A STUDY ON MARKETING PROBLEMS OF ENTREPRENEURS

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INTRODUCTION

Entrepreneurs are key players in any developing country; particularly in terms of their contribution to economic development. The Economic property of India mainly depends upon the success of industrial as well as agricultural sectors. Owing to the limitations of the agricultural sectors in contributing adequately to the economy, the industrial sector has assumed greater importance in this regard in our country, which is affluent with resources. The developed as well as under developed countries today rely upon speeding up industrialization on which their economic development depends. The development of small-scale industries contributes to the increase in per capita income, (i.e.) economic development in various ways.

MARKETING PROBLEMS

Despite several measures taken to strengthen small-scale units and the protective umbrella provided by the policies and programmes of the government, this sector has not been free from some incriminating problems. Some of the factors, which contribute to marketing problems of the small scale Industry are Increasing competition from within the small-scale sector as well as from large Industries with established brand names and marketing set up, Consumer awareness, even in rural and Semi-urban areas, for quality goods, The need to set up distribution networks for reaching out widely dispersed markets, Inability of the SSI units to exploit the export market, Limited local market, Heavy dependence on middlemen, Lack of advertisement in building a brand image, Supply of raw material, Pricing problems, Absence of marketing strategy. The important factor causing sickness is the Small Industries inability to market their products in a systematic way. That is why the researcher has selected this topic for her research.

REVIEW OF LITERATURE

There are many studies in the field of industrial entrepreneurship. A review of the earlier researches on the entrepreneurship is essential to identify the areas already investigated so as to pinpoint the hither to untouched and explored spheres for further study.
V. Lovis in her study entitled “Industrial Entrepreneurs in Coimbatore District. Tamilnadu”, found out the various determinants of entrepreneurial start in Coimbatore district and also the study highlights the various problems of entrepreneurs.

V. Vanjamani in her study titled “Women Entrepreneurs in Madurai city “analyses the socio – economic back ground of the women entrepreneurs and the factors that influence the women entrepreneurs to start the enterprise.

Dr. D.Nageswar Rao, in his study on “Marketing of cotton in coastal Andhra Pradesh” has discussed various marketing problems faced by the Entrepreneurs.

Dr.M. Lakhshmi Narasaiah and Dr. B. Deevena Margret in their study on “Problems and Prospects of Small Scale Industrial units” were identified problems like raw material, finance, power, marketing, storage, transport and labour.

Dr.M. Lakhshmi Narasaiah and N. Anuradha in their study on “Growth and Performance of Small Scale Industry” analyses various problems faced by the women entrepreneurs.

SCOPE OF THE STUDY

This study is confined to the entrepreneurs engaged in four different sectors such as Manufacturing, Trade, Job work and Service in Madurai city. It examines the marketing problems, motivational factor, status and socio – economic back ground of entrepreneurs. Industrialization of the country is not only a matter of recent infrastructural development but a pre – requisite for business leadership. Nearly 80 % of the small entrepreneurs dealing with general market and facing marketing problems while only 20 % producing for specified markets. Even they have several problems like delayed payments, proper and timely inspection and fuller utilization of capacity. The important factor causing sickness is the small industries inability to market their products in a systematic way.

The present study makes an attempt to examine the marketing problems of entrepreneurs.

OBJECTIVES

To assess the marketing problems of Entrepreneurs.

To study, the demographic profile of the entrepreneurs.

To analyse the factors influenced them to become an entrepreneur.

To find out the sources of capital and subsidies.

Sampling method

The researcher has selected convenience sampling method to collect the relevant data from the entrepreneurs in Madurai city.

Sample size

Sample size is 70 Entrepreneurs

Findings

The main focus of the study is on marketing problems of Entrepreneurs in Madurai city.

The primary objective of the study is to examine the marketing problems of entrepreneurs

From the research it has been identified that almost all the business sectors are having problems in any one of the area of marketing.

The researcher has identified that Non availability of raw material is the main reason for non continuous supply.

It is found out that the entrepreneurs are getting quality raw material.
Few entrepreneurs in the trading units are facing the problem of pricing. Delay in delivery is the main cause for transportation problem. It has been identified that high cost is the reason for distribution problem. Majority of the business sectors are facing the problem of promotion.

The next objective is to study the demographic profile of the entrepreneurs
- The sex composition shows that majority of the entrepreneurs are men.
- The entrepreneurs between the age group of below 35 are higher than the other age group.
- The educational details shows that all the entrepreneurs are educated
- From the research it is clear that the minimum experience of entrepreneurs is 5 years.
- 61 per cent of the entrepreneurs are sole proprietors in their business.
- Most of the entrepreneurs are engaged in the trading activity.

Next, the factors motivating entrepreneurs are studied
- Various factors motivating entrepreneurship was studied and it was found that their own interest only made them to take up business.

The next objective is to find out the source of capital and subsidies
- The researcher has identified that, nearly 45 per cent of the entrepreneurs mainly depend on their money as the main source of capital.

Suggestions
- The small entrepreneurs should develop a proper business plan before starting a unit.
- Entrepreneurs can approach institutes like NSIC, SIDO, DIC, and Trade centers established by state and central government for the following
  - To market their products
  - To procure scarce raw materials
  - To get consultancy, testing and marketing facilities.
  - To upgrade technology
  - To disseminate market information
  - To exhibit and sell their products
  - To participate in tender programs of government purchases.
- The Entrepreneurs should make use of the various incentives schemes offered by the government. Entrepreneurs can adopt less expensive promotional tools like festival offers, discounts, bumper prizes and window display to promote their products.
- Both the central and state governments should give wide publicity so as to reach the information to all the entrepreneurs about policies, incentives, schemes, programs etc., relating to small scale units.
- The small industry promoting agencies should take care of the well being of small enterprises and they should initiate such measures which result in the functioning of small scale industrial units.
- The bank and financial agencies may reduce the cumbersome procedure and also reduce the processing fees, other servicing charges like valuer's fees, documentation charges, legal consultant fees etc to a reasonable extent. For easy understanding the banks and financial agencies should supply all types of loan applications in regional languages.
- The banks and financial agencies must provide timely, needy and sufficient finance to the small entrepreneurs. The banks and financial agencies must reduce the delay in sanction and disbursement of loan amounts to small scale units.
- The entrepreneurs should make use of the various incentive schemes offered by the government.
CONCLUSION

In a developing country like India, small scale industries constitute the backbone of the economic structure. One of the main problems faced by the small scale units is in the field of marketing. The study reveals that small scale entrepreneurs are mainly facing problems with supply of raw materials, transportation, distribution and promotion. Making use of the assistance provided by the government among the entrepreneurs are very low. The need for awareness about various incentives, subsidies and marketing assistance provided by central and state government organizations have a bigger role to play. For this purpose both government and the entrepreneurs has to take initiative to solve the problems.

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