CONCLUSION
&
SUGGESTION
CHAPTER VIII

RESUME

The present chapter attempts to summarise the conclusions of the study. Based on the findings it is also attempted to make some suggestions.

FINDINGS

Data were collected from 600 SSI units located in Rural (300), semi-urban (200) and urban (100) centres by using an interview schedule specifically developed for the study. The sample consists of units under different forms of organisations like Sole Proprietorship, Partnership, private companies and co-operative societies and were engaged in the manufacture of varied categories of activities like food products, hosiery and garments, wood products repairing and services and other forms of services. It is noted that the units producing food products were dominated in the sample (160 numbers) followed by units manufacturing miscellaneous products like nails, nuts and bolts.

Taking into account the fact that the units covered under the study were engaged in varied activities, it was felt appropriate to classify them under three groups namely consumer goods, industrial goods & services for further analysis.
It is interesting to note that a definite aspect cannot be pinpointed to be the common motivating factor. An independent job was the prime motivator for 30 per cent of the respondents. Acquisition of profit and accumulation of wealth (15.67 per cent) were the motives for some other group of industrialists. Application of knowledge was cited to be the prime motivator for 15 per cent respondents. The location wise analysis of the respondents like rural, semi urban and urban also revealed the same responses with slight variations. It was also noted that 58 per cent of the respondents belonging to the industrial products were motivated by an opportunity for an independent job, the other responses did not provide much variation.

The data brought about the fact that the average value of production for a five year period from 1990-91 to 1994-95, taking the first year (1990-91) as the base year was showing an increasing trend throughout. However, cost of production for all the elements like material, labour and expenses was also increasing and as such it need not be compulsory that the average production in increasing volume could not be taken as an indicate for increase in production every year. The data provided also confirmed that the increase in production in monetary value throughout the five
year period under study was true for the south, central and north regions and for the consumer goods, industrial goods and services.

To analyse this issue, the problems in production were classified into three: raw materials, labour and other inputs. The responses obtained were tabulated by assigning the weights 3, 2 and 1 for the first, second and third preferences respectively. The non-availability of raw materials in time was marked to be the most prominent problem followed by high price. However, the location wise analysis brings about the nature of problems in a slightly different manner. High price was the most prominent problem for units located in urban centres while non-availability of materials in time was the main problem for units in rural centres. Units located in semi urban centres consider high price and non-availability in time in equal way. The data when cross tabulated on product wise brought about the fact that 153 units dealing with consumer goods, 107 units dealing with industrial products and 64 units dealing with services were not at all concerned with the problem in the availability of raw materials. With regard to the remaining units as far as consumer goods units were concerned high price was the prominent bane while units dealing with industrial
products were confronted mainly with the non-availability of raw materials in time. The services units were suffering from the problems of non-availability of raw materials in time and high price.

High cost was the most prominent problem for units located in semi urban centres whereas lack of technical skill was the major bottleneck for units located in urban centres.

It is worth mentioning in this regard that neither the region wise classification like south, central and north nor does product wise classification like consumer goods, industrial goods and services make wide variations to this phenomenon. On the problems related to the availability of other inputs it was responded by almost all entrepreneurs that they were facing the lone problem of power cut declared in the state during the summer season.

The data collected for the present study revealed that the small scale industrial units were not utilising their installed capacity in full. The average capacity utilisation for the five year period from 1990-91 to 1994-95 were ranging from 60.92 per cent to 78.42 per cent. The location wise analysis confirms the fact that there are only slight variations among units located in rural, semi urban
and urban centres with regard to the average capacity utilisation. The region wise data brought about the fact that the units located in southern, central and northern parts of the state had the problems of underutilisation of capacity more or less same extent. This finding was corroborated on cross tabulation of the data by classifying the units under the heads consumer goods, industrial goods and services.

The analysis led to the conclusion that the difficulties in marketing was the prominent reason for underutilisation of capacity followed by financial difficulties.

The average value of annual sales effected by the sample units covered under the study for a five year period from 1990-91 to 1994-95 were subjected to an analysis. There was an increasing trend with regard to the sales for every year. This tendency had been consistent with regard to the units located in rural, semi urban and urban centres. The price increases might have resulted in the increase of sales and that was how the respondents were commenting upon the increase of sales in monetary terms.

The details of average value of annual sales on area wise like south, central and north and product wise like consumer goods, industrial goods and service goods also confirmed the fact that the increase in volume of sales in monetary terms was a general phenomenon.
It was felt that the tendency was revealing the inability of the SSI units in taping the potential market in urban centres as well as rural centres.

The details indicated that 43.83 per cent of the SSI units were effecting more than 80 per cent of the sales within the districts. The location wise analysis also revealed that a good number of units in rural (40.67 per cent), semi urban (52.50 per cent) and urban (36.00 per cent) areas were effecting sales of more than 80 per cent within the districts. It was also interesting to note that there were units in rural (15.00 per cent) and semi urban (7 per cent) centres in which case the sales were completely effected outside the districts. In an attempt to establish a relationship between nature of products and sales within the districts, by cross tabulating the data it was noted that 30.67 per cent of the units producing consumer goods, 35.50 per cent of the units producing industrial products and 100 per cent of the services units were marketing more than 80 per cent of their output within the districts. With regard to the products marketed purely outside the districts there were only a very few units producing consumer goods (9 per cent) and industrial products (16 per cent) were observed.
It was observed that 38.50 per cent of the units were disposing of their products/services within the home districts. In regard to the sales outside the home districts but within the state it was noted that there were only 11.17 per cent of the units having the extent of sales over 80 per cent. The market net work of all the services units was limited to the home district. The data when cross tabulated in respect of the sales outside the districts but within the state, revealed that only 11.67 per cent of the units manufacturing consumer goods and 16 per cent of industrial products could manage more than 80 per cent of their total sales outside the districts.

The data clearly indicated the poor performance of the SSI units in exploring the market potential outside the state. Only 36.17 per cent of the units covered under the study were able to capture the market at the national level. The units which could manage more than 80 per cent of the total sales outside the State were estimated to be only for 4 per cent. This included 6.5 per cent of the units manufacturing industrial products and 3.67 per cent of the units producing consumer products.

The data collected for the present study brought out the fact that only five per cent of the units were
engaged in export trade. This included 3.33 per cent of the total units engaged in the manufacture of consumer goods and 10 per cent of the units manufacturing industrial products.

From the foregoing analysis on the market network of the SSI units in the state, it was concluded that the SSI sector in the state did not succeed in extending their market network at the national and international level.

Data indicated that the increased demand was the most prominent base for the selection of area of sales followed by scope for increased sales. This phenomenon was common for the units located in rural, semi urban and urban centres.

An analysis of the above mentioned responses by cross tabulating the data in accordance with the nature of products once again confirmed that the increased demand was the prominent basis for selection of area of sales for consumer goods, industrial goods and the services followed by the scope of increased sales.

It was noted that the units had set up the channel of distribution in a varied manner like by appointing sole agency, appointing wholesalers, distributing direct to the retailers, marketing of the product direct to the consumers, supplying goods direct to the government, supplying to the
parent units and selling goods direct to other industrial units. It was noted that the SSI units were making use of the services of the intermediaries for marketing their products/services. Much variation was not observed among the units on the basis of the location like rural, semi urban and urban.

However, the analysis of the same data on the basis of nature of products revealed the details in a different dimension. The units manufacturing industrial products were marketing their products to other industrial units. Of this, 96.50 per cent of the units supplied direct to other industrial units whereas the remaining 3.50 per cent units supplied their products to the parent units. The services units were resorting to three channels namely direct to consumers (52 per cent), parent units (12 per cent) and direct to the other industrial units (36 per cent). The services of the intermediaries were needed only in the case of units manufacturing consumer products. There were units making use of one channel or more than one channel.

The data collected in this regard were cross tabulated with a view to ascertaining the average share of sales in percentages to various groups. The observations in this regard also corroborated with the above mentioned
conclusion that the units manufacturing consumer goods were largely making use of the constituents in the channel of distribution. It was noted that 56.67 per cent of the consumer goods were marketed through the intermediaries like distributors, wholesalers and retailers. However, the point that 30.43 per cent of the total sales were effected direct to the consumers requires special mention.

The data indicated that majority of small scale industrial units were under the clutches of intermediaries in the sense that the intermediaries were able to secure more than 20 per cent as margin for the goods. It was noted in this connection that in the case of 39 per cent of the units covered under the study the commission/margin charged by the intermediaries was more than 25 per cent. With regard to this aspect, much differences were not observed among the units located in rural, semi urban and urban centres.

However, on an analysis on the basis of the nature of products revealed that the intermediaries were taking advantages to the maximum extent from the units manufacturing consumer goods. Services units were absolutely free from the clutches of intermediaries and the units producing industrial products were also being exploited by the middlemen only to a limited extent.
It was noted that 142 units out of 600 units covered under the study were making use of more than one method in canvassing orders. This included 53 units from rural centres 44 units from semi urban centres and 45 units from urban centres. Of the total units making use of more than one method 128 units were relying on two methods six units three methods and eight units four methods. On an analysis of the responses regarding the methods of canvassing orders, it was observed that in majority of the cases the units were forced to approach the intermediates or the consumers for marketing their products/services. This was found to be same with the units located in rural, semi urban and urban centres with slight variations. The units located in rural centres were getting more orders direct from the consumers compared to the units located in other centres.

The productwise analysis reveals that, of the 142 units having more than one method for securing orders 98 units were coming under the category of units producing consumer goods and remaining 44 units were engaged in the production of industrial goods. In the case of services units, in 64 per cent cases consumers were directly approached by the units and in the remaining cases consumers
placed orders with the units. It was also noted that the units producing consumer goods were having more problems in securing orders.

The weighted score indicated that the most prominent problem was procedural problems and delayed payment of bills followed by 'exceptionally low price'. It was also noted that the first and second problems cited by the respondents did not vary on the basis of the location of units. The fact that the responses corroborated in respect of a cross tabulation of the data on the basis of nature of products/services also requires special attention. It may be concluded on the basis of these responses that while measures for assisting small units are inevitable, the modus operandi is not best suited to achieve the objectives.

It was noted that only 53 units out of 600 units were exporting their product through the help of intermediaries. This included 22 units located in rural centres 14 units in semi urban centres and 17 units in urban centres.

It was further noted that 29 units engaged in the manufacture of consumer goods and 24 units producing industrial products were covered under the units having export trade.
Although the consultancy export was popularising in India it was observed that none of the services units covered under the sample was involved in export trade.

116 units (19.33 per cent) out of 600 units covered under the sample participated in exhibitions and trade fairs. This included 52 units in rural, 43 units in semi urban and 21 units in urban centres. All these units were engaged in the production of consumer goods.

Considering the merits and demerits of the cash and credit sales it was thought of estimating the break up of cash and credit sales for the units covered under the study. The data presented depicted that a major portion of the sales (60.53 per cent) were effected on credit basis. This was true in regard to the units located in rural, semi urban and urban centres with slight variations.

An analysis of the average break up of sales on the basis of nature of products/services brought about the results in a different manner. The consumer goods units were selling 66.20 per cent of the goods on credit and units manufacturing industrial goods were selling 76.75 per cent of the goods on credit basis. However, the service units were able to manage 76 per cent of the sales on cash basis.

It was noted that 99 units out of 600 units covered under the study were not allowing any credit sales. Of the
remaining 501 units, 292 units were able to collect the debt either within a fortnight (107) or within one month (185). The remaining units were forced to allow credit for a period ranging from one month to four months. There were no firms allowing credit period for more than four months. Only slight variations were noted on the location of the units and the average collection period.

However, the product/service-wise analysis revealed that units engaged in the production of consumer goods and industrial goods had to allow more credit period compared to the service units. Only 31 per cent of the service units were able to manage their transactions wholly on cash basis while the units were able to collect the credit within one month.

The data collected with a view to ascertaining the storage facilities available to the units covered under the sample revealed that all the units were keeping the finished products in their own godowns. None of the SSI units covered under the study was keeping their finished products in the state owned Warehousing Corporations or other private agencies.

It was noted that the entrepreneurs were making use of varied methods to fix the price of the products/services.
Of the 600 entrepreneurs interviewed for the study 58 respondents were using more than one method. Majority of the respondents were not aware of the intricacies as well as scientific principles involved in different methods. As such, the merits and demerits of these methods were not well known to many of the entrepreneurs. Nearly one-half of the respondents (46.35 per cent) were explaining their strategy for fixing the price as adding a margin to the unit cost of production. The remaining entrepreneurs were resorting to other methods.

Cost plus pricing was the method adopted by a good number of units producing consumer goods (47.29 per cent), industrial products (46.02 per cent) and services' units (44 per cent).

It may be concluded from the analysis based on the data furnished and the observations made at the time of interviews that the small scale industrial units in the state were not adopting the methods of pricing in a scientific manner. This was mainly due to the fact that the entrepreneurs did not get reliable data on numerous factors associated with pricing like, cost, demand, competition and so on. The entrepreneurs were also not making use of the methods of costing for ascertaining the cost of production.
by segregating the total cost into variable cost and fixed cost.

A large number of entrepreneurs (84.17 per cent) were of the opinion that the prices quoted by them were reasonable. The units manufacturing industrial goods (90.50 per cent) were more satisfied with the reasonableness of the prices followed by units manufacturing consumer goods and units rendering services (81 per cent each).

It was noted that only 37.83 per cent units were advertising their products. This included 41.33 per cent of the units in rural areas, 28.50 per cent of the units in semi urban areas and 46 per cent units in urban areas.

The productwise analysis indicated that 42.33 per cent of the units manufacturing consumer goods, 39 per cent of the units manufacturing industrial products and 22 per cent of the service units were trying to motivate the consumers through advertisements.

In an attempt to ascertain the media selected by the entrepreneurs interviewed for the study, it was observed that 65.56 per cent of the respondents had resorted to advertising in news paper and journals. None of the units had given advertisement in television and this might be due to the huge cost involved. Majority of the units manufacturing consumer goods (69.63 per cent), industrial products
(49.38 per cent) and services units (50 per cent) were mainly depending upon newspapers, magazines, and journals for advertising their products. Offering complements in the form of key chains, diaries, calendars as media of advertisements popular for industrial products (31.87 per cent) and service units (50 per cent).

It was noted that the units located in rural areas had to spend more in advertising their products. There were organisations incurring annual expenditure on advertisement upto Rs.80000, whereas there were 373 number of units with no expenditure on advertisement. The productwise analysis revealed that the consumer goods had to spend more on advertisement followed by units producing industrial goods.

Majority of the units (60.83 per cent) covered under the sample were not using any brand name. Of the 235 units using brand name 134 units were located in rural areas, 63 units in urban centres and 38 units in semi urban centres. 63 per cent of the units located in urban centres were using brand names for their products. Productwise analysis brought about the fact that branding was done more for consumer goods (53.67 per cent) whereas it was only 37 per cent for industrial products. None of the service units was using brands for their services.
A vast majority of the units (527) covered under the study were facing competition in the market. This included all the units located in urban centres, 89 per cent of units located in semi urban centres and 83 per cent of the units located in rural areas. The extent of competition was more in the case of consumer goods (90.67 per cent) followed by the units producing industrial goods (88.50 per cent) and service units (78 per cent).

It was tried to ascertain the nature of competition under three heads namely competition from big units, competition from small units and competition from both big and small units. Majority of the units (43.45 per cent) stated that their main competition was from big units followed by competition from within the small units (29.60). There were also units having competition from both big and small units (26.95 per cent). Majority of the units (49.00 per cent) located in semi urban centres were facing competition from within the small scale sector. The product wise analysis revealed that the units producing consumer goods facing competition from small units (37.13 per cent) whereas the units producing industrial goods were facing competition mainly (60.45 per cent) from large scale units.
An attempt was made in the present study to ascertain the views of the respondents regarding the conduct of marketing research for effective marketing of the product and services. Out of 600 respondents covered under the sample only 61 respondents were carried out marketing research. This included 28 units in rural areas 12 units in semi urban areas and 21 units in urban areas. With regard to the nature of the products it was noted that the units producing consumer goods had taken more advantages from marketing research. It was known from the respondents that in most of the cases surveys were carried out among consumers and intermediaries.

Since 89.83 per cent of the total units were not carrying out marketing research, despite its vital importance and usefulness in the industrial and commercial activities, it was felt appropriate to identify the reasons why the marketing research was not thought of. A structured question using the answers 'not needed', 'not known', 'non availability of skilled personnel' and 'insufficiency of funds' was used for the purpose. Not even a single entrepreneur was ready to admit that he was unaware of the uses of marketing research. Majority of the respondents (74.21 per cent) were of the opinion that it was not needed for
their enterprises. Marketing research was not conducted by 22.08 per cent of the units owing to insufficiency of funds.

Product wise analysis revealed that all the service units covered under the study did not think of making research since it was not needed for their units. This argument did not stand valid since the service sector was facing stiff competition subsequent on the emergence of 'new products'. The majority of the units producing consumer goods (55.87 per cent) neglected the need for marketing research simply by stating that it was not needed. However, the argument of the units producing industrial goods (84.38 per cent) could be valid on the ground that they were supplying goods in accordance with the requirements of the industrial units.

Thus the analysis on marketing research led to the conclusion that the small scale industrial units did not realise the importance of marketing research.

The respondents were asked to mark five prominent problems faced by them in the order of priority. The responses collected in this regard were subjected to ranking by assigning the weights 5, 4, 3, 2, and 1 respectively for the answers in the priority of 1, 2, 3, 4, and 5. Competition was the most important problem for the small scale industrial sector in the state followed by lack of market
information, inadequacy of demand. There was no much variation to the general trend between the units located in rural, semi urban and urban centres with regard to the nature of marketing problems. The data when cross tabulated on the basis of nature of products/services also brought about the results in the very same manner. Competition was accounted for as the main problem associated with marketing followed by lack of market information, inadequacy of advertisement, price of the product and inadequacy of demand for the units producing consumer goods and industrial goods as well as service units.

The sample consisted of 1500 respondents of which 800 were drawn from rural areas, 450 from semi urban areas and 250 from urban centres. Male respondents constituted 60 per cent and female respondents 40 per cent. Majority (56.87 per cent) of the respondents were in the age group of 30-50 years.

Occupation is very important in relation to the purchasing power of consumers. The respondents covered under the study had various occupations like government employment (33.13 per cent), private employment (25.60 per cent), agriculture (21.13 per cent), trade (13.87 per cent) and industry (6.27 per cent).
Real purchasing power of the consumers was influenced by the level of income. Majority (65.73 per cent) of the respondents were having monthly income below Rs.4000. The respondents having a monthly income below Rs.2000 were to the extent of 31.20 per cent.

It is customary on the part of the consumers to make bulk purchases during festivals and similar occasions. As far as the state of Tamilnadu is concerned the festivals include Bakrid, Ramzan, and Deepavali. It was shown that 94.93 per cent of the respondents were effecting bulk purchases of goods and services during festival season. There were only 5.07 per cent of the respondents having no preferences on special occasions for effecting bulk purchases. This considered of 4.75 per cent of the rural respondents, 5.34 per cent of the semi urban respondents and 5.60 per cent of the urban respondents.

The data related to the nature of occasions for bulk purchases were cross tabulated on the basis of monthly income. Chi-square test also confirmed that monthly income had nothing to do with the bulk purchases during special occasions.

Majority (52.24 per cent) of the respondents were of the opinion that the choice was the main reason for their
bulk purchase during festival seasons. It was admitted by 29.99 per cent of the respondents that they were attracted by special discounts and concessions.

The very same data when cross tabulated on the basis of monthly income brought about the fact that the respondents from various strata of income were largely attracted by the wide choices during festival seasons. It was also observed that the increase in income during festival seasons by way of bonus, ex gratia benefits, clearing of debts and receipts of advances also provided inclination to buy more goods during festival seasons.

It was stated by majority of the respondents (77.73 per cent) that they were being influenced by advertisement. The only difference was with regard to the level of influence. A few of the respondents (10.13 per cent) admitted that they were highly influenced whereas a good number (43.73 per cent) of respondents were influenced only to a limited extent. The phenomenon in this regard was apparently same for all the categories of residents like rural respondents, semi urban respondents and urban respondents.

The data on this account when cross tabulated with the income level of the respondents confirmed the results in the very same manner.
Since the respondents were found to be exposed to more than one media at the time of pilot study it was requested to specify three media in the order of preference by assigning rank numbers 1, 2, and 3. The responses were subjected to weighted scoring assigning the weights 3, 2 and 1 respectively for the answers specified as 1, 2 and 3. Television (44.16 per cent) was emerged as the most powerful medium followed by the newspapers (26.21 per cent) magazines (14.22 per cent) and radio (11.56 per cent). Posters and Banners were found to be influenced by only a small section of the respondents (3.85 per cent). The most interesting observations in this regard was that the level of variations on the influence of various media among the rural, semi urban and urban respondents was insignificant.

The data when made related to monthly income also confirmed the findings with slight variations. However, the ranking remained the same.

The data related to the medium of advertisement having greatest influence were cross tabulated on the basis of age structure and occupational status and the results thereon were also the same, indicating television as the most prominent medium followed by newspapers. This led to the conclusion that the products of the SSI sector were
being pushed back by the products from big units which could afford to giving advertisement in Television and other costly media.

A large number of respondents (45.67 per cent) were purchasing the products and services with the first preference for high quality and branding. This phenomenon was found to be true for the respondents of all the locations like rural, semi urban and urban centres.

The data when cross tabulated by considering income and age as independent variable separately it was once again observed that a good number of the respondents irrespective of their level of income and age structure were interested in buying goods and services of high quality and branding. The phenomenon was found to be the same for large number of respondents with occupation like government employment and private employment. The agriculturists (30.60 per cent), traders (37.98 per cent) and industrialists (40.43 per cent) were also found to be interested in goods and services of high quality and brands.

The responses in this regard were found to be really interesting. A large number of respondents from rural areas (41.88 per cent) have viewed the quality of SSI products to be good whereas majority of the respondents from
semi urban (46.45 per cent) and urban (41.60 per cent) centres viewed the quality of the SSI products to be bad. It was further observed that majority of the respondents (39.96 per cent) having low income were of the view that the quality of SSI products was good. Majority of the respondents (26.44 per cent) in the higher income strata viewed the quality to be bad. This difference on the observation of the quality of SSI products was noted on a cross tabulation of the same data occupationwise. A good number of the agriculturists (34.07 per cent), Traders (47.12 per cent) and government employees (47.69 per cent) viewed the quality of SSI products/services to be bad while industrialists (46.81 per cent) and private employees (39.84 per cent) were of the opinion that the SSI products were acceptable to them from the point of view of quality.

From the foregoing analysis it was quite evident that the measures for the standardisation of the SSI products was inevitable for attracting the consumers with varied interest and tastes.

A large number of consumers viewed that the prices of the products and services of SSI sector were either high (47.60 per cent) or very high (20.33 per cent). The observation of the consumers was of the same nature for the
rural and semi urban people. But 34.80 per cent of the urban people viewed price as very high while 30.40 per cent viewed it as high.

The data when cross tabulated on the basis of the monthly income of the respondents also brought about the results in the very same manner with the observation of majority of respondents from all income levels that the prices were either high (47.60 per cent) or very high (20.33 per cent).

Occupationwise analysis also led to the conclusion that products and services were marked with high prices.

Finish of the products is highly favoured as a success strategy for the manufacturing and services units. On an enquiry with the consumers covered under the sample it was made known by the majority (30.67 per cent) that they viewed the finish/appearance of products/services from small scale sector as moderate. This phenomena was found applicable for all categories of respondents like rural (27 per cent), semi urban (39.11 per cent) and urban (63.20 per cent). Incomewise analysis also brought about the results in a similar manner.

Majority of the respondents were of the opinion that the SSI products were either easily available (20.80 per cent) or moderately available (37.53 per cent). The
locationwise. analysis revealed the fact that the SSI products were easily or moderately available in all the centres. However, a good number of the respondents (25.87 per cent) were observing scarcity with the availability of SSI products/services.

Incomewise, age wise and occupation wise analysis did not show any difference on the view with regard to the availability of products/services.

The respondents were asked to indicate their views on the packages of SSI products. It was stated by majority of the respondents that the packages of SSI products was poor appealing. This was the view of majority of respondents from rural, semi urban, and urban centres. The views when cross tabulated depicted the above mentioned information in the same way irrespective of the level of income, age structure, and occupation.

The analysis on the packaging led to the conclusion that the effective selling of the SSI products was largely hindered by unattractive packaging.

The data related to the views of the respondents on the availability of variety of products and services from the SSI units. Majority of the respondents opined that the SSI sector was successful in providing variety of products
and services. This view was endorsed by majority of the respondents irrespective of their place of residence level of income, age structure, and occupation.

It was against this observation that the respondents were asked to state the frequency of buying the goods/services made available by the SSI sector. It was stated by majority of the respondents that they were exercising the option of buying goods and services of the SSI products (19 per cent) who insisted to have the products/services of SSI products always. This view was endorsed by majority of the respondents irrespective of location, level of income, age structure and occupation.

The data related to the sources of the respondents for buying the products were collected with a view to ascertaining the prominence of the intermediaries. It was noted that the products of the SSI sector were marketed to the ultimate users largely by the retailers. Trade fairs and exhibitions were also contributing a lot in marketing the SSI products.

Only slight variations were noted among the respondents with regard to their view on the basis of their place of residence, level of income, age structure and occupation.
The respondents were given the choice of indicating five in the order of preference from among the nine factors included in the questionnaire based on the data collected through pilot study. Nine factors provided in the questionnaire were quality, price, advertisement, colour, design, availability, salesmanship, discount and variety.

The responses were subjected to weighted scoring by assigning the weights 5, 4, 3, 2, and 1 respectively for factors indicated in the order of preferences as 1, 2, 3, 4 and 5. Data indicated that quality considerations (27.20 per cent) should be the first factor that required utmost consideration by the SSI sector followed by price (16.36 per cent), advertisement (15.60 per cent) availability (15.38 per cent) and variety (8.30 per cent) in that order. Only slight variations were noted on the views when cross tabulated by taking place of residence, monthly income, age structure and occupation as independent variables.
SUGGESTIONS

Based on the findings of the present study, it is proposed to suggest the following measures:

From the manufacturers' point of view the success of their marketing strategy depends on the closeness with which it is related to the needs and linking of their target group of customers. For, it has to be a manufacturer's endeavour not only to attract the public by offering what they like the most but also to have their patronage by meeting their satisfaction on a continuous basis. The clue to such a strategy lies in their extent of understanding various forces that influence consumers' decision making and behaviour. The present study has attempted to examine some of the important dimensions of consumer behaviour relating to the purchase and consumption.

The government and the industrial promotion agencies under the government control should take greater interest in marketing the products of small scale industrial units. The main problem faced by them in the area of marketing is the competition from big units. The requirements of government departments, wherever possible, should be met from the products and services of SSI units.

Through show room display and publicity during festival seasons, the marketing of products developed by SSI
units can be strengthened. In addition, the state government can set up a Marketing Corporation with autonomous status to procure the products of SSI units at reasonable intervals and market them in an organised manner through its sales depots to be located within and outside the state.

The strategy and weaknesses of the important attributes affecting the product/brand choice as revealed by the study may be used as an index for an improvement in the marketing strategy of SSI products by the marketers. The Corporation would be able to market the products under a common brand name.

So far as the distribution set up is concerned, it may be worth examining that the Corporation could dispense with the extra middlemen. This needs to be examined in the light of the findings of the present study that majority of the consumers preferred to buy standardised products.

This would also enable them to meet the other expectations relating to reliability of the sellers. With the reduction in the number of unwanted intermediaries, their contacts will become more direct, thereby improving manufacturer dealer relationship and ultimately, the consumer satisfaction. The maintenance of good manufacturer dealer relationship would also warrant that the manufacturers
should understand the needs and expectations of the dealers and develop and motivate them to carry out the tasks required effectively. Dealer training programmes, dealers' conferences and special promotional programmes offered to carry out the tasks required effectively. Training programmes, conferences and special promotional programmes can also be arranged effectively.

To strengthen the marketability of products of SSI industrial units, the Marketing Corporation can draw the services of professionally qualified persons who have the aptitude for industrial development, and dedication to the cause. The Corporation can also carry out marketing research. New product requirements of the market should be traced and such information should be imparted to the small industrialists through orientation and training programmes.

At present, only a negligible portion of the products of the SSI units are exported. Export potential is to be ascertained through the active involvement and encouragement of the government. If viable demand in foreign markets is traced out, the SSI units can make use of their full production capacity.

The organisation of marketing consortium at the regional level for different types of industries may also
Contribute a lot in the marketing of the products of SSI units. Such consortium should be entrusted with the task of pooling the products of the SSI sector, ensuring the quality of the products and popularising the products among the consumers.

Inadequacy of funds hinders the SSI units from undertaking marketing research of their own. The SIDCO and other agencies responsible for the promotion of SSI units should take the initiative to conduct marketing surveys and to provide the SSI units with the information which would be required for changing the production pattern and marketing strategies. The prospective entrepreneurs can also be properly guided under such an arrangement.

Stringent measures should be taken at the government level for the strict execution of the price preference scheme for government purchases and reservation of items for the production specified for the SSI sector.

The government can think of exempting the SSI units from sales tax, on a permanent basis so as to encourage them to face the competition from large units.

In order to avoid competition from within the SSI sector the government can consider the imposition of restriction on the number of units for a specified item of products in a particular area, say, block or taluk.
In the wake of the policy of liberalisation and structural reforms it has become all the more necessary to have a unified legal framework, covering various aspects of SSI development including the role of the Central and State Governments and organisations under them, associations and support measures. Since more and more of SSI policies and programmes are going to shift from the Government of India to the States there would be need to have uniformity regarding various aspects of SSI policy and development. For that a uniform legislation would be required. In order to give right signals to industry, trade and various departments and institutions of the Central and State Governments in the changing economic and industrial scenario, such a law, it is recommended, should be enacted at an early date. It should broadly include:

- Objectives of the SSI development
- Definition of SSI
- Specific elements of SSI development programmes
- Areas of and guidelines for protective support
- Ancillary development and sub-contracting
- Institutional mechanism at the Central, State and district levels and their respective roles and functions
- Training of personnel
- Changes and special provisions in other acts (like the Partnership Act under which liability of partner is unlimited and need to make limited to encourage greater investment in SSEs and improve their organisation and management). Other Acts for SSI (eg. the act relating to timely payments to small industry) and important executive orders may be made a part of the comprehensive Act.

After taking into consideration various relevant factors it is recommended that SSEs having investment in P&M of less than Rs.10 lakhs may be treated as tiny enterprises. Although we have not made a study of the other subsets of the decentralised sector, it may be appropriate of club them together to be called tiny and village industries (TVI). But for subsidies and concessions the upper limit should be Rs.5 lakhs of investment in P&M. For units above Rs.5 lakh subsidies and concessions should taper off to cease completely at the level of Rs.10 lakhs. The upper limit at Rs.10 lakhs provides for some scale upgradation and would also take care of the erosion that inflation may cause as this definition (it is suggested) should be valid for the next five years. Tiny enterprises should receive focussed attention to enable them to upgrade themselves.

A new category of SMEs should be evolved for enterprises having investment in P&M between Rs.10 lakhs and Rs.300 lakhs. Various subsidies concessions, reservation of
products for exclusive purchase by the Government from and/or production in the SMEs be phased out in their case. Such an extended definition will provide wide scope for expansion, vertical growth, technological upgradation and economies of scale. Thus, there will be two broad segments of the decentralised sector, namely (i) SMEs and (ii) TVI.

There are various ways of defining a small enterprise. All have some merits and demerits. It is felt that the investment in P&M may still be the preferred one. None the less, the feasibility of adopting employment criterion for the definition should be assessed. All enterprises employing less than 25 workers may be defined as TVI enterprises and those employing 25-99 workers treated as SME enterprises.

The Factories Act should be suitably amended to exclude enterprises employing less than 25 workers with power and upto 50 workers not using power. For non-factory SSEs a separate legislation in consultation with industry associations, representatives of workers and State Governments should be enacted, prescribing minimum wages and welfare conditions for the workers in SSEs.

Some specific areas of debureaucratisation which require immediate attention are indicated as follows:
- The procedure for registration may be further simplified. The form for registration should be simple and short. The feasibility of granting of automatic registration to members of industry associations be examined. Such a provision, among other things, would encourage emergence of strong and responsible industry associations at local and regional levels.

- Power may be delegated to DICs by different departments to grant single window clearance. Wherever necessary, the visit of the officer of concerned Department and inspection of the unit may be arranged by the DIC to obtain timely clearance.

- A system of providing relevant and necessary information in one form may be evolved. The entrepreneur may apply on that form to DIC which should obtain all clearances on behalf of the entrepreneurs.

With the creation of institutional infrastructure at the state level, the SIDO can now shed off its weight by transferring SISIs, etc., to the State Governments.

The Central Government should meet the expenditure of all these transferred organisations during the next five years or so and continue to pay salaries and allowances of present staff till their superannuation. With the transfer of SISIs, branch SISIs, etc., the responsibility of promotional activities should largely rest with the State Governments.
The Government of India may concern themselves with the following:
- overall policy formulation including enactment of a basic law;
- monitoring and evaluation;
- inter-ministerial co-ordination and inter-state co-ordination of SSI development programmes;
- preparation of five year and annual plans for SSI development;
- act as clearing house of technical and economic information; and
- export promotion.

In line with this approach, and the fact that its regulatory functions have been virtually eliminated, the office of Development Commissioner, SSI should be pruned, and reorganised as a compact unit to discharge the functions indicated above. We are not going into further details as the same can be worked out by the Government of India.

NSIC should be radically restructured. It may concentrate its activities on the promotion of exports, joint ventures, international sub-contracting etc. It may act as an export house for SSI. NSIC's operations should be run on a professional and commercial basis. The Government should not provide any subsidy or grant for its operations.
NSIET, Hyderabad, NISBUED, New Delhi and EDII, Ahmedabad particularly the latter two should get together to evolve better coordination and strategic linkages in order to be more effective. NSIET should expand its role in the area of information and research. These organisations should prepare separate package of EDP for the existing small entrepreneurs (particularly those manning tiny units) in collaboration with SISIs and DICs.

Besides SISIs, a number of specialised institutions like tool rooms, product and process development centres, etc., have been established by or with the assistance of the Central Government. In order to be effective in modernisation and technology upgrade of SSI, these organisation should establish proper linkages with SISIs, and industry associations. Wherever applicable, the equipment in these organisations should be modernised on a priority basis.

The reach and impact of Regional Testing Centres set up by the SIDO have yet to make a mark in improving the quality and standards and overall image of SSI products. In order to improve their effectiveness they should be linked to DICs. A number of SSEs are making use of such services in the private sector. It is, therefore, suggested that instead of setting up testing facilities on its own the Government may encourage the utilization of existing
facilities in the private and public sectors. It may also assist associations of industries or even group/sosortia of small entrepreneurs to set up such facilities.

The SIDO should establish an integrated information and documentation centre for which the staff requirements can be met substantially by deployment of the existing staff. The proposed information centre should act as a central point of reference for information on technology, economy, markets, foreign trade, etc. with the provision for collection, storage, updating and wide dissemination on a continuing basis.

The information centre should establish linkages with other information networks being developed in public and private sectors and by associations like FICCI. There should be provision to buy information from national and international sources. A vital component of this centre will be a documentation service. The centre should have a close link with the existing documentation unit, SENDOC of NISIET, Hyderabad. The scope of SENDOC should be further development and expanded.

The responsibility and functions of each State level corporation should be clearly demarcated and fixed. In some states where their number is large, some of them may be regrouped in order to reduce their number. In the states
where more than one corporation is undertaking similar functions they may be merged into one.

The chairman and managing directors in the corporations are appointed generally from the administrative services or on political considerations. These corporations should be headed by professionals.

With transfer of SISIs, branch SISIs etc. (as proposed) to States DICs would be in a better position to utilise their technical and other extension services. In order to make it effective this must be systematised. The appointment of GM and managers should not be a routine affair. They should be drawn from diverse sources outside the Government.

Both at the Central and State levels a perspective plan (say for 15 years) may be prepared clearly indicating the role of SSI in employment, production, exports and promotion of dispersed industrial growth etc.

The perspective plan should have three broad components, which in the light of the present study are crucial for the future development of SSI:

- Technology Development plan
- Entrepreneurial and Management Development plan
- Area Development plan
The State Governments and associations should be actively involved in both the planning and implementation of the programmes. As SSI is a decentralised industrial activity, plans for its development should emanate from below keeping in view the conditions prevailing in the states and UTs, and not imposed from above without assessing and ascertaining the needs of the industry in each state and UT.

Frequent changes in the pattern of assistance also create problems in continuity of programmes and schemes. Adequate funds should be provided for promotional programmes and its share in both the Central and State Plans may be increased.

The SISIs in the present form are not fully equipped to cater to new technological requirements of SSI, and their common facilities workshops have lost their utility to a great extent due to outmoded, obsolete and worn out machinery. Most State Governments may not therefore, welcome or may be reluctant to accept the transfer of SISIs in their present from and shape. In order to render effective and meaningful service as a technical and expert organ of the state Governments, SISIs would require considerable amount of restructuring.
First the facilities already being provided by the State Governments and SISIs should be merged and integrated. Second after this step a stock of available facilities may be taken and areas of weaknesses and gaps in relation to requirements may be identified. Third, based on this identification of weaknesses gaps and developmental requirements, specific technology development and other allied development plans should be prepared. Lastly, the role of SISIs, branch institutes, etc., and their linkages and mechanism of coordination of these organization with DICs and other State level institutions should be clearly specified. The approach should be to develop them into centres of excellence at the State level for extension services, in general and technology transfer and development for SMEs and TVEs, in particular.

The SIDO has prepared detailed proposals for modernisation, technology upgradation, purchase of new machinery, etc. With the transfer of SISIs and other allied institutes to State the funds for these schemes should be provided to State Governments.

It is recommended that no new institutes should be set up by the Government in the near future. The immediate task is to strengthen the existing network so as to make them effective.
Association of small industries should be encouraged to equip themselves to provide technical guidance along with information on various aspects of interest to prospective as well as existing small entrepreneurs. In case any association is in a position to take over a technical institution, the Government should give serious consideration to such proposals. In fact, wherever and in whatever area an extension service or common facility is available in the private sector, the Government organisation should vacate it. The facilities for the services which are no longer popular should be scrapped.

The approach to extension services has to be changed from individual basis to group and mass basis. It will be difficult to approach them all individually for technical guidance. Therefore, it is suggested that with the help of audio-visual aids and other devices, information on various aspects related to technology, management, marketing, exports, new opportunities, etc., should be widely disseminated through brochures, handouts, radio and TV special shows can be arranged for groups.

Besides provision of information and guidance for technological upgradation, availability of capital is extremely important. Unless something concrete is done to meet the term loan requirements, technological upgradation
of tiny SSUs may, by and large, remain a dream, as has been the case hitherto.

The SSS should continue to be treated as a part of the priority sector for the purpose of institutional finance. The sector has very limited alternative sources to choose from, and faces an acute shortage of funds even currently despite its inclusion in the priority sector and the impressive growth in outstanding credit to the sector. Excluding the modern SSS (or the non-tiny segment) from the definition is liable to hamper the growth and development of the SSS as a whole.

We are, however, in agreement with the policy of non-concessional credit to the SSS, particularly concessional lending on a mass scale under populist employment schemes. We attach greater importance to the adequacy and timeliness of credit than to its concessional cost.

Since adequacy of bank credit is more important than concessional rates of interest, it is recommended that the rate of interest charged by CBs to SSEs should be at the normal rate irrespective of the size of the loan. In other words, the present rates of interest of 12 per cent (fixed) for loans upto Rs.25000 and 15 per cent (fixed) for loans between Rs.25000-2,00,000 should be replaced by the normal floor interest rate of 15 per cent.
SFCs need an urgent revamping and restructuring. They have to improve their recovery rates as well as diversify their operations to provide a wider range of financial services in order to become self-sustaining. Political interference and considerations, especially concerning top management appointments, need to be minimised. It is suggested that SFCs be converted into state level development banks for SSI under the control of either RBI or SIDBI. SFC offices in each district could be assigned the lead bank role in order to facilitate better co-ordination among other FIs and commercial banks in the district.

Most SFCs are unlikely to be able to meet the demands placed on them by new units or existing units embarking on programmes of expansion, modernisation, diversification, or technological upgradation. In view of the wide spatial dispersal of SSI units and the pace and diversity of technological development, this is an area where private sector organisations can also play some role.

The need for restructuring and reorienting the institutional framework in the field of finance is much more than in any other area. In India unlike in many other countries new innovative financing institutions attuned to the SSS have not developed and these ought to be encouraged.
In U.S.A., Japan and some other countries there are small business investment companies and a host of other institutions like mutual finance banks, credit banks, credit associations and small business financing services. These types of financial institutions could help in bridging the gap between the demand for and supply of credit. It is time that the informal financial sector be given the encouragement needed to expand its role and operations.

There is an urgent need to introduce factoring services on a wider scale as it would make available the much needed working capital to SSEs and is likely to induce customers to make timely payments for fear of adverse customer-image in the market.

It is recommended that RBI may commission a study to (i) devise new schemes/modes of financing SSI; (ii) identify hitherto unexplored sources of financing SSI; and (iii) suggest measures to enhance the role of the informal financial sector and non-banking financial institutions.

There has been a growing realization that the establishment of industrial estates/areas is not enough to promote dispersed industrial growth. Provision of other supporting infrastructure facilities and social overheads and creation of suitable environment are equally essential.
It would be more appropriate to adopt a selective approach and identify such areas where some economic and industrial activity is already visible, and the strengthening of the existing infrastructure facilities can trigger off the process of industrialisation. A growth centre approach is, therefore, necessary. The identification of growth centres should be strictly based on techno-economic considerations; and new industrial estates/areas should be located only at growth centre. Mandi towns, which already possess some infrastructure should be preferred as growth centres.

In some states (eg. Maharashtra) cooperative and private industrial estates have achieved notable success. Similar efforts need to be encouraged in other states. Industry associations can also take up this activity. Associations are better aware of the specific needs of the industry and can take up more fruitfully this activity in industrially developed states and big cities. The establishment of flatted factories or functional estates for selected product groups should be particularly entrusted of associations. The maintenance of estates and provision of some services within the premises of estates should be transferred to the association of the units located in them.
The SIDO has proposed a scheme of integrated infrastructure Development. During the Eighth Plan all the identified 247 backward districts/areas are proposed to be covered except the districts covered under the growth centres scheme. Some of the activities like provision of common facilities are to be entrusted to industry associations. The scheme seems to be sound and in keeping with the priority infrastructure development deserves. It is recommended that the scheme may be implemented without further loss of time. If adequacy of resources with the Government is a constraint, the possibilities of raising resources from private sector and financial institutions may be explored. In any case, private sector and associations should be encouraged and helped to develop and establish industrial space/sheds.

It is suggested that the reservation of products for exclusive production in the SSS should be done away with under a phased programme. The 44 items which have enjoyed reservation since 1967 may be de-reserved immediately. To this list should be added the items for which the SSI production is negligible or very small. The rest of the products can similarly be placed under two or three groups based on the period of reservation enjoyed and for each group reservation may be withdrawn at an interval of six
months so that by the end of a three-year period reservation of all the 836 products comes to an end.

Of the 836 reserved items there are 233 reserved items which not reported to be produced in the SSS. Obviously, these items would also need to be deserved in the first instance along with the 44 items suggested above.

A scheme of voluntary reservation may be worked out by associations of industries like FICCI, ASSOCHAM and CII. The large industries may indicate the areas in which they may vacate labour intensive products processes and services in favour of small industries. The small industry association should carry out similar exercise to specify products, processes, sub-assemblies, parts and components that can be produced in the SSS. Such an arrangement has become all the more necessary as most of the industries have been delicensed. The associations may also guide and help SSEs in producing these items. The Government may provide financial support to associations for such a promotional activity.

The policy of price preference for the products of the SSS by the Government should be immediately withdrawn. The exclusive or partial purchase of specified products from the SSS should be phased in a period of three to five years.
It may be pointed out that a large number of products predominantly being produced by SSI will continue to be purchased by the Government from this sector even without reservation.

The central excise exemption should be phased out on a time-bound basis. However, in order to encourage establishment of new units, excise exemption should be given to them on a slab basis, say 100 per cent in the first year of production, 75 per cent in the second year, 50 per cent in the third year and 25 per cent in the fourth year. Thereafter the unit should cease to get any excise exemption.

We are not inclined to agree to a suggestion made to us that tiny units should be exempted from payment of excise duty. This is because some amount of production that is exempted from the levy of excise duty in any case should take care of micro units. Any specific exemption for them to cover higher levels of production may come in the way of vertical upgradation of tiny units and may be abused.

In the context of overall approach of the Government to abolish subsidies under the policy of structural reforms, it would be in the fitness of things if sales tax concessions and other schemes involving subsidies are given only to new units on a sliding slab basis for a limited period, say four-five years. The whole or part of the amount saved may be spent on improving infrastructure
facilities in the States which is one of the major problems faced by SSEs. The past experience shows that the availability of adequate and efficient infrastructure is the greatest incentive to attract entrepreneurs and promote industries.

The SIDO should undertake a study in active collaboration with industry associations and prepare a plan for rehabilitation, modernisation, and technological upgradations of SSEs adversely effected by liberalisation and structural reforms. In fact, its scope can be broadened to assess the likely impact of on-going structural adjustment on various SSI in the next few years, and also its implications on SSI's export performance.

In the wake of the policy of structural reforms and liberalisation, it is suggested that the trend of developing mutual relationship between SSI and LSI should be encouraged to spread more widely. The emphasis should change from reservation and compulsion to development of long term beneficial relationship.

A separate definition of ancillary units does not seem to be necessary. It binds both the small scale supplier and the parent company and as experience has shown it has not served the purpose. On the other hand, subcontracting and job work are hindered by this definition. The aim of SSI policy should be to encourage increasing sub-contracting and
job work among SSEs. The LSI should be encouraged to sub-contract to SSI by devising a system of short duration fiscal and financial concessions.

Associations of industries may be entrusted with the task of developing a model code of conduct between the buyers and the sellers, provide information service and counselling and also provide a forum for arbitration in case any problem or dispute arises. LSI on their part should provide support to sub-contractors in technology development, loaning of machinery and offering technical guidance, testing facilities, etc. They should also lend the services of their sister organisations like marketing companies and export houses, etc.

The sub-contracting exchanges which are functioning in SISIs at present should be transferred to the local industry associations willing to take up this work. In future all such exchanges should be established by the associations. The exchanges may be given an initial grant. Thereafter, they should become self-reliant by charging fees for the services rendered. As a counterpart to sub-contracting exchanges, there should be a sub-contracting section in each large and medium enterprises. It will be in the interest of both LSI and SSI.
The various aspects of ancilliatisation sub-contracting etc., indicated above may be covered in the form of an Act, and thereby pave the way for development of healthy relationship between large, medium and small sectors it could be included in the unified legal framework for SSI.

In order to accelerate the process of developing agro-industries, traditional industries like wood working, forest based industries, textiles, food products and repair services may be developed as SSUs. The agro-surpluses and rising incomes and consumer demand in rural areas provide further opportunities for development of SSI. This potentials has to be tapped by providing information technical assistance and other facilities.

The existing network of agricultural marketing can be utilised and developing for promoting the sale of agro-industrial products. Besides large industries producing agro based products, having experience and expertise may enter into sub-contracting arrangements and establish assembling, warehousing and packaging units in bigger mandi and towns. Agro-industry complexes could be established in selected areas on the basis of techno-economic studies.

The efforts for SSI export promotion are fragmented, uncoordinated and weak. We would therefore like to recommend the following strategy.
- identification of export oriented units by SISIs, branch SISIs and DICs in major thrust and focus areas identified by the Ministry of Commerce for export promotion, identification of selected clusters of SSI for export promotion.
- provision of intensive technological and managerial guidance to identified units;
- provide assistance in getting financial and other assistance for modernisation and export marketing;
- linking them with export houses and trading companies;
- helping them in international sub-contracting and providing technical assistance to them in farming out parts and components to match with ISO 9000 and other international specifications;
- assisting them in forming export consortia; and
- provision of updated information on a continuing basis.

The Export Development Centre in the SIDO when established should initiate action on the above lines.

A Standing Committee on Export Promotion of SSI under the Chairmanship of Minister/Secretary (Commerce) with DC, SSI, as its member Secretary and representatives of other concerned organisations of Central and State Government and associations may be formed to constantly review the export performance of SSI and suggest measures for export development in this sector.
The facilities for vocational training should be expanded with provision for introduction of new trades and better training methods and equipment. The vocationalisation of School education needs to be accelerated and even in colleges vocational courses should be introduced.

There ought to be a radical change in the management of vocational education and its relationship with industry.

Short duration training courses need to be arranged on a large scale in different parts of the country to upgrade skills of existing labour force. The industry associations can play a vital role in arranging practical training and guide SSEs.

A package of guidance and assistance should be offered to the trainees at the vocational institutes so that they may avail of the employment opportunities in SSI on completion of their training.
CONCLUSION

Comprehensive industrial potential studies and market surveys be undertaken by the Directorate of Industries and Commerce to identify the possible products, feasibilities and market possibilities. Such a survey may also keep in mind the level of technology required, whether the products are fast moving or slow moving.

In order to improve the marketing channels, a constant counselling services may be organised to meet the special needs of small units in different districts.

Advertising in one form or other has emerged as the major source of information used by the consumers. The only other source that got a good rating was the displays at the retail stores.

Advertising has to rise above from being just a source of information and this means that the advertisement contents and appeals used, need more thinking. Likewise, the existing advertising media mix used, need to be reexamined in terms of it's reach as well as the credibility associated to it by the decision maker for such products. While radio and television commercials would continue to play their important role, with the increase in literacy of the state the vernacular press along with others ought to be experienced with. Needless to mention, the marketers and
their marketing agencies should undertake detailed studies on attitudes and motivations of the consumers, and develop consumer profiles in order to carry out changes in their marketing and advertising programmes.

The present packaging need also to be reviewed in view if the desire expressed by the consumers giving emphasis to the factors like, economical and convenient-to-handle packages, development of new package sizes, and more information on the packages. The desire of the consumers for the package to contain information on aspects such as the expiry date, ingredients used in the product, maximum retail price including taxes, directions regarding storage and handling of the product should be given top priority.

Fast changing attitudes of people towards different products and purchase factors, as brought out by the present study, necessitate that marketer should remain in touch with the preferences, motivations, expectations, attitudes, perceptions and opinions of the consumers. It may not be sufficient for the marketers to cater to the changing wants and preferences of the consumers or to content with the changed policies of the competitors. Instead, they should act judiciously, which requires that they must plan. The marketing plans must be based on identifying and
anticipating the consumer needs and their changing desires and aspirations. Research in consumer behaviour should, thus, be carried out on a continuous basis by the marketers to keep them in the forefront, thereby improving the productivity of their marketing efforts. Consumer behaviour has always a scope for research studies, because the attitudes and perceptions of consumers are changing with the passage of time. Such type of consumer research will enable the manufactures, distributors and dealers to formulate effective sales and advertising strategies.

The findings and conclusions of the present study, it is hoped, would be of use to the manufactures and retailers in more than one way in auditing their marketing programmes and in formulating marketing strategies. The conclusions can be taken as tentative hypothesis for conducting suitable research and thereby, framing marketing strategies for products and services. Considering the findings of this study as a starting point, and testifying their validity and reliability, the SSI sector may carry out detailed studies on consumer behaviour to meet the needs of their specific products and markets.

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