CHAPTER -1

INTRODUCTION

Promotion of Micro-enterprises as goal of poverty alleviation has gained credence in development perspective world over. Growth of Micro enterprises bring in vibrancy to the local economy as it unfolds business opportunities to the poor and marginalized women, enabling them to overcome poverty. In the process of micro enterprise promotion, marketing is the most crucial sub system of any enterprise. It is a social and managerial process by which individuals or groups obtain what they need and want through creating, offering and exchanging products and services with others. Marketing is one of the most important components required for sustainable operations of micro enterprise.

It needs to be mentioned that involvement of Self Help Groups in self employment activities certainly contributes to entrepreneurship at grassroots level. The entrepreneurship offers an opportunity for instilling the basic managerial skills and values amongst the rural women. It would not only help the poor but the society as a whole. Hence entrepreneurship through SHGs is an investment and engine of development.

GRASSROOTS ENTREPRENEURSHIP THROUGH SELF-HELP GROUPS (SHGs)

Promotion of entrepreneurship among Self-Help Groups (SHG), enables the rural poor to earn their own livelihood besides participating in the process of development. The SHG concept has been extensively used by voluntary agencies for a long time but it has been incorporated in
the entrepreneurship development programs only recently. A typical rural women’s SHG is a good example of capacity building for prospective entrepreneurs. It’s aims include enabling members with no educational or industrial entrepreneurial background to become self dependent and self reliant, developing and enhancing the decision making capacity of members, instilling in members strength and confidence to solve their problems and providing poor people a forum from where they can learn about collectively mobilizing and managing money and matters.

**The SHG System**

A Self-Help Group is a collection of 20 members who form a group, facilitated by a non-governmental organization (NGO) for its formation or by the Micro Finance Organization (MFO) or a bank, or it may evolve from a traditional Rotating Savings and Credit Group (ROSCG) or other locally initiated grouping.

- The SHG members decide to make regular savings contribution and they are linked with banking system.
- The members start to borrow individually from the SHG, for various purposes on terms and interests rates decided by the group itself.
- The SHG members open a savings account in the group’s name with the bank.
- The bank gives a loan to the SHG in the name of the group, which is used by the group to supplement its own funds for lending to its members.
- Married women between the ages of 18 and 60 become the members and they ensure a permanent address thereby contributing the security the loan.
• No alignment to any political parties or programmes is permitted. Politics is not allowed to be discussed at their bi-monthly meetings.

How do SHGs work:
- The group addresses a felt need and a common interest
- The benefits of working together out way the costs
- The group is embedded in the local social organization
- The group has the capacity, knowledge, skills to manage the task

Various SHG Activities to Promote Entrepreneurship

Micro enterprises are important sources income and employment and they are perceived as essential strategy of marginalised households to overcome poverty. For empowering the marginalised poor socially and economically serious efforts are being made by the policy makers in promoting micro enterprises of SHG women. The main aim of SHG Bank Linkage programme and the Swarna Jayanthi Gram Swarozgar Yojana (SGSY), the centrally sponsored poverty alleviation programme is to tap the potential of SHG concept to bring the banking services to the doorstep of poor to overcome poverty especially women who were marginalised by the formal financial institutions for a long time. NABARD studies reveal that a large number of SHGs use loan for income generating activities once their consumption needs are addressed. Taking up micro enterprises with the intent of enhancing income level is a complex issue which needs a holistic approach of appreciating the skill levels, entrepreneurial spirit and dynamism understanding markets and technology. The task has to be handled with utmost care and caution in order to ensure that genuine concerns do no lead to failures of micro enterprise and increase the debt burden and in turn default.
Micro enterprises are very small units, manufacturing or producing finished or semi-finished products or goods. Those enterprises which employ less than 10 workers including family labour, use predominantly locally available resources and skills and cater to the local and sub-regional markets and requires less than rupees 50,000 as investment in fixed capital are known as micro enterprises (NIRD). According to the study group constituted by NABARD, Micro enterprises refer to non-crop enterprises employing less than 10 workers including the owner operator and the family workers. These activities may include Desk Top Publishing, making greeting cards, book manufacturing, handicrafts, cement bloc units, shops and so on. The other tiny income generating activities carried out with the assisted funds are improvised mat weaving, handlooms, fibre rope making, poultry farm, dairy farming, gem cutting and polishing, and so on.

Apart from individual groups, Federation of the SHGs also initiate new enterprise with external loan facilities.

**STRATEGIES FOR THE DEVELOPMENT OF SHG WOMEN ENTREPRENEURS**

In small and medium enterprises due to limited sources, majority of the functions have to be performed by the owners themselves. In case of women entrepreneurs, the problems get compounded because certain functions have gender dimensions attached to them.

Domestic commitments and child-care support are the two main responsibilities of women. This, along with the still narrow outlook of society in accepting a woman as an entrepreneur makes her life more difficult. Some suggestions to meet these challenges and to encourage women entrepreneurship are given below.

- A women can set up a home-based business. By operating her
business from home, a women can better coordinate her household and business responsibilities.

- A women can start her business when her children are grown up enough take care of their own small needs. This gives the women enough time to manage her enterprise.

- Women must acquire education and go through confidence-building training to get rid of the traditional feeling that they are inferior to men and dependent on men.

- Effective and efficient use of information technology like the internet to help in assimilating information about the variety, range, and quality of competing products, and publicity and marketing of products and services.

**Institutions supporting women entrepreneurship in India are:**

- Consortium of Women Entrepreneurs of India (CWEI)
- Federation of India Women Entrepreneurs (FIWE),
- Federation of Ladies ‘Organisation (FLO), Women’s India Trust (WIT)
- Central Bank of India Credit Schemes,
- National Bank for Agriculture and Rural Development (NABARD)
- State Government Schemes for Development of Women and Children in Rural Areas (DWCRA)
- Small Industries Development Bank of India (SIDBi)
- Self-Employment Women Association (SEWA),
- Association of Women Entrepreneurs of Karnataka (AWAKE)
SHGs are vibrant in rural areas and with many of the SHGs involved in entrepreneurial activities, there is an emerging need to build expertise in rural marketing.

**Evolution of Rural Marketing:**

Before the evolution of an urban market, there seemed little need to differentiate between needs and wants. With emergence of urban markets the very context within which marketing had to work got refined. Modern marketing has evolved around marketing demand in urban markets. The urban approach seems inadequate to understand and address the needs of rural India. There is a definite need for a separate set of marketing strategies to tap rural markets and a need to redefine strategy based on a whole new set of parameters. A totally different paradigm is required to satisfy a market that is more a mind set rather a geographical and demographic reality.

The term ‘rural marketing’ which was earlier used as an umbrella term to refer to all commercial transactions of rural people acquired a separate meaning of great significance in the 1990s.

**PHASE I (before the 1960s)**

Rural marketing referred to marketing of rural products in rural and urban areas and agricultural inputs in rural markets. It was considered synonymous with agricultural marketing. Agricultural products like food grains and industrial inputs like cotton, sugarcane etc. were the primary products marketed during this period. The scope of farm mechanisation, equipment (tractors, pump sets, threshers) and agricultural inputs like fertilizers, seeds and pesticides was very limited as the rural economy was in a primitive stage with traditional farming methods being used in agriculture. Instead the

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marketing of products like earthen and metallic utensils, ploughs, bamboo baskets ropes and wooden products like bullock carts, window and door frames by skilled workers in rural areas (blacksmiths, pot makers and carpenters) was an important activity. The market was totally unorganized.

PHASE II (1960-1990s)

The Green Revolution changed the face of rural India, ushering in scientific farm practices with the advent of agricultural inputs and implements. Poverty stricken villagers turned into cash rich centres. As a result the demand for agricultural inputs soared. Better irrigation facilities, use of fertilizers, pesticides, high yielding variety seeds coupled with application of implements like tractors, power tillers, harvesters, pump sets and sprinklers resulted in the exponential growth of agricultural production, changing the very content of rural markets (Pradeep Kashyap 2010)

During this phase apart from conventional agricultural marketing, a new area - marketing agricultural inputs - emerged. This period witnessed the emergence of companies such as Mahenddra & Mahendra, Escorts, Sriram Fertilizers etc. The marketing of agricultural products received considerable attention through agencies like KVIC, Weaver societies and Handicrafts Emporium The promotion of village industries supported by the government through exhibitions and ‘Gram Shree Melas’ and ‘Shilpa melas’ resulted in the inflow into urban markets on a large scale of products like handicrafts, textiles, leather products etc.

PHASE III (1990s to the Present)

During the first two phases the marketing of consumables and durables to the rural markets was not considered seriously. The prime reasons were:

- The potential of rural market was not visible
The rural markets were not accessible. The poor infrastructure of widely scattered villages made them unreachable and expensive in terms of logistics.

The rural markets were ignored as they were considered as extension of urban market

However from 1980s the industrial sector in India gained in strength and maturity. A new service sector emerged signifying the transition of agricultural society into an industrial one. Meanwhile the increased plan outlay of Central and State governments for rural development and strengthening of rural governance witnessed socio economic progress. In addition the economic reforms further accelerated the process by introducing competitions into the markets. All these factors resulted in the growth of rural markets for household consumables and durables. Rural markets represented the emergent activity of attracting and servicing rural markets to fulfil the needs and wants of persons households and occupations of rural people.

Marketing Support to Self Help Groups

For any goods or service that are produced, existence of a suitable market is essential. Traditionally, the self-employment programmes concentrated on the inputs rather than the outputs and the marketing. It was not uncommon to find production strategies in place over looking the market aspects. One often finds that the recommendation of an activity is not preceded by the much needed market survey. There is a false notion that market surveys are not required in case of the self - employment opportunities for the rural poor. In fact, it is as critical, if not more, for the poor. For, she cannot sustain the loss arising out of a lack of market even for short period. It is, therefore, necessary that the project profile of every key activity identify the market availability. The forecast of the income to be earned by the SHG entrepreneurs must take into account this factor and forecast the
income only on the basis of an assured market. This would be a critical factor in the choice of the key activity itself.

It is possible that this might appear to be formidable proposition and that the field functionaries might feel that they are unequal to the task. While to most, market mechanism may appear unintelligible and a complex task, in reality it means checking out what sells and what does not. Goods and services are traded every day in all parts of the country. What is needed is to see what sells in the local markets. A study conducted for the Ministry of Rural Development indicated that the rural Haats (markets) play a significant role in marketing the products. An analysis of these markets therefore reveals the opportunities. Secondly, an analysis of the daily requirements, either for personal use or in agriculture and exploring ways of meeting the demand locally can lead to some useful results. At times, the product concerned might require some promotional activity in order to raise demand.

A study of the local markets might reveal that what the villagers purchase can as well be produced locally. The opportunities must be fully explored. At the same time, it must be remembered that it is neither feasible nor desirable to produce all goods in all places. The choice of activity therefore must be governed by the possibilities that exist on account of the resources of an area, the available skills and the market. It is always possible to develop the skills or even the markets but this must be weighed against the fact that it would require time and effort.

Next in the importance are the market in semi-urban and urban areas. There is an increasing trend towards urbanizations the country along with a change of consumer tastes and preferences. The goods in demand could be in the primary sector or otherwise. An analysis of these urban markets would reveal the consumer preferences and the potential for the rural entrepreneurs. There can be a good potential for value added items, such as cleaned and packaged food items processed fruit and vegetables etc. The emerging urban
markets can be a good area for developing clientele for the rural products. Provision of marketing infrastructure in these areas can go a long way in enabling the rural poor to market their goods and at the same time building an identity for the products. The Self Help Groups can be encouraged to try out these markets on their own so that they slowly develop marketing skills. They can also start marketing the goods of the individual entrepreneurs. Infrastructure fund under SGSY can be used for strengthening marketing infrastructure and related activities.

The marketing of goods outside the districts requires an intermediary agency. This can be in the governmental, non-governmental or private sector. The one aspect that requires to be taken care of is the stability of the agency, their own competence and their capacity to ensure that the rural producer is getting his/her fair share of the profits. Care should be taken to see that only such agencies that do not exploit the rural producers and are well established in the business are chosen for the purpose. These agencies may market the products in the national or international markets.

Some State Governments have established District Supply and Marketing Societies (DSMS) to provide non-credit inputs like procurement or purchase of raw material and also for sale of products. Wherever these societies are doing good work, they can be suitably strengthened. Similarly, in States such as Orissa and Kerala, there are marketing societies at the State level. Their capacity and product range can be suitably expanded. However, it is not always necessary to establish new agencies. It should be a felt need after a careful analysis of the existing infrastructure, and should be part of a strategy for promotion of marketing support to products under SGSY.

Organizations like Handicrafts Boards and Handloom corporations and also KVIC/KVIB can play a prominent role in promotion of marketing. The marketing outlets of KVIC/KVIB must be made use of for SGSY products. Keeping the market trends in view, linkages with apex bodies can ensure a
stable market at remunerative prices. Such a link will also result in equality while reducing the market risks to the poor. Bankers can also encourage such initiatives through liberal credit delivery since the loan recovery can be built into the project. There are several NGO and other independent institutions to market products from rural artisans/craftsmen across the country. DRDAs should strive to develop linkages with such groups.

A few States have organized Melas to give publicity to the range of products produced by the Swarozgaris. Such efforts need further encouragement so that the SGSY Swarozgaris will be integrated with the regional markets. Organizing of Exhibitions periodically in urban centres will offer better price to the goods of SGSY Swarozgaris. This also serves as forum for sensitizing the SGSY group to the demand patterns of the market. The state level organizations and boards have to develop an organic link and professional bodies can guide the poor in supply of designs and in quality assurance. Attempts to establish State emporia for display and sales of SGSY products in major urban cities need to be given a fair trial.

Quality of products is vital not only for the development of entrepreneurs but also for the nation as a whole. It must be the responsibility of the marketing agencies to ensure that the Swarnayanti are trained in quality control. The goods market must conform to a minimum and uniform quality so as to be able to develop a brand image. This is important in respect of the goods that are produced for local consumption. The DRDAs must organize periodic meets of the Swarozgaris and ensure that they are given the necessary guidance in quality control. There must also be a team of the experts in the relevant fields visiting the work places and guiding the Swarozgaris.
Marketing Environment

Competition represents only one force in the environment in which the marketer operates. The marketing environment consists of the task environment and the broad environment.

The task environment includes the immediate actors involved in producing, distributing, and promoting the products. The main actors are the suppliers, distributors, dealers, and the target customers. Included in the supplier group are material suppliers and service suppliers such as marketing research agencies, advertising agencies, banking and insurance companies, transportation companies, and telecommunications companies. Included with distributors and dealers are agents, brokers and manufacturer representatives.

The broad environment consists of six components: demographic environment, economic environment, physical environment, technological environment, political-legal environment, and social-cultural environment. These environments contain forces that can have a major impact on the actors in the task environment. Market actors must pay close attention to the trends and developments in these environments and make timely adjustments to their marketing strategies.
Marketing Planning:

In practice, there is a logical process that marketing follows. The marketing planning process consists of analyzing marketing opportunities, selecting target markets, designing marketing strategies, developing marketing programmes, and managing the marketing effort. Figure 1.1 presents a grand summary of the marketing process and the forces shaping the marketing strategy.
Developing Marketing Strategies and Plans

A key ingredient of the marketing management process is insightful, creative marketing strategies and plans that can guide marketing activities. Developing the right marketing strategy over time requires a blend of discipline and flexibility. Firms must stick to a strategy but must also find new ways to constantly improve it. Marketing strategy also requires a clear understanding of how marketing works.

Marketing and Customer Value

Marketing involves satisfying consumers’ needs and wants. The task of any business is to deliver customer value at a profit. In a hypercompetitive economy with increasingly rational buyers faced with abundant choices, a company can win only by fine-tuning the value delivery process and choosing, providing, and communicating superior value.

The Value Delivery Process

The traditional view of marketing is that the firm makes something and then sells it (Figure 1.2(a)). In this view, marketing takes place in the second half of the process. The company knows what to make and the market will buy enough units to produce profits. Companies that subscribe to this view have the best chance of succeeding.
1.2 (a). Traditional Physical Process Sequence

<table>
<thead>
<tr>
<th>Make the product</th>
<th>Sell the product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design product</td>
<td>Price</td>
</tr>
<tr>
<td>Procure</td>
<td>Sell</td>
</tr>
<tr>
<td>Make</td>
<td>Advertise</td>
</tr>
<tr>
<td>Advertise promote</td>
<td>Distribute</td>
</tr>
<tr>
<td>Service</td>
<td></td>
</tr>
</tbody>
</table>

1.2(b). Value Creation and Delivery Sequence

<table>
<thead>
<tr>
<th>Choose the value</th>
<th>Provide the value</th>
<th>Communicate the value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer segmentation</td>
<td>Market selection / focus</td>
<td>Value Positioning</td>
</tr>
<tr>
<td>Product development</td>
<td>Service development</td>
<td>Pricing</td>
</tr>
<tr>
<td>Distributing servicing</td>
<td>Sales force</td>
<td>Sales promotion</td>
</tr>
<tr>
<td>Advertising</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Philip Kotler, 2005

The traditional view of the business process, however, will not work in economies where people face abundant choices. There, the “mass market” is actually splintering into numerous micro markets, each with its own wants, perceptions, preferences, and buying criteria. The smart competitor must design and deliver products suited to target markets. This belief is at the core of the new view of business processes, which places marketing at the beginning of planning. In the struggle to grow, retail chains are creating spin-offs that appeal to ever-smaller micro markets.

Figure 1.2 (b) illustrates the value creation and delivery sequence. The process consists of three parts. The first phase, choosing the value, represents the “homework” marketing must do before any product exists. The marketing staff must segment the market, select the appropriate market target, and develop the product value positioning. The formula “segmentation,
targeting, positioning (STP)” is the essence of strategic marketing. Once the business unit has chosen the value, the second phase is providing the value. Marketing must determine communicating the value by utilizing the sales force, sales promotion, advertising, and other communication tools to announce and promote the product. Each of these value phases has cost implications.

As Figure 1.2(b) shows, the value delivery process begins before there is a product and continues while it is being developed and after it becomes available. The Japanese have further refined this view with the following concepts:

• **Zero customer feedback time.** Customer feedback should be collected continuously after purchase to learn how to improve the product and its marketing.

• **Zero product improvement time.** The producer should evaluate all improvement ideas and introduce the most valued and feasible improvements as soon as possible.

• **Zero purchasing time.** The producer should receive the required parts and supplies continuously through just-in-time arrangements with suppliers. By lowering its inventories, the Company can reduce its costs.

• **Zero setup time.** The company should be able to manufacture any of its products as soon as they are ordered, without facing high setup time or costs.

• **Zero defects.** The products should be of high quality and free of flaws.

Nirmalya Kumar (2002) has put forth a "3 Vs" approach to marketing: (1) define the value segment or customers (and his/her needs); (2) define the value proposition; and (3) define the value network that will deliver the promised service. Dartmouth's Frederick Webster
views marketing in terms of: (1) value defining processes (e.g., market research and company self-analysis), (2) value developing processes (e.g., new-product development, sourcing strategy, and vendor selection), and (3) value delivering processes (e.g., advertising and managing distribution).

Value Chain

Michael Porter of Harvard has proposed the value chain as a tool for identifying ways to create more customer value. According to this model, every firm is a synthesis of activities performed to design, produce, market, deliver, and support its product. The value chain identifies nine strategically relevant activities that create value and cost in a specific business. These nine value-creating activities consist of five primary activities and four support activities.

The primary activities cover the sequence of bringing materials into the business (inbound logistics), converting them into final products (operations), shipping out final products (outbound logistics), marketing them (marketing and sales), and servicing them (service). The support activities—procurement, technology development, human resource management, and firm infrastructure—are handled in certain specialized departments, as well as elsewhere. Several departments, for example, may do procurement and hiring. The firm's infrastructure covers the costs of general management, planning, finance, accounting, legal, and government affairs.

The firm's task is to examine its costs and performance in each value-creating activity and to look for ways to improve it. The firm should estimate its competitors' costs and performances as benchmarks against which to compare its own costs and performance. It should go further and study the "best of class" practices of the
world's best companies.

The firm's success depends not only on how well each department performs its work, but also on how well the various departmental activities are coordinated to conduct core business processes. These core business processes include:

- The market sensing process. All the activities involved in gathering market intelligence, disseminating it within the organization, and acting on the information.
- The new offering realization process. All the activities involved in researching, developing, and launching new high-quality offerings quickly and within budget.
- The customer acquisition process. All the activities involved in defining target markets and prospecting for new customers.
- The customer relationship management process. All the activities involved in building deeper understanding, relationships, and offerings to individual customers.
- The fulfillment management process. All the activities involved in receiving and approving orders, shipping the goods on time, and collecting payment.

Holistic Marketing Orientation and Customer Value

A holistic marketing orientation can also provide insight into the process of capturing customer value. One conception of holistic marketing views it as "integrating the value exploration, value creation, and value delivery activities with the purpose of building long-term, mutually satisfying relationships and co-prosperity among key stakeholders". According to this view, holistic marketers succeed by
managing a superior value chain that delivers a high level of product quality, service, and speed.

A holistic marketing framework is explained below:
Translating customer value learning into action

Customer value learning translation begins when a seller creates value delivery strategy for target consumers. A customer value concept lies at the heart of this strategy. The concept specifies the value dimensions, particularly the benefit consequences in desired use situations and which the producer wants to accomplices through the product offer. Implementing the value concept influences the image that comes to customer’s mind when he or she thinks about the seller brand. An image that is responsive to customer's desired value is likely to become a core influence on the brand of the product.

Holistic marketers achieve profitable growth by expanding customer share, building customer loyalty, and capturing customer lifetime value. Figure 1.3 a holistic marketing framework, shows how the interaction between relevant actors (customers, producer, and collaborators) and value-based activities (value exploration, value creation, and value delivery) helps to create, maintain, and renew customer value.

The holistic marketing framework is designed to address three key management questions:

1. **Value exploration**:
   
   How can a producer identify new value opportunities? The resource space of SHG entrepreneurs involves partnership with other development agencies and their ability to exploit resource opportunities and marketing opportunities.

2. **Value creation**:
   
   How can a producer efficiently create more promising new value offerings?
3. Value Delivery- How can a manufacturer use its capabilities and infrastructure to deliver the new value offerings more efficiently?

VALUE EXPLORATION

Because value flows within and across markets that are themselves dynamic and competitive, companies need a well-defined strategy for value exploration. Developing such a strategy requires an understanding of the relationships and interactions among three spaces: (1) the customer's cognitive space; (2) the company's competence space; and (3) the collaborator's resource space. The customer's cognitive space reflects existing and latent needs and includes dimensions such as the need for participation, stability, freedom, and change. The producer's competency space can be described in terms of breadth-broad versus focused scope of business; and depth-physical versus knowledge-based capabilities. The collaborator's resource space involves horizontal partnerships, where companies choose partners based on their ability to exploit related market opportunities, and vertical partnerships, where companies choose partners based on their ability to serve their value creation.

VALUE CREATION

To exploit a value opportunity, the company needs value-creation skills. Marketers need to: identify new customer benefits from the customer's view; utilize core competencies from its business domain; and select and manage business partners from its collaborative networks. To craft new customer benefits, marketers must understand what the customer thinks about wants, does, and worries about. Marketers must also observe whom customers admire, with whom they interact with, and who influences them.
Business realignment may be necessary to maximize core competencies. It involves three steps: (1) (re) defining the business concept (the "big idea"); (2) (re) shaping the business scope (the lines of business); and (3) (re)positioning the company's brand identity (how customers should see the company).

VALUE DELIVERY

Delivering value often means substantial investment in infrastructure and capabilities. The enterprisers must become proficient at customer relationship management, internal resource management, and business partnership management. Customer relationship management allows the company to discover who its customers are, how they behave, and what they need or want. It also enables the company to respond appropriately, coherently, and quickly to different customer opportunities. To respond effectively, the company requires internal resource management to integrate major business processes (e.g., order processing, general ledger, payroll, and production) within a single family of software modules. Finally, business partnership management allows the company to handle complex relationships with its trading partners to source, process, and deliver products.

Significance of the Study

The SHG entrepreneurs needs to have a market oriented approach at all levels and stages in the life cycle of enterprise development. Most of the programmes geared towards poverty alleviation through micro enterprise development and income generation basically focus on credit or skill training or entrepreneur development training, technology support etc. However required attention is rarely paid to the marketing needs of the business.
The present study “Marketing strategies of SHG: A study of micro enterprises in Karnataka” probes into the marketing strategies adopted by the SHGs as owners of micro enterprises. A few questions posed often in this context are as follows;

- Do the SHG entrepreneurs conduct marketing research to sense the customers needs.
- What are the strategies adopted by them to fix the prices?
- Do they adopt promotional strategies to attract the customers?
- In short do the SHG entrepreneurs adopt a market oriented approach in the life cycle of enterprise development?

The present study primarily probes into the above questions based on the following objectives.

- To study the status-quo of Micro enterprises promoted through Micro Finance in Karnataka
- To analyze the types of enterprises managed by Self Help Groups
- To identify the marketing strategies adopted by the SHG enterprises
- To investigate the challenges faced by SHGs in marketing the products
- Based on the outcome of the study, to suggest measures for implementing value added marketing strategies

The greatest challenge to the stakeholders of micro finance programs is to enable the matured SHGs graduate to the level of taking up micro enterprises and to succeed in their endeavour by adopting appropriate marketing strategies so that the long term goal of poverty elevation can be realized through empowerment process.
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