ABSTRACT

SMEs globally help in creating employment and overall national development. SMEs in India play a vital role in the growth of the economy by contributing 45 per cent of the industrial output, 40 per cent of exports and producing more than 8,000 quality products for the Indian as well as international markets. Almost 60 per cent of the SMEs in India fall in the unorganized sector. Once this untapped potential sector get an opportunity for growth, size of Indian economy can grow in many folds and may exceed with the size of other developed nations. Unfortunately, majority of SMEs have been facing marketing related problems not only in Pune but also in the whole country. This current study had more emphasized on systematically identifying the marketing problems faced by SMEs due to which they were not able to exploit the local, national and international markets as they face stiff competition from multinational corporations (MNCs). This research study is very important because SMEs are the backbone of Indian economy as they contribute around 15 to 16 per cent to India’s GDP, create 42 million employments annually. Hence, there was a need to study the marketing problems faced by them and to offer due suggestions to overcome their marketing related problems.

Review of current literature had been done on the research topic selected for carrying out this study to fine-tune the research problems, finalized research objectives, research hypotheses and to identify research gaps. For this purpose, the researcher had made extensive review of different research journals, research publications and articles, e-journals, reports and websites. Researcher had reviewed the literature from 58 different sources. To collect the primary data, researcher had selected a sample size of 250 SMEs and was determined using Mean method techniques. Stratified Sampling technique had been applied for the study. The sampling units were manufacturing SMEs of MIDC Chinchwad area. To elicit the information from selected sampling units, researcher had developed a questionnaire. Before finalizing the questionnaire, researcher conducted a pilot survey of 20 SMEs and experts in the field. On the basis of findings and opinions received from these SMEs and experts, questionnaire was modified.
The finalized questionnaire was compromised of 39 questions including both close-ended questions as well as open ended questions. The questionnaire so developed was served on personally by the researcher to the sampling units from the segmented five strata of the whole universe which were: SMEs making components, SMEs making raw materials, SMEs making spare parts, SMEs doing assembling and SMEs making final products and interviews of Owners, Proprietors, Entrepreneurs, Marketing Heads, Marketing Executives, Marketing Managers and Production Managers etc. from 270 SMEs in the field of manufacturing industries of MIDC Chinchwad were conducted. After editing the filled in questionnaire, a few were found to be invalid or incomplete or showing internal inconsistency. Thus effective and valid sample size at hand was that of 250. Reliability was tested using Test Retest method and the variables in the instruments were found to be reliable in terms of consisting of results. The data was compiled, coded and recorded using IBM SPSS Version 20. Frequency tables were generated and observations based on per cent were noted. Bar Chart, Pie Chart and Histograms had been used to highlight the findings. The collected data from primary sources were classified, tabulated, analyzed and interpreted using different statistical tools and techniques like - Likert scale and mean. The developed five hypotheses had been tested using two Statistical tools. Out of five, four hypotheses had been tested using Friedman Chi-square test and one hypothesis had been tested using Cochran’s Q test. All the five alternate hypotheses had been accepted and all the five null hypotheses had been rejected. Major findings of the study were: ferrous and non-ferrous metals were the largest manufactured products by SMEs of MIDC Chinchwad area, only 18.80 per cent SMEs had marketing department in their organization and 81.20 per cent SMEs did not have marketing department, in the last 3 years, return on investment was recovered by majority of SMEs, in the last 3 years 70 per cent respondents had taken customer satisfaction feedback while 30 per cent respondents had not taken customer satisfaction feedback, only 46.00 per cent SMEs had registered themselves in different online directories, 60.80 per cent SMEs did not have their own websites, only 20.40 per cent SMEs had awareness about e-marketing, Facebook was the most popular social networking site among SMEs in MIDC Chinchwad area, only 2.80 per cent SMEs had an independent brand management department and 58.80 per cent respondents said that lack of funds for R&D was the major reason for lack of marketing innovations in SMEs.
It was concluded that SMEs of Pune must have to create their marketing profile which will help them in knowing their marketing capabilities, marketplaces, customers and latest marketing techniques adopted by different enterprises. SMEs have to use digital techniques like social media, online directories, websites etc. Brand building is an important activity which SMEs of Pune are ignoring and not implementing as they thought that brand building process is too long and time consuming. For becoming successful, SMEs have to focus on conducting market research through forming SMEs consortium and Clusters, focusing on getting ISO certifications, focusing on getting Patent of their new innovative products, building and maintaining customer relationship, focusing on branding and marketing activities and SME-Institute tie-ups for getting students for R&D, Internship, branding activities etc. There is need for focusing on getting ISO certifications and implementations of ISO standards. Supporting agencies of SMEs have to start guidance camp on regular basis for SMEs. Supporting agencies of SMEs should have to help SMEs from manufacturing to marketing of its products. The researcher has stressed on taking regular feedback from the customer by suggesting a new concept-KYCF (Know Your Customer Feedback). Government is suggested to organize camps on monthly basis for helping SMEs in solving their various problems as initiating “SME Chaupal.” Through “Make in India” initiatives, government can establish up to 10 SMEs villages in each Taluka where products will be produced consumed locally. This will also help in generating employment opportunities locally. It was recommended to form a SMEs cluster to solve the different problems. It was also recommended to establish an R&D cell for updating various marketing related information so that SMEs may compete with MNCs by getting current information of marketplaces and customers. This research was limited to manufacturing industries only and restricted to MIDC Chinchwad area only. A conceptual model titled SME CARE CLUB had been designed which will help SMEs in overcoming marketing problems by creating their marketing profile. A conceptual model titled SMART SMEs had also been designed which comprises of 10 steps and by implementing it; SMEs may transform themselves into SMART SMEs. This research focused extensively on manufacturing SMEs and further it can again be researched on SMEs in services at city, state or national level.

Keywords: Customer feedback, E-marketing, Marketing problems, MIDC, MNCs, SMEs.