cent (9 units) were utilizing only 50 per cent or below their capacity.

For certain units, such as readymade garments units. the capacity of the units were flexible as the entrepreneurs could very well increase the production capacity without increasing the machinery considerably.

Lack of demand, slack demand, seasonal demand, power problems and absenteeism of workers were the limiting factors stated by the entrepreneurs for achieving full capacity utilization.

3. 1. 9. Sales Turnover

Sales turnover is an important parameter in understanding the size of the unit. The distribution of the sample units according to sales turnover during the year 1997 is given in table 3.8.

Table 3.8
Distribution of units according to sales turnover

Sl. No.	Product groups	Total No. of units	Sales Turnover (Rs.)				
			Above 50 lakhs	16–50 lakhs	6–15 lakhs	2–5 lakhs	Less than 2 lakhs
1	Plastic–Rubber (P–R)	10	2 (20)	2 (20)	1 (10)	—	5 (50)
2	Readymade–Garments (R–M)	16	—	—	3 (18.75)	4 (25)	9 (56.25)
3	Concrete–wood–carton (C–W–C)	5	1 (20)	2 (40)	2 (40)	—	—
4	Printing (Pri.)	6	—	1 (16.67)	1 (16.67)	—	4 (66.67)
5	Food–chemicals (F-C)	17	2 (11.76)	2 (11.76)	4 (25.33)	3 (17.65)	6 (35.29)
6	Electrical (Elec.)	6	1 (16.67)	1 (16.67)	2 (33.33)	1 (16.67)	1 (16.67)
7	Miscellaneous (Misc.)	5	—	—	2 (40)	1 (20)	2 (40)
8	Total	65 (100)	6 (9.23)	8 (12.31)	15 (23.08)	9 (13.85)	27 (41.54)

Figures in parentheses represent percentages.

Six (9.23%) units had a turnover of above Rs.50 lakhs. Eight (12.31%) units had a turnover between Rupees 16–50 lakhs. Rs. 6–15 lakhs turnover was attained by15 (23%) units and nine (13.85%) units had Rs. 2–5 lakhs sales

turnover. Twenty seven (41.54%) units had a sales turnover less than Rs.2 lakhs.

The type of product and investment level had a significant effect on the sales turnover of the sample units.

Entrepreneurs of more than one half of the printing and readymade garment units were stating less than Rs.2 lakhs sales turnover for the year. Half of the plastic–rubber units also had less than Rs.2 lakhs sales turnover. All the concrete–wood–carton units were having above Rs.10 lakhs sales turnover. The investment in these units was also high. The food–chemical units also figured prominently in sales turnover.

Thus, it could be seen that the product chosen and the level of investment had a direct impact on the sales turnover of the units.

3.1. 10. Market Segments

Market segmentation is the process of dividing the heterogeneous market for a product or service into several segments. By employing the strategy of market segmentation, a firm can design the marketing mix to match the market demands. Consumer markets can be segmented on the basis of geographic, demographic, and psychographic or product related characteristics. An attempt was made to find out the type of customers served by the SSI units. The distribution of customers of units in various product groups is given in table 3.9.

Table 3.9

Category of customers

Sl. No.	Types of Customers	Product groups							
		P- R	R-M	C–W–C	Pri	F-C	Elec.	Misc	Total
		10	16	5	6	17	6	5	65
1	Organisational/ Industrial customers	7 (70)	1 (6.3)	1 (20)	6 (100)	2 (11.8)	4 (66.7)	1 (20)	22 (33.8)
2	All class consumers	1 (10)	5 (31.3)	—	—	5 (29.4)	2 (33.3)	2 (40)	15 (23.1)
3	Middle and upper income consumers	2 (20)	4 (25)	4 (80)	—	8 (47.1)	—	2 (40)	20 (30.8)
4	Lower & Middle income consumers	—	4 (25)	—	—	2 (11.8)	—	—	6 (9.2)
5	Lower income consumers.	—	2 (12.5)	—	—	—	—	—	2 (3.1)

The numbers in column heads represent the number of sample units in that group

Figures in parentheses represent the percentages.

The SSI units were catering to the needs of both industrial customers as well as domestic consumers. Organisational/industrial customers formed one-third (33.8%) of total customers of the units and the rest were consumers purchasing the products for non-business purposes. The units that had industrial customers as the major class of customers sold to the non-business consumers only to an insignificant level.

Plastic–rubber units had the highest proportion (70%) of industrial customers. Products in this category included homoeo medicine bottles, crumb rubber, foam rubber, rubber bands, uri-condoms and examination gloves. One readymade garments unit had an organisation as its major customer. The carton unit was manufacturing for industrial customers only as is evident from the end use of the product. All the printing units had 90 per cent or more of organisational customers and only a small share of business came from individual customers. One unit was involved in binding notebooks, targeted at schools. About 70 per cent of electrical units had organisational customers contributing to 80–90 per cent of their business and only a small share of their

total revenue came from non business consumers. In the miscellaneous category only one unit had organisational customers.

Domestic consumers formed 66.2 per cent of customers of the sample SSI units. The units serving all class of customers were 23.1 per cent, middle and upper income customers 30.8 per cent, lower and middle income consumers 9.2 per cent and lower income customers only 3.1 per cent.

The plastic containers manufactured by one unit were being used by all classes of consumers. Five units (31.3%) in readymade garments were serving all classes of customers. Twenty nine per cent of food–chemicals unit had all classes of customers. Two units each from electrical (33.3%) and miscellaneous (40%) groups targeted lower, middle and upper income consumers. In the concrete–wood–carton category all the concrete and wood units had their customers from middle and upper income group. An insignificant amount of sale was made to lower income group by these units. Two (20%) units, from plastic–rubber, four (25%) units from readymade garments, eight (47.1%) units from food – chemicals and two (40%) units from the miscellaneous group also targeted the middle and upper income consumers. Twenty five per cent of readymade garment units and 11.8 per cent of food–chemicals targeted the lower income consumers as their prime market segment.

As is evident from table 3.9 a significant share of business of these units came from organisational customers and middle and upper income consumer segments.

Part II

3. 2. Profile of Entrepreneurs

This section draws a profile of the entrepreneurs in the study. It focuses on age, educational background, previous occupation, occupation of patron, training programmes attended, motivating and facilitating factors in setting up the units by the women entrepreneurs.

Co-operatives and charitable societies were excluded when the background of the entrepreneurs was analysed, because it was impossible to assign entrepreneurship to any particular individual in such organisations. Therefore, the number of units included for this purpose is only fifty one, comprising of proprietary, partnership and private limited concerns.

3. 2. 1. Age of the Entrepreneurs at the Time of Starting the Units.

Some studies show that, age-wise, women took to entrepreneurship at ages earlier than men. In studies conducted at Visakhapatanam[2], the average age of men entering into entrepreneurship was 34.75 years and the average age of women entrepreneurs at the time of starting the enterprise were 31.78 years.

Birley, Moss and Saunders found the women entrepreneurs in their sample to be younger than the men[3]. On the other hand a study conducted in Bombay[4], revealed that the mean age of women business owners was 39 years compared to 29 years for men. Most of them were married with older children when compared to men.

The distribution of sample of women entrepreneurs on the basis of age at the time of starting the units is given in table 3.10.

Table 3. 10

Age of the entrepreneurs at the time of starting the units

Age group years	Product groups							
	P-R	R-M	C–W-C	Pri	F-C	Elec.	Misc.	Total
	10	14	5	4	12	3	3	51
Below 25	1 (10)	—	1 (20)	—	—	—	—	2 (3.92)
25–29	1 (10)	2 (14.29)	2 (40)	—	2 (16.67)	—	1 (33.33)	8 (15.67)
30–33	5 (50)	5 (35.71)	1 (20)	3 (75)	2 (16.67)	1 (33.33)	—	17 (33.33)
34-40	—	5 (35.71)	1 (20)	—	4 (33.33)	2 (66.67)	2 (66.67)	14 (27.45)
41–50	3 (30)	2 (14.3)	—	—	2 (16.67)	—	—	7 (13.72)
51-55	—	—	—	1 (25)	2 (16.67)	—	—	3 (5.88)

Figures in parentheses represent percentages.

One third of the women entrepreneurs, the highest percentage (33.33%), started the units when they were in the age group of 30–33 years followed by 27.45 per cent in the age group of 34–40 years.

Only two (3.9%) women were below 25 years of age when they started the units. Three women (5.88%) were between 51 to 55 years when they started the units. Eight (15.7%) women started their SSI units when they were between 25–29 years and seven (13.72%) women were in the 41–50 years age group when they started their units.

Excluding a few, all the women entrepreneurs started their units after marriage and having children. In this study, 60.78 per cent of the women entrepreneurs were of 30–40 years age when they started their units. Most of them started the business only after the children started schooling.

3. 2. 2. Educational Background of the Entrepreneurs

The educational background of the women entrepreneurs is given in table 3.11.

Table 3. 11

Educational background of the entrepreneurs

Education Level	Product groups							
	P- R	R-M	C–W-C	Pri	F-C	Elec.	Misc.	Total
	10	14	5	4	12	3	3	51
Below S.S.L.C	1	4	—	—	2	—	—	7 (13.73)
S.S.L.C & Pre Degree	3	6	1	3	5	1	2	21 (41.18)
Technical Education	1	1	3	1	2	1	—	9 (17.65)
Graduation	3	3	—	—	1	—	1	8 (15.69)
Post Graduation	2	—	1	—	2	1	—	6 (11.76)

Figures in parentheses represent percentages.

About 14 per cent of women entrepreneurs had educational qualification less than S.S.L.C while 41.18 per cent had S.S.L.C. or Pre Degree. Persons with technical education accounted for only 17.65 per cent. Of these, two entrepreneurs were engineering graduates and one a polytechnic. The other graduates formed 15.69 per cent and postgraduates came to 11.76 per cent of the entrepreneurs. One of the postgraduates had specialisation in food technology and went into establishing a unit in the same line.

3. 2. 3. Religion and Community of the Entrepreneurs

When the religious background of the entrepreneurs were considered, Hindus and Christians represented the sample in almost equal proportions (26 Hindus and 25 Christians). Among the Hindus, Brahmin, Nair and Ezhava communities formed 19.23 per cent, 30.77 per cent and 38.46 per cent of the Hindus respectively. Two (7.69%) entrepreneurs were from backward classes.

Catholics formed 60 per cent of the Christian women entrepreneurs. Jacobites formed 28 per cent of the entrepreneurs. Marthomite and Brethren denominations formed 12 per cent of the Christian women entrepreneurs.

3. 2. 4. Previous Occupation of the Entrepreneurs.

Previous occupation of the entrepreneurs is presented in table 3.12.

Table 3.12

Occupation of entrepreneurs before starting the unit

Occupation	Product groups							
	P-R 10	R-M 14	C–W-C 5	Pri 4	F-C 12	Elec. 3	Misc. 3	Total 51
Student	1 (10)	—	2 (40)	—	—	—	—	3 (5.88)
Housewife	8 (80)	13 (92.86)	1 (20)	3 (75)	9 (75)	3 (100)	3 (100)	40 (78.43)
Family business	—	—	—	—	1 (8.33)	—	—	1 (1.96)
Employ-ment (speciali-sed)	1 (10)	1 (7.14)	2 (40)	1 (25)	2 (16.67)	—	—	7 (13.73)

Figures in parentheses represent percentages.

While 5.88 per cent entered directly into business immediately after completing their studies, 78.43 per cent of the sample entrepreneurs was housewives. Housewives formed the majority (92.86%) in readymade garments group products. Only one entrepreneur had family business background while seven (13.73%) entrepreneurs were employed in specialised areas before starting the unit.

All the three entrepreneurs who went into business immediately after student days were technically qualified. Of them, two were graduates and one a diploma holder from polytechnic.

The housewives forming 78.43 per cent of the entrepreneurs were not having significant exposure to the field of business before starting the units.

The rest of them had some technical knowledge of the products that they had chosen for their units.

3. 2. 5. Motivating and Facilitating Factors

For a person to become an entrepreneur, these should be considerable motivation either from within himself or from others close to him. In the case of women entrepreneurs, both may be necessary. Apart from motivation, one needs to have opportunity to fulfill one's ambition. A great deal of research on entrepreneurship has been concerned with gender difference in motives for the founding of micro enterprises. One of these studies claim that there are no major gender–related difference in the approach of entrepreneurs in setting up and developing their businesses[5].

But another study by Patel indicates differences in the approach in setting up and developing enterprises by women from those of men[6].

In this part, the motivating and facilitating factors that led the women into entrepreneurship is focused upon. The women entrepreneurs were asked to rank the reasons or factors that motivated and facilitated their entrepreneurship. The ranks were assigned weights (3,2 and 1 for ranks 1,2, and 3 respectively) and total scores calculated. The reasons/factors that led them in to entrepreneurship are given below.

3. 2. 5. 1. Ambitions

Ambitions motivate people and activates people. Cromie has studied the motivation of aspiring male and female entrepreneurs and found that, compared to men, women are less concerned with making money and see entrepreneurship as a means of simultaneously meeting their career needs and childcare role[7].

The various ambitions that led the women into entrepreneurship are given in table 3.13.

Table 3.13

Ambitions that led to entrepreneurship

Sl. No.	Ambitions	Frequency of responses			Total Score
		Rank 1	Rank 2	Rank3	
1	To earn money	25	6	—	87
2	To gain higher social status	2	4	—	14
3	To improve quality of life/ better prospects	10	10	—	50
4	To generate employment	2	1	1	9
5	To have an occupational profession	6	11	—	40
6	To gain independent economic status	—	—	—	—

In the case of the sample units, economic reasons were predominating in the motives in starting the units as indicated by the highest score for the ambition to make money. Ambition to improve the quality of life and better prospects in entrepreneurship were the second most important ambition in starting the enterprises. Ambition, to have an occupation, gain higher social status and generate employment were the other motives prompting women enter into entrepreneurship.

None of the entrepreneurs wanted to achieve an independent economic status by starting a small scale unit. Either economic reasons or the desire to improve the quality of life drove all of them.

3. 2. 5. 2. Reasons compelling entrepreneurs to enter industry

Many a time, it is compulsion rather than ambition that urge a man to do something. Table 3.14 shows the compelling reasons for entrepreneurship in the sample.

Table 3.14
Reasons compelling women entrepreneurs to enter industry

Sl. No.	Compelling reasons	Frequency of responses			Total score
		Rank 1	Rank 2	Rank 3	
1	Unemployment of self	10	4	2	40
2	Unemployment of family members	3	1	2	13
3	1 + 2	1	2	—	7
4	Diversification of economic interests	7	3	1	28
5	Making use of idle funds	1	1	2	7
6	Excess free time	7	6	3	36
7	Death of husband/no other source of income	3	—	—	9
8	Death of father	1	—	—	3

Unemployment was ranked as the most important compelling reason by one–fifth (20%) of the entrepreneurs. The highest score of 40 indicates this. Unemployment of family members and unemployment of self and family members were ranked first by three women and one woman respectively. Therefore, altogether, more than one–fourth of the women entrepreneurs started the enterprises solely owing to unemployment.

Excess free time was the second most compelling reason that led the sample women into entrepreneurship. This may be correlated with the fact that majority of the women entrepreneurs were married and their children were in schools, when they started the enterprises. Diversification of economic interests was third in order of importance that compelled women into entrepreneurship. Death of the husband left no other alternative, but to start an enterprise as in the case of about six per cent of the entrepreneurs. One professional took to business after the death of her father.

Thus, it can be seen that, unemployment and excess free time were powerful compelling reasons for women to enter into entrepreneurship.

3. 2. 5. 3. Encouraging factors

Ambitions or compulsions alone may not make an entrepreneur. The encouragement and support the entrepreneur gets from the family, the experience she has gained previously, skills acquired, and the property acquired or inherited, have a catalytic effect on entrepreneurship of women. Table 3.15. shows the encouraging factors that facilitated entrepreneurship for the sample women entrepreneurs.

Table 3.15
Encouraging factors

Sl. No	Encouraging factors	Frequency of responses			Total score
		Rank 1	Rank 2	Rank 3	
1	Success stories of others	—	1	—	2
2	Acquisition of professional and technical skills/interest	10	11	6	58
3	Previous experience	7	2	6	31
4	Availability of experienced and skilled people at home	7	11	1	44
5	Encouragement from family members	17	14	7	86
6	Participation in EDP programme	2	—	5	11
7	Availability of expert advice and Consultancy services	4	1	3	17
8	Availability of incentives	2	5	2	18
9	Failure of a competitor's unit	1	—	—	3
10	Ancestral/inheritance	1	—	—	3

Encouragement from family members was ranked first by one third of the entrepreneurs, in facilitating entrepreneurship. More than one-fourth of the entrepreneurs ranked encouragement from family members second, and about one–fifth of them ranked this factor as the third important encouraging factor. Therefore, about 80 per cent of the entrepreneurs had encouragement from family members in starting the enterprises.

Acquisition of professional skills was the second important encouraging factor for the women entrepreneurs. Availability of experienced and skilled people was the third important encouraging factor, followed by previous experience, availability of incentives, availability of expert advice and consultancy services and participation in EDP programmes in the descending order of importance.

One entrepreneur saw an opportunity to start an enterprise when an existing food products unit closed down. This opened up an avenue for starting a unit in that region. One entrepreneur each, was encouraged by inheritance and success stories of others.

The family, or to be more specific, the husband in most of the cases, was giving encouragement and support to the women entrepreneurs in starting their small business units.

3. 2. 6. Occupation of Patrons

In most of the cases women entrepreneurs have family members encouraging and helping them to set up and run the enterprises. Table 3.16. gives the distribution of the relationship of patrons to the entrepreneurs and their respective occupations.

Table 3.16
Occupation of patrons

Sl. No.	Patron	Occupation							
		Agricul-ture	Trade	Indus-try	Service-Indus	Serv-ice in others	Unem-ployed	Busi-ness partner	Total No.
1	Husband	1	2	11	9	12	—	5	40
2	Father	—	—	2	—	—	—	—	2
3	Son	—	—	—	—	1	2	—	3
4	Father–in–law	—	—	2	—	—	—	—	2
5	Brother	1	—	—	—	—	—	—	1
6	Total	2	2	15	9	13	2	5	48

In the sample units, 48 (94.12%) entrepreneurs were encouraged and helped by family members, husbands helped 40 (83.33%) entrepreneurs and sons helped three women. Father and Father-in-law became patrons for two entrepreneurs each. It was the brother who helped one women entrepreneur.

Fifteen (31.25%) persons who had helped the women entrepreneurs in setting up and running the units were in industry. Thirteen (27.08%) of the patrons were in employment. Nine (18.75%) patrons were in service industry. Five (10.42%) persons, who were husbands of the entrepreneurs, were business partners. Two (4.17%) patrons each were in agriculture and trade. Two sons who helped their mothers in setting up their units were unemployed at that time.

3. 2. 6. 7 Women Entrepreneurs' Involvement in Various Organisations

Women entrepreneurs' involvement in various organisations was probed into to assess their level of participation in such organisations. This is given in table 3.17

Table 3.17
Membership in various organisations

Sl. No.	Organisation	No. of respondents who stated memberships
1	Kerala State Women's Industries Association (KSWIA)	18 (35.29)
2	Kerala State Small Industries Association (KSSIA)	5 (9.80)
3	Industry Association	2 (3.92)
4	Mahila Samajam	3 (5.88)
5	Others (Clubs, Social service organisations etc.)	2 (3.92)

Some respondents had membership in more than one organisation
The figures in parentheses represent percentage to the total number of entrepreneurs.

Even though 383 entrepreneurs were there in the Kerala State Women's Industries Association (KSWIA) in 1992, only 18 respondents mentioned their membership in the Association. Of these, two were office bearers.

KSSIA had five entrepreneurs from the sample units as members. Two were members in respective industry associations. Three were Mahila Samajam members or office bearers and two were involved in club and social service associations.

About 80 per cent of the entrepreneurs stated no participation, when their level of participation in various organisations was considered. Medium level of participation was stated by 9.8 per cent of the entrepreneurs followed by low level of participation by 5.88 per cent of entrepreneurs. Only two (3.92%) entrepreneurs were involved in such organisations at a high level of participation.

Feedback from the entrepreneurs revealed that, during the initial phases of their entrepreneurship, some of the women attended the meetings of the KSWIA and other industry associations in anticipation of getting some help in running their enterprises. Once the expectations were not met, or they overcame their hurdles, the entrepreneurs didn't bother to devote time for participating in such meetings. Many of them said that, they did not have time to spare for participating in such meetings.

3. 2. 8. Entrepreneurship Training Programmes Attended before and after starting the enterprises

Training plays a key role in developing enterpreneurship. The aim of training is to achieve development and change through planned efforts[8]. Training helps the existing entrepreneurs to enrich the entrepreneurial spirits and skills, and the potential entrepreneurs to generate and control change leading to rapid economic growth. For analysis of participation in EDP programmes, all the 65 units were taken into consideration as the key persons of charitable societies and co-operatives were also participating in EDPs.

Table 3.18 shows the number of entrepreneurs in the respective product groups who had attended entrepreneurship training programmes either before or after starting the enterprise.

Table 3.18

Participation in Entrepreneurship Development/Training Programmes

Product groups	Attended training programmes			Not Attended	No. of sample units
	Before	After	Total		
Plastic–Rubber	4 (40)	—	4 (40)	6 (60)	10
Readymade Garments	—	1 (6.25)	1 (6.25)	15 (93.75)	16
Concrete–wood–carton	4 (80)	—	4 (80)	1 (20)	5
Printing	—	1 (16.67)	1 (16.67)	5 (83.33)	6
Food–chemicals	1 (5.88)	1 (5.88)	2 (11.76)	15 (88.24)	17
Electrical	2 (33.33)	2 (33.33)	4 (66.67)	2 (33.33)	6
Others	—	—	—	5 (100)	5
Total	11 (16.92)	5 (7.69)	16 (24.6)	49 (75.38)	65
	*(68.75%)	*(31.25%)	100%		

Figures in parentheses represent percentage for each product category.
*Per cent of the total no. attended training programmes.

Eleven (17%) entrepreneurs had attended the training programmes before setting up of their enterprises. Out of this, concrete–wood–carton product group had the highest participation with 80 per cent of the entrepreneurs attending training programmes before setting up the unit. Plastic –rubber, electrical, and food–chemical products followed with 40 per cent, 33.33 per cent and 5.88 per cent respectively.

Only five (7.69%) entrepreneurs had attended training programmes after setting up their units. Two entrepreneurs belonging to electrical items category

followed by one each from readymade garments, printing and food–chemical product groups attended training programmes after setting up their units.

Persons, who had attended entrepreneurship training before starting and after starting the unit, are 68.75 per cent and 31.25 per cent respectively, of the total number of people who have undergone training.

When the total number of units are taken into consideration, the number of entrepreneurs who have undergone training either before or after starting the unit, and the number of entrepreneurs who have not gone for entrepreneurial training is in the ratio of 1:3. That means only one fourth of the entrepreneurs had participated in EDP or other training programmes.

3. 2. 8. 1. Usefulness of training programmes

The training programmes should be designed in such a way that they are useful to the entrepreneurs in adapting to the changing market conditions. The programmes should be tailor-made to suit the area of operation or industrial sector in which the women entrepreneurs are involved. Table 3.19 shows the organisations that imparted training, duration of the course, subject covered and perceived usefulness of the programmes.

Table 3.19

Feed–back about the training programmes

Sl.No.	Name of the organisation that conducted training	No. of entrepreneurs attended	Duration in weeks	Subject	Perceived usefulness of the training
1	KITCO	4	2 – 4	General, banking, sales management, etc.	Very useful
2	State Bank of India (SBI)	2	1 – 4	Production marketing sales	Very useful
3	Large producer for ancillary units	3	1 – 2	Production	Very useful
4	Others (IMG, CUSAT, EDI etc)	7	2 - 4	General	Useful
	Total	16			

Four entrepreneurs had undergone training with KITCO. Three entrepreneurs of ancillary units had under gone training with their parental organisation. Two persons had training from SBI. Seven entrepreneurs had participated in the training programmes conducted by Institute of Management in Government (IMG), Cochin University of Science and Technology (CUSAT), Entrepreneurship Development Institute (EDI) and so on.

The training programmes conducted by KITCO, SBI and one parent organisation were more specific and were rated very useful. The training programmes conducted by other organisations were general and were perceived to be useful.

3. 2. 8. 2. Reasons for attending training programmes

The reasons prompted the entrepreneurs to attend training programmes either before or after starting the unit is depicted in table 3.20.

Table 3.20

Reasons for attending training programmes

Sl. No	Motivating Factors	No. of. Entrepreneurs undergone training	
		Before	After
1	Wanted to start a business unit	6 (54.5)	—
2	Wanted to gain insight in to marketing management	—	2 (40)
3	Wanted to know more about running a business	1 (.09)	2 (40)
4	Had seen advertisement in the newspapers	2 (18)	1 (20)
5	Wanted to solve unemployment	2 (18)	—
6	Total	11 (100)	5 (100)

Figures in parentheses represent percentage to the respective totals in that category.

Six persons (54.5%) of the entrepreneurs, who attended training programmes before starting the unit, did so with the specific objective of

starting a business unit. They might have been already having plans to own their own enterprises. Two (18%) respondents each were prompted by the advertisement about starting of training programmes by the organisers and the desire to solve unemployment respectively. One person wanted to know how to run a business.

Of the 5 persons who attended training programmes after starting the unit, two (40%) persons each, had the objective of knowing more about marketing of their products and running the business respectively. One person got interested after seeing advertisements about the training programme.

To know more about marketing of their product and total business were the major objectives of those who had attended the training programmes after starting the enterprises. This might be owing to the reasons that, after starting the unit they got exposed to the real tough situations in the competitive market and realised the need for analysing the marketing problems in an objective manner.

3. 2. 8. 3. Time gap between attending the training programme and starting the unit

The time gap between attending training and starting the unit is depicted in table 3.21.

Table 3.21
Time gap between attending the training programme and setting up of the unit for those who had undergone training before starting the unit

Sl. No.	Time Period	Product group & No. of units	No. of units
1	Within 3 months	Rubber- 3 Concrete-1 Wood-1	5 (45.45)
2	After 2 years but within 3 years	Plastic-1 Concrete-1 Carton-1 Electrical-2	5 (45.45)
3	After 10 years	Food-1	1 (9)
4	Total		11 (100)

Figures in parentheses represent percentages.

About one half (45.45%) started their units within 3 months from participation in the training programme. The products that fall in this category are rubber-3, concrete-1 and wood-1. Small scale units which started within a period of 2–3 years were 5 in numbers and belonged to the product groups– plastic-1, concrete-1, carton-1 and electrical-1. One unit belonging to the food category was started by the entrepreneur after 10 years. The time gap was filled by marriage, motherhood and settling herself before starting the unit.

3. 2. 8. 4. Keenness/Reasons of disinterest to attend training in future by entrepreneurs who had already attended training programmes

Table 3.22
Keenness/Reasons of disinterest to attend training in future (Those who had participated in training programmes.)

Responses	No.	Percentage
No time to attend	7	43.75
Interested in general management	1	6.25
Interested in marketing management	4	25
Interested in finance management	4	25
Total	16	100

Out of the 16 respondents who had participated in training programmes, 7 stated lack of time to attend, one was interested in general management, 4 were interested in marketing management and 4 were keen to participate in finance management training programme in future.

3. 2. 8·5Interested areas /reasons of disinterest to attend training programmes in future mentioned by those who hadn't participated in training programmes

Table 3.23
Keenness/Reasons of disinterest to attend training in future (Those who hadn't participated in training programmes.)

Responses	No	Percentage
Interested in fashion work/quality improvement	*2	4.08
Not aware	5	10.22
Not interested	42	85.7
Total	49	100

*This category belongs to readymade garments.
(Respondents from cooperatives and charitable societies are also included here)

Four per cent of the women entrepreneurs who hadn't attended training programmes were interested in product/quality improvement and were keen to upgrade their skills. This category belonged to the readymade garment manufacturers. Five (10.2%) persons were not aware and 42 (85.7%) were not interested in the training programmes. The not-interested category did not feel the need for training.

Part III

3.3. Functional Involvement

The involvement of women entrepreneurs in various functions of the units and the help that they derived from their family members is dealt with in this part.

3. 3. 1. Involvement of Women Entrepreneurs in Various Functions

The involvement of women entrepreneurs in various functions among the different product groups were found out by asking the entrepreneurs to rank 1 to 3, the various functional areas, according to their level of involvement, rank

one being that of highest involvement. Table 3.24 presents the women entrepreneurs' involvement in various functions.

Table 3.24
Type of product and women entrepreneurial involvement in various functions

Sl. No.	Product group	Average weighted score for various functions				
		Production	Admini-stration	Finance	Sales/ Market-ing	Management of total business
1	Plastic–Rubber	1.8	0.9	0.2	0.5	—
2	Readymade–Garments	2	0.43	—	0.78	0.85
3	Concrete–wood–carton	1.6	0.8	—	1.4	0.6
4	Printing	0.75	2.25	—	0.75	—
5	Food–chemicals	2.16	1.08	—	1.42	0.25
6	Electrical	0.66	1.67	1	1.67	—
7	Miscellaneous	3	1.33	—	0.67	0.33
8	Total average score	1.71	1.21	.17	1.03	.29

Maximum score that can be assigned to any single function is 3.

The entrepreneurs of electrical and printing category had very low involvement in production function (least score in production function). The entrepreneurs involved in printing had the highest average weighted score in administration followed by production and marketing with the same score. In the electrical product category, equal levels of involvement were seen in administration and marketing/sales function. These were followed by finance management function. Involvement in production function in electrical products was of the lowest level. Lower entrepreneurial involvement in production function in these categories was due to the expertise of the trained workers and standardisation of the products. Close supervision of the workers was not necessary in these cases and final products were checked for quality assurance.

The miscellaneous category of products had the full score for involvement of women entrepreneurs in production function. This category of entrepreneurs was manufacturing items such as handicrafts that needed their consistent involvement in production function. Food-chemical products had second rank followed by readymade garments. Involvement in administration function of the entrepreneurs had the highest average weighted score in printing units followed by electrical and food–chemical units.

When sales and marketing function were considered, the highest score (1.67) was seen in electrical products followed by food and chemicals and concrete–wood–carton groups respectively. The entrepreneurs in readymade garments had the highest score (0.85) when the total management function of business was considered. Concrete–wood–carton (0.6) came second and the miscellaneous group (0.33) came third in the order in this regard.

The finance management function showed higher involvement level (score 1) in electrical products followed by plastic–rubber products manufacturers. The entrepreneurs in other category of products did not rank involvement in finance management within the 3 ranks, which they were requested to do, and hence did not figure here.

To sum up, on an average, women entrepreneurs were more involved in the production function than any other function of their units. Day–to–day administration was second and marketing/sales were third when the women entrepreneurs' involvement in various functions was considered.

3. 3. 2. Women Entrepreneurs' Role in Marketing/Sales

The women entrepreneurs' level of involvement in various tasks relating to marketing function, such as identifying customers, setting sales quotas, planning and implementing sales programmes, motivating sales people and making sales calls were ranked 1 to 3, rank one being the task with the highest

weightage. The distribution of weighted scores is presented in table 3.25 given below.

Table 3.25

Entrepreneurs' role in marketing/sales

Sl. No.	Tasks performed in marketing	Involvement level			
		Rank 1 No.	Rank 2 No.	Rank 3 No.	Total score
1	Identifying customers	26	1	—	80
2	Setting sales quotas	1	2	3	10
3	Planning and implementing sales programmes	8	17	—	58
4	Motivating sales people	4	6	—	24
5	Making sales calls	—	2	2	6

The entrepreneurs' role in identifying customers was ranked first followed by planning and implementing sales programmes, motivating sales people, setting sales quotas and making sales calls in the descending rank order of the level of involvement in marketing/sales of their products.

It could be seen that only very few entrepreneurs went out for meeting dealers or making sales. Husbands mostly assisted a few, who met dealers and customers. In quite a good number of units, husbands of entrepreneurs were mainly responsible in the development of the market.

3. 3. 3. Family Members Rendering Help in Running the Women Entrepreneurial Units

The family of the entrepreneurs influenced them to a great extent in starting and running the SSI units. Out of the 51 units that were proprietary, partnership or private limited in the form of registration, 48 (94.12%) units were being assisted by men of the family and in some cases, others also. The

distribution of persons rendering or having rendered help in the functioning of the 48 women entrepreneurial units is presented in table 3.26

Table 3.26

Help rendered by family members in various functions of the women entrepreneurial units

Sl. No	Persons	No. of members rendering help							
		P-R	R-M	C-W -C	Pri.	F-C	Elec.	Misc	Total
1	Husband	5 (50)	5 (41.67)	4 (80)	2 (50)	6 (54.55)	1 (33.33)	2 (66.67)	25 (52.08)
2	Children (sons & daughters)	—	1 (8.33)	—	1 (25)	2 (18.18)	1 (33.33)	—	5 (10.42)
3	Other family members & friends	3 (30)	2 (16.67)	1 (20)	—	—	—	—	6 (12.5)
4	1+2	1 (10)	2 (16.67)	—	1 (25)	—	—	—	4 (8.33)
5	1+3	1 (10)	2 (16.67)	—	—	3 (27.27)	1 (33.33)	1 (33.33)	8 (16.67)
6	Total no. of units assisted by others	10	12	5	4	11	3	3	48

Figures in parentheses represent percentages

In more than one half (52.08%) of the units, husbands were helping the women entrepreneurs in running the enterprise. In four (8.33%) units husbands and the children of the entrepreneurs were helping and in eight (16.67%) units husbands and other family members of the entrepreneurs were assisting in the running of the enterprise. Therefore, altogether in more than three fourth (77%) of the units, husbands were involved in the business of the women entrepreneurs.

The involvement of only children was seen in the case of one unit each of readymade garments, printing and electrical and two units of food- chemical products. These units were started and run mostly by widows, and their capital investments were very low. Children came to the help of their widowed mothers in starting and running the units.

Other family members and friends rendered help in the case of six (12.5%) units which were distributed as three units in plastic–rubber, two units in readymade garments and one unit in concrete–wood–carton products category.

Thus, it was seen that a unit by a woman was not just her's alone and the whole family took active part in various functions of the unit in most of the units.

3. 3. 4 Support Extended by Men in the Family

When it came to making important decisions on various aspects of their units, almost all the women entrepreneurs were guided and directed by their husbands or male members in the family. Very few took decisions on their own or did not have some one to seek advice from. The various functions that were being performed/assisted by men are presented in table 3.27

Table 3.27

Distribution of men assisting in various functional areas in 48 units

Sl. No	Functional areas assisted by men	Men assisting the various functions*							
		P–R	R –M	C-W –C	Pri.	F-C	Elec.	Misc	Total
		10	12	5	4	11	3	3	48
1	Production	1 (10)	1 (8.33)	1 (20)	—	5 (45.45)	1 (33.33)	1 (33.33)	10 (20.83)
2	Marketing/ selling	6 (60)	5 (41.67)	4 (80)	2 (50)	8 (72.73)	1 (33.33)	1 (33.33)	27 (56.25)
3	Finance	5 (50)	—	1 (20)	—	6 (54.55)	—	—	12 (25)
4	Planning	5 (50)	—	—	—	7 (63.64)	—	—	12 (25)
5	Purchase	1 (10)	5 (41.67)	—	—	2 (18.18)	—	1 (33.33)	9 (18.75)
6	Overall administration (Total business)	2 (20)	—	1 (20)	3 (75)	2 (18.18)	2 (66.67)	—	8 (16.67)

*Men assist in more than one function
Figures in parentheses represent percentages.

Marketing/sales were the functions mostly taken care of by men. This was indicated by the highest score of 56.25 per cent of the total of 48 entrepreneurs assisted by men in the functions of the units. In 80 per cent of concrete–wood– carton, 72.73 per cent of food–chemicals, 60 per cent of plastic–rubber, 50 per cent of printing, 41.67 per cent of readymade garments and one unit each of electrical and miscellaneous products units, marketing function was assisted or performed by men. Pricing of products was an important function in marketing, where the men played a major role. Most of the women expressed their feeling of inadequacy in fixing the price of the product.

Overall administration got a score of 16.67 per cent comprising of 20 per cent of plastic–rubber, 75 per cent of printing, 66.67 per cent of electrical, 18.18 per cent of food–chemical and one unit of concrete–wood–carton units. Twelve (25%) units each were having men taking part in finance and planning functions of the enterprise. Six (54.55%) units from food–chemicals, five (50%) units from plastic–rubber and one unit from concrete–wood–carton units had men participating in finance management functions. Seven (63.64%) units from food–chemicals and 50 per cent of plastic–rubber units stressed the role of men in planning activities.

In ten (20.83%) units, production processes got guidance and assistance from the men. Five (45.45%) units from food–chemicals and one unit each from plastic–rubber, readymade garments, concrete-wood–carton, electrical and miscellaneous units had men involved in production function. In one curry powder manufacturing unit, it was the husband who mixed the curry powders initially and he gave away recipes to friends and customers. In another food item manufacturing unit, the husband developed the recipe on his own and the unit roared away to success.

In nine (18.75%) units, husband or male members did the purchase function. The readymade garment units had the maximum of 41.67 per cent

score followed by 18.18 per cent in food–chemicals in this regard. Men of the family assisted one entrepreneur each from plastic–rubber and miscellaneous products in purchase function.

Thus, it was seen that men in the family strongly support the women in running their enterprises.

3.3.5 Time Devoted by Men in the Family for Women Entrepreneurs' Units

The time devoted by men in the family for the women entrepreneurs' units was indicative of their level of involvement in the business. Time devoted by men for the 48 units in a day is presented in table 3.28.

Table 3.28
Time devoted by men for women entrepreneurial units

Sl.No.	Time devoted by men in a day	No.of. units
1	Less than 2 hours	11 (22.92)
2	2–7 hours	22 (45.83)
3	8 hours and more	15 (31.25)
4	Total	48

Figures in parentheses represent percentages.

In 15 (31.25%) units, men were working for eight hours or more. In 22 (45.83%) units, men were devoting 2–7 hours in a day. Eleven (22.92%) units had men working for the unit for up to 2 hours.

Those who were spending eight hours or more were fully involved in the business without having any other full time occupation. However, whatever be the duration spent, the crux of the issue is that men were actively involved in the business of women entrepreneurs. This involvement of the family members had a strong effect in the success of marketing the products of the women entrepreneurs.

In the following four chapters, the marketing management with respect to the four Ps – product, price, place and promotion, in the sample units are outlined.

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CHAPTER IV
PRODUCT MANAGEMENT PRACTICES

Product, from the point of view of marketing management, may be termed as what is offered by a marketer to his customers at a price. A product is any tangible or intangible good, and the bundle of utilities and services that go along with the offer for sale [1] As a product is essentially a source of need satisfaction, every marketer has to ensure that his offer to the customers is as best as possible. It should be the best not only as a core product, but also as a formal product which is a larger package referring to all such characteristics as quality, design, style, brand name and packaging [2]. Product occupies a unique place in the marketing mix of a firm and all decisions relating to other elements of the marketing mix viz., price, promotion and distribution are taken in relation to product.

4.1. Product Selection

Product selection is the most important decision that an entrepreneur has to take to start a new small-scale industrial unit. The success of a product in the market depends mainly on whether or not the product has been developed in tune with the needs of the customers. The survival of the firms depend not only on selection of the product to start with but also on product development as a continuous process.

In order to ascertain the facilitating factors that led the respondents to select the products of their businesses, three factors in order of importance were ranked by them from a list of factors considered being important. The facilitating factors thus ranked were weighted and scores are presented in table 4.1.

Table 4.1
Factors that facilitated product selection by the SSI units

Sl No.	Factors	Weighted score for various product groups							Total Score
		P–R	R-M	C-W-C	Pri	F-C	Elec	Misc	
		10	16	5	6	17	6	5	65
1	Suggested by experts	12 (1)	6 (2)	—	6 (2)	23 (1)	11 (1)	8 (1)	66 (1)
2	Chose a product that was established in the market	4	2	2	—	6	6	—	20 (5)
3	Suggested by family members	7	3	10 (1)	9 (1)	16 (2)	9 (2)	—	54 (3)
4	Modified competitors, product	—	—	—	—	6	3	—	9
5	Conducted market survey	8 (2)	3	3	—	13 (3)	1	7 (2)	35 (4)
6	Interested and experienced in the work (Tech-know -how)	3	33 (1)	8 (2)	3	9	—	4 (3)	60 (2)
7	Raw material/ machine availability	3	—	—	—	—	—	—	3
8	Advertisement of machine	3	—	—	—	—	—	—	3
9	Family business	—	—	3	2		2	3	10 (6)
10	Others	—	7	—	—	—	—	—	7
	Maximum Score that can be assigned to any single factor	30	48	15	18	51	18	15	195

Figures in parentheses represent the rank in the respective columns.

Suggestion by experts got the maximum score as the facilitating factor for product selection by the SSI units. The experts included persons such as bank managers, family friends, a good worker, and consultants. Interest and technical know-how/experience in the work got second rank followed by suggestion by family members, market survey, selection of an established product in the market, family business and modification of competitors' product.

One entrepreneur manufacturing plastic bottles, thought of starting the business after seeing an advertisement of the machine in the newspaper. Another entrepreneur of a unit in rubber products category considered raw material availability as the most important facilitating factor in product selection.

When the individual product groups were considered, interest and experience/technical expertise secured the highest score in the case of garments manufacturing units. The other factors were ranked very low in comparison to interest and experience of the entrepreneurs. Suggestion by family members recorded the highest in the case of concrete-wood-carton and printing groups. Participation of husbands and other family members was seen to be high in these groups. Suggestion by family members got the second highest score in the case of food–chemicals and electrical products. Market survey got the 2nd rank in plastic–rubber and miscellaneous group. Interest and experience in the work got second and third ranks in concrete–wood-carton and miscellaneous groups respectively. Modification of competitor's products figured only in food–chemical and electrical products category.

Irrespective of the product groups, the entrepreneurs had taken a time period of six months to one year only in planning the products and starting the businesses.

4. 2. Product–Mix Strategies

The product mix is the full list of all products offered for sale by a business unit. The product mix of a firm has dimensions of both width (breadth) and depth. Its width is measured by the number of product lines carried, its depth by the variety of sizes, colours and models offered within each product line.

A broad group of products, intended for essentially similar uses and possessing reasonably similar physical characteristics, constitute a product line.

4. 2. 1. Change in product mix

When a SSI unit starts functioning, a certain product mix is conceived depending on available market information and production facilities. After starting to function in the competitive environment, the realities compel rethinking on the product mix and the firm may have to alter the product mix. Whatever may be the reasons, most of the firms go in for a change in the product mix over the years. The change in product mix of the sample SSI unit is given in Table 4.2.

A little over one fifth of the sample units (21.5%) increased the product mix depth. One unit each in plastic–rubber (10%) concrete-wood–carton (20%) and miscellaneous (20%) products increased their product mix depth. The highest increase in product mix depth was seen in the readymade garment category (43.75%). This may be assigned to the fact that this group can increase the variety without much addition in plant and machinery. Twenty seven units (41.5%) increased the product mix depth as well as width during their existence. Three (60%) of concrete–wood–carton products units, nine (52.9%) food–chemical units, eight (50%) readymade garment units, two (33.3%) electrical units, three (30%) plastic–rubber units one (20%) miscellaneous unit and one (16.7%) printing unit changed their product line depth as well as width during these years.

Ten (15.4%) units did not change the product mix since their inception. These units belonged to plastic–rubber (3 units) printing (5 units) food–chemical (one unit) and electrical (one unit) product groups. Printing units had the largest proportion (83.3%), which had not effected any change in product mix during their existence.

Table 4.2
Change in product mix of the SSI units over the years

Sl No.	Change in product mix	Product groups							
		P-R	R-M	C-W-C	Pri	F–C	Elec	Misc	Total No. Units
		10	16	5	6	17	6	5	65
1	Increase in product mix depth	1 (10)	7 (43.75)	1 (20)	—	4 (23.5)	—	1 (20)	14 (21.5)
2	Increase in product mix width	—	—	—	—	—	—	—	—
3	1 & 2	3 (30)	8 (50)	3 (60)	1 (16.7)	9 (52.9)	2 (33.3)	1 (20)	27 (41. 5)
4	No Change	3 (30)	—	—	5 (83.3)	1 (5.9)	1 (16.7)	—	10 (15.4)
5	Decrease in product mix depth	—	—	—	—	—	—	—	—
6	Decrease in product mix width	1 (10)	—	—	—	—	—	—	1 (1.5)
7	5 & 6	1 (10)	—	—	—	1 (5.9)	—	—	2 (3.1)
8	Dropped some and added some other items	1 (10)	1 (6.3)	1 (20)	—	2 (11.8)	3 (50)	3 (60)	11 (16.9)

Figures in parentheses represent percentages

Some of the units had decreased the product mix. One unit in plastic–rubber group decreased the product mix width. Two units, one each in plastic–rubber and food–chemical groups decreased the product mix depth as well as width. These were deliberate on the part of the SSI units. Non availability of

labour, raw materials and management problems led the food products unit to curtail their production. One rubber products unit had problems in operating in full capacity because of labour problems and governmental problems. Thus, in some cases product mix changes were caused by factors other than marketing

Eleven (16.9%) units had dropped some items and added some others in the product line. Three units each in miscellaneous (60%) and electrical (50%) units, two (11.8%) in food–chemical and one each in rubber–plastic (10%), readymade garment (6.3%) and concrete–wood–carton (20%) product groups had some items added and some other dropped in the product lines.

4. 2. 2. Change in the number of items in the product mix

An attempt was made to assess the number of items carried initially and at the time of study, by the SSI units. Three categories viz. units having 1-2 items, 3-5 items and above 5 items in the initial phase and currently were identified and the distribution of these units is presented in table 4.3.

Fifty two units (80% of total) spread over all the categories, had made additions to the product mix. 34 (65.38%) units added on 1-2 items, 12 (23.08%) units 3-5 items and 6 (11.54%) units added above five items, to their product mix. All the units in readymade garments, concrete–wood–carton, and miscellaneous groups had added on to the product mix during the course of time. Rubber–plastic products increased the product items by one or two items in the case of five (50%) units in that category. Only one unit in printing added binding work of notebooks and sale of that as a major work. Fifteen (88.2%) units in food–chemicals group had gone for addition in product mix of which 52.9% added 1-2 items, 23.5% added 3-5 items and 11.75% added above 5 items. In food products, a few units had up to 25 items in their product mix. In electrical units 50 percent of the units had added on 1-2 items and 33.3 percent have added more than 5 items to their product mix.

Table 4.3
Number of items carried in the product mix by the SSI units

Sl No.	No. of Product items		No. of units in various product group								Total No. of units changing product mix
			P-R	R-M	C-W-C	Pri	F – C	Elec.	Misc	Total	
			10	16	5	6	17	6	5	65	
1	No. of items in the beginning	1 – 2	6 (60)	11 (68.8)	—	6 (100)	7 (41.2)	6 (100)	3 (60)	39 (60)	
		3 – 5	4 (40)	4 (25)	5 (100)	—	7 (41.2)	—	1 (20)	21 (32.3)	–
		Above 5	—	1 (6.3)	—	—	3 (17.6)	—	1 (20)	5 (7.7)	
2	No. of items added	1 – 2	5 (50)	10 (62.5)	2 (40)	1 (16.7)	9 (52.9)	3 (50)	4 (80)	34	
		3 – 5	—	5 (31.3)	2 (40)	—	4 (23.5)	—	1 (20)	12	52
		Above 5	—	1 (6.3)	1 (6.3)	—	2 (11.76	2 (33.3)	—	6	
3	No. of items dropped	1 – 2	3 (30)	1 (6.25)	—	—	2 (11.76)	3 (50)	3 (60)	12	14
		3 – 5	—	—	1 (20)	—	1 (5.9)	—	—	2	
		Above 5	—	—	—	—	—	—	—	—	
4	No. of items marketed now	1 – 2	7 (70)	1 (6.25)	—	6 (100)	3 (17.64)	3 (50)	1 (20)	21 (32.3)	
		3 – 5	1 (10)	10 (62.5)	3 (60)	—	6 (35.3)	2 (33.3)	2 (40)	24 (36.9)	–
		Above 5	2 (20)	5 (31.25)	2 (40)	—	8 (47.1)	1 (16.67)	2 (40)	20 (30.8)	

Units in Sl No. 2 and 3 are not mutually exclusive.
Figures in parentheses represent percentages

Fourteen units have stopped producing, some of the products that they started with. Twelve units stopped producing 1 or 2 items and two units dropped 3-5 items being manufactured. Three units each in rubber products (30%) electrical units (50%) and miscellaneous group (60%) have stopped producing 1-2 items . Electrical units have stopped production of certain items due to technical obsolescence. Two of food–chemical units have stopped producing 1-2 items, which are not viable. Only one readymade garments unit has gone for any deletion in the product mix.

With regard to the items marketed at the time of the study, rubber–plastic, printing and electrical products had fifty to hundred percent of units manufacturing one or two items only. Twenty one units (32.3%) of the total number of units were included in this group. Readymade garments, food–chemicals and miscellaneous group together had only five units falling in this group. Three-five items are manufactured by one unit in plastic–rubber, 10 units in readymades, three units in concrete-wood–carton, six units in food–chemicals, two units in electricals and two units in miscellaneous group making a total of 24 units (36.9%) . Above five items were manufactured by two unitst (20%) of plastic– rubber, five units (31.25%) of readymade, two units (40%) of concrete–wood–carton, eight units (47.1%) of food–chemicals, one unit (16.67%) of electricals and two units (40%) of miscellaneous groups making a total of 20 units (30.8%). Some of the food products units manufactured up to twenty five varieties of products.

At the time of the study, the average width of the product mix was found to be the lowest in plastic-rubber product groups (1.5). There were seven units with a single product line, two units with two lines and one unit with four product lines in the rubber–plastic units.

In the readymade garments units one unit had only one product line and all others had two product lines in the mix. Thus, these units had an average product mix width of 1.94. The concrete–wood–carton units had an average product mix width of 1.8, where one unit had only one product line while four units had two product lines in its product mix. The printing units had an average product mix width of 1.17 with five units having a single product line while one unit had two product lines. The food–chemical units had an average of 1.88 product mix width, in which four food product units had single product line, eleven food–chemical units had two product lines and two food product units had a product mix width of four.

The electrical units had the highest average product mix width of 2.5 among all the units. Here, except for one unit all units had two or more product lines in the product mix. The miscellaneous product units had an average product mix width of 2.4 with all the units except one having two or more product lines.

It was an important finding that the units with high investment levels had product mixes with narrow width.

4. 3. Important Factors in Product Selection

The respondents were asked to rank the important factors in selecting the product line for their business activity. The weighted scores of the responses are presented in Table4.4.

Demand for the product got the highest score in total and except for readymade garments, this factor was ranked the highest in all groups. Past experience got the highest score for product selection in the garments group and 3rd rank in the total. This may be due to the fact that all the sample SSI units in garments making had women entrepreneurs who knew the art. No difficulty in technical know how scored second in total and also among individual groups, excluding printing, electrical and miscellaneous groups.

When the individual groups were taken into consideration, criteria for product selection as 'typically feminine' response got second rank in printing and food-chemicals group and third rank in readymade garments group and fourth in overall ranking.

Entrepreneurs in the plastic-rubber group had more of family business background and scored second in product selection criteria while in all other groups this factor was not very significant. Short gestation period was considered by readymade garments, food-chemicals and miscellaneous group. High rate of return as a criterion was not stated significant eventhough most of the units were earning good profits. Existence of similar units as an advantage

for starting their units was ranked 2nd in electrical units and 5th in food-chemicals group. Other factors considered were no competition to face with, low mobility needed, future prospects, raw material availability, and lower risk taking, of which lower risk taking got a second ranking in the rubber-plastic group.

Table 4.4
Factors considered important in product selection by women entrepreneurs

Sl No.	Factors	Weighted score for various product groups							
		P-R	R-M	C-W-C	Pri	F–C	Elec	Misc	Total
		10	16	5	6	17	6	5	65
1	Demand for the product	21 (1)	7	10 (1)	14 (1)	24 (1)	15 (1)	8 (1)	99 (1)
2	No difficulty in technical know - how	10 (2)	25 (2)	5 (2)	5 (3)	12 (2)	3	3 (2)	63 (2)
3	Short gestation period	—	5 (4)	—	—	10 (4)	—	3 (2)	18
4	High rate of return	2	3	—	—	3	2	3	13
5	Family business	6 (4)	—	3	—	—	1	2	12
6	Past experience	3 (5)	27 (1)	5 (2)	4	4	4 (3)	1	48 (3)
7	Existence of similar units	1	—	—	—	6 (5)	8 (2)	—	15
8	No competition	—	—	—	—	3	—	—	3
9	Low mobility needed	—	—	—	—	3	—	—	3
10	Typically feminine	—	12 (3)	—	6 (2)	12 (2)	—	3 (2)	33 (4)
11	Future prospects	3 (5)	2	2	—	11	—	—	18
12	Raw materials	2	—	—	—	4	—	3	9
13	Low risk	10 (2)	5 (4)	—	4	5	—	2	26 (5)
	Maximum score that can be assigned to any single factor	30	48	15	18	51	18	15	195

Figures in parentheses represent ranks of the respective columns.

4. 4. Important Product Attribute in Marketing the Products

Consumers buy products to satisfy their needs (find solutions to their problems). Any change in features such as design, colour, size or packaging creates another product according to the customers. Each such change provides the seller with an opportunity to use a new set of appeals to reach a new market.

In order to assess the product attributes that are considered to be important in marketing their products, the SSI units were asked to rank the importance of various product attributes from 1 to 3, rank 1 being of very importance and rank 3 being of very little importance. The distribution is average weighted scores of the responses is presented in table .4.5.

Table 4.5
Women entrepreneurs' perceived importance of product attributes in marketing their products

Sl No.	Product attribute	Average weighted score for various product groups							
		P-R	R-M	C-W-C	Pri	F–C	Elec	Misc	Total
		10	16	5	6	17	6	5	65
1	Quality	2.8	2.13	2.6	2.67	2.12	2.67	1.8	2.4
2	Design/ features/ size	—	2.98	2.4	—	—	0.33	1.8	1.06
3	Taste/smell etc	—	—	—	—	1.98	—	—	—
4	Warranty/ guarantee	—	—	—	—	—	1.33	—	—
5	After sales service	—	0.13	—	—	—	0.33	—	—
6	Package	—	—	—	—	0.76	0.16	—	—

Maximum score that can be assigned to any single attribute is 3

Quality of the product was considered to be very important with an average weighted score of 2.4 in total. All groups had responded to this attribute signifying its importance in marketing their products. Rubber–plastic

category had the highest score of 2.8 with the lowest score of 1.8 in the case of miscellaneous group. Design/features/size etc weighed high in importance in readymade garments with a score of 2.9 followed by concrete–wood–carton with 2.4, miscellaneous 1.8 and electrical with 0.33 scores. Taste and smell were significant only for food–chemicals group and got an average weighted score of 1.9. Warranty/guarantee figured only in electrical products with a score of 1.3. After sales got importance with a score of .33 in electrical products followed with a very low score of 0.13 in readymade garments. Packaging was considered relevant only in food–chemicals with score of 0.76 and a score of 0.16 in electrical products.

4. 5. Branding Decisions

A brand is " a name, term, symbol, or design, or a combination of them, which is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors"[3]. The pronounceable part of the brand is the brand name. A brand mark is the part of the brand that appears in the form of a symbol, design, or distinctive coloring or lettering. A trademark is a brand that is given legal protection because, under the law, it has been appropriated by one seller [4].

The manufacturers have different options of branding their products while marketing them. They are :

1. To adopt a family brand for all the products
2. To have individual brand names for each product
3. To adopt multiple brand names for the same product with a view to catering to varying segments of the market and
4. To offer the product for branding by a middle man or a distribution house.

The distribution of the brand use practices of the sample units is presented in table 4.6

Table . 4.6

Distribution of units of various products groups according to Brand use characteristics

Product groups	Someone else's brand name	Own Brand name			Total no. of brand name users	No.of non users of Brand names	Total
		Individual brand	Family brand	Total			
1	2	3	4	5	(2+5)		
Plastic & rubber	3	1	1	2	5	5	10
Readymade garments	2	—	3	3	5	11	16
Concrete, wood & carton	—	—	—	—	—	5	5
Printing	—	—	—	—	—	6	6
Food and Chemicals	1	1	13	14	15	2	17
Electrical	2	—	3	3	5	1	6
Others (Misc)	—	—	—	—	—	5	5
Total	8	2	20	22	30 (46.15%)	35 (53.84%)	65 (100%)

Brand name users formed 46.15 per cent of the total numbers of sample units and 53.84 per cent were non-users of brands. Eight units (26.67%) of the brand name users were using some one else's brand name. Three units (37.5%) that use others' brand name were manufacturing for another firm and the products were marketed with that firm's brand name. One food–products manufacturing unit was marketing with middleman's brand. That unit was selling its flour mainly through a supermarket and was using the store name to promote their products.

Forty per cent of the users of brand names in the readymade manufacturing units manufactured mainly for bigger producers and their products were marketed with the marketer's brand name. Two units (40%) of the electrical units that use some one else's brand names were manufacturing for bigger units and the products were known by the marketer's brand names.

Individual brand names were used by two units only-one belonging to rubber products and another one belonging to detergents (chemicals) manufacturing units.

Family branding was the popular method of branding used by 66.67 per cent (20 in number) of the brand name users. Those units that use own brand names were 22 in number amounting to 73.3 per cent of the brand users.

The use of brand name makes repeat purchases easy for the consumers. The brand owner is benefited as she can increase the production capacity. A brand name often enhances the image of the product.

The use of brand names was not extensive in the sample units. The entrepreneurs were not utilizing the full potential of branding the products.

4. 6. Packaging

Historically, packaging was a production–oriented activity in most companies, performed mainly to obtain the benefits of protection and convenience. Today, however, the marketing significance of packaging is fully recognized and is made use of as a promotional tool.

Packing is a physical activity for protection of the product while packaging is intended also for promotion of the product. Important packaging objectives are to (1) contain the contents, (2) protect the contents, (3) promote the contents, (4) differentiate the contents and (5) increase utility to middlemen and final buyers.

Packaging was not an important activity for 44 (67.7%) units that were studied. Twenty one units (32.3%) considered packaging important in marketing their products (Table 4.7). The units were asked to rank three objectives achieved through packaging. The average weighted score of the responses are presented in table 4.8.

Table 4.7
Whether packaging is important or not

Sl No.	Response	Product Category							Total
		P- R	R.M	C-W -C	Pri	F - C	Elec	Misc	
1	Yes	1	2	—	—	15	3		21
2	No	9	14	5	6	2	3	5	44
	Total								65

Table 4.8
Packaging objectives

Sl No.	Packaging objectives	Average weighted score for various product groups							Total Av. Score
		P- R	R.M	C-W -C	Pri	F-C	Elec	Misc	
		10	16	5	6	17	6	5	65
1	Product protection	2.4	1	—	2.5	1.8	1.5	1.2	1.49
2	Brand differentiation	.3	.38	—	—	2.24	2.2	—	.73
3	Information about product attributes	—	—	—	—	.24	.17	—	.41
4	Making the product attractive	—	.13	—	—	.35	—	—	.07
5	Improve handling convenience	.4	—	—	—	.71	.33	—	.21
6	Give good quality image	—	—	—	—	.53	—	—	.08

Maximum average weighted score that any single function can get is 3.

Product protection got the highest average weighted score (1.49) when the packaging objectives were considered by the SSI units. It was followed by brand differentiation (0.73), information about product attributes (0.41), improve handling convenience (0.21), give good quality image (0.08) and making the product attractive (0.07).

However, when product group wise packaging objectives were considered, the ranking differed for different groups. Product protection got the highest score in the case of plastic and rubber, readymade garments, printing and miscellaneous groups. But brand differentiation was the most important objective in the case of food–chemicals and electrical products with scores of 2.24 and 2.2 respectively. Out of the 21 units that considered packaging important, 15 units belonged to food–chemicals group and 3 belonged to electrical units. Two units, which claimed advantage of good packaging in readymade garments group, were manufacturing ladies undergarments. It was the food-chemicals group that considered packaging as a very important element in the marketing mix.

4. 6. 1. Packaging expenses

The average expenses on packaging were highest in chemicals followed by food products [5]. The packaging expenses amounted to about 2.5–3 percent of sales in the food–chemicals units of the sample units that gave importance to packaging element.

4. 7. Product Quality

4. 7. 1. Perception of quality

Consumers compare the quality of the product offered for sale by the manufacturers. In order to attain a favourable product positioning in the minds of consumers, the quality of the product has to compare favourably with that of the competitor's products. Table 4.9 presents the perception of the entrepreneurs with regard to quality.

Table 4.9
Perception of quality level vis– a-vis competitors

Sl. No.	Perceived quality level of products	No. of responses comparing with			
		Similar units		Large units	
		No. of units	%	No. of units	%
1	Superior	16	24.61	4	6.15
2	Same	17	26.15	12	18.46
3	1 or 2	8	12.3	—	—
4	Lower quality	—	—	5	7.69
5	2 or 4	3	4.61	—	—
6	Not sure/don't know	21	32.31	38	58.46
7	Not applicable	—	—	6	9.23
	Total	65	100	65	100

About 25 per cent of the sample units stated superiority in the level of quality of their products vis–a-vis similar small scale units. About 26 per cent reported same quality level with similar units and 32.3 per cent of the units were not sure or did not know about the quality status of their products in comparison with other small scale units. About five per cent of the respondents stated same or lower level of quality of products vis–a-vis their similar small scale competitors.

The lack of awareness of quality of their products vis–a-vis competitors, reveals the lack of awareness and non use of marketing techniques, such as marketing research by the women entrepreneurs. But it was heartening to note that 63.06 per cent of the respondents stated their product quality superior, same or either of the two in comparison with their similar competitors. Industry– wise differences were not very marked.

In comparison with large units, only 6.15 per cent of the units claimed superior quality of their products. 18.46 per cent stated same quality.

Therefore quality level perception at par or above with large scale manufacturers formed about 25 per cent, which is significant for the small manufacturers. About eight per cent stated lower quality level in comparison with large units, 58.46 per cent did not know and 9.2 per cent expressed incomparability as they did not have large scale competitors for their products.

4. 7. 2. Quality control

A manufacturing unit has to resort to quality control measures to ensure consistent quality of their products. The Japanese manufacturing units strive to achieve quality excellence through the adoption of total quality management concept (TQM). Quality control is of utmost importance for the long term survival and growth of any enterprise in the present day competitive environment.

Entrepreneurs were asked to indicate the measures adopted by them to assure the quality of their manufactured products. Different ways of ensuring quality control such as, inspection of each item, sample checking, close supervision and ensuring the quality of the materials used in production were ranked 1,2 & 3 by the entrepreneurs. Weightage in the order 3,2 and I were given to the ranks and weighted scores had been computed for each quality control measure taken. This is depicted in table 4.10.

Table 4.10
Quality control measures adopted by the Small Scale Units

Sl.No	Quality control measure taken	No. of units assigning different ranks			Composite weighted score
		I	II	III	
1	Each item is inspected	20	17	1	95
2	Sample checking	11	4	—	41
3	Close supervision	16	3	—	54
4	Ensuring the quality of the materials used in production	13	19	2	79

Inspection of each item was the most commonly resorted to method of quality control having a composite weighted score of 95. Ensuring the quality of the materials used in production was the second weighted (score 79) method followed by close supervision (score 54) and sample checking (score 41) method of quality control.

Some of the small scale units made use of testing facilities provided by the Central Government and the State Government through Small Industries Development Corporation (SIDO). One sample unit from the food–items category had its own laboratory and a chemist on behalf of Agmark. Two other units got their food product category items checked on a monthly basis at the testing centres.

One rubber crumb-manufacturing unit had a chemist and a laboratory in their manufacturing unit. Majority of the other rubber–based products manufacturing unit entrepreneurs were themselves qualified to assure quality of the product or got it done through experts in the field. Electrical item manufacturers left their devices working for 24 hrs to check the functioning. The quality consciousness was seen to be high on the part of the entrepreneurs.

4. 8. Quality Marks used (Product standardisation)

The quality of a product is extremely significant, but it is probably the most difficult of the entire image building features to define. According to Stanton[6], one guideline in managing product quality is that the quality level should be compatible with the intended use of a product; the level need not be any higher. Product quality is expressed through standardisation of its inherent characteristics to meet the users' needs. The government of India has standardised the quality for various items manufactured, which facilitates marketing. In the case of manufactured products Indian Standards Institution (ISI), renamed as Bureau of Indian Standards, has evolved standards for most of the consumer products.

The Directorate of Marketing and Inspection, Department of Rural Development, Ministry of Agriculture and Rural Development, Government of India since its very inception in 1935, has been responsible for bringing about an integrated development of marketing of agricultural produce with a view to safeguarding the economic interests of the producer–sellers as well as the consumers. The role of the Directorate of Marketing and Inspection in ensuring quality of food products is well reflected in our late Prime Minister Mrs. Indira Gandhi's message– ' by enforcing inspection of food products, the Agmark movement has helped the interests both of consumers and agricultural producers', on the introduction of Agmark for quality standards[7].

In view of the increasing importance of standardisation, the units under study were asked to point out the standards used by them in marketing their products. Table 4.11 shows the usage/non-usage of quality marks by the women entrepreneurs. One electrical unit was marketing their products with ISI marks. One food product unit, to be specific, curry powder manufacturing unit, was marketing the products with Agmark. Five units in food–chemicals group were having PFA/FPO mark on their product package. These three categories of quality marks formed 10.76 per cent of the total number of units.

Table 4.11
Break–up of SSI units according to the quality mark used

Product groups	Standard mark used			Own/ conforming to standard	No mark	Total
	ISI	Agmark	FPO/ PFA			
Plastic & Rubber	—	—	—	5 (50)	5	10
Readymade garments	—	—	—	1 (6.3)	15	16
Concrete, wood & carton	—	—	—	2 (40)	3	5
Printing	—	—	—	—	6	6
Food & Chemical	—	1 (5.9)	5 (29.4)	—	11	17
Electrical	1 (16.6)	—	—	4 (66.6)	1	6
Miscellaneous	—	—	—		5	5
Total	—	—	—	12 (18.46)	46 (70.8)	65 (100)

Figures in parentheses represent percentage to total in that category.
ISI, Agmark & FPO/ PFA is used by 7 units forming 10.76 per cent of the total.

About 19 per cent of the units manufactured and marketed their products conforming to standards or used own marks. Seventy one per cent of the sample units marketed their products without any quality mark. It may be noted that in certain product category, such as readymade garments and printing, the use of quality mark was not necessary for selling the products. In such cases, brand image/name of the marketer was used for promotion.

4. 9. Assessment of Product Demand

Assessment of product demand plays an important role in the process of planning and implementation of marketing policies and programmes. By its very nature, business is characterised by uncertainties that give rise to the risk of losses. How far the assessment is true and how much demand for the product prevails in the dynamic environment, are to be continuously assessed.

The demand for the product determines the production level, production technology, stock of material and the number of people to be employed. The more accurate the forecast of product demand, the better the unit can plan to fulfill the same by utilizing the available resources in an optimum way.

There are several methods of assessing demand for the product. Three methods used by the respondent units were ranked in the order of their relative importance and frequency of use. Weighted scores for various methods are presented in table 4.12.

Table 4.12.
Means/Methods of Demand Assessment

Sl. No.	Methods	Weighted scores for various product groups							
		P–R	R.M	C-W-C	Pri.	F-C	Elec.	Misc.	Total score
		7	16	5	6	17	6	5	62
1	Projection of past sales	12 (1)	29 (1)	3	16 (1)	28 (2)	14 (1)	10 (1)	112 (1)
2	Market research	5	24 (2)	11 (1)	13 (2)	29 (1)	3 (2)	8 (2)	93 (2)
3	Consumer survey	—	2	2	—	5	2	5	16 (7)
4	Sales people	2	4	3	—	6	2	—	17 (6)
5	Intermediaries	5	—	—	—	9	1	6 (3)	21 (5)
6	Own judgment	8 (3)	29 (1)	4 (3)	7 (3)	7	3 (2)	—	62 (3)
7	Opinion of family members involved in the business	10 (2)	—	5 (2)	1	13 (3)	1	4	28 (4)
8	Maximum score that can be assigned to any single method	21	48	15	18	51	18	15	186

Figures in parentheses represent ranks of the columns.

Projection of demand based on past sales got the highest overall score and also in individual groups, except for concrete-wood-carton and food-chemical group of products. The concrete-wood-carton and food-chemical units relied more on market research over the other methods. Market research for demand assessment got the second highest score in total and in readymade garments, printing, electrical and miscellaneous products units.

Own judgment based on intuition and experience was another method of demand assessment used by most of the SSI units. This method got the third highest rank in total scores and shared the 1st rank along with projection of past sales in the readymade garment category. Own judgment method got second highest rank in electrical and third place in plastic-rubber, concrete-wood-carton and printing category.

Opinion of family members or active participation of family members in assessment of product demand was seen in the case of plastic-rubber, concrete-wood-carton (both second highest rank) and food-chemicals (3rd ranking) and got 4th ranking in total scores.

The other sources of information for assessing product demand were intermediaries, sales people and consumer survey, which was the least used means for getting information.

Projection of past sales, market research and own judgment were the most used means of information for assessing product demand by the units.

4.10. Marketing Research Activities

Marketing Research (M.R) has gained importance in India in recent years, primarily because of the growing competition among the manufacturers and the changing consumer demands. Marketing Research is in the growing stage in India and only large firms are equipped to undertake the M.R. activities in a systematic manner. Small units are often constrained to engage

in marketing research activities. Even then, they cannot neglect it, as it is very important for the firm, to stay in an ever-changing environment.

The respondents of the sample units were asked to indicate the extent of use of various types of M.R. by ticking frequently, occasionally and seldom against various areas of research, such as consumer, motivation, market, product, pricing, advertising, distribution and sales/past transaction analysis research. Weights 3, 2 and 1 were assigned to the responses depending on the frequency of the activities taken up. Different types of marketing research activities taken up by the sample on a product group basis are presented in table 4.13.

Table 4.13
Marketing Research activities

Sl. No.	Type of research	Weighted scores for various product groups							
		P-R	R.M	C-W-C	Pri.	F-C	Elec.	Misc.	Total
		7	16	5	6	17	6	5	62
1	Consumer	—	2	2	—	5	2	5	16
2	Motivation	—	—	—	—	5	—	—	5
3	Market	5	24	11	13	29	3	8	93
4	Product	6	10	12	10	22	4	8	72
5	Pricing	7	4	6	12	20	4	4	37
6	Advertising	—	—	—	—	2	—	—	2
7	Distribution	3	2	1	—	20	4	1	31
8	Sales & past transaction analysis	10	20	6	9	34	12	6	97
	Maximum score that can be given to any single factor	21	48	15	18	51	18	15	186

Sales and post transaction analysis were the most used type of marketing research by the sample units. Market research was the second mostly used form of M.R and product research came third in this regard.

The units did not take up distribution and pricing research to the extent required. The units did almost not take up advertising research and motivation research.

4. 11. Summary

To sum up, product is the most important element in the market mix, as without the product there is nothing to sell by the marketer. Suggestion of experts and interest and experience of the entrepreneur in the product line were the most important facilitating factors in product selection of the units. The product mix of the units had undergone changes during a period of time in most of the units. The number of items carried by the sample units varied from one to twenty five. The average product mix width of the sample units was in the range of 1.5 to 2.5.

The demand for the product, followed by technical know-how were the important factors considered for product selection. Product quality was perceived to be the most important attribute in selling the products. The use of brand names had occurred only in 46 per cent of the sample units and only 73 percent of the brand users had own brand names. Family brands were most common and individual brand names were used by only a small number of units.

Packaging was important for 67.69 per cent of the units. Product protection was the perceived benefit of packaging by majority of the units. Packaging as a tool for brand differentiation and thus promotion, was the important objective for food–chemical and electrical units.

Majority of the respondents felt that the quality of their products was at par or superior with similar units but was not sure in comparison with large units. Inspection of items manufactured, ensuring quality of materials used in

production and close supervision were the means used for quality control by the SSI units. The use of recognized quality marks were found in the case of seven units which formed 36.84 per cent of total standard users. Sixty three per cent of the standard users were using own standards, or conform to certain standards.

Projection of past sales was the most important method for assessment of demand for the products. Market research, own judgment and opinion of family members were the other important means used in assessing the demand for the products.

Sales and post transaction analysis followed by market research and product research were the common type of M.R. taken up by the units. Other areas of marketing research were not given due importance by these units.

Notes and Reference

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CHAPTER V
PRICING STRATEGIES AND PRACTICES

Price is a key decision variable of the marketing mix for any seller. What price is to be charged for a product calls for careful consideration by the SSI units. As seen earlier, in chapter 3, women took the help of male members involved in their business for pricing the products. Most of them found it difficult to fix an optimum price and had trouble in setting the price initially.

5. 1. Factors Influencing Pricing

Many factors influence the decision of setting selling price of a product of a firm. The entrepreneurs were asked to rank these important factors for decision making. Table 5.1 gives the weighted average scores of various factors considered important in deciding the selling price of the products by 62 sample units. Three units from plastic–rubber category were excluded, as they were not selling the products. Cost of production was the most important factor as indicated by the highest weighted average score of 2.4 in fixing price of the products by the SSI units. Cost of production as the most important factor scored the highest in all the individual product groups also.

Competitor's price got the second highest score in the factors that were considered to be important in setting the selling price. Product wise classification of the units show highest score for this factor in the case of concrete–wood–carton with 2.0, followed by food–chemicals with 1.9, Printing and electrical with 1.8, plastic–rubber with 1.6, readymade garments with 1.1 and the miscellaneous products with 0.8.

Demand for the product as a consideration for price setting got the third rank in total average score. This factor got the highest score in readymades followed by miscellaneous product categories probably because of the competition they faced in the market.

Consumer paying capacity scored 0.16 in total scores. The importance of Maximum Retail Price (M.R.P) from consumer point of view was stressed by some chemical units. According to them M.R.P should be affordable and reasonable for the consumers.

Table 5.1
Factors considered important in Pricing

Sl No.	Factors	Average weighted score for various product groups							Total score
		P-R	R.M	C-W-C	Pri	F-C	Elec.	Misc.	
		7	16	5	6	17	6	5	62
1	Cost of production	2.4	2.6	2.6	2.5	2.2	2	2.8	2.4
2	Demand for the product	0.57	0.69	0.4	0.33	0.29	0.17	0.6	0.44
3	Competitor's price	1.6	1.1	2	1.8	1.9	1.8	0.8	1.6
4	Consumer paying capacity	—	0.25	—	0.17	0.53	0.17	—	0.16

Maximum average score that can be assigned to any single factor is 3.

5. 2. Prices charged by the sample units vis–a-vis major competitors

Marketers study the competitor's price before fixing the selling price of the products. As seen from table 5.1, competitor's prices had a strong influence on fixing the selling price of the products of the SSI units. The units can fix the price high, low or at par with the competitor's prices. For most of the sample units surveyed, other SSI units were their major competitors. A comparison of the prices charged by the women entrepreneurial units in comparison with the major competitors is presented in table 5.2.

Table 5.2
Comparison in price fixation with major competitors

Sl. No.	Price level in comparison with major competitors	Product groups							Total
		P-R	R.M	C-W-C	Pri	F-C	Elec.	Misc.	
		7	16	5	6	17	6	5	62
1	Below	1 (14.8)	10 (62.5)	2 (40)	1 (16.67)	7 (41.18)	1 (16.67)	1 (20)	23 (37.1)
2	Above	2 (28.57)	—	1 (20)	—	—	—	—	3 (4.84)
3	At par	2 (28.57)	6 (37.5)	2 (40)	2 (33.33)	6 (35.29)	4 (66.67)	4 (80)	26 (41.94)
4	1 & 2	—	—	—	—	—	—	—	—
5	1 & 3	1 (14.28)	—	—	—	1 (5.88)	1 (16.67)	—	3 (4.84)
6	2 & 3	1 (14.28)	—	—	1 (16.67)	3 (17.65)	—	—	5 (8.06)
7	1,2 & 3	—	—	—	2 (33.33)	—	—	—	2 (3.23)
	Total								62 (100)

Figures in parentheses represent percentages.

In this study, 37.1 per cent of the units charged lower prices and 41.94 per cent of the units charged the same price in comparison with the major competitors (price lower or same form 83.8 per cent). Only 4.84 per cent claimed of charging higher prices. Altogether, 54.84 per cent (total percentages of serial no.2, 3 & 6 in the table) of the units charged prices above or at par with their major competitors. More than one third of the women entrepreneurs charged lower prices than the competitors. About 5 per cent of the units charged prices below or at par with the major competitors. About 3 per cent units charged below, above or at par with competitor's prices, all of which represented 33.33 per cent of the printing units.

Product-wise analysis of the pricing practices showed that the readymade garments units were pricing lower than the competitors to the extent

of 62.5 per cent of the sample units. 41.2 per cent of food–chemical, 40 per cent of concrete–wood–carton, 20 per cent of miscellaneous, 16.7 per cent each of printing and electrical, and 14.3 per cent of plastic–rubber units charged lower price in comparison with their major competitors.

Only 28.5 per cent of plastic–rubber and 20 per cent of concrete–wood–carton units priced their products higher than major competitors. Price fixation at par with major competitors was seen in 28.57 per cent of rubber–plastic, 37.5 per cent of readymade garments, 40 per cent of concrete–wood–carton, 33.33 per cent of printing, 35.29 per cent of food–chemical, 66.67 per cent of electrical and 80 per cent of miscellaneous products units.

About 14 per cent of plastic–rubber, 5.98 per cent of food–chemical and 16.67 per cent of electrical units reported pricing below or at par. Price fixation above or at par was the practice of 14.3 per cent of plastic–rubber, 16.67 per cent of printing and 17.65 per cent of food–chemical units.

The units, which reported more than one level of price fixation, manufactured products falling in different product lines. Prices for certain products might be higher while the prices might be at par or lower for certain other products.

5. 3. Alternate Pricing Policies

A small scale unit may prefer to adopt a one-price policy or a variable price policy for the same product item in their effort to maximise the profits. Following a single price policy means that the firm does not differentiate between customers. Discount and concessions, if allowed, are granted on equal terms to all the buyers. Under the variable price policy, different prices are charged from different customers depending on the bargaining power, geographical region, size of purchase etc, of the customers. A variable price policy may not be advisable in all situations. However, at times SSI units may be constrained to follow a variable price policy.

The distribution of women entrepreneurial units according to alternate pricing policies, based on their responses is presented in table 5.3. About 53 per cent of the total number of units were following single price policy and 46.77 per cent adopted variable price policies.

Table 5.3
Distribution of women Entrepreneurial Units according to the alternate pricing policies

Sl No.	Factors	Product groups							Total
		P-R	R.M	C-W-C	Pri	F-C	Elec.	Misc.	
		7	16	5	6	17	6	5	62
1	Single price policy	5 (71.43)	6 (37.5)	1 (20)	1 (16.67)	16 (94.1)	2 (33.33)	2 (40)	33 (53.23)
2	Variable price policy	2 (28.57)	10 (62.5)	4 (80)	5 (83.33)	1 (5.9)	4 (66.67)	3 (60)	29 (46.77)

Figures in parentheses represent percentages

Product-wise classification showed that food–chemical units followed single price policy to the extent of 94.1 per cent of the units, followed by plastic–rubber (71.43%), miscellaneous (40%), readymade garments (37.5%), electrical (33.33%) and concrete–wood–carton (20%) product groups.

Variable price policy was adopted to a great extent by printing (83.33%) units followed by concrete–wood–carton, electrical, readymades, miscellaneous and rubber–plastic products in the descending order. Only one unit (5.9%) of the food–chemical products followed the variable price policy.

Thus, it can be seen that the fixed/variable price policy of the units were product specific to a great extent. Printing and concrete–wood–carton units sold mostly to organisational customers, where the prices are subject to bargain. These entrepreneurs offered their products at lower prices on bulk purchases. The units that followed a variable price policy in other product groups also reduced the prices on bulk purchases.

5. 4. *Pricing Objectives*

A firm may want to achieve more than one objective through its pricing strategy. Any pricing strategy has some underlying objectives behind it. Objectives, such as profit maximisation and sales growth are normally inherent in any pricing strategy. The pricing objectives undergo changes as the entrepreneurs gain experience in assessing the market forces. With a view to find out what objectives were really sought while formulating the price strategy, the entrepreneurs were asked to point out the objectives which they had been following initially and at present (at the time of study). Table 5.4 gives the matrix of shift in pricing objectives of small units in all groups. Tables 5.5 to 5.11 give the matrix of shift in pricing objectives of various product groups.

The diagonal elements (i,i) represent units, which did not change the objective, the row total give the number of units with the respective initial objectives and the column totals give the number of units with the respective present objectives (same for tables 5.4 to 5.11).

One fifth (20.97% or 13 units) of the total number of units did not change their initial pricing objectives. The initial objectives of market penetration followed by five units and meeting/preventing competition by six units in the total of sample units figured prominently in non-shift of objectives.

Table 5.4
Matrix of Shift in pricing objectives (all groups)

Sl. No.	Present (To) / Initial (From)	1 Pro. Maxi-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	1	—	—	1	—	—	2
2	Target return on investment	3	—	1	—	1	—	5
3	Meeting / Preventing competition	4	—	5	5	1	—	15
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	7	—	8	17	6	—	38
6	Others	—	—	—	1	—	1	
7	Total	15		14	24	8	1	62

Table 5.5
Shift in pricing objectives : Plastic-rubber units

Sl. No.	Present (To) / Initial (From)	1 Pro. Maxi-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	—	—	—	—	—	—	—
2	Target return on investment	—	—	—	—	—	—	—
3	Meeting/Pre. competition	—	—	2	—	—	—	2
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	2	—	2	1	—	—	5
6	Others	—	—	—	—	—	—	—
7	Total	2	—	4	1	—	—	7

Table 5.6
Shift in pricing objectives : Readymade garments

Sl. No.	Present (To) / Initial (From)	1 Pro. Maxi-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	1	—	—	—	—	—	1
2	Target return on investment	—	—	—	—	1	—	1
3	Meeting/Pre· competition	1	—	1	1	1	—	4
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	—	—	—	8	1	—	9
6	Others	—	—	—	1	—	—	1
7	Total	2	—	1	10	3	—	16

Table 5.7
Shift in pricing objectives : Concrete–wood–carton units

Sl. No.	Present (To) / Initial (From)	1 Pro. Maxi-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	—	—	—	—	—	—	—
2	Target return on investment	—	—	—	—	—	—	—
3	Meeting/Pre. competition	—	—	1	—	—	—	1
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	—	—	1	3	—	—	4
6	Others	—	—	—	—	—	—	—
7	Total	—	—	2	3	—	—	5

Table 5.8
Shift in pricing objectives : Printing Units

Sl. No.	Present (To) / Initial (From)	1 Pro. Maxi-mistune	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	—	—	—	—	—	—	—
2	Target return on investment	1	—	—	—	—	—	1
3	Meeting/Pre. competition	3	—	—	—	—	—	3
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	1	—	—	1	—	—	2
6	Others	—	—	—	—	—	—	—
7	Total	5	—	—	1	—	—	6

Table 5.9
Shift in pricing objectives : Food–chemical units

Sl. No.	Present (To) / Initial (From)	1 Pro. Max-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	—	—	—	—	—	—	—
2	Target return on investment	2	—	—	—	—	—	2
3	Meeting/Pre. competition	—	—	—	4	—	—	4
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	2	—	4	3	2	—	11
6	Others	—	—	—	—	—	—	—
7	Total	4	—	4	7	2	—	17

Table 5.10
Shift in pricing objectives : Electrical units

Sl. No.	Present (To) / Initial (From)	1 Pro. Maxi-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	—	—	—	1	—	—	1
2	Target return on investment	—	—	—	—	—	—	—
3	Meeting/Pre. competition	—	—	1	—	—	—	1
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	1	—	1	1	1	—	4
6	Others	—	—	—	—	—	—	—
7	Total	1	—	2	2	1	—	6

Table 5.11
Shift in pricing objectives : Miscellaneous product units

Sl. No.	Present (To) / Initial (From)	1 Pro. Max-misaton	2 Target ret. Invet.	3 Meeting/ Pre.Com.	4 Impro. market share	5 Mkt. penetr-ation	6 Others	7 Total
1	Profit maximisation	—	—	—	—	—	—	—
2	Target return on investment	—	—	1	—	—	—	1
3	Meeting/Pre. competition	—	—	—	—	—	—	—
4	Improving market share	—	—	—	—	—	—	—
5	Market penetration	1	—	—	—	2	—	3
6	Others	—	—	—	—	—	1	1
7	Total	1	—	1	—	2	1	5

Miscellaneous product group was the only one which had more than 50 per cent of the units with non-shift in pricing objectives (60%).

Market penetration was the pricing objective initially for 61.29 per cent (38 units) of the units. The market is unaware of the product, or the firm initially and it is quite natural for the entrepreneurs to aim an entry in to the market. Market entry and market penetration calls for careful planning and strategy formulation on the part of the entrepreneurs. Only six units continued to follow this objective at the time of the study. Majority (17 units) of them shifted their objective to improving market share, followed by the objective of meeting or preventing competition.

Out of the 15 units that had the initial objective of meeting or preventing competition, 5 units did not go for any change in objective. Another five of the units moved over to improve the market share. While four units switched to project maximisation, One unit identified market penetration as the present objective.

The printing group stood apart from the rest of the groups, by the fact that every unit in the group shifted the initial pricing objective.

5. 5. Pricing Methods

After having set a pricing objective for the unit, the women entrepreneurs have to choose an appropriate method of pricing the products. It is difficult to conceptualise the pricing methods followed by different units in the form of specific procedures. Numerous factors as stated earlier, play a part in choosing the pricing method by the SSI units. How ever, cost is usually a predominant factor in the determination of the price of a product. Moreover, over a period of time, the units may change the pricing method depending on the market conditions. The matrix of shift in pricing method of all the sample units is presented in table 5.12·Tables 5.13 to 5.19 give the matrix of shift in pricing methods of various product groups.

The diagonal elements (i,i) represent units, which did not change the method. The row total give the number of units with the respective initial methods and the column totals give the number of units with the respective present methods (same for tables 5.12 to 5.19)

Majority (61.29% or 38 units) of the units did not change their pricing method as indicated by the diagonal elements in the matrix.

Table 5.12
Matrix of shift in pricing methods (all groups)

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Competitive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	13	17	2	—	—	32
2	Mkt. Price/ Competitive	—	22	1	—	—	23
3	Premium	—	—	—	—	—	—
4	Penetration (low)	1	3	—	2	—	6
5	Others	—	—	—	—	1	1
6	Total	14	42	3	2	1	62

Cost plus method of pricing in the initial stages was adopted by 51.61 per cent (32 units) followed by market rate or competitive pricing by 37.1 per cent (23 units) of the units. In competitive pricing many small scale units determined the price of their products on the basis of prevailing market rates. If a product has superiority in some features with similar products, higher price may be charged. In case the product was perceived to be inferior to the competitor's product, the entrepreneur lowered the price.

Penetration pricing as an initial method was reported by only 9.68 per cent of the total number of units. In penetration pricing the entrepreneur offered lower price in comparison with the competing brands. Only one unit used other methods that emphasised social objectives. Premium price strategy was not followed by any of the units initially.

Table 5.13
Shift in pricing methods : Plastic– rubber units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premim	4 Penetration (low)	5 Others	6 Total
1	Cost plus	1	1	2	—	—	4
2	Mkt.Price/ Competitive	—	2	—	—	—	2
3	Premium	—	—	—	—	—	—
4	Penetration (low)	—	1	—	—	—	1
5	Others	—	—	—	—	—	—
6	Total	1	4	2	—	—	7

Table 5.14
Shift in pricing methods : Readymade garments units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	6	4	—	—	—	10
2	Mkt.Price/ Competitive	—	5	—	—	—	5
3	Premium	—	—	—	—	—	—
4	Penetration (low)	1	—	—	—	—	1
5	Others	—	—	—	—	—	—
6	Total	7	9	—	—	—	16

Table 5.15
Shift in pricing methods : Concrete–wood–carton units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	1	3	—	—	—	4
2	Mkt. Price/ Competitive	—	1	—	—	—	1
3	Premium	—	—	—	—	—	—
4	Penetration (low)	—	—	—	—	—	—
5	Others	—	—	—	—	—	—
6	Total	1	4	—	—	—	5

Table 5.16
Shift in pricing methods : Printing units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	—	3	—	—	—	3
2	Mkt. Price./ Competitive	—	2	1	—	—	3
3	Premium	—	—	—	—	—	—
4	Penetration (low)	—	—	—	—	—	—
5	Others	—	—	—	—	—	—
6	Total	—	5	1	—	—	6

Table 5.17
Shift in pricing methods : Food–chemical units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	2	4	—	—	—	6
2	Mkt.Price/ Competitive	—	9	—	—	—	9
3	Premium	—	—	—	—	—	—
4	Penetration (low)	—	1	—	1	—	2
5	Others	—	—	—	—	—	—
6	Total	—	14	—	1	—	17

Table 5.18
Shift in pricing methods : Electrical units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	2	—	—	—	—	2
2	Mkt.Price/ Competitive		3	—		—	3
3	Premium	—	—	—	—	—	—
4	Penetration (low)	—	—		1	—	1
5	Others		—	—	—	—	—
6	Total	—	—	—	—	—	6

Table 5.19
Shift in pricing methods : Miscellaneous units

Sl. No.	Present (To) / Initial (From)	1 Cost plus	2 Mkt. Price/ Compet-itive	3 Premium	4 Penetration (low)	5 Others	6 Total
1	Cost plus	1	2	—	—	—	3
2	Mkt.Price/ Competitive	—	—	—	—	—	—
3	Premium	—	—	—	—	—	—
4	Penetration (low)	—	1	—	—	—	1
5	Others	—	—	—	—	1	1
6	Total	1	3	—	—	1	5

A glance at the present methods revealed a change in the pricing practices followed by most of the women entrepreneurs as they established themselves in the markets. Market rate or competitive method of pricing became the popular method of pricing after the units caught acceptance for its products in the market. While competitive pricing was followed by 37.1 per cent of the units initially, 67.74 per cent of the units adopted this method at present recording 82.61 per cent increase from the initial level. While none of the units adopted premium price initially, about five per cent of the units were charging premium price at the time of the study.

Cost plus method that was the popular method at the initial phase came down to 22.58 per cent of the units at present indicating a decrease of 56.2 per cent from the initial score of 51.6 per cent.

All the product groups had units that did not change the pricing method. The shift in method of pricing was mainly from cost plus method of pricing to competitive method of pricing.

5. 5. 1. Pricing methods adopted during various situations

Entrepreneurs employ different methods of pricing during different situations. The respondents were asked to state the pricing methods that they adopted during different situations such as, introduce new products, meet competition, get a market share and increase sales. The responses are presented in table 5.20.

When going for new product introduction, 50 per cent of the units would adopt cost plus pricing, 24.19 per cent each would opt for competitive pricing and penetration pricing.

When the units have to meet competition 72.58 per cent of the units would go for competitive pricing and 27.42 per cent was not sure of which method to adopt.

Getting a market share would make 48.39 per cent of the units go for competitive pricing, 8.06 per cent go for premium pricing and 1.61 per cent go for penetration pricing. About forty four per cent was not certain about a method. Introduction of skimming price for an already exisisting product with a competitive price may be difficult to implement. So the units may have to go for product improvement.

When desiring to increase sales, 58.06 per cent of sample units would resort to competitive pricing and 29.03 per cent would adopt penetration pricing. 12.9 per cent of the units were not certain about a particular method.

Table 5.20
Pricing methods adopted during different situations.

Sl.No.	Situations	Pricing methods adopted (No. of units 62)				
		Cost plus	Competitive	Skimming premium	Penetration	Others/ Can't say
1	Introduce new products	50 (31)	24.19 (15)	—	24.19 (15)	1.61 (1)
2	Meet competition	—	72.58 (45)	—	—	27.42 (17)
3	Get a market share	—	48.39 (30)	8.06 (5)	1.61 (1)	43.55 (27)
4	Increase sales	—	58.06 (36)	—	29.03 (18)	12.9 (8)

Figures in parentheses represent the number of units
Productwise classification was not significant.

5. 6. Factors Leading to Re-fixation of Prices

Price of a product, once set cannot remain unchanged for a long time. Factors, such as change in overall trend in market prices, change in major competitor's prices, selling in a new market, cost of production etc. compel the manufacturers to re-fix the price of the products. Factors that led to re-fixation of price by entrepreneurs is presented in Table 5.21, importance of the various factors being given as average weighted scores.

Table 5.21
Factors leading to re-fixation of prices

Sl. No.	Factors	Average weighted score for various product groups							
		P-R	R.M	C-W-C	Pri	F-C	Elec.	Misc.	Total score
		7	16	5	6	17	6	5	62
1	For boosting sales	—	—	0.8	—	—	—	—	0.11
2	Change in overall trend in market prices	1.7	1.3	1.2	0.5	1.1	1.8	2.2	1.4
3	Change in major competitor's price	.86	.56	2	2.2	2.2	1.5	.6	1.41
4	Selling in a new market	.29	—	—	.33	.11	—	—	.1
5	Change in cost of production	1.1	1.6	.6	1.7	1.4	1	1.6	1.3

Maximum score that any single factor can be given is 3

Change in major competitor's prices with a score of 1.41 closely followed by change in overall trend in market price with a score of 1.4 were the important factors that led to re-fixation of prices by the SSI units. Change in cost of production was the third factor of importance with a score of 1.3 in decisions regarding re-fixation of the price of products. This is in tune with the decision of the majority of the units going for competitive pricing.

For boosting sales or for selling in a new market, refixation of price occurred very rarely as indicated by the low scores.

Product-wise, change in overall trend in market prices was the most important factor leading to re-fixation of prices of rubber-plastic units. This was followed by change in cost of production, change in major competitor's price and selling in a new market area in descending order of importance.

Change in cost of production was the most important factor effecting the re-fixation of price in readymade garment units. Change in overall trend in market prices followed closely change in cost of production in order of importance in re-fixation of price. Change in major competitor's prices did

not show influence to a large extent as evinced by a score of only 0.56. This is in tune with the low scores in meeting/preventing competition objective of these units presented earlier. Most of the sample units in readymades compete against very small units and they operate on small margins.

In concrete–wood–carton products, change in major competitor's prices scored highest in importance followed by change in overall trend in market prices. This group had durable products and some of them had organisational customers, calling for careful deliberation in competitive pricing.

The printing group had a significantly higher score of 2.2 for change in major competitors price as a factor leading to refixation of prices. Change in cost of production was second in the score of importance in this group.

Food–chemical units operate in a very competitive market and change in competitor's price influenced them the most as indicated by an average weighted score of 2.2 followed by change in cost of production factor with a score of 1.4. Change in overall trend in market price too influenced the units to refix the prices as indicated by a score of 1.1

In electrical units, change in overall trend in market prices, change in major competitor's prices and change in cost of production influenced the price fixation in descending order of importance.

The re-fixation of the prices of the miscellaneous units were affected by change in overall trend in market prices and change in cost of production in the descending order of importance. Change in competitor's prices influenced these units only to a small extent. This might be due to their small scale of operations and specialities of the products that they were manufacturing.

It can be concluded that, on the whole, change in competitor's prices, change in overall market conditions and change in cost of production were the most influencing factors that led to refixation of price by the women entrepreneurs.

5. 7. Price concessions

To motivate the customers to buy the product, the marketers do some price–cutting in the name of concessions or discounts. To find out the conditions under which the women entrepreneurs offered price concessions the respondents were asked to specify such occasions. The situations inducing price concessions are given in table 5.22.

Table 5.22
Price concession situations

Sl. No.	Situations	P-R	R-M	C-W-C	Pri	F-C	Elec.	Misc.	Total score
		7	16	5	6	17	6	5	62
1	Competitors offer discounts	3 (42.86)	3 (18.75)	3 (60)	4 (66.67)	7 (41.18)	5 (83.33)	1 (20)	26 (41.94)
2	Fall in sales	3 (42.86)	8 (50)	3 (60)	1 (16.67)	8 (47.06)	1 (16.67)	—	24 (38.71)
3	Excess stock	4 (57.14)	8 (50)	2 (40)	—	8 (47.06)	—	2 (40)	24 (38.71)
4	Ready cash offer	—	8 (50)	1 (20)	—	2 (11.76)	2 (33.33)	—	13 (20.97)
5	Bulk purchase (quantity)	3 (42.86)	4 (25)	3 (60)	2 (33.33)	6 (35.29)	1 (16.67)	3 (60)	22 (35.48)
6	Seasonal & others	1 (14.29)	—	1 (20)	—	—	—	—	2 (3.23)
7	No discounts	—	—	—	—	—	—	1 (20)	1 (1.6)

Figures in parentheses represent percentages
Entrepreneurs offer more than one type of concession. Therefore, the column totals don't add up to respective totals.

Almost all units offered price concession in one situation or another in one or the other form. Discount offers when competitors offer discounts scored highest with 41.94 per cent score, constituting 83.33 per cent of electrical, 66.67 per cent of printing, 60 per cent of concrete–wood–carton, 42.86 per cent of plastic–rubber, 41.18 per cent of food–chemical, 20 per cent of miscellaneous and 18.75 per cent of readymade garments units.

Fall in sales and excess stock brought about price concessions in 38.71 per cent units. Fall in sales made 60 per cent of the concrete –wood–carton, 50

percent of readymade garments, 47.06 per cent of food–chemical and 42.86 per cent of plastic–rubber units to allow price concessions. Excess stock was not applicable in most of the printing–binding units. Electrical units also did not figure here because they did not produce excess and curtailed production when there was low demand. About 57 per cent of plastic –rubber, 50 per cent of readymades, 47.06 per cent of food chemicals, 40 per cent each of concrete–wood–carton and miscellaneous product units offered discounts when stock was excess.

Bulk purchase or quantity discounts were offered to big customers because of their value to the sellers. Bulk purchase was offered advantages of price concessions and incentives by the entrepreneurs of 35.48 per cent of the sample units. The units that offered such concessions included 60 per cent each of the units from concrete–wood–carton and miscellaneous, 42.86 per cent of plastic–rubber, 35.29 per cent of food–chemicals, 33.33 per cent of printing–binding, 25 per cent of readymade garments and 16.67 per cent of the electrical units.

Ready cash payment was another situation, when 20.97 per cent of the entrepreneurs offered price concessions. Significantly, 50 per cent of readymade units offered price concession for ready cash. These units are the smaller of the small units.

Seasonal & other discounts offer came to a small proportion only with one unit each from plastic–rubber and concrete–wood-carton units offering off –season discounts.

Only one unit, which is a charitable society, stated not offering any sort of discounts.

5. 8. Discount Offer in Comparison with Competitors

Sellers offer a variety of discounts to promote the sale of products. Price discounts may be trade discount or discounts targeted directly at the consumers.

Here, an attempt is made to rate the discount offered by the entrepreneurs in comparison with their competitors. Their perception regarding comparison is presented in table 5.23

Table 5.23
Discount offer in comparison with competitors

Sl. No.	Discount	Product groups							
		P-R 7	R-M 16	C-W-C 5	Pri 6	F-C 17	Elec. 6	Misc. 5	Total score 62
1	More	1 (14.29)	2 (12.5)	—	—	5 (29.41)	4 (66.67)	—	12 (19.35)
2	Equal	3 42.86)	5 (31.25)	17 (20)	5 (50)	6 (35.29)	—	3 (60)	21 (33.87)
3	Less	3 (42.86)	2 (12.5)	—	—	1 (5.88)	—	—	6 (9.68)
4	More or equal	—	5 (31.25)	2 (40)	3 (50)	5 (29.41)	—	—	15 (24.19)
5	Can't say & others	—	2 (12.5)	2 (40)	—	—	2 (33.33)	2 (40)	8 (12.90)

Figures in parentheses represent percentages

Entrepreneurs who considered their discounts equal to that of their competitors constituted 33.87 per cent of the units. Sixty per cent of the miscellaneous, 50 per cent of the printing, 42.86 per cent of plastic–rubber and 35.29 per cent of concrete–wood–carton units belonged to this category.

Twenty four per cent of the units responded that their discounts were more than or equal to that of the competitors. Fifty per cent of printing, 40 per cent of concrete–wood–carton, 31.25 per cent of readymade garments and 29.41 per cent of food–chemical units offered discounts more than or equal to that of their competitors.

The units which offered more discount than their competitors formed 19.35 per cent of the total, comprising of 66.67 per cent of electrical, 29.41 per cent of food–chemical, 14.29 per cent of plastic–rubber and 12.5 per cent of readymade garments units.

Therefore, altogether 77.5 per cent of the 62 units was offering equal or more discounts in comparison with their competitors.

Only 9.68 per cent of the units, comprising 42.86 per cent of plastic–rubber, 12.5 per cent of readymade garments and 5.88 per cent of food–chemical units, reported offering less discounts in comparison with their competitors. About 13 per cent of the units could not state whether their discounts are more or less in comparison with the competitors. Only one unit included here stated offering no discounts.

5. 9. Summary

The pricing strategies and practices of the women entrepreneurs thus far dealt with is summarised below.

Cost of production was the most important factor considered for price fixation by the SSI units. Competitors price was the second most important factor in setting the price of the products. About 42 per cent of the units fixed the price at par with major competitors where as, 37 per cent of them fixed it below the competitor's prices. The pricing policies i.e., fixed/variable price, were product specific to a great extent. Units that sold a good proportion of their products to organisational customers resort to variable price policy.

The pricing objectives of the women entrepreneurs had undergone changes over a period of time. Market penetration was the main objective initially whereas the objective of improving the market share was held by 39 per cent of the entrepreneurs at the time of the study. About one fifth of the units did not change their initial pricing objectives. The cost plus method of pricing in the initial stages adopted by about 52 per cent of the units came down after a period of time. About 61 per cent of the units did not change their pricing method. Competitive pricing was resorted to by most of the units at the time of the study.

Most of the units changed their price when there was a change in major competitors' prices and there was a change in overall trend in market prices.

Discount offer of the SSI units depended upon the competitors' discount offer. Excess stock and fall in sales were other causes of discount offer. Most of the units considered their discount offer equal to or more than their competitors.

CHAPTER VI

DISTRIBUTION CHANNELS AND PRACTICES

Distribution is concerned with the transferring of goods and services from the producers to the final buyers. Broadly speaking, there are two ways of doing this. First, direct sale to consumers by the manufacturer, in which case the goods remain the property of the manufacturer till they are sold to the customers. The second method of selling the goods involves middlemen of various categories.

In a marketing strategy, selection of distribution channel is important as it exercises a powerful influence on the remaining elements of the marketing mix. The distribution channel primarily depends on the product and the level of customer satisfaction desired.

6. 1. Distribution Channels

In order to know the position of sample units with regard to selection of channels of distribution, they were asked to state the distribution channels adopted by them. The channels used by the units are presented in table 6.1

An analysis of the data under study showed that majority of the SSI units amounting to 58.15 per cent of the total, sold their products through middlemen, while 33.85 per cent sold their products directly to the customers and 7.69 per cent was involved only in manufacturing/job work.

Only one unit in rubber products, whose customers were industrial buyers, used solely agents for their distribution. Three units (4.62 per cent of the total), all of which belonged to food–chemical products, used one level channel of retailers to customers.

Majority of the units, representing 52.1 per cent of the total, resorted to more than one form of distribution channel for selling their products. Units in all the product groups, except printing units, were going in for a combination

of different levels of distribution channels. About 13 per cent readymade garment units, 40 per cent of concrete–wood–carton units 11.76 per cent of food– chemical units and 9.23 per cent to the total number of units were using direct sale and agent to customer mode of sale as their channel of distribution.

Table 6.1

Distribution channels used

Sl. No.	Channel used	Product groups							
		P-R 10	R-M 16	C-W -C 5	Pri 6	F-C 17	Elec. 6	Misc. 5	Total score 65
1	Direct sale to final customers		7 (43.75)	3 (60)	6 (100)	1 (5.88)	2 (33.33)	3 (60)	22 (33.85)
2	Agents – customers	1 (10)	—	—	—	—	—	—	1 (1.54)
3	Agents – retailers – customers	—	—	—	—	—	—	—	—
4	Retailers – customers	—	—	—	—	3 (17.65)	—	—	3 (4.62)
5	Wholesalers – retailers – customers	—	—	—	—	—	—	—	—
6	1 + 2	—	2 (12.5)	2 (40)	—	2 (11.76)	—	—	6 (9.23)
7	2 + 3	—	—	—	—	1 (5.88)	—	—	1 (1.54)
8	1 + 3	2 (20)	3 (18.75)	—	—	1 (5.82)	—	—	6 (9.23)
9	1 + 4	1 (10)	2 (12.5)	—	—	7 (41.18)	1 (16.67)	2 (40)	12 (20)
10	1 + 5	—	—	—	—	1 (5.88)	2 (33.33)	—	3 (4.62)
11	3 + 5	1 (10)	—	—	—	—	—	—	1 (1.54)
12	3 + 4	1 (10)	2 (12.5)	—	—	—	—	—	3 (4.62)
13	4 + 5	1 (10)	—	—	—	—	—	—	1 (1.54)
14	Manufacturing only / job work	3 (30)	—	—	—	1 (5.83)	1 (16.67)	—	5 (7.69)

Figures in parentheses are percentages of the total number of units in that category.

Only one unit that belonged to food–chemical category, used agent–customer and agent–retailer–customer distribution channel. Twenty per cent of plastic–rubber units, 18.75 per cent of readymade garments, 5.88 per cent of food–chemical and 9.23 per cent to the total number of units were using direct

sale to customers and agent–retailer–customer channel in distributing their products. Direct sale to customers as well as retailer to customers sale were adopted by 10 per cent of plastic–rubber units, 12.5 per cent of readymade garments units, 41.18 per cent of food–chemicals, 16.67 per cent of electrical units, 40 per cent of miscellaneous units and 20 per cent to the total number units.

One unit in food–chemicals, two units in electrical and three units of the the total number used direct sale to customers in combination with wholesaler–retailer–customer channel. One unit manufacturing plastic–rubber products, adopted agent–retailer–customer chain and wholesaler–retailer-customer channel in distributing their products. One unit in plastic–rubber and two units in readymade garments categories were making use of agent–retailer–customer and retailer–customer channels of distribution representing 4.6 per cent of the total number of units. One unit in plastic–rubber products group went for retailer–customer and wholesaler–retailer–customer channels of distribution.

A combination of different channels was the prominently used manner of distribution in which direct sale along with retailers to customers channel (20 per cent of total) of distribution was most popular. This combination scored high especially in the case of food–chemical units over the rest of the product category units.

6. 2. Geographical Coverage/Segmentation

The geographical coverage of customers by the SSI units is presented in table 6.2. It was seen that 61.29 per cent of the units that market their products, did so locally. None of the units in rubber–plastic group limited their distribution only locally while 87.5 per cent of readymade garments units served the local market. Forty per cent of concrete–wood–carton units, cent per cent of printing units, 58.82 per cent of food–chemicals, 33.33 per cent of electrical units and 80 per cent of miscellaneous group served the local market.

Table 6.2
Geographical coverage in distribution

Sl. No.	Geographical coverage	Product groups							
		P-R	R.M	C-W -C	Pri	F-C	Elec.	Misc	Total score
		7	16	5	6	17	6	5	62
1	Local	—	14 (87.5)	2 (40)	6 (100)	10 (58.82)	2 (33.33)	4 (80)	38 (61.29)
2	Same district	1 (14.29)	—	1 (20)	—	1 (5.88)	—	—	3 (4.84)
3	Up to 3 districts	1 (14.29)	2 (12.5)	1 (20)	—	3 (17.65)	1 (16.67)	—	8 (12.9)
4	State of Kerala	1 (14.29)	—	1 (20)	—	2 (11.76)	3 (50)	—	7 (11.29)
5	Out side the state & Kerala	3 (42.86)	—	—	—	—	—	1 (20)	4 (6.45)
6	Out side the state only	1 (14.29)	—	—	—	—	—	—	1 (1.61)
7	National & International	—	—	—	—	1 (5.88)	—	—	1 (1.61)

Figures in parentheses represent percentages

About five per cent of the units had geographical coverage of the same district. One unit each from plastic–rubber, concrete–wood–carton and food–chemicals fell under this category. Thirteen per cent of the units were catering to the market of geographic segments to the extent of three districts. One unit from plastic–rubber, two units from readymade garments, one unit from concrete–wood–carton, three units from food–chemicals and one unit from electrical units were extending their geographical coverage up to three districts.

Statewide distribution was done by one unit from plastic–rubber, one unit from concrete–wood–carton, two units from food–chemicals and three units from electrical units together forming 11.3 per cent of the total. Out side the state market along with the Kerala market were tapped by 42.9 per cent (3units) of plastic–rubber and 20 per cent (one unit) of the miscellaneous products totaling to 6.5 per cent. Outside the state only distribution was seen in the case of one foam products manufacturing unit.

One unit from chemicals group was marketing its products in the Middle East countries also, while having their distribution network other parts of India. One more chemical unit, manufacturing liquid cleaners, was making plans for selling in Middle East countries.

6 3. Distribution Arrangement

Physical distribution consists of all those activities concerned with moving the right amount of the right product to the right place at the right time. The distribution arrangement depends on the product characteristics, resources of the unit, and market needs. A unit has to bear certain costs in transportation and storage of the finished goods. The women entrepreneurial units have to work out a suitable system according to the marketing needs of the unit while minimising the costs. An analysis of the responses with regard to distribution arrangement of the sample units are presented in table 6.3

Table 6.3
Distribution arrangement

Sl. No.	Distribution arrangement	Product groups							
		P-R	R.M	C-W - C	Pri	F-C	Elec.	Misc.	Total score
		7	16	5	6	17	6	5	62
1	Own outlet / factory / godown sales	2 (28.6)	8 (50)	4 (80)	6 (100)	2 (11.76)	3 (50)	4 (80)	29 (46.8)
2	Husband & self family members	2 (28.6)	2 (12.5)	1 (20)	—	4 (23.5)	—	—	9 (14.5)
3	Use sales staff	—	—	—	—	—	1 (16.7)	—	1 (1.61)
4	Own sales vehicle	—	—	—	—	—	—	—	—
5	Combination 1 + 2	—	3 (18.8)	—	—	2 (11.8)	—	1 (20)	6 (9.7)
6	1 + 3	—	—	—	—	1 (5.88)	—	—	1 (1.61)
7	2 + 3	—	2 (12.5)	—	—	—	—	—	2 (3.2)
8	3 + 4	2 (28.6)	—	—	—	3 (17.6)	1 (16.7)	—	6 (9.7)
9	1 + 2 + 3 + 4	1 (14.3)	1 (6.3)	—	—	5 (29.4)	1 (16.7)	—	8 (12.9)

Figures in parentheses are percentages to the respective column totals.

About 50 per cent of the units was having sales from own outlet or factory or from the go-down. Three units manufacturing rubber products for another unit are not taken in to account as distribution was not of concern to them and the marketer collected the finished products from these units. In 14.5 per cent of the units the "entrepreneur-husband" team was doing the selling job. Use of sales staff alone was seen only in one electrical unit.

Combination of different means of distribution were seen in 37.11 per cent of the units of which 9.7 per cent was using own outlet/factory sales and husband/wife/family members doing the selling, 1.61 per cent (one unit from food–chemicals) had factory sales combined with the use of sales staff, 3.2 per cent was using sales staff along with the participation of husband/wife/family members, 9.7 per cent was using sales staff and sales vehicle and 12.9 per cent was using all of the alternatives stated above.

Thus, it can be seen that the majority of the SSI units had limited number of sales outlets.

6. 4. Selection of Middlemen

The selection of middlemen in the distribution of their products involved a lot of deliberations and weighing of various parameters on the part of the SSI units. It is difficult to locate and identify agents, retailers or wholesalers who would materialize the sales desired by the small scale units. The units have to use their own knowledge and judgement to make a final selection of channel members after encountering a lot of constraints.

Thirty three units of the sample were making use of middlemen in selling their products. The various parameters for selection of middlemen were listed and the respondents were asked to rank up to 3 in the order of importance attributed to each criterion. The ranking were given a weighted score of 3,2 and 1 respectively and the average weighted score sector-wise for each parameter was calculated and presented in Table 6.4. The printing units as a

group were excluded from analysis purposes, as this group was not taking the services of middlemen.

Table 6.4
Important parameters in selection of middlemen

Sl. No.	Parameters	Average weighted score for various product groups						
		P-R 5 (50%)	R.M 8 (50%)	C-W - C 1 (20%)	F-C 15 (88.25%)	Elec. 3 (50%)	Misc. 1 (20%)	Total score 33
1	Goodwill	0.86	1.38	3	2.27	1.67	2	1.6
2	Prompt payment	1.57	1.88	2	1.33	1.67	1	1.35
3	Promotional support to the product	1.71	0.75	—	2.13	1.67	2.5	1.25
4	Cost of using middlemen	0.71	0.13	—	0.33	—	—	0.17
5	Highest price offer	0.71	—	—	—	—	—	0.1

Figures in parentheses are the proportion of units using middlemen in that category.

The important parameters in selection of middlemen by the women entrepreneurs were as follows:

i) Goodwill

Goodwill of the middlemen was the most weighted criterion with an average score of 1.6. In product–wise classification, goodwill of the middlemen got average weighted scores of 0.86 in plastic–rubber, 1.38 in readymade garments, 3 in concrete–wood–carton, 2.27 in food–chemical, 1.67 in electrical and 2 in miscellaneous product groups.

ii) Prompt payment/financial position

Prompt payment and financial position of the middlemen scored second highest in total. In product wise break up the scores were, 1.57 in plastic–rubber, 1.88 in readymade garmentss, 2 in concrete–wood–carton, 1.33 in food –chemical, 1.67 in electrical and one in miscellaneous product groups. The units were emphasising prompt payment, as good financial position of the middlemen need not necessarily assure payment in time.

iii) Promotional support to the product

Promotional support given to the product scored 1.25 in total and 1.71 in plastic–rubber, 0.75 in readymade garments, 2.13 in food–chemicals, 1.67 in electrical and 2.5 in miscellaneous product groups.

iv) Cost of using middlemen

Cost of using middlemen parameter got a total score of 0.17. In the individual product groups the respective scores were 0.17 in plastic–rubber, 0.13 in readymade garments and 0.33 in food–chemical products.

The entrepreneurs of food chemical units stated that the middlemen demanded very high margin, but interestingly it did not deter them in selection of middlemen as is evidenced by an average weighted score of 0.33 in this group of products.

v) Highest price offer

Highest price offer as a parameter for middlemen selection in total score was 0.1 while in plastic–rubber products it was 0.71. This is especially treated important by the manufactures who have organisational customers and the market is highly competitive. In the other product groups even though they might have considered this parameter, it did not weigh significantly over the other criteria.

A product group-wise analysis of the data revealed different emphasis of various parameters for different product groups. Promotional support to the product followed by prompt payment weighed first and second important parameters in plastic–rubber products. Prompt payment, goodwill and promotional support to the product were ranked 1 to 3 in average weighted scores in readymade garments units. Goodwill and prompt payment, in the order were the priorities of concrete -wood–carton units.

Goodwill followed by promotional support to the product and prompt payment were the parameters considered important in middlemen selection by

the food–chemical units. In electrical units, goodwill, prompt payment and promotional support to the product were weighted equally in importance. Promotional support to the product, goodwill and prompt payment secured score of 2.5, 2 and one respectively in the case of miscellaneous products.

Goodwill and promotional support scored high in the case of food–chemicals as by the very nature of the products they are Fast Moving Consumer Goods (FMCG). The miscellaneous products also assigned a high score of 2.5 to promotional support extended to the product.

Eighty eight per cent of the food–chemical units were using middlemen. Fifty per cent each of plastic–rubber, readymade garments and electrical units were using middlemen. Therefore, it is the food–chemical units that are most affected by the 'Place' (distribution) 'P' of the marketing mix.

6. 5. Distribution Intensity

In terms of the degree of distribution intensity, distribution is classified as mass distribution, selective distribution, or exclusive distribution. Even when the small scale units desire wide distribution of the products, they are constrained to limit the intensity of distribution.

The extent of distribution in terms of number of outlets stocking the products of the sample units are presented in table 6.5. Out of the 33 units that used middlemen, 14(42.5%) units had, to the extent of 10 retail outlets, 8(24.2%) units had a range of 11–100 outlets and 11(33.3 %) units had more than 100 retail outlets stocking their products.

Table 6.5
Distribution of 33 sample units based on distribution intensity

Sl. No.	Parameters	Average weighted score for various product groups						
		P-R	R-M	C-W - C	F-C	Elec.	Misc.	Total score 33
		5	8	1	15	3	1	
1	Up to 10	2	6	1	5	—	—	14
2	11 - 100	2	1	—	2	2	1	8
3	Above 100	1	1	—	8	1	—	11

Out of the total number of units using middlemen, 24.2 per cent belonged to the food–chemical group having more than 100 retail outlets. As described earlier with table 6.4, 88.2 per cent of the food–chemical units use middlemen. About 46 per cent of the total number of units using middlemen belonged to food–chemical products and 33.33 per cent of the food–chemical units had a maximum of 10 retail outlets. Pickle and various flour products manufacturing units fell under this category. Two of the units in this group had retail outlets extending up to 100 in number.

Plastic–rubber products were distributed by outlets numbering less than 10 for two units, more than 10 but up to 100 by two units and in the case of a plastic container manufacturing unit the product was widely distributed i.e., about 500 retail outlets. In the case of readymade garments only the ladies' under garments manufacturers i.e., two units only had more than 10 retail outlets stocking their products. The rest, that is, six units had less than ten outlets selling their products.

Only one unit in wood–products sold through retail outlets which were less than 10 in number. Two units electrical products had more than 10 but up to 100 only retail outlets stocking their products. One unit had more than 100 retail outlets.

One of the miscellaneous units sold through more than 100 retail outlets. It was found that the food–chemical product units dominated in distribution intensity.

6. 6. Influencing Factors in Choosing Location of Own Retail Outlets

Own retail outlets give the entrepreneurs a boost in the distribution of their own products. Own outlets give them the freedom to display the products according to their imaginations, motivate the sales people, get a direct feedback from the customers about product attributes, observe purchase and post purchase behaviour of the consumers. These are great advantages in marketing the products when the entrepreneur is serving a local market.

The entrepreneurs were asked to give the most influencing factors in the selection of their retail outlets. The frequency of the responses is given in table 6.6.

Table 6.6
Influencing factors in choosing location of own retail outlets

Sl.No.	Factors Considered	No. of units
1	Near to home	5 (31.3)
2	Availability	5 (31.3)
3	Own shop	1 (6.3)
4	Good location	5 (31.3)
5	Total number of sample units having retail outlets	16 (100)

Figures in parentheses represent percentages to total.

Five (31.3 per cent) entrepreneurs each, out of the 16 units that had retail outlets, stated reasons of nearness to home and availability in the choice of the outlets. One readymade garments manufacturer had own shop to convert it into a retail outlet. Good location was the important criterion for selection of location of retail outlets in the case of five units.

Because of the nature of the market they served, the smaller units in readymade garments, foam bed manufacturers, wood products manufacturer, bakery and bag making unit were having retail outlets.

6. 7. Motivating Middlemen

The sale of a product depends to a large extent on the interest shown by middlemen in pushing the product through. The task of motivating the middlemen in a competitive market is rather complex and difficult. The common forms of incentives for motivating the middlemen include higher margin, easy credit terms etc.

Table 6.7 presents the distribution of incentives used by the units to motivate middlemen.

Table 6.7
Incentives used for motivating middlemen.

Sl No.	Incentive	Average weighted scores						
		P-R	R-M	C-W-C	F-C	Elec.	Misc.	Total
		5	8	1	15	3	1	33
1	Commission	2.2	2.5	2	2.53	2.3	2	2.26
2	Credit facility	1.71	0.75	2	2	2	2	1.74
3	Discounts	0.71	0.75	1	1.33	2	1	1.13
4	Free gifts	0.2	–	–	0.13	–		0.06

Maximum score that can be assigned to any single factor is 3.

Commission was found to be the most influencing incentive in motivating the middlemen. High average weighted scores are seen in all the groups indicating its significance in motivating the middlemen.

Credit facility was stated second in order of importance in motivating middlemen. Discount offer was third in order of importance in motivating middlemen. Quantity discounts and cash discounts were the most common forms of discounts offered by the units.

6. 8. Credit Sales

Table 6.8 represents the level of credit sales to total sales offered by the women entrepreneurial units.

Table 6.8
Level of credit sales to total sales offered by the women entrepreneurs

Sl. No.	Credit sales	Product groups							
		P-R	R-M	C-W -C	Pri	F-C	Elec.	Misc.	Total score
		7	16	5	6	17	6	5	62
1	No credit sales	1 (14.29)	2 (12.5)	—	1 (16.67)	3 (17.65)	—	—	7 (11.29)
2	Below 25 %	3 (42.9)	3 (18.8)	4 (80)	1 (16.67)	1 (5.9)	—	3 (60)	15 (24.19)
3	Above 25 % Up to 50 %	—	5 (31.3)	—	—	2 (11.8)	1 (16.7)	2 (40)	10 (16.13)
4	Above 50 %	3 (42.9)	6 (37.5)	1 (20)	4 (66.67)	11 (64.7)	5 (83.33)	—	30 (48.39)

Figures in parentheses represent percentages

Out of the 62 units that market their products, seven (11.3%) units did not offer any credit in sales. These units were belonging to plastic–rubber (one unit), readymade (two units), printing (one unit) and food–chemical (3units).

Fifteen (24.2%) units attributed credit sales to below 25 per cent of their total sales. Ten (16.13%) units' credit sales amounted to 25 per cent of total sales and 30(48.4%) units attributed above 50 per cent of their sales to credit.

The product group–wise break up showed that 83.33 per cent of the electrical units was offering credit up to more than 50 per cent of total sales followed by 66.67 per cent of printing units and 64.7 per cent of food–chemicals offering more than 50 per cent of credit sales to total sales. Plastic–rubber products had 42.9 per cent units, followed by readymade garments units having 37.5 per cent, while concrete–wood–carton units having only 20 per cent of the units with more than 50 per cent of credit sales to total sales.

6. 9. Credit Period Allowed to Channel Members

In general, a certain commission is allowed to the middlemen for the sales effected by them. Along with this, credit facility is another important facility extended by the sellers, or availed by the dealers and middlemen. The sellers find it useful to extend credit because it increases the sales. The dealers find this facility enhancing their business and the customers can satisfy their needs without money being paid immediately in exchange.

The credit period allowed by 62 SSI units promoted by women entrepreneurs are presented in table 6.9.

Table 6.9
Credit period allowed to channel members/customers

Sl. No.	Credit period allowed	Product groups							
		P-R	R-M	C-W -C	Pri	F-C	Elec.	Misc.	Total score
		7	16	5	6	17	6	5	62
1	No credit	1 (14.29)	2 (12.5)	—	3 (17.65)	1 (5.68)	—	—	7 (11.29)
2	Up to 2 weeks	1 (14.29)	5 (31.25)	2 (40)	1 (16.67)	2 (11.76)	2 (33.33)	4 (80)	17 (27.42)
3	Above 2 weeks to one month	3 (42.86)	4 (25)	3 (60)	3 (50)	12 (70.59)	4 (66.67)	1 (20)	30 (48.39)
4	2-3 months	2 (28.57)	5 (31.25)	—	1 (16.67)	—	—	—	8 (12.90)

Figures in parentheses are percentages in that product group.

Seventeen (27.42%) units were offering credit up to 2 weeks. Thirty (48.39%) units allowed a credit period of one month. Two–three months credit period was seen in the case of eight (13%) units only.

Product group-wise, majority of the units in food–chemical, electrical, concrete–wood–carton and printing units were giving about one month credit period to the middlemen.

Final customers availing credit facility was seen in readymade units and printing units. Most of the units in all other category were not having significant presence of final customers availing credit facility.

6. 10. Duration of Credit Received on Purchases

Credit facility on the purchases of raw materials gives the entrepreneurs an advantage in marketing the products. The credit period received by the SSI units on purchases is presented in table 6.10.

Table 6.10
Duration of credit received on purchases

Sl. No.	Period of credit received	Product groups							
		P-R	R-M	C-W -C	Pri	F-C	Elec.	Misc.	Total No. units
		7	16	5	6	17	6	5	62
1	No credit	1	12	2	1	7	—	3	26
2	Less than 2 weeks	2	—	1	1	5	2	—	11
3	2 weeks to one month	3	3	2	—	5	3	—	16
4	1–2 month	—	1	—	4	—	—	2	7
	Above 2 months	1	—	—	—	—	1	—	2

About 42 per cent (26 units) received no credit or did not avail credit on their purchases. Eighteen per cent (11units) received two weeks duration of credit, 25.8 per cent (16 units) got two weeks to one month duration of credit, 11.3 per cent (7 units) received one to two month duration of credit and only 3.2 per cent (2 units) received above two months time as credit period.

Product wise, only one unit each from plastic–rubber and electrical units received above 2 months credit period. Six per cent (one unit) from readymade garments, 66.7 per cent (4 units) of printing and 40 per cent (2units) of miscellaneous products units were given 1–2 months credit by the suppliers. Two weeks to one month credit facility was granted by suppliers to 42.9 per cent (3 units) of plastic–rubber, 18.8 per cent (3 units) of readymade garments, 40 per cent (2 units) of concrete-wood-carton, 29.4 per cent (7units) of food–chemicals, and 50 per cent (3 units) of electrical units. Less than two weeks credit period was allowed to 28.6 per cent (2 units) of plastic–rubber, 20 per

cent (one unit) of concrete–wood–carton, 16.7 per cent (one unit) of printing, 29.4 per cent (5 units) of food–chemicals and 33.33 per cent (two units) of electrical units.

It may be noted that 75 per cent of the readymade garments units was not receiving or availing any credit facility mainly because of the small scale of operations and nature of their business.

6. 11. Types of Compensation for Sales Made

It is common knowledge that the salesmen are mostly compensated on sales made by them. In most of the cases, sellers use a minimum salary plus a certain amount of commission based in the quantum of sales effected through them.

In order to ascertain the type of compensation given for the sales made, the entrepreneurs were asked to indicate the method used by them. The actual number of sales force users is only 18 but the number of sales force users as presented in table 6.11 comes to 29 as the entrepreneurs were using school children, unemployed women and so on, on an irregular basis. Therefore, the compensation given to such category of persons was not regularly picturing in the compensations made by the firm. But such units were also included in this part as this method of employing people was done exclusively for selling the products.

Table 6.11
Type of compensation for sales made

Sl No.	Type of compensation	P-R	R.M	C-W-C	Pri	F-C	Elec.	Misc.	Total No units
1	Fixed salary	1	—	—	—	5	—	—	6 (20.69)
2	Commission	—	5	—	—	5	—	—	10 (34.48)
3	Minimum salary plus commission on sales made	2	2	—	1	4	3	1	13 (44.83)
4	Total	3	7	—	1	14	3	1	29 (100)

About one-fifth of the units (29 in number) were using fixed salary for compensating sales made. Commission payment came to 34.38 per cent of the total comprising of five units each from readymade garments and food–chemical units. Minimum salary plus commission on sales method, which is the mostly accepted norm of compensating sales people, was used by 44.83 per cent of the units. This was the most popular method represented by units from almost all the product groups.

In most of the cases, where sales force was used in making sales, the travel expenses were reimbursed and in some cases, units had vehicles to distribute their products which were at the disposal of the salespeople. Self and family members played a vital role in selling the products of SSI units.

6.12. Summary

The distribution practices of the SSI units thus far dealt with can be summarized as given below.

Direct sale to final customers was seen in more than 34 per cent of the SSI units. The SSI units using wholesalers and agents were only few in number. Sixty one per cent of the units had only local market and printing, readymade garments and miscellaneous product units dominated this category. Only 8-9 per cent of the units had customers outside the state. Almost 50 per cent of the sales were made from factory or own outlets. It was the food–chemical group that mostly distributed their products through middlemen. Goodwill, prompt payment and promotional support were the criteria for selection and retention of middlemen.

Food–chemical products group was leading in distribution intensity in comparison with the units from rest of the product groups. Nearness to home, availability and good locations were the factors considered for choosing own outlets.

Commission, followed by credit facility and discounts were the incentives used for motivating the middlemen. Two weeks to four weeks credit period was the most common period of credit allowed by the SSI units. The number of units giving credit far out numbered the number of units receiving credit on their purchases.

Minimum salary with commission on sales made was the leading type of compensation for sales made, followed by commission for sales effected through the salesmen.

CHAPTER VII

PROMOTIONAL STRATEGIES AND PRACTICES

All marketers must communicate with their target markets. In order to develop acceptance of the product in the market, the producer must disseminate information regarding its existence, special features and use characteristics among the target customers. Therefore, every marketer must play the role of a communicator and promoter. This is achieved by the promotion mix, one of the four major components of the marketing mix. The promotion mix involves a blending of several elements viz., advertising, personal selling, sales promotion, public relations, publicity and packaging to accomplish the organisation's promotion objectives. The large scale enterprises can do this very systematically and regularly to sell their products. They can afford the expenditure in this regard as their operations are on a large scale. But in the case of SSI units this is not possible because of the very small scale of operations and limited resources.

Because of their scarce resources, the women entrepreneurs concentrate more on personal approach to the dealers and consumers to introduce their products in the beginning.

In order to understand the type and extent of use of different means of promotion, the various promotional activities were listed and the entrepreneurs were asked to indicate to what extent they used promotional techniques. A score of three points was given if an activity was applied significantly, two points if it was applied to a moderate level and one point was given if it was used only to a marginal level. The various means of promotion used by the women entrepreneurs is discussed here.

7. 1. Advertising

The total number of units using advertising as a means of promotion were 13 and the distribution of SSI units according to the weightage given to various media are presented in table 7.1

Table 7.1

Distribution of 13 SSI units according to the type of advertising media used

Sl No.	Type of media	Average weighted score for various product groups							
		P-R	R-M	C-W -C	Pri	F-C	Elec	Mis.	Total
		3	1	1	0	5	1	2	13
1	News paper/ magazines / Trade journals	1.3	—	—	—	1	1	—	0.47
2	Radio	—	—	—	—	1.6	—	—	0.23
3	Television	—	—	—	—	0.6	—	—	0.09
4	Video cassettes/ cinema slides	—	3	—	—	1.2	—	—	0.46
5	Wall writings/ Hoardings	—	—	—	—	1.4	—	—	0.2
6	Hand bills – leaflets, Directories	0.67	—	3	—	1.6	—	2	1.04

Maximum score that can be assigned to any single medium is 3.

Three (42.9%) units from plastic-rubber, one (6.3%) unit from concrete–wood–carton, five (29.4%) units from food–chemical, one (16.7%) unit from electrical and two (40%) units from miscellaneous product groups were using one or more than one media for advertising their products.

Use of hand–bills, leaflets and listing in directories got the highest average score of 1.04 in total, followed by news paper/magazine/trade journal advertising with score of 0.47 and videocassettes/cinema slides with score of 0.46. Advertising on radio scored 0.23, followed by wall writing and hoarding with a score of 0.2. Use of television for advertising got the least average score of 0.09.

All the media listed were used, atleast to some extent, by the food–chemical units. Radio advertising and use of handbills–leaflets and directories

figured prominently with score of 1.6 each followed by wall writings–hoarding, video cassettes–cinema slides and newspaper–magazine–trade journal with 1.4,1.2 and 1.0 respectively. As television advertising could not be afforded by most of the units, this mode of advertising scored only 0.6 in this category of products.

The plastic–rubber products manufacturing units scored 1.3 in print media advertising and 0.67 in the use of hand bills–leaflets and directories. In the readymade group only one unit, manufacturing ladies' under garments was involved in advertising, and that too the media chosen was limited to videocassettes and cinema slides.

One unit each from concrete–wood–carton and electrical categories were using handbills–leaflets–directories and print media respectively.

Major publicity campaigns involving radio and television were not being adopted mainly because the total volume of business did not spare enough for the expenditure to use the media and for most of them the target market was only local.

7. 2. Sales Promotion

Sales promotion includes activities that seek to directly induce, or indirectly serve as incentives to generate immediate sales. Sales promotion is done using different tools depending upon the nature of industry. Some of the sales promotion tools are targeted at consumers, some at middlemen and yet some other tools at the sales force.

The commonly resorted to tools of consumer and trade promotion used by the women entrepreneurs are discussed below. Forty six (74.19% of 62) units were involved in sales promotion activities. The average weighted score indicating the extent of use of the tool by various product groups is presented in table 7.2.

Table 7.2

Distribution of 46 SSI units according to the type of sales promotion tools used

Sl No.	Sales promotion tools used	Average weighted scores for various product groups							
		P–R	R-M	C-W -C	Pri.	F-C	Elec	Mis.	Total
		6	11	4	3	12	6	4	46
1	Participation in exhibition & trade fairs	—	—	0.25	—	1.33	1	1.75	0.62
2	Point of purchase displays	—	1.45	0.5	—	1.17	0.5	—	0.80
3	Samples/ free gifts/ calendars	0.5	—	—	—	1	0.17	—	0.24
4	Price reduction/ discounts	1.33	0.45	1.25	—	1.67	1.33	1.75	1.11
5	Customers service (Special services)	—	—	2.5	2.33	0.17	1.17	—	0.88
6	Co-operative advertising	—	—	—	—	0.25	—	—	0.04
7	Selling through SIDCO sales emporium	—	—	—	—	0.25	0.5	—	0.11

Maximum score that can be assigned to any single tool is 3.

All the electrical, 85.7 per cent of plastic–rubber units, 80 per cent each of concrete–wood–carton and miscellaneous products, 70.58 per cent of food–chemicals, 68.75 per cent of readymades and 50 per cent of printing units made use of at least one tool of sales promotion.

Price reduction and discounts were the most used sales promotion tool (score 1.11) by the women entrepreneurs' units. Customer service as a sales promotion tool scored 0.88 followed by point-of–purchase (POP) displays (0.8), participation in exhibition and trade fairs (0.62), samples, free gifts and calendars (0.24) and co-operative advertising with the least score of 0.04.

The food–chemical units showed scores in all the listed sales promotion tools indicating their use of one or the other tool in selling the products. Price reduction and discounts were the most popular methods used with a score of 1.67 followed by participation in exhibitions and trade fairs, point–of–

purchase displays, samples and free gifts, co-operative advertising and selling through SIDCO sales emporium with same score and customer service, with scores of 1.33, 1.77, 1, 0.25 and 0.17 respectively. Sales promotion methods were used to a large extent in this group of products in comparison with the rest of the product groups.

The electrical units used all the methods of sales promotion excluding co-operative advertising. Price reduction and discounts were the most used tools with a score of 1.33 followed by 1.17 in customer service and 1 in participation in exhibitions/trade fairs. Point of purchase and selling through SIDCO sales emporium were having equal scores of 0.5 each.

The concrete–wood–carton units were third in order in the extent of use of various sales promotion tools. Customer service got the highest score of 2.5 in this group of products. Price reduction and discounts were also significant with a score of 1.25. Point-of–Purchase displays and participation in exhibitions and trade fairs were not very significant in this group as indicated by low scores of 0.5 and 0.25 respectively.

Readymade garments manufacturers used POP displays which scored 1.45 and discounts/price reductions (score 0.45), for inducing purchase by the customers. The small readymade garments units, operating in villages and small towns offer the facility of instalment payment to its customers. These customers were from the lower income group and installment payment facility enabled them to purchase more from the manufacturers.

Plastic–rubber products manufacturers resorted to price reduction–discounts with a score of 1.33 while use of samples and free gifts scored only 0.5. This group had mostly organisational customers and tools targeting mainly at the consumers did not have much effect on its purchase. It is a highly competitive market and price discounts to dealers were felt to be the most effective tool of promotion in plastic–rubber products.

The units included in miscellaneous products used participation in exhibitions/trade fairs and price reduction/discounts each scoring 1.75.

7. 3. Personal Selling

Personal selling is the oldest type of promotional effort. Personal selling is very critical to manufacturers who use direct marketing channels. Even when indirect channels are used, personal selling is very important as the small manufacturers have to gain acceptance and promotional support for their products. Acceptance by the middlemen becomes even more difficult, especially when the product is new or the marketer is new in the market. Salesmen are often referred to as unsung heroes of the success of a firm in its marketing efforts. As a general practice, most of the proprietors of SSI units start sales promotion work by themselves or by using family members. As the business increases both in size and coverage of the area, the entrepreneurs feel the necessity and have the resources to hire salesmen from outside.

Personal selling as a tool for promotion scored the highest over the other methods of promotion in the sample units. Fifty six units from the sample employed personal selling for promoting their products. The distribution of average weighted scores of 56 units using personal selling for selling the products is presented in table 7.3.

Table 7.3

Distribution of 56 units using personal selling

Sl No.	Product groups	Average weighted score	No. of units using personal selling		
			Total	Users of sales force	Non users of sales force
1	Plastic–rubber	3	6	2	4
2	Readymade garments	1.79	14	6	8
3	Concrete–wood–carton	2.6	5	—	5
4	Printing	2.67	6	1	5
5	Food–chemicals	2.8	15	7	8
6	Electrical	2.5	6	1	5
7	Miscellaneous	2.5	4	1	3
8	Total	2.55	56	18	38

Maximum average score of 3 was seen in the case of plastic rubber products indicating the use of personal selling to a large extent. Second highest score of 2.8 was recorded by food–chemical products followed by printing and concrete–wood-carton products with 2.67 and 2.6 score respectively. Electrical and miscellaneous products got a score of 2.5 each followed by 1.79 scores for readymade garments.

7. 3. 1. Use of salesforce

Eighteen units were using sales force. The number of units using sales force for personal selling was only 32.1 per cent of the total number of units using personal selling as a tool for promotion. The break up of the sales force users showed that, 33.3 per cent of plastic–rubber, 42.9 per cent of readymade garments, 16.7 per cent of electrical and none from concrete–wood–carton, units employed sales people for selling their products. The sales force non-users far outnumbered the users in all the category of units. The non-users of sales force were making use of family members or working by themselves to promote their products.

7. 3. 2. Functions performed by sales people

Because of financial and production constraints, the number of sales people that a woman entrepreneurial unit can employ is greatly restricted. Normally, the small scale units employ sales people, when personal contacts with the customers are required and can meet the expenses to support them. The SSI units try to achieve varied objectives with the use of sales persons.

In order to bring out the relative importance of various functions, the frequency of units meeting the objective through the sales force is presented in table 7.4

Seeking orders were of importance among the functions performed by the sales force in all the 18 units that employed sales force. Providing delivery was the second most sought function of the sales people in 61.11 per cent units (11 units). Six (33.33%) units each were using sales force for collecting

payments and introducing new items to dealers/customers. Five (27.78%) units gathered information about market and competitors from the sales people. All of the plastic–rubber, food–chemical, electrical and miscellaneous units that employed sales people made use of them in providing delivery as well. Fifty per cent of plastic–rubber and 33 per cent of readymade garment units used their sales people in providing delivery. The units using sales people for collecting payments were 50 per cent or below in the case of readymade garment, food–chemical and electrical units.

Table 7.4

Functions performed by sales staff

Sl No.	Functions performed by sales people	Frequency in various product groups							
		P-R	R.M	C-W-C	Pri.	F-C	Elec	Mis.	Total
1	Seeking orders	2	6	—	1	7	1	1	18
2	Providing delivery	1	2	—	—	7	1	—	11
3	Collecting payments	—	2	—	—	3	1	—	6
4	Introducing new items to dealers/ customers	1	2	—	—	3	—	—	6
5	Gathering information about market and competitors	1	1	—	—	3	—	—	5
6	Total no. of units employing sales force.	2	6	—	1	7	1	1	18

Introducing new items to dealers and customers were sought by only one third of the sales force users, belonging to plastic–rubber, readymade garments and food–chemical units. Fifty per cent of the plastic–rubber, 16.7 per cent of readymade garments and 42.9 per cent of food–chemical units that used sales force, gathered information about the market and competitors from the sales people.

7. 3. 3. Sales function performed by other members

As it was seen earlier, most of the women entrepreneurs were not employing sales people in promoting their products. Where there were no sales staff, the entrepreneurs or family members did the selling.

In the case of 11 units, husband or male members in the family of the entrepreneurs were doing the selling. Three units from plastic–rubber, four units from readymades, one unit from concrete–wood–carton and three units from printing fell in this category.

The women entrepreneurs along with their husbands and or other male members of the family were doing selling function in two units from concrete–wood–carton, one unit from printing, four units from food–chemical, one unit from electrical and one unit from miscellaneous units.

The co-operative society members were taking up the sales function in one unit each from readymade garments and food-chemical units.

In the rest of the units the selling function performed by the members was not significant and they had other means such as, a retail outlet or an agent to do the personal selling.

7. 4. Publicity and Public Relations

Word of mouth was the most felt form of publicity by some of the women entrepreneurs. Thirty units (48.38%) stated word of mouth to be of their advantage in promotion of their products. The break up of the units attributing advantage to word of mouth is presented in table 7.5

Table 7.5

Distribution of 30 SSI units perceiving word of mouth publicity to the advantage of the units

Product groups and No. of units	No. of Units perceiving word of mouth advantage
Plastic-rubber 7	2 (28.5)
Readymade Garments 16	10 (62.5)
Concrete-wood-carton 5	2 (40)
Printing 6	—
Food-chemical 17	12 (70.5)
Electrical 6	—
Miscellaneous 5	4 (80)
Total 62	30 (48.38)

Figures in parentheses represent percentages.

It was noted that 62.5 per cent of readymade garments, 70.5 per cent of food–chemical and 80 per cent of miscellaneous products units stressed the advantages of word of mouth in selling their products. About 29 per cent of plastic–rubber and 40 per cent of concrete–wood–carton units were in favour of word of mouth. But none of the units from printing and electrical units found it significant to claim the advantage of word of mouth. It implies that the category of products chosen by the units had say on this.

Repeat purchase by satisfied customers was another favourable factor quoted by some of the consumer products manufacturing units. Publicity in the form of features about successful women entrepreneurs in the newspapers and periodicals were there, even though it was not significant. Only a very few enlightened entrepreneurs from the sample units used public relations as a tool for promotion.

7. 5. Easy Credit Terms

In direct sale to customers, the very small units in readymade garments offered credit. These units allowed instalment payment spreading over a period of two to three months.

7. 6. Summary

The promotional strategies and practices of the SSI units of women entrepreneurs are summarised below.

Personal selling was the most used form of promotion by the SSI units. This was followed by sales promotion and advertising. Some of the units in the food–chemical units resorted to advertising mode of promotion using one or the other media. Handbills, leaflets etc., were the most used medium of advertising. Price reduction and discounts were the popular sales promotion methods used by them. Even though personal selling was widely used by the SSI units, the sales force users were less than 50 per cent of the sales force "non-users". Seeking order was the predominant function performed by the sales force. Most of the units felt the advantage of word of mouth publicity and repeat purchase. Easy credit terms and instalment payment facility were extended to customers to increase sales by some of the units. Thus, it can be seen that the women entrepreneurs resorted to low cost promotion methods that might limit their reach of customers.

CHAPTER VIII
PROBLEMS AND PROSPECTS

Women entrepreneurs face a whole host of problems in different functional areas. This chapter is divided into three parts Part one highlights the problems faced, part two gives the growth trends and part three deals with the future perspectives, of the sample units of women entrepreneurs.

Part I

8.1. Problems

In a small enterprise it is very difficult to separate the entrepreneur from the enterprise. It is even more difficult in the case of a woman entrepreneur to distinguish between the problem pertaining to the enterprise or the individual. Despite this, the problems of the SSI units of women entrepreneurs were focussed for the study.

The women entrepreneurs were asked to indicate the functional areas in which they faced problems. Table 8.1 shows the distribution of units based on the problems faced by them at the time of the study.

Marketing problems were the most important, (rank 1) faced by 60 per cent of the units. This was followed by financial problems in the case of about 31 per cent of the units. Labour problems were faced by about 28 per cent (rank 3) of the units, raw material problems by about 23 per cent and power and production problems by 10.75 per cent and 7.69 per cent respectively. Ten (15%) units did not have any significant specific problem. Three other units were ancillary units, five units were operated by charitable societies, and one unit was a proprietary concern and another one was a partnership firm. The charitable societies held the social objective of employment generation and the responsibility of the organisation was not resting on any single individual.

Table 8.1
Distribution of units based on the problems faced

Sl. No.	Problem areas	Number of units having problems in different areas of function							(Total)
		P-R	R-M	C-W -C	Pri.	F-C	Elec	Misc.	
		10	16	5	6	17	6	5	65
1	Finance	1 (10)	5 (31.25)	3 (60)	2 (33.33)	3 (17.64)	1 (16.67)	5 (100)	20 (30.76)
2	Production	1 (10)	1 (6.25)	—	2 (33.33)	2 (11.76)	1 (16.67)	—	7 (10.75)
3	Labour	3 (30)	1 (6.25)	2 (40)	3 (50)	5 (29.41)	2 (33.33)	2 (40)	18 (27.69)
4	Marketing	4 (40)	13 (81.25)	2 (40)	66.67	11 (64.7)	3 (50)	2 (40)	39 (60)
5	Raw materials	—	7 (43.75)	1 (20)	1 (16.67)	3 (17.65)	3 (50)	—	15 (23.07)
6	Administration	—	—	—	—	2 (11.76)	—	—	2 (3.08)
7	Power	4 (40)	—	—	—	1 (5.89)	—	—	5 (7.69)
8	Other problems	—	3 (18.75)	—	—	—	—	—	3 (4.61)
9	Governmental	2 (20)	—	—	1 (16.67)	1 (5.89)	—	—	4 (6.15)
10	No specific problem	4 (40)	1 (6.25)	—	1 (16.67)	2 (11.76)	2 (33.33)	—	10 (15.38)

Figures in parentheses represent percentages.

(Total exceeds the total number of units because of multiple answers)

Some of the units which had the marketing problem initially overcame it during the course of time. A few other units mentioned finance problem initially, which was also overcome after some time. Other problems stated were, theft in the shop and the difficulty of claim realisation from the insurance agencies. Four units belonging to rubber products, printing and food products categories complained of discouraging governmental interventions and procedures.

It is particularly significant that marketing problems were stated ahead of financial problems. A unit, which was in existence for some time faces, financial problems if it is not able to generate enough sales to sustain itself in the market. Only in very few cases generation of sales return is beyond the control of the entrepreneur.

Product groupwise analysis of the problems highlighted the following aspects regarding the women entrepreneurial units. In plastic–rubber units, 40 per cent each of the units faced problems in marketing and power supply. Forty per cent of the units did not have any specific problems at the time of the study. Thirty per cent of the units faced labour problem in the form of turnover and absenteeism. Twenty per cent of the plastic–rubber, specifically the rubber units complained of problems regarding governmental regulations. Finance problem was stated by one rubber unit, which was a pressing problem for the unit. But the problem arose due to the decline in rubber prices in Kerala market. The entrepreneur has stocked raw material at a higher price and with the decrease in rubber price, the finished products could not be sold at the stipulated prices.

In the readymade garment units, marketing problem scored the highest with 81 per cent of the units having some problem in marketing. Raw material problems came second, to these units. Most of them are very small units. They were not able to purchase clothes in bulk lot as their sales turnover was not high and in order to maintain variety, bulk purchase was not feasible for them. Finance problems were third in order with respect to problems in these units.

In concrete–wood–carton units, financial problems scored the highest and second in the order of problems were labour problems and marketing problems, both of which were felt by 40 per cent each of the units.

In the printing units, two third of the units faced marketing problems. One half of the units had difficulty in getting and retaining skilled workers. Finance and production problems were third in order in the difficulty encountered by these units.

In food chemical units, about 65 per cent had marketing difficulty, followed by labour problems and finance and raw material problems in the descending order of importance.

One half of electrical units had difficulty in marketing. One half of the units faced problems with respect to raw materials followed by one third of the units with labour problems. One third of the electrical units did not have any specific problem. This can be attributed to the ownership by charitable societies and the units were producing for industrial customers.

All the units in miscellaneous products group had financial difficulty. Two (40%) units each had labour and marketing problems.

8. 1. 1. Marketing Problems

As a unit continues to exist in the market for some time, it learns to develop appropriate strategies to cope with the problems and challenges posed by the market and competitive conditions. An attempt was made to study the specific problems of marketing faced by 39 units (entrepreneurs), who stated marketing as a significant problem in their business. An analysis of the problems faced by the units with respect to product, price, promotion, distribution, competition, demand, and credit realisation is presented in table 8.2.

Of all the problems stated with respect to marketing, competition got the highest average weighted score (2.01) making it the most felt problem by the entrepreneurs. Competition figured as the first problem in all product groups except food–chemical units, where competition problem was second to promotion problems.

Table 8.2

Type of marketing problems: (39 units)

Sl. No	Marketing Problem areas	Average weighted scores of difficulty faced by various product groups							
		P-R 4	R-M 13	C-W-C 2	Pri. 4	F–C 11	Elec. 3	Misc. 2	Total Av. Score 39
1	Product	1.00	—	—	1.25	.18	—	0.5	0.45
2	Price	1.25	1.00	2.5	1.25	1.00	—	1.00	1.14
3	Distribution	—	0.08	1.5	—	0.45	1.33	0.5	0.55
4	Promotion	—	0.62	—	—	1.91	1.33	1.5	0.77
5	Competition	2.00	1.88	3	0.25	1.64	1.33	2.0	2.01
6	Low demand	1.5	.92	—	—	.27	1.00	1.5	0.74
7	Credit realisation	.25	1.00	—	—	0.45	—	—	0.24

Maximum score that can be assigned to any problem is 3.

Price posed the second problem with an average weighted score of 1.14 in the marketing function of the SSI units. Price of the product is dependent on the other variables of the marketing mix. Almost all the units had problems in setting the price of the products initially. Many entrepreneurs resorted to a cost plus method of pricing which failed to consider the hidden costs and burnt their fingers in the beginning. Most of them confessed of a slow learning with regard to pricing the products. Market's reaction to price is a sensitive issue and entrepreneurs found it difficult to assess the price that was appealing to the customers. Thus, a few entrepreneurs stressed the importance of a Maximum Retail Price (MRP) that is affordable and convincing to the customers.

Promotion was stated to be the third problem in the descending order of intensity with an average weighted score of 0.77. Sometimes, entrepreneurs might be unable to distinguish between their inability to promote the product

and the low demand. Most of the SSI units were not able to set apart enough funds for promoting their products.

Low demand or lack of demand came as fourth problem in marketing products of the small scale units. However concrete–wood–carton and printing units did not mention this problem. It means that total industry demand is there; and the firm has to strive to get a market share.

Credit realisation scored fifth position in the marketing problems followed by product and distribution problems. The units, which had established themselves in the market solved the credit realisation problems by avoiding the defaulters.

A product wise classification of the units showed that competition, low demand, price, product and credit realisation were the problems faced by plastic–rubber units in the descending order of intensity. Product problems stated were especially related to new products by the units.

In the readymade garment units, competition was followed by credit realisation and price (score 1.00 each), low demand, promotion and distribution problems. Credit realisation problem confronted most of the smaller units serving the lower income segments. Concrete–wood–carton units faced competition, price and distribution problems.

Printing units faced competition as the biggest problem followed by product and price problems with the same score (1.25). For the food–chemical units, promotion of product was the most felt problem with a score of 1.91, followed by competition, price, credit realisation and distribution, slack demand and product problems.

In electrical units, competition, promotion and distribution problems were felt in equal intensity followed by low demand problems.

In the miscellaneous product group competition was stated to be the first problem followed by promotion and low demand with equal average weighted scores, price, and product and distribution problems with the same scores.

8.1.1.1. Type of competition

Regarding the type of competition faced, competition was mainly in the price of the product as seen in table 8.3.

Table 8.3

Type of competition

Sl. No.	Type of competition	Average weighted scores for various product groups							
		P-R	R-M	C-W-C	Pri.	F–C	Elec.	Misc.	Total Av. Score
		4	13	2	4	11	3	2	39
1	Price	3	1.31	3	3	2.18	3	3	2.64
2	Quality of the product	—	0.54	1.00	2.00	0.09	—	—	0.52
3	Credit	1.00	0.46	—	—	1.18	—	—	0.38
4	Promotional campaign/ advertisement	—	1.85	—	—	1.55	1.00	1.5	0.84
5	Small distribution network	0.75	1.15	1.00	—	0.73	1.33	3	1.14
6	Brand image	—	.46	—	—	0.73	—	—	0.17

Maximum score that can be assigned to any single factor is 3.

This was followed by problems regarding distribution network. It is common for the sellers to do some price–cutting in the name of concessions and incentives to motivate the customers and dealers to effect purchases. It was revealed through the sample survey that the middlemen demanded very high margins from the sellers. Mostly similar units pose competition. Price competition and distribution problems are inter-related as the margins demanded by the dealers and distribution costs have a direct effect on the price of the product and the profit margin of the sellers.

According to a study of SSI units in Kerala by Manalel[1], competition was mainly felt in the price of the product followed by competition in giving credit to the buyers. However credit competition was not stated as a big problem by the women entrepreneurs in the present study. They felt that the credit periods allowed by them (discussed earlier in chapter 6) were the prevalent ones. The thriving units avoided credit realisation problem by eliminating the defaulting dealers. Competition in promotional compaign/advertisements came third, quality of the product came fourth and credit came fifth in the type of competition faced by the women entrepreneurs.

Product group-wise, price factor got the maximum possible average weighted scores of 3 in plastic–rubber, concrete–wood–carton, printing, electrical and miscellaneous units indicating heavy price competition. Price competition score marked 2.18 in food–chemicals and 1.31 in readymade garments. Price competition scored the highest in all groups except in readymade units, where it was second to promotional conception. Credit competition problem was second in plastic–rubber units, followed by competition in distribution.

Small distribution network makes the units vulnerable to competition. It brings in a situation where many sellers supply to a few dealers. Small distribution network was third in order of problems for readymade garments. The small units in this group especially had competition in distribution. Competition with respect to distribution and quality of product was equally rated in concrete–wood–carton units.

Printing units had quality of the product as second problem. New printing methods have superseded the small units in quality, thus bringing in competition from bigger units. In food–chemical units, promotional compaign/advertisements came second in type of competition. This was followed by credit and small distribution network and brand image competition.

In electrical units, small distribution network and promotional campaign/advertisements were the second and third type of competition faced. In miscellaneous products maximum score was obtained for small distribution network and price competition. Another type of competition faced was in the form of promotional campaign and advertisement.

The different types of competition made the entrepreneurs susceptible to terms dictated by the middlemen. The small scale operation of the enterprises hindered them from spreading their businesses to newer avenues.

8. 1. 2. Factors Preventing Expansion

Inspite of their aspiration to expand, many constraints disallow the expansion of small scale units. To identify the constraints, 44 entrepreneurs who aspire to expand were asked to rank from one to three, the factors that prevent expansion of the units. The average weighted scores of various factors are presented in table 8.4.

Table 8.4

Factors preventing expansion

Sl. No.	Factors	Average weighted score for various product groups							
		P-R	R-M	C-W-C	Pri.	F – C	Elec.	Misc.	Total Av. Score
		7	11	5	3	10	5	3	44
1	Lack of finance	0.43	1.0	0.8	0.33	0.6	0.4	0.67	0.60
2	Low demand	1.29	0.73	—	2.33	0.2	1.2	1	0.96
3	Loss of incentive for SSIs	0.29	—	—	—	0.2	—	—	0.07
4	Labour problem	0.57	—	0.8	—	0.2	—	—	0.22
5	Raw material problem	0.29	—	—	—	0.7	—	—	0.14
6	Heavy taxation	0.57	—	—	—	0.3	—	—	0.12
7	Managerial problems	1.86	0.55	1.36	2.00	1.3	1.2	0.71	1.28
8	Infrastructure problems	1.29	—	—	—	0.4	—	—	0.24
9	Competition	—	1.64	—	1.33	0.8	0.4	—	0.60
10	Need of more time.	—	0.91	0.6	—	0.3	0.8	0.33	0.42

Maximum scores that can be assigned to any single factor is 3.

Managerial problems got the highest score of 1.28 in average total scores. The entrepreneur owner or very few members managed most of the units. By managerial problems, what they generally meant was lack of people other than themselves to entrust the responsibilities. Increasing their scale of operations will demand more of management responsibilities. A few of them were not having responsible persons to take over the management from them. The employees were perceived not to be fully trustworthy.

Considering the different groups, managerial problems came as first limitation in plastic–rubber, concrete-wood–carton and food–chemical units. In the case of electrical units also, managerial problems and low of demand were considered most important. Low demand problems came second in average total scores with 0.96 points. Low demand problem came first in printing units, electrical units and the miscellaneous units.

Lack of finance and competition, which came third in importance, discouraged entrepreneurs from expanding. Like managerial problems, lack of finance was stated by all the categories of units as a major problem. In readymade units, competition came as the first constraining factor followed by lack of finance for expansion. Competition problems preventing expansion figured prominently in readymade garments, printing, food–chemical and electrical units. In other category of products also competition was stated as a problem but was not coming within the first three ranks to consider it as a serious problem. For example one carton manufacturer stated severe competition especially because it was an industrial product. Still, she was planning to manufacture different size cartons.

Certain units simply wanted to have some more time before going in for further expansion. These units were comparatively younger and needed more time to plan for expansion. Such units were seen in readymade garments, concrete–wood–carton, electrical and miscellaneous units.

Infrastructure problems came as fifth in overall scores while it was stated as third problem in plastic–rubber units. This might be because of the plant and machinery addition needed for expansion in such units. One plastic container manufacturer stated expansion of production impossible as they had reached the limits and further expansion was impossible without increasing plant and machinery.

Labour problems for the products scored 0.8 points in concrete–wood–carton, 0.57 points in plastic–rubber, 0.2 points in food–chemicals and 0.22 points in overall scores. Raw material problems scored 0.29 points in plastic–rubber, 0.7 points in food–chemicals and 0.14 points in total scores. The rubber–foam manufacturing units and food products manufacturing units stated heavy taxation as a factor preventing expansion.

Units in plastic and food products feared loss of incentives for SSIs if they expanded further. Therefore, some of the units in this category curtailed their production to keep the sales turnover less. So, the lure of incentives for SSI units actually prevents further expansion. Alternatively, they may start another unit in the name of a family member.

8. 1. 3. Difficulty in Availing Borrowed Finance

Finance is the blood stream of the any enterprise. One can borrow money from the banks, but only on security. Normally women have no personal security. And members of family do not risk their property in ventures started by women. For them money is hard to find as bankers still have their own reservations about the ability of women to run an industrial unit. Also there tends to be a little more anxiety on the part of financial institutions as regards the viability of projects started by women. Experience has shown that entrepreneurship is an ordeal for women with regard to formalities and paper work for obtaining financial assistance from banks and financial institutions[2].

In the small scale industrial units surveyed, only 5 entrepreneurs stated difficulty in availing borrowed finance. The difficulties faced were, prolonged waiting and the innumerable visits to the financial institution. There were only very few units, which did not go to financial institutions for finance. Those who borrowed finance from lending institutions could provide satisfactory surety/security .

8. 1. 4. Loan Repayment

Only four entrepreneurs reported irregularity in repayment of loans. For two entrepreneurs personal illness and illness of spouse hindered smooth functioning of the units and hence there weren't adequate returns from the business. One unit had to stop production temporarily and hence was irregular in repayment. The fourth entrepreneur had family problems and hence irregular in repayment temporarily. All the others were repaying loans regularly or had already paid the loans over.

Part II

8. 2. Growth Pattern of the SSI Units

Most of the entrepreneurs try to increase their business either by expanding or by involving in other activities. Downing[3] studied the growth strategies used by male and female entrepreneurs in many developing economies and asserted that men and women do, indeed, employ, different strategies, motivated by their very different circumstances. For example, while male–owned enterprises usually grow vertically, women's enterprises tend to grow by diversifying into other activities. The business condition, expansion, entrepreneurs' involvement in other business and sales growth rate of the sample units are given below.

8. 2. 1. Business Condition of Sample Units

The business condition of the units reflects the growth and survival of their business in the market place. Table 8.5 gives the business condition of the

sample units. It was found that 57 (87.69%) units were running at profit. Two (3.08%) units were making loss. One of the units manufacturing rubber bands and gloves was making profit until the last year. A high level of stock of raw materials procured at a higher price and subsequent fall in rubber price made the firm unable to sell the finished products at reduced market prices. Another unit making loss was a food product manufacturing one, which almost stopped production owing to technical problems and intervention of authorities.

One entrepreneur was not able to manufacture and market her readymade garments due to ill health for quite a long time and hence reported the business running on no profit and no loss condition. A rubber foam manufacturing unit was cutting down production and stated no-profit–no-loss condition. Four charitable societies, manufacturing curry powders, electrical items, miscellaneous products and who undertake printing works, stated no-profit– no-loss condition for their units.

Table 8.5

Business condition of units

Business condition	No.of units	Percentage
Running at profit	57	87.69
Making loss	2	3.08
No profit–No loss	6	9.23

8. 2. 2. Expansion of the SSI Units

If expansion is to be considered as a parameter for growth and profitability of the SSI units, 75.38 per cent of the units have expanded since establishment. Only 16 (24.62 per cent) units responded in the negative regarding expansion since establishment. The unit wise expansion undertaken is presented in table 8.6

Table 8.6

Expansion of the sample units since establishment

Response	Product groups							
	P-R 10	R-M 16	C-W-C 5	Pri 6	F-C 17	Elec. 6	Misc. 5	Total score 65
Yes	6 (60)	16 (100)	5 (100)	3 (50)	12 (70.59)	3 (50)	4 (80)	49 (75.38)
No	4 (40)	—	—	3 (50)	5 (29.41)	3 (50)	1 (20)	16 (24.62)

Figures in parentheses represent percentages.

All the units of readymade garments and concrete–wood–carton units, 80 per cent of miscellaneous, 70.59 per cent of food–chemical, 60 per cent of plastic–rubber, and 50 per cent each of printing and electrical units expanded production capacity after inception. One printing unit procured additional machines and increased capacity, but later on sold off some of the machines. In all the categories 50 per cent or more of the units have undertaken expansion.

Only 24.62 per cent (16 numbers) of the units have not expanded since their establishment. This group consisted of 4 units from plastic–rubber of which three are ancillary units, three units from printing, five units from food–chemical, three units from electrical and one unit from miscellaneous products.

8.2.2.1. Starting of new units

Three entrepreneurs, one in each of plastic, readymade garments and food products categories have set up another unit which are in the same line. Two of these units are in partnership and one in own name.

Some of the units used institutional finance for expansion of the units. Three units were assisted by the State Bank of India. Two other units received finance from Kerala State Financial Corporation (KFC). Two units received assistance from Khadi and Village Industries Corporation (KVIC) and one unit

each from Small Industries Development Bank of India (SIDBI) and Integrated Rural Development Programme (IRDP). Some units reported receipt of investment subsidy. Some of the women entrepreneurs, whose husbands dealt with the governmental departments were not able to distinguish among the various incentives received. Therefore, the number of units that received incentives might be more than what is stated above.

8. 2. 2. 2. Entrepreneurs' involvement in other business

The entrepreneurs were asked to state their involvement in other business, if any, and the responses are tabulated in table 8.7. Excluding the charitable societies and corporate societies, 51 entrepreneurs were considered for their involvement in other businesses.

Table 8.7

Entrepreneurs' involvement in other business

Sl. No	Response	Product groups							
		P-R	R-M	C-W -C	Pri	F-C	Elec.	Misc.	Total score
		10	14	5	4	12	3	3	51
1	Yes	6 (60)	9 (64.29)	4 (80)	2 (50)	5 (41.67)	1 (33.33)	2 (66.67)	29 (56.86)
2	No	4 (40)	5 (35.71)	1 (20)	2 (50)	7 (58.33)	2 (66.67)	1 (33.33)	22 (43.13)

Figures in parentheses represent percentages.

Entrepreneurs involved in other business were 56.86 per cent of the total. Twenty four (82.76%) of these entrepreneurs were involved in the same line and five (17.24%) in different line of activity. Involvement in other business was highest in concrete–wood–carton units (80%), followed by miscellaneous (6.67%), readymade garments (64.29%), plastic–rubber (60%), printing (50%), food–chemical (41.67%) and electrical (33.33%) units.

8.2.3.Sales Growth Rate of the Sample Units

The growth rate measured in terms of sales is one of the indicators of the effectiveness of various strategies adopted by the entrepreneurs in the market place. The growth achieved in sales depends on factors, such as the marketing mix, the initiative and drive of the entrepreneurs and changing market conditions. The problem of small firms wanting to remain small forever for fear of losing the concessions available has been pointed out by a number of writers such as Tyabji (1989), Varghese (1989), Goyal et.al (1984), Dasgupta and Sengupta, and Vepa (1971)[4].

The growth rate of the sales of the sample units was analysed using time series analysis. Linear trend values were calculated using the equation:

$$y = a + bt$$

Where, y represents the sales of the units, t, the time variable, a and b are parameters to be estimated from the equation.

Sales figures relating to six years, starting from year 1992 to 1997 were collected from the units. All the units were atleast in one year of existence in the year 1992 and hence were able to provide the sales figures. Even though, reluctance was shown by the entrepreneurs in giving the sales data, assurance of confidentiality with respect to the identity of the units made them provide the sales data. Using the sales turnover of six years, average annual growth rate was calculated assuming a linear trend with sales as the dependent variable and time as the independent variable. The linear trend was assumed because the data showed linear movements during the period. Table 8.8 presents the average annual growth rate for the different units.

Table 8.8
Average Annual Growth Rate presented in percentages

Sl. No.	Period of Inception / Product groups & No.of units	Before 1980	1980 - 85	1985 - 90	1990 - 92
1	Plastic – Rubber (7)	- 2.76	—	-5.75 6.8	71.2 5.08 158.57 12.76
2	Readymade Garments (16)	—	—	20 20 20 8.33 16.67 20.25	19 14.03 - 9 12 16.67 8.5 19.63 13.4 13.43 20.14
3	Concrete– Wood –Carton (5)	—	—	—	56.38 156 370 45.7 20.08
4	Printing (6)	18.67	14.81 1.87	3	7.78 2.42
5	Food–chemicals (17)	7.89	8.3 12.5	9.28 19.29 6.05 0.08 8.33 31.33 - 9.5	86.43 (204.28)* 382.85 16.94 50 185 41 78.75
6	Electrical (6)	—	—	13.19	57.19 50.05 - 7.01 15.78
7	Miscellaneous (5)	—	0.09 9	—	26.19 51 105

* Growth rate of the unit excluding the sales figure of 1997.

1. Plastic–rubber units

In this category, two units showed negative values of growth rate. The first unit, a crumb rubber manufacturing one, established in 1975 had their peak sales during 1993 and 1996 with more than Rupees 1.5 crores. But the sales fell less than one crore in the year 1997. The fluctuation in the price of rubber and the general slump in the economy were stated to be the reasons for such a growth pattern. The other, a foam bed-manufacturing unit with–5.75 per cent growth rate was deliberately bringing down the production level due to environmental and personal reasons.

Of the two plastic units, the one, which was established in the late 80s', showed 6.8 per cent growth. The other one established during 1990–92 period showed 12.76 per cent growth.

The highest growth rate of 158.57 per cent in this category was seen in a medicare product manufacturing unit, which was started during 1990-92 period. Even though 71.2 per cent growth rate was seen in one unit, it was facing difficulty in staying in the market on account of the fluctuations in rubber prices at the time of the study. This unit is a typical example of Kerala based units having high inventory of finished goods[3], and raw materials indicating marketing problems.

2. Readymade garments

The readymade garment units were showing an average annual growth rate in the range of 8.33 to 20 per cent, except in the case of one unit with a growth rate of minus nine per cent. Credit realisation problems and low level of demand were reasons assigned for the negative growth rate. The readymade garment units operate in a highly competitive market and no drastic increase or decrease in sales turnover was visualised in these units.

3. Concrete–wood–carton

All the units in this category were established during 1990–92 period. Concrete products units recorded high growth rates of 370 per cent and 156 per

cent. The units expanded their customer base during six to seven years of their existence and showed a high growth rate. Lack of demand is not a problem for these units. The characteristics of the products and difficulty in arranging wide distribution limit the growth of these units.

The two wood products units showed a growth rate of 45.7 and 20.08 per cent. The carton-manufacturing unit showed a growth rate of 56.38 per cent even though the unit operated in a highly competitive market.

4. Printing units

The two units that showed the high growth rates of 18.67 and 14.81 per cent are charitable society units. They have big customers and the members in the board of directors play a major role in getting customers. One of these units does binding of notebooks, which are supplied to schools and substantial revenue of the unit comes through that.

The growth rate envisaged in the proprietary units ranged from 1.87 to 7.78.

5. Food–chemicals

Two units in this category showed negative growth trends. The unit with growth rate -7.89 per cent was started in late 70s'. This unit was doing very well in the 80s', even exporting their products. The unit achieved a sales turnover of Rs.25 lakhs in 1987. About 300 people were given indirect employment by this unit in addition to the regular workers. But, as raw material availability and labour became scarce and the entrepreneur was getting older, the unit has completely stopped production. Currently, only packing and selling of the products manufactured and delivered by other small units are done here. Another unit, which showed negative growth rate, was a pickle manufacturing one. The unit had to stop production for some time due to technical problems.

The units that registered two lowest growth rates were run by charitable societies. The highest rate of 382.85 per cent was also recorded by a charitable society.

One curry powder manufacturing unit showed a growth rate of 204.28 up to 1996 and due to deliberate reduction in production and marketing, the average sales growth rate came down to 86.43 per cent in 1997.

The three chemical units, all of which were established during 1990–'92 period showed growth rates of 185, 78.75 and 41 per cent. One unit anticipated a 400 per cent increase in sales turnover in 1998 over the previous year.

6. Electrical products

A unit established in 1985–90 period got the highest growth rate of 138.4 per cent in this category. One unit, due to incapabilities in marketing the products, showed a negative growth trend of–7.01 per cent.

7. Miscellaneous products

The highest growth rate was 105 per cent and the lowest 0.09 per cent, which was that of a charitable institution.

Very high growth rates were showed by a few units, which were only six to seven years in the market. Only one unit from the electrical products that established in late 80s' was an exception to this. But such high growth rates were not seen in any of the units in readymade garments.

The overall growth rate of the sample units were satisfactory, even though, there is much more potential to grow. Those entrepreneurs, who involved themselves in other business, were mostly in the same line of business.

Part III

8. 3. Future Perspectives

Despite the innumerable problems confronting the units, most of them have been experiencing an increasing trend in the sales of their products. Hence, an inquiry into future prospects of the units as perceived by the entrepreneurs is made here.

8. 3. 1. Profitability of the Line of Business

It is generally felt that profitability of a business is dependent on the line of product chosen, level of competition in the market, demand for the product and effective management of the whole business. As all the sample units were in existence for five years or more, the entrepreneurs were able to assess the profitability of their business. The analysis of the responses in this regard is presented in table 8.9.

Table 8.9

Profitability of the business as perceived by the entrepreneurs

Sl. No.	Perceived Profitability	No. of units in various product groups							
		P-R	R-M	C-W-C	Pri.	F–C	Elec.	Misc	Total
		10	16	5	6	17	6	5	65
1	Very Profitable	2 (20)	3 (18.75)	—	1 (16.7)	3 (17.65)	—	1 (20)	10 (15.38)
2	Profitable	7 (70)	10 (62.5)	5 (100)	3 (50)	8 (47.1)	3 (50)	2 (40)	38 (58.45)
3	Some what Profitable	1 (10)	3 (18.75)	—	2 (33.33)	6 (35.29)	3 (50)	1 (20)	16 (24.61)
4	Not Profitable	—	—	—	—	—	—	1 (20)	1 (1.54)

Figures in parentheses represent percentages to column total.

Ten out of the 65 units (15.38%) stated that their business were very profitable. This category of units included 20 per cent of plastic–rubber, 18.75 per cent of readymade garments, 17.65 per cent of food–chemicals and one unit each from printing and miscellaneous units.

Thirty eight units (58.46%) opined the business as profitable. This category included 70 per cent of plastic–rubber, 62.5 per cent of readymade

garments 50 per cent of printing units, 47.1 per cent of food–chemicals, 50 per cent of electrical, 40 per cent of miscellaneous and all the units of concrete–wood–carton units.

About one fourth of the units comprising 18.75 per cent of readymade garments, 33.33 percent of printing, 35.29 per cent of food–chemical, 50 per cent of electrical and one unit each from plastic–rubber and miscellaneous units perceived their business to be somewhat profitable.

Some of the women entrepreneurial units were having husbands of the entrepreneurs fully involved in the business. Their efforts contributed a good deal to the success of such enterprises. Most of the promoters were of the opinion that the profitability and success of the organisation depended on the people who run the business, to a large extent. Effective management of the resources and the determination and drive on the part of the entrepreneurs seemed to be the prerequisites for the success of the enterprise.

Only one enterprise, a charitable society stated their organisation not having the profit motive and hence not profitable. Some of the rubber products units, affected by the price changes at the time of study were having reservations in stating in favour of profitability.

The profit margins gained by the units varied depending on the products that they manufactured and the type of organisation. The profit margin ranged between 15–40 per cent of sales. The higher margin of 40 per cent was obtained only on a few items manufactured by the electrical units. These products belonged to the high value, slow moving category.

8. 3. 2. Motivating Factors for Expansion.

Forty four units had identified motivating factors for expansion. The distribution of factors that motivate expansion is presented in table 8.10.

Good market for the product was perceived by a good number of entrepreneurs as is indicated by the highest score of 2.02. Good market for the

products scored the highest in plastic–rubber, concrete–wood–carton, printing, food–chemical and miscellaneous products units.

Table 8.10
Motivating factors for expansion

Sl. No.	Motivating Factors	Average weighted score for various product groups							
		P-R	R-M	C-W-C	Pri.	F–C	Elec.	Misc.	Total Av. Score
		7	11	5	3	10	5	3	44
1	Good market	2.57	1.55	2.4	2	2.4	1.2	2.0	2.02
2	Marketing costs can be shared	0.13	2.09	1.8	2	1.5	2.2	1.67	1.63
3	Availability of institutional finance for expansion	—	—	—	0.67	—	—	—	0.1
4	Raw material availability	1.57	—	0.4	—	0.1	—	—	0.3
5	Availability of other incentives	—	—	0.2	—	—	0.6	0.33	0.16
6	Inadequate return from present business.	0.57	1.73	—	1	1.0	0.8	2.0	1.01

In most of the cases, expansion will bring only marginal increase in marketing costs, thus bringing in more revenue at a lesser cost. Motivating factor of sharing of marketing costs came as the second most important factor for expansion in the women entrepreneurial units. This factor weighed equally with good market for the product in the case of printing units. Motivating factor of marketing costs sharing, scored first rank in the case of readymade garments and electrical units. In electrical units, developing a distribution network takes time and gaining the confidence of the dealers in the products take good effort on the part of the entrepreneurs. Therefore, pushing more

products through the existing channel is more than welcome to the manufacturers.

Inadequate return from the present business motivated some of the entrepreneurs gaining third highest average total scores. Miscellaneous products and readymade garments units scored first and second highest in this motivating factor. In printing and food–chemicals units it scored one in each, in electrical units 0.8 and in plastic–rubber unit it scored 0.57.

Raw material availability was the second motivating factor in plastic–rubber units with an average total score of 1.57. Raw material availability came third in concrete–wood–carton with a score of 0.4 and the least in food–chemical units with a score of 0.1 and scored the second last in average total score (0.3). Availability of incentives came last for concrete-wood-carton, electrical and miscellaneous and second last for all groups with a score of 0.16.

8. 3. 3. Future Aspirations of Women Entrepreneurs

Aspirations motivate persons, activate them and broaden their visions. Aspirations indicate resourcefulness of the person. The intentions and actions of individuals are directed by aspirations. Aspirations of the entrepreneurs differ with time, depending on the previous achievements in most of the cases. As success breeds success, achievement induces achievement. They are seen as dynamic and responsive to events in the work life[5].

The growth and survival of the units are dependent upon the future aspirations of the women entrepreneurs. After having faced many hardships and realities in setting up and running of the enterprise, they might realistically redefine their aspirations regarding entrepreneurship in the days ahead.

The women entrepreneurs were asked to rank their aspiration up to three ranks and average weighted scores calculated. The weighted scores pertaining to different aspirations are presented in table 8.11.

Table 8.11

Future aspirations regarding entrepreneurship

Sl. No.	Aspirations	Average weighted score for various product groups								Rank
		P-R	R-M	C-W-C	Pri.	F–C	Elec.	Misc.	Total Av. Score	
		10	16	5	6	17	6	5	65	
1	Expand and grow in the present business	1.8	1.81	2.2	1.33	1.41	2.5	1.8	1.84	1
2	Setup another unit	0.4	0.56	1	0.67	0.29	0.67	—	0.51	3
3	Run the present business as it is	0.3	0.38	0.2	0.67	0.76	0.67	—	0.43	4
4	Earn more money	1.4	1.06	0.8	1.83	0.59	0.17	0.6	0.92	2
5	Get recognition as a successful entrepreneur	0.1	—	—	—	—	0.17	—	0.04	10
6	Go into trading	0.3	0.19	0.6	0.5	—	—	—	0.23	5
7	Involve in social activities	—	0.13	—	—	0.47	—	0.6	0.17	6
8	Cut down production & keep small	—	—	—	—	0.35	—	—	0.05	8
9	Promote employment	0.2	0.13	—	—	—	—	—	0.05	8
10	Encourage others into entrepreneurship	—	—	—	—	0.06	0.33	—	0.06	7

Maximum score that can be assigned to any single factor is 3.

The aspirations to expand and grow in the present business got the highest total score of 1.84. This aspiration also got the highest scores in plastic–rubber, readymade garments, concrete–wood–carton, food–chemical, electrical and miscellaneous product groups. In the case of printing units the aspirations to expand and grow in the present business got however only a second position after the aspiration to earn more money.

With respect to total average score, the aspiration to earn more money, came second with 0.92 points This aspiration also scored second in plastic–rubber, readymade garments and miscellaneous products units.

Aspiration to set up another unit scored second in concrete–wood–carton and electrical units. In electrical units, to run the present business as such also got the same scores. 'Setup another unit' aspiration got a third place in overall scores. In the case of printing units equals points were scored in aspirations regarding setting up another unit and running the business as it is now. To run the business at the present condition (at the time of study) aspiration got 0.43 points (4^{th} rank) in average total scores and got second rank in food–chemical units.

Fifth rank in overall average total scores went for desire, to go into trading, followed by involvement in social activities. Encourage other women into entrepreneurship, cut down production and keep the scale of operation small, and get recognition as a successful entrepreneur followed in order of descending priority.

The highest score for expanding and growing in the present business indicate the viewpoint of women entrepreneurs with respect to the future prospects of the business. The establishment of the units have incurred costs and taken a lot of efforts of the entrepreneurs. Therefore, unless they find the future of their business bleak, they would like to carry on with the present business. Inspite of problems stated by them, majority of the units were making profits. The desires to expand and grow also show that the entrepreneurs were content or satisfied with the pace of the enterprise.

To earn more money as the prime aspiration by some of the promoters came from their feeling of inadequate return from the business. Some of these entrepreneurs started the units, as a means of livelihood as other employment was not available. Most of these enterprises were set up to earn money through

an occupation even though women do not show a great pre–occupation with a concern for money as shown by certain communities[6].

Some of the entrepreneurs wanted to set up a new unit. One readymade garments manufacturer wanted to set up another unit in her native place. One concrete products manufacturer wanted to go into trading. A wood product manufacturer wanted to open a showroom for her products. One printing unit entrepreneur was planning to take up trading of consumer products. One of the electrical product manufacturers wanted to set up a plastic products manufacturing unit and another one was planning to set up another unit to manufacture technologically updated electrical products.

Those who aspired to run the business at the present scale of operations did not want to enlarge their business mostly due to management problems. Being and remaining small gives them confidence in controlling their businesses.

A small proportion of entrepreneurs in readymade garments, food–chemicals and miscellaneous product units' entrepreneurs wanted to involve in social activities like community development. Some of the women entrepreneurs wanted to go into trading on account of labour problems in their manufacturing units. Some units in food products wanted to cut down their scale of operation. Tax problems were stated to be the reasons in one unit and in another unit lack of undisrupted availability of raw materials and enough labourers at reasonable wages were stated to be the reasons for the plans to cut down production.

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CHAPTER IX
CONCLUSION

9. 1. Summary of Main Findings

A study of 65 SSI units of women entrepreneurs in Ernakulam district, Kerala was undertaken to analyse the marketing management function. The summary of main findings of the study is given below.

9. 1. 1. Profile of the Units

1. *Location:* Sixty per cent of the units was located in panchayat areas, 23 per cent in municipal areas and 17 per cent in corporation area.

2. *Nature of activity/types of products:* Eighty five per cent of the units was engaged in manufacturing and marketing the products. In the case of 15 per cent of the units, job work was their major activity. The units were classified into seven groups viz. plastic–rubber, readymade garments, concrete–wood–carton, printing, food–chemical and miscellaneous products units.

3. *Type of registration:* More than one half (53.85%) of the units were having WIP registration.

4. *Type of organisation:* Two third (66%) of the units were proprietary organisations. Charitable societies formed 15 per cent, partnership 11 per cent and co-operative societies formed six per cent of the organisation. One of the units was a private limited company.

5. *Period of establishment:* Only 4.62 per cent of the units was established before 1980. Nine per cent and 28 per cent were established during 1980–85 and 1985–1990 period respectively. Fifty eight per cent of the units established during 1990–92 was in business for about seven years.

6. *Nature of factory building:* About 40 per cent of the units was operated from part of the house or buildings in the premises of the houses of

promoters. About 18 per cent each was having newly built buildings and buildings in the industrial estates. Twelve per cent was operating from rented buildings and 11 per cent got factory buildings after some years of establishment.

7. *Investment and employment:* The highest average employment was seen in units having an investment of Rs.5–15 lakhs, followed by Rs.1-5 lakhs investment. Units with investments above Rs.15 lakhs and below Rs.1 lakh had an approximate average employment of 5.

8. *Employment of sales people:* Only 28 per cent of the units was employing sales people. Women were employed in sales, only by units with investment below one lakh rupees.

9. *Capacity utilisation:* Less than one fourth (23%) of the units only had more than 80 per cent capacity utilisation. About 14 per cent units was utilising less than 50 per cent capacity only. Sixty three per cent of the units had 50–80 per cent capacity utilisation.

10. *Sales turnover:* About 42 per cent of the units stated less than Rs. 2 lakhs sales turnover. Only 9.23 per cent of the units had above Rs.50 lakhs sales turnover; 13.85 per cent units had Rs.2–5 lakhs and 35.39 per cent of the units had sales turnover ranging from Rs. 5–50 lakhs.

11. *Market segments:* One third of the units catered to organisational customers primarily. The rest of the units served mainly consumers.

9. 1. 2. Profile of Entrepreneurs

12. *Age of the entrepreneurs:* Sixty per cent of the entrepreneurs were 30–40 years age group, when they started the units.

13. *Education:* Fifty five per cent of the entrepreneurs had education upto pre-degree or below that level. Only less than one fifth of the entrepreneurs were technically educated.

14. *Previous occupation:* Housewives formed more than three fourth of the entrepreneurs and those who were in employment formed about 14 per cent.

15. *Patrons:* About 95 per cent of the women entrepreneurs had strong support of persons such as husband and father in starting the units.

16. *Training programmes attended:* Only 25 per cent of the entrepreneurs had attended EDP or training programmes, of whom, 68.75 per cent had attended before starting the units.

9. 1. 3. Persons and Functions

17. *Involvement of women entrepreneurs in various functions:* The highest involvement of women entrepreneurs was seen in the production function of their units. Their involvement in the sales/marketing function got third rank. Identifying customers was the predominant role of women entrepreneurs in marketing the products of their units.

18. *Help rendered by family members:* In 77 per cent of the units, husbands of women entrepreneurs were involved in the business. The marketing function showed the highest level (in 56 % of units) of involvement by men of the family. In one fourth of the units where men assist, they primarily did planning. In 31 per cent of the units, men were partners in business, on or off records. Forty six per cent of units had men devoting 2–7 hours of their time.

19. *Motivating and facilitating factors:* Economic gains and desire to improve quality of life were the important ambitions of entrepreneurs in starting the units. Pursuit of an occupation was third in order of ambitions in starting the enterprise. Unemployment, closely followed by excess free time were the very important compelling reasons for starting the units. Encouragement from family members was the most important encouraging factor in establishing the units. Acquisition of professional and technical

skills and availability of experienced and skilled people at home were also playing important role in encouraging the women to start SSI units.

9. 1. 4. Product Management Practices

20. *Product selection:* Suggestion by experts and family members and interest and experience/technical knowledge of the entrepreneurs were the important factors that facilitated product selection for the units.

21. *Product mix:* Only 15 per cent of the units did not go for change in the product mix. More than one half of the units had increased the product mix width.

22. *Important factors in product selection:* Demand for the product followed by no difficulty in technical know-how and past experience were the three important factors considered for product selection.

23. *Branding:* Only 46 per cent (30 units) of the units used brand names for their products. Among these units, eight units were using sellers' names.

24. *Packaging objectives:* Product protection was the predominant objective followed by brand differentiation in packaging. However, in food–chemical and electrical units, brand differentiation was considered to be more important than product protection.

25. *Quality* : About 63 per cent of the units perceived the quality of their products equal to or superior to similar units. Inspection of each item, use of good quality raw materials and close supervision were the means adopted to ensure the quality of the products. About 71 per cent of the units did not use any quality mark. Seven units used standard quality marks.

26. *Assessment of demand:* Projection of past sales was the most important method in assessing the demand for the product. Market research, own judgement and opinion of family members also played a key role in assessing the demand of the product.

The marketing research activities were confined only to certain areas such as market research and post transaction analysis.

9.1.5. Pricing Practices

27. *Factors influencing pricing:* Cost of production followed by competitors' price were the major factors influencing pricing.

28. *Price comparison:* About 42 per cent of the small scale units charged same prices and 37 per cent charged lower prices in comparison with competitors.

29. *Pricing policies:* Single price policy was followed by 53 per cent of the entrepreneurs, while about 47 per cent followed variable price policy.

30. *Pricing objectives:* One fifth of the units did not change their initial objective. Market penetration was majority's initial objective, while improving market share came first in the objectives pursued at the time of the study.

31. *Pricing methods:* About 61 per cent of the units did not change their initial pricing method and 51.61 per cent of the units followed cost plus method initially, while 67.74 per cent followed competitive method of pricing at the time of the study.

Competitive method of pricing was the most preferred method of pricing during various situations.

A shift from initial cost plus method of pricing to competitive method was seen in 53 per cent of units.

32. *Re-fixation of prices:* Change in major competitors' prices, change in overall trend in market prices and change in cost of production were the important factors that led to refixation of prices.

33. *Price concessions:* Occasions when competitors offer discounts, fall in sales, excess stock, bulk purchase and ready cash offer situations, induce the entrepreneurs to offer discounts. About 34 per cent of the entrepreneurs

felt that their discount offers were equal to their competitors. About 24 per cent stated more or equal and another 19.35 per cent considered more of discount in comparison with competitors.

9.1. 6. Distribution Practices

34. *Channels:* One third of the SSI units sold directly to their customers. Twenty per cent used direct channel as well as retailers in distribution of the products. Other modes of distribution channels were in small proportions.

35. *Geographical coverage:* About 61 per cent of the units sold their products locally. About 13 per cent of the units had three districts and 11 per cent of the units had significant coverage in distribution in the State of Kerala. About five per cent of the units distributed their products in the same district. Six per cent of the units was covering Kerala and outside the state in distribution. One unit (1.61%) distributed outside the state only. One unit (1.61%) had international coverage in distribution.

36. *Distribution arrangement*: About 47 per cent of the units sold their products from own outlet/factory/godown only. In about 15 per cent of the units, husband and family members were actively involved in distribution.

37. *Selection of middlemen*: Thirty three units were using middlemen in distribution of products. Goodwill, prompt payment and promotional support to the product were the important criteria in the selection of middlemen.

38. *Motivating middlemen:* Commission, credit facility and discounts were used to motivate middlemen in decreasing order of importance. Free gifts were very rarely used by them.

39. *Credit sales:* About 11 per cent of the units did not offer credit sales. About one fourth of the units were giving only 25 per cent of their total sales on credit. Above 50 per cent of credit sales was more in electrical, printing and food–chemical units.

40. *Credit period:* About one half of the units gave about one month credit. Two weeks time was the other common duration of credit in the small units.

41. *Compensation for sales:* Only 18 units were using sales force. Some of the units were using school going children and unemployed women on an ad hoc basis. Minimum salary plus commission was paid by about 45 per cent of the units.

9. 1. 7. Promotional Strategies and Practices

42. *Advertising :* Only 13 units were engaged in advertising. Hand–bills, leaflets and directories were the mostly used media. The food–chemical units were the ones that resorted to some form of advertising. Advertising activity was not significant in other groups.

43. *Sales promotion:* Forty six units were using sales promotion as a tool to promote sales. Price reduction was the most important one in this form of promotion. The food–chemical units used one or the other form of sales promotion.

44. *Personal selling:* Personal selling was the most used tool of promotion by the small units. Small units in all the groups were using personal selling. The highest score was seen in food–chemical units.

45. *Sales staff:* Seeking orders was the most important function of sales people. Providing delivery was another important function sought from sales people.

    The family members, mostly husbands of the entrepreneurs were also actively involved in sales.

46. *Word of mouth:* This form of publicity was perceived to be of advantage by about one half of the entrepreneurs.

9. 1. 8. Problems and Prospects

47. *Problem areas:* Marketing problems were the most important one followed by finance, labour and raw material problems.

48. *Marketing problems:* Competition followed by pricing of the product were the important problems of the units.

49. *Type of competition:* Competition, with regard to price due to demand for high margins by the middlemen and small distribution network were the important problems in this regard.

50. *Factors preventing expansion:* Managerial problems were stated to be the most important limiting factor in expansion. Low demand, lack of finance and competition were other important constraints in expansion of the small units.

51. *Growth in the business:* Only two units reported losses. About 88 per cent of the units was making profits. Three fourth of the units expanded since establishment and 57 per cent of the entrepreneurs of the units was involved in other businesses. The growth rate of most of the units was satisfactory. Most of the units had much more potential.

52. *Future perspectives:* About 58 per cent of the entrepreneurs of the small units opined that their lines of businesses were profitable. About 25 per cent perceived their business to be somewhat profitable. Fifteen per cent of them stated the business to be very profitable. Only one entrepreneur expressed bleak future regarding the present business.

53. *Motivating factors for expansion:* Sharing of marketing costs and inadequate returns from the business were the important factors motivating for expansion.

54. *Future aspirations:* To expand and grow in the present business was the most weighted aspiration of the entrepreneurs. Desire to earn more money

and set up another unit were the other important aspirations of the women entrepreneurs.

55. 9. 1. 9. Evaluation of Hypotheses

Hypothesis no.1. women entrepreneurs do not have a proper marketing strategy.

A right marketing strategy makes a firm a viable fit in the changing market situations. This requires a proper blend of the various elements of the marketing mix. The analysis of the management of the different aspects of the marketing mix reveal that women entrepreneurs try to formulate some marketing strategy within their constraints. The marketing strategies, such as the change in product mix, projection of past sales in demand assessment and majority's change from initial pricing objective of market penetration to market share improvement indicate that women entrepreneurs do formulate a marketing strategy with the changing times. But, their inability to establish own brand names, inability to use quality marks, comparatively lower bargaining power over the middlemen regarding price, lack of marketing channels and lack of more effective means of promotion indicate that the women entrepreneurs of small units are not able to develop a proper marketing strategy.

Hypothesis no.2. Involvement of women entrepreneurs in marketing their products is low.

The highest involvement of women entrepreneurs was seen in the production functions of their units. The sales/marketing functions were third in order of their involvement. The marketing functions were carried out by the men in the family in most of the cases. (ref. Sl.No. 16 & 17). The involvement of women entrepreneurs in the marketing functions of their units was mainly in the identification of customers.

9. 2. Conclusion and Recommendations

The women entrepreneurs tend to choose projects in which they have the skill or expertise. This results in too many manufacturers trying to sell to the very same consumers with " me–too" products. Even though demand for the product was stated to be the prime product selection criterion, majority of the SSI units of women entrepreneurs were capitalising on their own skills. The reasons for women entrepreneurs contributing more in food and textile industries were again due to requirement of less technical know–how in both the industries, and moreover, less competition from men entrepreneurs in these industries.

In most of the cases, the family, to be specific, husbands of the entrepreneurs were behind the women in establishing and running the enterprises. This might imply that, women without family support to market the products might shun from entering into manufacturing businesses.

Even though the sample units' product quality was perceived to be equally good or better than other similar units in most of the cases, use of quality marks, brand names and packaging for promotion were not so widely used.

The widely prevailing practice of charging competitive prices did not leave room for using pricing as a means for increasing the sales turnover. The personal selling mode of promotion used by women entrepreneurs, also limit the awareness of their products.

An overwhelming majority of the SSI units of women served the local market only. Those entrepreneurs who served the local market felt less of marketing problems. But they did complain of slack demand and lack of enough returns from the business. They were unable to move to new markets owing to constraints like lack of awareness of their brands in the market, size

constraints, lack of funds and lack of confidence in spreading their wings further in geographical coverage.

If women do not own any significant number of large firms of SSI units, their short history as business owners is responsible for it. The women entrepreneurs need in the initial period, certain special privileges to overcome the practical social handicaps they face for being a woman. This includes mainly the attitudinal reluctance of officers, lack of information and too many formalities that need to be completed. Lack of adequate knowledge and capital always force women to backout and let the men handle the situation.

Considering the difficulties faced by women entrepreneurs in marketing their products, the following suggestions are put forward based on the findings of the study.

1. Financial institutions should liberalise the procedures. In the case of tiny units the security for loans taken should be limited to the cost of the machinery for which loan is granted.

2. Raw material quota for small units especially from government depots to the wood product units should be allowed.

   The readymade garment units which are dispersed should be brought under one umbrella in selling their products. These units especially face raw material problem due to size constraints

3. Fashion and design courses/training programmes would help the readymade garments manufacturers to keep up with the changing fashion trends.

   The food products and readymade garments can be made more dynamic by introducing a meaningful segmentation of the market and by introducing different features for the products intended for various segments.

4. Marketing research, especially in areas, such as consumer research, pricing research and distribution research should be given more attention by the entrepreneurs. This will strengthen the small units in the competitive environment.

5. Promotion of ancillarisation and cooperatives would encourage entrepreneurship among women, especially as the marketing task becomes easier in such cases.

6. The women entrepreneurs need government support in marketing as well as in getting finance at a concessional rate for their products. Preferential purchasing policy of the government helps the SSIs to manufacture and sell to the government items such as files, chalk and stationery.

   An additional preferential purchasing policy favouring women entrepreneurs atleast for the initial seven years would give a boost to the marketing efforts of SSI units promoted by women.

7. Even though some of the governmental organisations are having schemes to help the marketing of SSI products, the awareness and use of such facilities are very low among the women entrepreneurs. Measures should be taken to create awareness of the same.

8. Governmental assistance in export marketing would help the women's units in increasing their business. Common brand names could be promoted in this regard.

9. The Kerala State Women's Industries Association (KSWIA) should strengthen their efforts in promoting the products of women entrepreneurs. As a body of women entrepreneurs, it could play an important role in influencing the government to gain supportive measurers to market the products of women entrepreneurs. The KSWIA should take initiatives in conducting exhibitions and trade fairs during festival seasons to increase the sale of products of SSI units of women entrepreneurs. They should also

gather and disseminate information about various industries and markets to the existing and prospective entrepreneurs.

10. The Kerala State Women's Development Corporation (KSWDC) could perform a crucial role in promoting the sales of the products manufactured by the women entrepreneurs. Promotion of products by the women entrepreneurs is mostly through personal selling. But promotion and sales of their products under a common umbrella would enable them to overcome the handicap in marketing. Again, this would give confidence to even those women, who do not have men with time and expertise to support them in their business function, especially the marketing function. Ultimately this would encourage women to venture into business.

The women entrepreneurs should focus their attention on market orientation. The marketing process is the life blood of the business that bring in revenue for a business unit. The marketing strategy and market orientation play a decisive role in the progress of any business concern. Though initial support and assistance is desired and expected from various agencies, the women entrepreneurs should become adept at marketing their products in tune with the changing market needs. This would enable the women entrepreneurs to stand side by side with their menfolk in the economic development of our country.

Scope for Future Research

Even though many studies have been undertaken on women entrepreneurship, the marketing function has not been given its due importance. The objective of marketing is to realise profits through customer satisfaction. Marketing problem was the most important problem of the SSI units. This calls for further research and policy formulation in assisting the women entrepreneurs.

A study of the marketing practices of unsuccessful, sick and wound up units would throw light into the marketing problems that led to sickness of such units. This would help the entrepreneurs in future.

A comparative study of the marketing management in SSI units of male and female entrepreneurs would highlight the differences in the marketing strategies (if any) adopted by them.

The various assistance programmes for marketing the SSI products are not made use of effectively, as the entrepreneurs are not made aware of them or due to lack of effectiveness of such programmes. Further studies to formulate effective programmes to promote products of SSI units especially units promoted by women are solicited. Ideally speaking, the support agencies, be it governmental or non-governmental, should undertake continuous research to assess the changing marketing needs in the fast changing environment so as to promote the emerging women entrepreneurship phenomenon.

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APPENDIX

Marketing Management in Small Scale Industrial Units of Women Entrepreneurs in Kerala – A study with reference to Ernakulam District.

(Schedule)

Part – I

1. Name of the Unit

2. Address of the Unit

3. Telephone No

4. Whether SSI or Ancillary (Tick mark)

5. Location : Whether in Corporation/Municipality/Panchayat

6. a) Type of Registration : WIP/General/Any other (Specify)
   b) Year of Registration :

7. Date of Commencement of production/business:

8. Form of Regisrtration :
   a) Proprietary
   b) Partnership
   c) Co-operative Society
   d) Others (Specify)

Part – II

Profile of the Entrepreneur

1. Name of the respondent (Optional) :

2.1. Who started the unit ?
Self/Ancestor/Any other person (Specify)

2.2 Relationship with the founder

2.3 Field of experience of the founder :
Agriculture/Industry/Trading/Service/any other (Specify)

3. Age of the present entrepreneur at the time of starting the units years

4. Educational background of the entrepreneur (Tick mark the highest possessed)

1 Below S.S.L.C
2 S.S.L.C. & Pre Degree
3 Technical education : ITI/Polytechnic/Engg.Degree
4 Graduation : Science/Arts/Commerce
5 Post Graduation : Science/Arts/Commerce
6 Other qualifications, if any

5. Religion & Caste
Nair/Ezhava/Christian/Brahmin/Muslim/SC/ST/Others
Community/Denomination

6. What was your occupation before entering into this business?
a) Student
b) Housewife
c) Family business
d) Employment as
e) Others (Specify)

7. Are you prorietor/partner/actively involved in any other business
Yes/No

7.1 If yes, specify whether
a) In the same line
b) Related area
c) Unrelated area

8. Family background
1. No. of members in the family
Parents
Husband
Children below 18 years
Children 18 years and above
Servant
Others (Specify)

2. Principal occupation of father/husband/brother/other members who helped/help in the setting up/running of this unit :

	Relation	Occupation	
a.			Agriculture –1
b.			Trade –2
c.			Industry –3

d. Service industry –4
e. Service in others -- 5

9. Motivational and facilitating factors (give ranks; 1- being the highest rank)

A. Ambitions	Rank
1. To earn money	( )
2. To gain independent economic status	( )
3. To gain higher social status	( )
4. To improve quality of life	( )
5. To generate employment	( )
6. To have an occupation	( )
7. Any other (specify)	( )

B. Compulsion factor	Rank
1. Unemployment of self	( )
2. Unemployment of family members	( )
3. 1 + 2	( )
4. Diversification of economic interests	( )
5. Making use of idle funds	( )
6. Excess free time	( )
7. Death of husband/father	( )
8. No other means of livelihood	( )
9. Any other (specify)	( )

C. Encouraging factors	Rank
1. Previous experience	( )
2. Success stories of others in the line	( )
3. Acquisition of professional and technical skills	( )
4. Availability of experienced and skilled people at home	( )
5. Encouragement from family members	( )
6. Participation in EDP programmes	( )
7. Avaliability of expert advice and consultancy services	( )
8. Availability of incentives (specify)	( )

10. Membership in formal/informal organisations :

		Names of organisation	Mark F/I Formal (F) Informal (I)
a. Office bearer	1.		( )
	2.		( )
	3.		( )
	4.		( )
b. Membership only	5.		( )
	6.		( )
	7.		( )

c. Level of participation in the organisation (Tick)
   1. No participation
   2. Low participation
   3. Medium participation
   4. High participation
   5. Very high participation

11. How much of your time is devoted to your enterprise ?
   a. 1. 8 hours or more
      2. 6-8 hours
      3. Less than 6 hours

   b. How much time is devoted to your enterprise by other members of your family ?

No.	Family Members	Time devoted (hours)
1.		
2.		
3.		

   c. What are the functions performed/assisted by male members in the family for your enterprise ?

	Function	Rank
1.	Production	( )
2.	Purchasing	( )
3.	Pricing	( )
4.	Distribution	( )
5.	Promotion	( )
6.	Selling	( )
7.	Overall administration	( )
8.	Planning	( )
9.	Others (specify)	( )

Part – III
Profile of the Organisation

1. Nature of activities of the organisation (Tick)

	Major Activity	Supplementary
1. Manufacturing	( )	( )
2. Job work	( )	( )
3. Trading	( )	( )

4. Servicing	( )	( )
5. Marketing	( )	( )
6. Others (specify)	( )	( )

2. a. Do you sell your products under any specific brand name ? Yes/No
   b. If yes, own brand name/someone else's brand name.

3. State your major product items according to their contribution to total revenue and specify brand name (if any) :

No.	Product/Activity item	Brand name
1.		
2.		
3.		
4.		
5.		
6		
7.		
8.		

4.1 . Total project cost (orginal) Rs.

4.2. Nature of factory building
   a. Newly built
   b. Part of the house
   c. Plot or shed in industrial estates
   d. Part of the house initially and later got separate building
   e. Any other (specify)

4.3. Investment in (Tick whether own or rented) :

	Rs. Orginal	Additions made	Total
Land : own/rentered			
Building : own/rentered			
Plant & machinery : own/rentered			
Other fixed assets : own/rentered			
Working capital			

4.4 Means of financing the project

	Amount Rs.	% to Total	Source
Own capital			
Term loan from financial institutions			
Investment subsidy			
Seed capital			
Margin money assistance			
Others (specify)			

5. Kerala State Government's special assistance scheme
Did you avail the following incentives for your unit ? Yes/No

	A (tick mark the avalied ones)	B Are you Aware of it Yes/No
1. Building grant		( )
2. Machinery grant		( )
3. Rent for the building		( )
4. Stipend for trainees		( )
5. Wastage allowance for raw materials		( )
6. Industrial shed in government estate priority		( )
7. One year additional ST concession		( )
8. Any other (specify)		( )

5.1. Did you face difficulty in getting WIP Grant ? Yes/No

6. a) Have you faced any difficulty in availing borrowed finance? Yes/No
b) If yes, specify

c) Did the lending institutions insist on providing the following
1.Surety 2. Security 3. Surety/Security
d. Specifications, if any, regarding surety/security insisted by lending institutions:

7.a. Is repayment of loan regular? Yes/No
b. If no; please state reason

c. Since when is the repayment overdue? Months
d. Frequency of default of repayment:
1. less than five times
2. 5 – 10 times
3. More than 10 times

8.1 What is the business condition of your unit? ( )

- running at profit - 01
- making loss - 02
- running on no profit - 03

8.2. Is it a sick unit? Yes/No
8.3. If 'Yes', Are you getting any rehabilitation facility. Yes/No
8.4 .State the source

9.a. Employment details: (M – Male, F – Female)

Functional Area	No. of peoples employed					
	Supervisory		Non-supervisory		Total	
	F	M	F	M	F	M
1. Production/Service						
2. Administration						
3. Finance						
4. Sales/Marketing						
5. Any other (specify)						

b. Rank the following functions according to your degree of oinvolvement (rank, being the highest)

	Rank
1. Production	( )
2. Administration	( )
3. Finance	( )
4. Sales/Marketing	( )
5. Any other (specify)	( )

c. Entrepreneur's role in marketing/sales
Rank the following tasks accoroding to your level of involvement.

	Rank
1.Identifying customers	( )
2. Setting sales quotas	( )
3. Planning and implementing sales programs	( )
4. Motivating sales people	( )
5. Making sales calls	( )
6. Others (specify)	( )

d.What is the type of compensation for sales people?
1. Fixed salary
2. Compensation based on sales made (commission)
3. Minimum salary plus an amount based on sales made
4. Any other (specify)

10.Capacity utilisation

	Product varities	Installed capapcity	Current production	Capacity utilisation
1.				
2.				
3.				
4.				
5.				
6.				

	Year					
	1997	1996	1995	1994	1993	1992
11.a. Net sales (Sales – Excise duty)						
b. Approx. %age of profit charged						

12. Inventory particulars:

	Minimum Rs.	Maximum Rs.	Average Rs.
1. Raw materials			
2. Stock in process (semifinished)			
3. Finished			
4. Receivables			
5. Advances (payment for raw materials)			
6. Credit purchase			
7. Advance payment from customers			
8. Any other (specify)			

13. With reference to your unit's performance, please rank the following areas based on the level of pronlems it gives you "most problematic" (1) least problematic.

	Rank
1. Finance	( )
2. Production	( )
3. Labout	( )
4. Marketing	( )
5. Raw materials	( )
6. Technical advice	( )
7. Administration	( )
8. Any other (specify)	( )

Part IV

Entrepreneurship Training Programme/EDP

1.1. Have you attended any EDP/Training Programme (tick) Yes/No

1.2. If yes, was it before or after setting up the unit? Before/After

1.3. Specify the organisation and rate the programme (rating) very useful, useful, not useful.

Sl.No.	Organisation	Duration	Subject	Rating
1.				
2.				
3.				
4.				

2. What prompted you to attend the programme?

- To start a business
- To gain insights into marketing
- To solve unemployment
- Others (specify)

3. If you attended the programme before setting up the unit, what was the time gap between attending the programme and setting up of the unit?

4. Will you attend an EDP now, if it is organised in any of the following areas.

	Rank	(priority)
1. Marketing	( )	
2. Finance management	( )	
3. Production/quality control	( )	
4. Technology	( )	
5. Tax planning	( )	
6. Any other (specify)	( )	

5. If not attended a training programme, please state reasons.

Part V
Product

1. While identifying your business, how did you arrive at the idea of choosing this particular product? (Rank the influential ones).

	Rank
1. Suggested by experts	( )
2. Chose a product that was established in the market	( )
3. Suggested by family members	( )
4. Modified competitors product	( )
5. Conducted market survey	( )
6. Interested and experienced in the work	( )
7. Raw material availability	( )
8. Family business	( )

2. What product attributes do you consider to be important in marketing your product?

	Very Imp.	Imp.	Very little Imp.
1. Quality	( )	( )	( )
2. Design/features	( )	( )	( )
3. Taste	( )	( )	( )
4. Texture	( )	( )	( )
5. Colour	( )	( )	( )
6. Warranty/guarantee	( )	( )	( )
7. Aftersales service	( )	( )	( )
8. Package	( )	( )	( )
9. Other (specify)	( )	( )	( )

3. Which of the following marks do you use?(tick)

1. ISI (BIS) mark	( )
2. Own mark	( )
3. Agmark	( )
4. Any other (specify)	( )
5. No mark used	( )

4. Do you offer different products to different groups of customers? Yes/No

5. Do you offer the same product with more features to different groups of customers? Yes/No

6. Please give the major category of customers for your product.
   a. Organisational/industrial customers
   b. Lower and middle income customers

c. Middle and upper income customers
d. Lower, middle and upper income customers

7.1. Have you changed the product mix (assortment of items) over the years?

1. Increase
2. No change
3. Decrease
4. Dropped some and added some other items

7.2. No. of product items:

	No
1. No. of items in the beginning	
2. No. of items added	
3. No. of items dropped	
4. No. of products marketed now	

8. Please rank the following factors (1-being the highest) according to your importance in product selection for your business.

	Rank
1. Demand for the iproduct	( )
2. No difficulty in technical knowhow	( )
3. Short gestation period	( )
4. High rate of return	( )
5. Family business	( )
6. Past experience	( )
7. Existence of similar units	( )
8. No competition	( )
9. Low mobility needed	( )
10. Typical/feminine	( )
11. Future prospects	( )
12. Raw materials	( )
13. Lower risk	( )
14. Any other (specify)	( )

9. Assessment of product demand

What are the methods that you use for assessing product demand?

	Rank
1. Projection of past sales	( )
2. Market research	( )
3. Consumer surveys	( )
4. Sales people	( )
5. Intermediariesw	( )

6. Own judgement ( )
7. Opinion of familiy members involved in the business ( )
8. Seek the help of outside experts ( )
9. Any other (specify) ( )
10. Time taken for planning and development of the product.

Part VI
Packaging/Warranty/Quality control

1. Is packaging an important activity in your case? Yes/No
2. Which of the following objectives do your intend to achieve through packaging? Yes/No

	Rank
1. Product protection	( )
2. Prevent adulteration	( )
3. Brand differentiation (identification)	( )
4. Information about product attributes	( )
5. Making the product attractive	( )
6. Improve handling convenience	( )
7. Give good quality image	( )
8. Any other (specify)	( )

3. What is the percentage of cost of production on packaging? .....%

4. Do you offer warranty/guarantee for your product ? Yes/no

5. Do you offer after sales service ? Yes/No/Not applicable

6. How do you rate your products' quality in comaparison with the competitors ?

	Similar units	Large units
1. Superior	( )	( )
2. Same	( )	( )
3. Lower quality	( )	( )
4. Not sure/don'about the know	( )	( )

7.How do you assure the quality of your finished products?

	Rank
1. No quality control	( )
2. Each item is inspected	( )
3. On sample basis	( )
4. Constant supervision	( )
5. By ensuring the quality of the materials used in production	( )

Part – VII

1. Which of the following factors do you consider important in deciding the selling price of your product ?

	Rank
1. Cost of production	( )
2. Demand for the product	( )
3. Competitors prices	( )
4. Consumer paying capacity	( )
5. Any other (Specify)	( )

2. How do you fix the prices of your products compared to those of your major competitors ?
   1. Below
   2. Above
   3. At par
   4.

3. Which of the alternative pricing policies do you generally use ?
   1. Single price policy
   2. Multiple price policy

4. Please rank you initial and present pricing objectives given below

	Initial obj. Rank	Present obj. Rank
1. Profit maxmisation	( )	( )
2. Target return on investment	( )	( )
3. Meeting/preventing competition	( )	( )
4. Improving market share	( )	( )
5. Market penetration	( )	( )
6. Any other (specify)	( )	( )

5. Which of the following pricng methods do/did you adopt ?

	Initial	Present
1. Cost plus	( )	( )
2. Market price/competitive price	( )	( )
3. Premium price	( )	( )
4. Penetration (low) price	( )	( )
5 Other methods (specify)	( )	( )

6. Which of the pricing methods mentioned above (Nos. 1,2,3,4,5) do you adopt during the following situations?
   1. Introduce new products ( )
   2. Meet competition ( )
   3. Introduce substitue products ( )

4. Get a market share ( )
5. Increase sales ( )
6. Any other (specify) ( )

7. How frequently did the following factors lead to re-fixation of the price of your products ?

	Generally	Occasionally	Rarely
1. For boosting sales	( )	( )	( )
2. Change in overall trend in market prices	( )	( )	( )
3. Change in major competitors price	( )	( )	( )
4. Decision to introduce new items	( )	( )	( )
5. Selling in the new market	( )	( )	( )
6. Change in cost of production	( )	( )	( )
7. Any other (specify)	( )	( )	( )

8. When do you offer discounts ?
   1. competitors offer discounts
   2. Fall in sales
   3. Excess stock
   4. Any other (specify)

9. How do you rate your discount offer with the competitors ?
   1. More
   2. Equal
   3. Less

10. Rank the discounts that you offer
    1. Quantity discount
    2. Cash
    3. Seasonal
    4. Trade
    5. Any other (specify)

Part – VIII
Promotion

1. To what extent are the following promotional techniques

Activities	To a large extent	To some extent	Rarely used
1 Advertisement on radios	( )	( )	( )
2. Advertisement on TV	( )	( )	( )
3. Advertisement in news papers	( )	( )	( )
4. Advertisement in magazines	( )	( )	( )
5. Personnel selling	( )	( )	( )

6. Exhibitions/trade fairs	( )	( )	( )
7. Store displays	( )	( )	( )
8. Hoardings	( )	( )	( )
9. Calendars	( )	( )	( )
10. Wall writing	( )	( )	( )
11. Hand bills/posters	( )	( )	( )
12. Directories/yellow pages	( )	( )	( )
13. Samples/free gifts	( )	( )	( )
14. Price reduction/discounts	( )	( )	( )
15. Credit facility	( )	( )	( )
16. Customer services	( )	( )	( )
17. Door delivery	( )	( )	( )
18. Word of mouth	( )	( )	( )
19. Any other (specify)	( )	( )	( )

2. What are your advertising objectives ? .....

3. Which of the following functions the salesmen/sales girls are required to perform ?

	Rank
1. Seeking orders	( )
2. Providing delivery	( )
3. Collecting payments	( )
4. Introducing new items to dealers/customers	( )
5. Gathering market information	( )
6. Gathering information about competitors	( )
7. Any other (specify)	( )

4. What percentage of total sales do you attribute to credit sales ?
   1. No credit sales
   2. Below 25%
   3. Above 25% upto 50%
   4. Above 50%

5.1. In direct sales to customers do you offer credit Yes/No

5.2. If yes; state the average period allowed.

6. What is the average period of credit allowed from your suppliers ?
   1. No credit
   2. Less than 2 weeks
   3. 2 weeks to one month
   4 1-2 months
   5. above two months

Part IX

1. Where are your customers located ? (tick)

1. Local	( )
2. Same district	( )
3. Upto 3 districts	( )
4. State of Kerala	( )
5. Out side state & Kerala	( )
6. National & International	( )

2. To which of the following distribution channel members do you generally sell ? (tick)

1. Direct sale to final customers	( )
2. Agents-customers	( )
3. Agents-retailers-customers	( )
4. Retailers to customers	( )
5. Wholesailers-retailers-customers	( )
6. Government agencies	( )
7. Large scale producers	( )
8. Any other (specify)	( )

3.If using your own distribution arrangement, what is the mechanism?

1. Own outlet
2. Door to door sales by self
3. –do- by sales staff
4. Own sales vehicles
5. Any other (specify)

4.1.Which of the following factors do you consider important while selecting middlemen/agents?

	Rank
1. Goodwill	( )
2. Prompt payment	( )
3. Promotional support to the product	( )

4. Cost of using middleman ( )
5. Any other (specify) ( )

4.2. How was the existing distribution system decided upon?

5. a. How many retail outlets stock your product?

b. Types of outlets Rank
1. Grocery shops ( )
2. Stationary shops ( )
3. Supermarkets ( )
4. Sales emporia/exhibitions ( )
5. Any other (specify) ( )

6. If using your own outlet, what are the major products that you deal in.

7. What factors made you choose this location and site for your own outlets?

8. If not having an outlet of own, do you have plans to have one? Yes/No

9. What is the credit period allowed to channel members?
...Months
.....Days

10. Do you offer incentive for early payment, if so, what type of incentive? (specify)

11. What are the means used for motivating middlemen.

Rank
1. Fees/commission ( )
2. Credit facility ( )
3. Free gifts ( )
4. Discounts ( )
5. Any other (specify) ( )

12. What is the percentage of selling and distribution costs to the total cost of production? %

Part X

1. With reference to the problems/difficulties you face in marketing your product, please rank the following in the order, "most problematic", to "least problematic".

	Area	Rank
1.	Product	( )
2.	Pricing	( )
3.	Distribution	( )
4.	Promotion	( )
5.	Competition	( )
6.	Low demand	( )
7.	Government	( )
8.	Credit realisation	( )
9.	Any other (specify)	( )

2. What is the type of competition that you face?

		Rank
1.	Price competition	( )
2.	Quality of the product	( )
3.	Aftersales service	( )
4.	Credit competition	( )
5.	Promotional campaign/advertisements	( )
6.	Delivery schedules	( )
7.	Distribution network	( )
8.	Any other (specify)	( )
9.		

3. 1. Do you have any advantage with respect to marketing your products because of your size as SSI? Yes/No
   a. If yes specify:

   b. If no, specify the advantage

4. Do you have any advantage with respect to marketing your products because yours is a women entrepreneurial unit ? Yes/No
   Specify the advantage .....

Part XI

Future plans/Aspirations

1.1 Has your unit ever expanded since establishment? Yes/No

2. If yes, whether

- in the same/allied field
- other field

2. Have you set up any other SSI unit? Yes/No

2.1 If yes, whether

- In the same line
- Related line
- New line

3. Whether the new SSI unit is

- in your name
- in the name of family members

4. Rank your aspiration according to your priority given below :

		Rank
1.	Expand and grow in the present business	( )
2.	Set up another unit	( )
3.	Run the present business as it is	( )
4.	Earn more money	( )
5.	Get recognition as a successful entrepreneur	( )
6.	Encourage other women to come into entrepreneurship	( )
7.	Involve in social activities	( )
8.	Any other (specify)	( )

5. If you have plans for expansion, what motivates you to further expand.

		Rank
1.	Good market	( )
2.	Marketing cost can be shared	( )
3.	Availability of institutional finance for expansion	( )
4.	Availability of adequate raw materials and other inputs	( )
5.	Availability of other incentives	( )
6.	Inadequate returns from present business	( )
7.	Any other (specify)	( )

6. If not expanded, what prevents you from expanding

	Rank
1. Lack of finance	( )
2. Low demand	( )
3. Loss of incentives for SSIs	( )
4. Labour problem	( )
5. Shortage of raw materials	( )
6. Heavy taxation	( )
7. Managerial problems	( )
8. Any other (specify)	( )

7.1. If your unit has expanded/modernised, have you received any institutional assistance ? Yes/No

c. If yes, specify the source and kind of assistance

8.Express your perceived profitability of your business.

1. Very profitable
2. Profitable
3. Some what profitable
4. Not at all profitable
5.

9.Can you independently mange your business now without the help of family memebrs? Yes/No

Part XII

Suggestions

1.1.Are you getting marketing assistance for marketing your products from any organisations ? Yes/No

1.2. If yes, Names of the organisations :
Kinds fo assistance

1.3 If not, are you aware of such facilities ? Yes/No

1.4. If yes, state

Organisation	Facility provided by them

2.1. Do you get help from any social or self help organisation to market your products? Yes/No

2.2. If yes; please state the nature of assistance.

3. What are the problems that you face in marketing your products?

4.1. Do you except any additional marekting support ? Yes/No
4.2 If yes, state the kind of sources

4.3 The nature of assistance expected

4.4 Any other suggestion

Thank You