
To Study the Marketing Aspect of Micro and Small Women Enterprises

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Abstract

The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factor prevailing in the society. In the advanced countries of the world, there is a phenomenal increase in the number of self-employed women after World War. Women entrepreneurs have been making a significant impact in all segments of the economy in Canada, Great Britain, Germany, Australia and the U.S. Indian women have come a long way and are becoming increasingly visible and successful in all spheres. The unseen entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society, their contribution to the national economy speaks volumes of their success. Women are increasingly becoming conscious of their existence, their rights and their work situations.

The aim of the present study is to review the situation of women entrepreneurs internationally and nationally. It also studies the role of women entrepreneurs as well as the marketing problems faced by them. In order to study these aspects extensive literature review related to these issues is carried out.

Keywords: *Women Entrepreneurs, Economic, Social, Entrepreneurial Potential*

Introduction:

Significance of Micro and Small Enterprise:

Universally, micro and small enterprises have been accepted as the engine of economic development and for promoting reasonable growth. MSMEs constitute over 90% of total enterprises in most of the economies and are credited with producing the highest rates of employment growth and account for a major share of industrial production and exports.

In India too, the MSMEs play a key role in the overall industrial economy of the country. MSMEs in India account for more than 80% of the total number of industrial enterprises and produce over 8000 value-added products. It is estimated that in terms of value, the sector accounts for 45% of the manufacturing output and 40% of the total export of the country and employs over 6cr.people.

Moreover, in recent years the MSME sector has constantly recorded higher growth rate compared to the overall industrial sector. The major benefit of the sector is its employment potential at less capital cost. As per available statistics, this sector employs an estimated 6 crore persons spread over 2.6 crore enterprises and the labour intensity in the MSME sector is estimated to be almost 4 times higher than the large enterprises.

Women Entrepreneurship: International Scenario

The emergence of entrepreneurs in a society depends to a

great extent on the economic, social, religious, cultural and psychological factor prevailing in the society. In the advanced countries of the world, there is a phenomenal increase in the number of self-employed women after World War. Women entrepreneurs have been making a significant impact in all segments of the economy in Canada, Great Britain, Germany, Australia and the U.S. In the United States, women own 25% of all business, even though their sales on an average are less than two-fifths of those of other small businesses. In Canada, one-third of small businesses are owned by women and in France it is one-fifth. When the UK Government's first national strategy for women's enterprise was published in 2003, it was estimated that women constituted around 27% of self-employed people in the UK, and that only 12-14% of businesses were majority-owned by women (compared to 28% in the USA). By 2009 that figure had increased to 29% of the self-employed in the UK and 15% (or 700,000) of the 4.8 million enterprises in the UK were majority-led by women. (GROWE Greater Return on Women's Enterprise. Women's Enterprise Task Force 2009)

Women Entrepreneurship: National Scenario

The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, a woman entrepreneur is defined as "an enterprise owned and controlled by a woman having a minimum financial

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interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to a woman.”

Indian women have come a long way and are becoming increasingly visible and successful in all spheres. The unseen entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society, their contribution to the national economy speaks volumes of their success. Women are increasingly becoming conscious of their existence, their rights and their work situations. Today, women entrepreneurs represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation.

With the impact of globalization and conscious efforts of Indian government, Indian women started entering in to the male dominated business arena. Women have innate flair for entrepreneurship. They are endowed with intuition that helps them make right choices even in a situation where experience and logic fails. They are the natural net-workers and relationship builders, forging powerful bonds and nurturing relationship with clients and employees alike. In nutshell, they are as competent as their male counter parts. Women entrepreneur should explore the prospects of starting a new enterprise; undertake risks, introduction of new innovations, coordinate administration & control of business & providing effective leadership in all aspects of business.

Review of Literature:

Das (2000)¹ studied the profiles of women entrepreneurs who own and manage small to medium sized enterprises in two states in southern India- Tamil Nadu and Kerala. Researcher examined the problems these women faced during the setting up and continued operation of their businesses, and the work-family conflicts that these women faced. She cited that the initial problems faced by these women seem similar to those faced by women in western countries. However, Indian woman entrepreneurs faced lower levels of work-family conflicts and seem to differ in their reasons for starting and succeeding in business.

M.K. Krishnan Embran (2003)² carried out study of 330 women entrepreneurs in Kerala, he observed that encouragement from family and government assistance and incentives are the major motivating factors for entering into business. Further the study reveals that rate of sustainability is more in case of proper market analysis. Lack of market information, high dependency on middlemen, and little role in fixing the selling price was another set of marketing problems observed by researcher.

Sanatha (2007)³ performed a comparative study on

Women Entrepreneurs of two states of India Viz. Kerala and Tamil Nadu. Researcher mentioned that in Kerala women entrepreneurs faced financial problems where as women in Tamil Nadu faced marketing problems. The basic financial problem of Kerala and TamilNadu was that of liquidity. Problem of demand was the major problem faced these women entrepreneurs. Large number of suppliers and their low price were the two main reasons for poor demand. Further researcher found that, Product differentiation was the first step for Kerala women entrepreneurs to solve their marketing problem. For Tamil Nadu women entrepreneurs' participation in trade fairs/exhibitions was the best step to solve marketing problem.

Tulus Tambunan (2009)⁴ made a study on recent developments of women entrepreneurs in Asian developing countries. Study reveals that in Asian Developing Countries women entrepreneurs are mainly found in small and medium enterprises because of easy entry and exit, low capital, limited skills and simple technology requirements. Also he pointed out that women entrepreneurs in these regions were mainly enter into entrepreneurship because of “push” factors such as poverty, unemployment, the need to have more cash income to support the family daily expenditures, and precaution motives.

Siziba (2009)⁵ identified the problems faced by Zimbabwean women entrepreneurs. The biggest challenge was financing the business daily operations. He stated that the attitude of bankers towards women entrepreneurs creates obstacle in providing financial services like loan, overdraft, e-banking etc. He also pointed out that African culture does not encourage women entrepreneurship therefore discouragement from family is another major problem faced by Zimbabwean women.

Dima Jamali (2009)⁶ examined the constraints for Lebanese women entrepreneurs based on in-depth interviews with a sample of ten women entrepreneurs. These women face the problem of status in social life of women entrepreneurship. Researcher has further identified various macro level constraints like lack of government support, serious economic recession and stagnation as well as legal type constraints relating to extensive government procedures for example, suggesting the salience of structural barriers to female advancement in the Lebanese economy.

Deshpande and Sethi (2009)⁷ found out that scarcity of raw material, high prices of raw material and cut throat competition with other group of men are the major marketing problems of women entrepreneurs.

Jayammal⁸ observed that Women Entrepreneurs of

Coimbatore faces difficulties in marketing. Though competition in market, price competition, advertisement war by large units are some of the marketing problems faced by Women Entrepreneurs of Coimbatore.

Ena (2009)⁹ in his study stated that Entrepreneurship is “necessity driven” in developing economies but “opportunity-driven” in developed economies where there are soft loans and credit facilities for business startup; but the fact still remains that women in all economies remain somewhat marginalized in embarking into business.

Aditi (2009)¹⁰ points out, “The role and contribution of rural women entrepreneurs is tremendous, but they often don't get enough visibility and recognition. We need to recognize the value of women's work in both urban and rural settings.” Also, women entrepreneurs at the grass-root level need support in form of education and training; access to mentoring, business plans and understanding markets and other such enabling services. “It's not an easy path for them. They face several challenges like access to finance, social barriers, lack of institutions both public and private that support them and of course the inherent risk element involved in setting up business,”

Sujata (2011)¹¹ studied 210 women who have undergone the Entrepreneurship Development Programmes (EDP) conducted by different training institutions in Bengaluru city. She has observed that trainees were not selected through a selection process, none of the training programmes had any bank/financial linkage, no support is provided to these EDP trainers in raising loan. Further she observed that these programmes were designed without market linkages, which results in failure of such programmes.

Sunita (2011)¹² carried out a study of jain women entrepreneur in and around Pune district. She has found out various problems faced by the women. Some of them are as follows, Finance related problems like managing capital effectively, problem of insufficient working capital, higher interest rates etc. Problems related to labours are, absenteeism, lack of skilled workers. Irregular power supply is also one of the major problems faced by these women. Problems specific to marketing are lack of sales promotion techniques as well as lack of proper distribution channel. Researcher pointed out that these women rely only on trade fairs like, Sakal fair, Bhimthadi Jatra, JTO's entrepreneurship exhibition. They also faced the problem of raw material. One of the main constraints was the high price of raw material, followed by scarcity of raw material.

Danabakyam and Swapna Kurian(2012)¹³ in their study city found out that Major problem of women entrepreneurs was lack of access to information

technology. In order to be successful in business not only nationally but also internationally they need to be educated on information technology. The main reason of success factors to become women entrepreneur is achievement motivation and human relation.

Research Problem:

Women entrepreneurs have been recognised as an untapped source of economic growth. They are considered as the second largest group of potential entrepreneurs. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; limited mobility and access to information and networks.

Women entrepreneurs incessantly face the problems in marketing their products. It is one of the core problems as this area is mainly dominated by males and even female with adequate experience fail to make a dent. For marketing the products women entrepreneurs have to be at the mercy of middlemen who pocket the hunk of profit. Although the middlemen exploit the women entrepreneurs, the removal of middlemen is tricky, because it involves a lot of running about. Women entrepreneurs also find it difficult to capture the market and make their products popular.

Prior researches show that not only women have lower participation rates in entrepreneurship than men but they also generally choose to start and manage firms in different industries than men tend to do. The industries chosen by women are often perceived as being less important to economic development and growth than high technology and manufacturing.

During the last decade, a substantial number of studies found out the problems faced by women entrepreneurs. Researchers have also studied the problems of women enterprises specific to finance, marketing, human resource, family chores etc. Several studies have been conducted in exploring the potential of women entrepreneurship in India. By and large these studies have focused on women, more as workers and less as entrepreneurs.

However from the review of literature it is observed that most of these studies have not conducted comprehensive analysis of the marketing aspect of women enterprises. Therefore the critical study related to marketing aspect of enterprise requires more systematic investigation. Hence it is decided by the researcher to undertake an in-depth study related to same. The study also intends to find out the role of various government agencies in strengthening the women entrepreneurship in India.

Objectives:

- The present study aims to review the situation pertaining to women entrepreneurs internationally and nationally.
- To Study the role of women entrepreneurs and marketing problems faced by them.

Role of Women Entrepreneur:

(Dr.Rana Masoos 2011) in his research studied the role of women entrepreneur .He stated that, considering the flow of women entrepreneurs in the traditional industries, it is often criticized that the women entrepreneurship is engaged only in handloom and handicraft and in the non-traditional term, now their aspect have broaden into new line like hotel line, Xeroxing, Beauty Parlor business, incense stick making, candle making etc. In the last decade, there has been a remarkable shift it emphasizes from the traditional industry to non-traditional industry and services. Based on this concept, some important opportunities are being identified, considering the socio-economic, cultural and educational status and motivational level of women entrepreneurs, particularly projects with low investment, low technical know-how and assured market are suggested for them such as production of soaps, detergents, ready- made instant food products including pickles, spices, papad, manufacturing of woolen goods, beauty parlor business, typing centre, job contracts for packaging of goods and distribution and household provision etc.

Studies from Kerala showed that previously, most of the women entrepreneurs were engaged in some kind of manufacturing activities. Today, most of the enterprises set up by women entrepreneurs are of simple consumer products, like readymade garments, food products, toys, handicrafts or are in the service sector, such as X-rays, clinic, tailoring, beauty parlors, data processing, advertising, departmental stores and photo-copying. Only a few have entered steel furniture, electronics, plastics and other industries that require higher technology and innovative production process.

In Tamil Nadu women were engaged more in agriculture than in manufacturing or services. In the manufacturing sector, women worked as beedi workers and as manual labour for cotton textiles, fish, and food processing and match industry A few were involved in the manufacturing of electronic and electrical goods. In the 21st century women are becoming experts in all the fields. With the growing awareness about business and the spread of education, they have entered new areas such as engineering, electronics and energy and acquired expertise in these fields. Many of the new industries are headed and guided by women.

Marketing Problems Faced By Women Entrepreneurs:

- **Lack of relevant networks and of societal position:** Women have in general a lower social position than men, which affects the kind of networks they can access or are part of. The strong and personal networks that women traditionally engage in are well suited to purposes linked to the family related tasks that may prove to be a hindrance in the marketplace (Lin, 1999). Thus, women differ to men in the kind of networks they use and in the social capital available to them through the network. Women have therefore less access to critical resources, support and information needed to successfully start and manage a new firm compared to men.
- **High prices of raw materials:** Women entrepreneurs encounter the problems of shortage of raw-materials and necessary inputs. They have to suffer from the problem of high prices of raw materials, on one hand and getting raw materials at minimum discount rates are the other. They have to even face the problems of scarcity of raw-materials and necessary inputs.
- **Limited mobility factor in case of women entrepreneur:** Women mobility in India is highly limited and has become a problem due to traditional values. Moving alone and asking for a room to stay out in the night for business purposes are still looked upon with suspicious eyes.
- **Problem of marketing their products:-**Women entrepreneurs incessantly face the problems in marketing their products. It is one of the core problems as this area is mainly dominated by males and even women with adequate experience fail to make a dent. Women entrepreneurs also find it difficult to capture the market and make their products popular.
- **Exploitation by middle men:** Since women cannot run around for marketing, distribution and money collection, they have to depend on middle men for the above activities. Middle men tend to exploit them in the guise of helping. They add their own profit margin which results in less sales and lesser profit.
- **Access to Markets:** Many of the studies showed that, difficulty in accessing the market has become major barrier in expansion of their business. Struggle to maintain existing market and access new one can become ongoing problem for women entrepreneurs.

Conclusion:

Women entrepreneurs have been recently recognized as an untapped source for economic development. In the advanced countries women entrepreneurs have made significant impact in all segment of economy. At the same time Indian women entrepreneurs are making their presence in all spheres. Traditionally, Indian women were choosing businesses which men do not tend to do. Women have broaden their horizon by entering into new business line of consumer products, like readymade garments, food products, toys, handicrafts or are in the service sector, such as X-rays, clinic, tailoring, beauty parlors, data processing, advertising, departmental stores etc.

Women entrepreneurs faced lots of problems at start-up as well as operating stage like, non availability of finance, restricted mobility freedom and having to perform dual role one at home and other at work. Specific problems related to marketing were, access to market, marketing of their products, low mobility and exploitation from middlemen etc.

Thus, Women have the potential and the determination to set up, uphold and supervise their own enterprises in a very systematic manner. Appropriate support and encouragement from the Society and family members is required. The right kind of assistance from family, society and Government can make these Women Entrepreneurs successful one.

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