1.1 INTRODUCTION:

The Indian economy can no longer prosper in isolation. Four major causes accentuate the need to integrate the Indian economy with the world's economy. They are 1. *The increasing costs and technology sophistication*, 2. *the growing importance and necessities for communications*, 3. *The trend of Global Economies* and 4. *The social sciences that play a major role in making people to get on together*. The objective of globally integrating the Indian economy would be achieved when the indigenous produce can compete with the International standards in product quality, performance and cost of production. It can be reiterated by stating that an appropriate strategy that travels towards the target will simultaneously follow a dual path of quality improvement and cost reduction. The preliminary task of any such strategy, i.e. improving the quality of the product, can be achieved through various practices like adopting technologically sophisticated production processes, putting a strict vigilance on the quality of input as well as output. But, many a time these practices would result directly or indirectly in a hike in the cost of production. This component-value increment in the various elements of the product, becomes unavoidable and is a necessity in the light of competition from the multinational companies. This value increment is to be compensated by adopting other practices that develop operational economies, to retain control over the price component of the produce. As the consumers have started evaluating the price of the product against its features, the
presence of operational economies becomes all the more important in sharpening their competitive advantages through price component. The operational economies can be achieved either by increasing the productivity or by optimizing the utility of the existing resources of an organization. This objective may be accomplished mainly through two ways i.e. either by reducing the investment in these resources to an extent where optimality can be achieved or by increasing the production to a level where the existing resources are completely utilized. The former is impractical as in many a case, certain facilities to a minimum degree become bare necessity without which the whole operation becomes handicapped. Similarly, increasing the production remains everybody’s fantasy for the absence of well developed marketplaces and sufficient demand for the product.

The recent industrial policy measures in regard to the Small Scale Sector, adopted by the Government, have given the necessary jolt to get rid of the inertia developed by the sector. Various reasons like Government restrictions on capital employed and the products manufactured, lack of adequate growth opportunities and the absence of entrepreneurial professionalism may be identified as the major causes for this inactivity. The recent liberalization measures including the relaxation in the Monopolies and Restrictive Trade Practices Act and Foreign Exchange Regulation Act along with, reduction in import and excise duties have provided the required impetus through intensified competition by attracting the multinational organizations and other internationally established companies. This entry of multinationals into Indian markets will have to have its impact on all levels of indigenous manufacturing activity, be it in small, medium or large sector. Its impact on the Indian consumer is more intensive, for the internationally renowned brands are made available in the local markets at affordable prices.
The impact of the entry of the multinationals on the medium and large scale units is relatively lessened by the relaxation of the growth hurdles like Monopolies and Restrictive Trade Practices Act and Foreign Exchange Regulation Act and other restrictions on foreign collaborative arrangements. These dynamic forces in the Business environment have initiated many types of interorganisational arrangements like strategic alliances, mergers, acquisitions, symbiotic agreements and many other innovative forms. Some of the more renowned instances of such alliances are that of the tie-ups between Godrej soaps with Proctor & Gamble for marketing shampoos, Henkel’s joint venture with Spic Fine Chemicals, Coca Cola’s takeover of Parle’s soft drinks and Searle (India) tie-up with Glaxo (India) for distributing “Equal”. Such arrangements and collaborations have enabled the cooperating firms emerge stronger than their competitors. These strategically important alliances have made the already strong firms stronger, and the weaker more vulnerable. Obviously, the weaker are seen more in the Small Scale Sector than in the Large Scale Sector.

The Small Scale Sector in India contributes approximately 35% of the total indigenous manufacturing activity, 40% of the total exports and provides employment to approximately 119 lakh persons as at end of March, 1990. “The Small Scale Sector plays a key role in India’s planned economic development because of its low investment, high potential for employment generation, decentralisation of industrial

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1 Small Scale Industries in India Facts and Figures, 1990. Development Commissioner, Small Scale Industries, Ministry of Industries, July, pg 1
base and dispersal of industries to rural and semi-urban areas". In spite of its significant role in the Indian economy the Small Scale Sector unfortunately has not been given due importance in the policy making process, thereby restricting its ability to grow. The developments, of late, in the Indian Industrial scenario, have exposed it to a more stringent competitive environment reinforced by the entry of the capital abundant and technologically well advanced multinationals. This becomes more conspicuous, when the small units are operating in consumer non-durable industries, where marketing constitutes the single largest head of expenditure. With crores of rupees on advertising and tens of crores on marketing, the bigger firms would not allow these small entrepreneurs to make a dent into the Indian consumer markets. The big companies would not appreciate the presence of the small businessmen as they have to evolve a spectrum of strategies to combat with these small businessmen in different markets, and implementing various strategies simultaneously is rather difficult. The multinationals deduce their competence from three major facets, in which the Indian Small Scale Sector proved to be unmatching. They are:

1. Economies of Scale: The technological advancements of the Multinationals backed up by the adequacies of funds, enable them to involve in mass production, to serve larger markets

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and thereby achieve higher scale economies¹.

2. **Ready Markets**: Internationally earned fame for their products easily attracts the Indian consumer. This may be due to the quality of the product or the consumer’s satisfaction of equality with their counterparts in the foreign nations.

3. **Marketing Knowledge**: The professional approach of the multinational organizations in conducting their business activities enable them in comprehending the advancements in the concept of Marketing and in genuinely practising the same for reaching the goals².

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1  a. But, Ian M D Little, Dipak Majumdar and John M Page, in their book, *Small Manufacturing Enterprises: A Comparative Analysis of India and other Economies* (New York, Oxford University Press, 1987 (for the World Bank)) conclude that “small producers are generally neither more nor less efficient than medium or large enterprises in the same industry”⁴. This is further supported by the recent trend in the Orient. Most of the new companies have identified the intangible benefits, other than monetary, inherent in the small size of the manufacturing units and have started establishing small manufacturing facilities with built-in flexibility⁵.


2  The comparison between Indian Small Scale Sector and the multinational companies is not generally acceptable. But here, it is carried out, as the customers perceive the organizations in relation to market leaders and other large players who are generally identified with Quality
The above factors, among others, directly affect the marketing strategy of a firm. The knowledge of Economies of scale aids in pricing decisions. The popularity helps in easily penetrating the markets and the understanding of the marketing concept is of use in identifying the modes and media for successful marketing.

This stature necessitates the Small Scale Sector to adopt innovative business practices so as to enhance their competitive abilities, apart from introducing sophisticated production technologies. Symbiosis is an innovative strategy that accrues benefits to the manufacturers, the consumers and the Government as well. The concept of symbiosis is more popular among the Nature's scientists. The dictionary meaning of the term Symbiosis is "mutual cooperation between two persons or groups, in a society, especially when ecological interdependence is involved". Thus, symbiosis in business may be perceived as a state where two or more independent organizations mutually depend on each other for specified resources and facilities for more mutual benefits. Symbiosis, in business terminology, may be specifically defined as "an alliance between two or more absolutely independent organizations to exchange resources or facilities or programs, for achieving both fiscal and non-fiscal benefits that are not available to them when they operate in solitude". Thus, these Symbiotic alliances bring to the participants benefits like reduction in the operational expenditure and access to new resources or facilities with minimum financial commitments. These cooperative alliances become strategically important, especially to the Small Scale Sector, in the light of the inherent weaknesses of the sector like limited resources and limited scope of activities.

Symbiosis may be practised in any one or more of major functions like Finance, Production, Marketing, Personnel and Research & Development.
When symbiosis is practised in all the functional areas simultaneously, it is known as “Business Symbiosis”. Similarly, when it is performed in individual functions, it is known after the function, like Symbiotic Marketing, Production Symbiosis and Financial Symbiosis. The concept of symbiosis is practised more propitiously in Research & Development function of high-tech industries in the west and the far east. The huge amounts of investment involved in developing the research facilities and the inherent rate of high risk involved in the activities are the major forces for the popularity of the concept. More recently, Symbiotic Marketing is also being operationalised by more and more businessmen in India as well as in the other parts of the world.

1.2 STATEMENT OF THE PROBLEM:

Organizational Exchange has been the focal concept for the diverse interorganizational cooperative strategies. Joint ventures and other strategic alliances have attracted adequate attention and a good amount has been written on various dimensions of the joint venturing activity.


But little is done in comprehending the nature and process of "Business symbiosis". Though Symbiotic Marketing was proposed as early as 1966 by Adler¹, the concept has been gestating for considerably long time. Venkataraman (1981)², though, has Indianised the concept by providing a few examples from Indian marketing environment, had contributed little to the operationalisation of the concept. But in 1986, Varadarajan & Rajaratnam (1986)³ have brought the concept back to light. They have proposed 5 dimensions to explain the nature of a Symbiotic Marketing agreement, and have concentrated more on evaluating the compatibility of Marketing Symbiosis as an alternative strategy in different growth opportunities of Philip Kotler⁴. Surprisingly, the efforts to assess the congruence of the definition, with the present-day business characterized by turbulence and super specialization have been conspicuously absent. The present study is an effort to examine the conceptual aspects of Symbiotic Marketing more closely to identify the distinctive characteristics of the concept. The study also proposes a model to explain the nature of symbiotic agreements in business, assimilating all the dimensions proposed by the pioneers. The model is also embodied with the concept of 'Domain Similarity' of Van de Ven & Walker (1980)⁵ and is further extended to entangle the widely diversified Symbiotic relationships into its web.

2. Venkataraman N., 1981, Marketing Synergy : A Key to Increased Productivity, Productivity, XXII, 1, pp 7-12
4. c.f. Ibid, pg 7
The concept of Symbiotic Marketing, though not completely new to the Indian small scale manufacturers, has failed to gain due momentum in spite of the intensified competition in the market place. This has been supplemented by the lack of studies exploring the intricacies of the concept and developing the theoretical knowledge with a strong pragmatic base. Thus, the available knowledge on the concept, especially in relation to the Indian marketers, forms an analogy to the Ice-berg principle. This stature demands an exploratory study in ascertaining the various characteristics and dimensions of the concept of Symbiotic Marketing.

In the Indian marketing environment, Symbiotic Marketing agreements are still infrequent and unpopular. Due to various possible reasons of inertia and inadequate information, entrepreneurs have not taken greater initiatives to operationalise the concept. They are yet to consider this as a valid strategic option. There is thus, some lack of willingness on the part of the entrepreneurs to accept marketing symbiosis as an alternative strategy. However, to know whether the potential beneficiaries of this innovative strategy have the right inclination to accept and practice the concept, is itself very important. Unless the Small Scale entrepreneurs are aware of the methodologies, benefits and other operational features, it will not be possible for them to adopt these practices. Only if the entrepreneurs are favoring Symbiotic Marketing concept, the research activity should aim at probing into its finer operational aspects. Otherwise, to identify, comprehend and clarify the notions about the concept among the entrepreneurs, should be the preliminary and primary objective of the research efforts. Moreover, for any program of extension activity that would facilitate Symbiotic Marketing, it is essential to gauge the perceptions of the
beneficiaries. The present study is an effort to provide information in all these regards to the policy makers and the other benefactors to the Small Scale Sector.

"Exchange partners cooperate to create surplus, and are in conflict over the division of that surplus\(^1\)". The intensity of such conflict is increased when one or both the parties exhibit Opportunistic behavior\(^2\), i.e. acting in a selfish manner, rather than for group benefits. A more receptive and congruent partner-firm is vital to the assured success of the exchange relationship and also to avoid these resource exchange relationships resulting into conflict episodes. Bucklin & Sengupta\(^3\) have strongly established that Organizational Compatibility between the firms in a co-marketing alliance has a positive relationship with the effectiveness (success) of the exchange relationship. A systematic approach in selecting the right Symbiotic partner-firm improves the compatibility among the participating firms. Further, the ability of a partner-firm to influence the availability of varied resources to the agreements\(^4\), further enhances the need for a comprehensive framework for partner-firm selection.


Though, the earlier authors have touched upon the partner-firm selection, their attempts remained mostly conceptual with theoretical propositions. Moreover, the finer aspects of the selection procedure like how to identify the alternatives, what are the different sources from where information can be obtained and what are the criteria for evaluating the alternatives have not been duly answered by the pioneers of the concept. In this study, an attempt is made to carefully analyze these factors by collecting the perceptions of the entrepreneurs. The study also attempts to develop a model exhibiting the relationships and the relative priorities of various steps in selection procedure.

1.2.1 SPECIFIC ISSUES OF CONCERN:

The following few paragraphs introduce the specific issues related to Symbiotic Marketing considered for verification through the present study. Each issue is presented as a hypothesis for ease of discussion and explanation.

1.2.1.1 DOMAIN SIMILARITY AND SYMBIOTIC MARKETING

Domain similarity is "the degree to which organizations have the same services, clients, and personnel skills". The high, moderate and low degrees of Domain similarity represent the competition, complementarity and unrelatedness among the products in the markets respectively. The practice of sharing or exchanging in resources and facilities between two firms require similarity in one or more of three aspects i.e. products.

b Rajan P. Varadarajan and Daniel Rajaratnam, 1986, Op cit pg 15
customers and/or operational skills'. If the presence of commonality is the only criterion for determining the scope of cooperation between two organizations, competitors provide the maximum scope, as they have high correlations in the products manufactured, customers served and the skills utilized. But, the unlimited and unrestricted cooperation in all the marketing activities among competitors may result in unfair trade practices like Marketing Cartels, Price Rings and such imperfect competitive environment. Further, the degree of complementarity or commonality, may generally restrict the sharable activities and also the scope of cooperation in these activities. In other words, the acceptable activities and the scope of cooperation are determined by the degree of Domain Similarity. Thus, the following hypothesis is proposed.

\[ H \]

**THE DEGREE AND EXTENT OF MARKETING SYMBIOSIS, BETWEEN TWO ORGANIZATIONS ARE DETERMINED BY THE MARKETPLACE RELATIONSHIP BETWEEN THE TWO ORGANIZATIONS.**

1.2.1.2 KEY MARKETING ACTIVITIES AND SYMBIOTIC MARKETING:

The Key Marketing Activities are those marketing activities which "are to be performed particularly well for an organization to outperform its competition". These Key Marketing Activities when performed extremely well, bring competitive advantage to the practicing firms. Thus, these

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1 Yeggin M Chang, 1990, Synergy, Relatedness and Organisation form in the Strategic management of Diversification, Unpublished dissertation, University of Illinois at Urbana - Chanmpaign, Pg 20


3 Jorege Vasconcellos e sa', 1988, The impact of Key Success Factors on Company Performance, Long Range Planning, 21, 6, pp 56-64
Key Marketing Activities largely determine the success probabilities of a firm. In other words, a good performance of these activities enhances the marketing success, whereas a poor performance of the activities may drive the firm towards failure. These Key Marketing Activities are almost similar for similar businesses and are different for different industries.

The firms, identifying the bearing of these Key Marketing Activities on their success, would like to have complete autonomy and control over these activities. More explicitly, the entrepreneurs tend neither to compromise on minor issues nor to deviate even slightly from their plans in regard to these Key Marketing Activities. Further, for the strategic importance of these activities, it may be formidable to provide access to the operational strategies of these activities to outsiders through sharing agreements. Moreover, when sharing is practised, the participants would be required to make minor changes in their plans so as to attain the required operational synergies. So, under ideal circumstances, the firms should not be willing to share the Key Marketing Activities with other firms for the above explained reasons. Thus:

\[ H_2 : \text{THE MORE IMPORTANT A MARKETING RESOURCE/FACILITY IS TO THE SUCCESS OF AN ORGANIZATION, THE LESS IS THE FIRM'S WILLINGNESS TO SHARE THE RESOURCE/FACILITY WITH OTHER FIRMS.} \]

1.2.1.3 COMPETITIVE ADVANTAGE AND SYMBIOTIC MARKETING:

The term Competitive Advantage is conceived in varied meanings and situations. Competitive Advantage is an intangible resource that enables

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1 Jorge Vasconcellos e sa', 1988. Op cit. Pg. 57
a firm to do more and/or better than its competitors. Thus, when a firm possesses extra-efficiency or convenience in conducting its business, over their competitors, then the firm is said to be competitively advantageous. The extra-efficiency or the competitive advantages occur through different sources like superior skills and resources, innovations\(^1\) - either product oriented or process oriented, or the pace of adopting a process innovation, and differentiated product augmentation activities like product price or performance attributes\(^2\). All these sources of competitive advantage, when properly identified and exploited, manifest in increased customer satisfaction and loyalty, market share of the brand, and profitability of the organization. The long-term implications on these four business outcomes, requires to assess the ability and potential to provide Competitive Advantage, before an innovative or non-innovative product or process is absorbed into the business operations.

Symbiotic Marketing, a marketing service system, has not been seriously opted by majority of the entrepreneurs. But, the advantages of this innovative marketing process may be seen in enhancing the competitive positions of the adopting firms in different ways. For example, the reduced operational expenditure, can result in either the price lowering or the improvement of the product values. Sharing of established marketing resources possessed by other firms mean reduced gestation period for physically entering the market\(^3\) and lowered financial and

\[3\] NOTE . One of the strategic reasons for the purchase of Parle Products (Soft drinks) by Coca-Cola is the established Franchisee and Distribution Networks. The Multinational company has identified the time, effort and resources required for establishing the networks that can cater to every corner of the nation.
other capital investments in establishing these operational resources'.

Further, when Marketing Symbiosis is practised between two complementary products or unrelated product manufacturers, the product augmentation occurs through joint product offering and Sales Promotion programs. In spite of all these, the ease in adopting the strategy considerably reduces the ability of the firms to maintain and sustain the advantage over a long time, because the other firms also can follow the suit. Thus, the following hypothesis is proposed to be answered in the present study.

\[ H_3 : "SYMBIOTIC MARKETING INCREASES THE COMPETITIVE ADVANTAGE OF THE PARTICIPATING FIRMS OVER THEIR RESPECTIVE COMPETITORS." \]

1.2.1.4 POWER IMBALANCE IN SYMBIOTIC MARKETING AGREEMENTS:

Power is "the ability to cause some one to do something he/she would not have done otherwise". The relative dependence between two actors in an exchange relationship determines the relative power. In organizational paradigm, power in Interorganisational relationships, arises due to the mutual dependence of organizations as a result of

1. **NOTE** Through an agreement, TVS Whirlpool manufactures a part of its production to be sold under the ONIDA brand name. Here, the ONIDA SAVAK need not invest huge financial resources in developing technically sophisticated production facilities. For TVS, as the total production increases, their overheads are largely covered through these sharing agreements.

2. **NOTE** "Lop-stops" have become popular in Bangalore city. Here, the customers can fulfill their appetite for Dollops Ice-cream, while selecting their favourite numbers from HMV audio cassettes or vice versa, as both the products are offered at the same outlet.


the Unequal endowment of resources\textsuperscript{1}. It also arises from the possibility of controlling the alternative sources of the resources\textsuperscript{2}. Exchange partners "seek external relationships that are balanced in terms of power\textsuperscript{3}, to avoid negative consequences and to minimize the costs involved in making agreements in imbalanced power situations. In extension of this view, Bucklin & Sengupta(1993)\textsuperscript{4} proved that "power imbalance in a co-marketing alliance is related negatively to the effectiveness (success) of the alliance". A practical proposition to seek power balance is to develop relationships with firms of equal resource endowments, more specifically equal sized firms. But, it is observed through the pilot survey that bigger firms are equally preferred by the smaller firms for developing Symbiotic agreements. Then, the two firms represent two different states of resource endowments. Consequently, an imbalance of power ought to exist between the participating firms. But, a more relevant and important question here is, whether such a power imbalance has the potential to develop a dysfunctional conflict - injuring or

\begin{itemize}
\item[1] Richard Emerson. 1962. Op cit., pg 34
\end{itemize}
destroying the other party.\textsuperscript{1} Mere presence of power imbalance is different from it being utilized in the exploitation of one of the exchange partners.\textsuperscript{2}

The success of any exchange relationship may not be affected by the mere presence of power imbalance, whereas its identification and manipulation by the more powerful to exploit the less powered exchange partner, can definitely determine the success of an exchange relationship. Contrarily, “the absence of confrontation will not necessarily produce maximum joint-striving, because the complacency and passivity, which may be present in the relationship, may cause the parties to overlook the salient opportunities for coalescing."\textsuperscript{3} Moreover, “Conflict potential and magnitude is highest in balanced power situations”\textsuperscript{4}. To summarize, an acceptable degree of power imbalance is necessary for energetic joint thriving and also for reducing the conflict potential and magnitude.

\begin{enumerate}
\item a Ian Wilkinson and David Kipnis, 1978, \textit{Interfirm Use of Power}, Journal of Applied Psychology, 63, 3, pp.315-325
\item a Coser L A, 1956, \textit{The Functions of Social Conflict}, Glencoe IL, Free Press

Both Quoted From Louis W. Stern and Torger Reve, 1980, Op. Cit, pg 58
\end{enumerate}
Rather the impact of power imbalance on the success of an exchange alliance is to be evaluated in relation with the need and necessity of the alliance to each of the parties in achieving the desired goals. In other words, the need of the alliance to the participating firms determine their respective abilities to either imbibe or react to the other partner’s endeavors to dominate them. Thus,

\[ H_4: \text{IN A SYMBIOTIC MARKETING AGREEMENT, THE ABILITY OF A PARTNER-FIRM TO ACCEPT THE POWER DOMINANCE OF THE OTHER PARTNER-FIRM IS RELATED POSITIVELY TO THE NEED OF THE ALLIANCE TO THE PARTNER-FIRM.} \]

1.2.1.5 GROWTH ORIENTATION AND FIRM PREFERENCE:

It is observed that the small scale firms prefer both bigger firms and equal sized firms for developing Symbiotic Marketing alliances. The wide disparity in the reasons identified by firms for preferring either a bigger firm or an equal sized firm, provides the base for categorizing them into two exclusive groups. The first group constitutes the firms which seek bigger firms, when they go for Symbiotic Marketing. The firms which prefer equal sized firms or smaller firms form the second group. The first group of firms have identified three fundamental reasons for their preference for bigger firms. They are:

1. technical information and help
2. more growth opportunities
3. financial aid in times of need.

1. Note In the study, the term "NEED" is used in a broader sense to include the importance of the alliance and the benefits accrued through the alliance. It may be recollected that Symbiotic Marketing is not inevitable to the participant firms. Thus, the term "need" can be perceived as the benefits accrued, rather the desperate need for developing the alliance.
A close observation of these three factors, makes it quite clear that these can be attributed to the growth aspirers. Though the first and third factors are the needs of every manufacturer, the growth aspirers appreciate their importance indomitably and assign higher priorities to these factors in their business operations. The second factor, i.e. more growth opportunities, is a direct reflection of their urge to exploit new opportunities in order to improve their business prospects. Thus, it is proposed to answer the following hypothesis through the present study.

\[ H_1 : \text{GROWTH ORIENTED FIRMS PREFER BIGGER FIRMS FOR MARKETING SYMBIOSIS.} \]

Similarly the second group of respondents, i.e. those who prefer equal sized firms or smaller firms, identified two reasons for their preference. They are:

1. no superiority and inferiority complexes among the symbionts.
   
   and

2. absence of intentions to enter each other's business.

The first reason is a manifestation of balanced power situation, where neither of the partner-firms is ready to accept dominating or subordinating positions. The second reason expresses their strong desire for avoiding new competition and for a secured state of business operations. Thus, these two factors describe the characteristics of survival oriented entrepreneurs. One of the implicit objectives of these firms is to reduce their operational expenditure through sharing, rather than aspire for overall growth of the firm. Further, they would practice sharing with only those entrepreneurs who do not pose any threat to their autonomy over business. They would, rather not prefer Symbiotic Marketing,
If they visualize any power imbalance in the agreement or potential for new competition through these agreements. Thus, these firms perceive Symbiotic Marketing as a strategy to improve profitability through controlled operational expenditure, rather than as an alternative strategy for exploiting growth opportunities. Thus, this attitude is hypothesized as below:

\[ H_0 : \text{SURVIVAL ORIENTED FIRMS PREFER EQUAL SIZED OR SMALLER FIRMS FOR MARKETING SYMBIOSIS.} \]

1.3 OBJECTIVES OF THE STUDY:

The present study is conducted with the following three scientific objectives that aid in improving the theoretical understanding of the concept and the six objectives that have directed the survey efforts.

1.3.1 SCIENTIFIC OBJECTIVES

The scientific objectives of the study are:

1. to examine the latent meanings of the definition of Symbiotic Marketing.

2. to examine the conceptual base of the various dimensions of a Symbiotic agreement

3. to analyze conceptually the possible relationships among different measures of Symbiotic Marketing

and

4. to examine the concepts in the light of empirical evidence

1.3.2 SURVEY OBJECTIVES:

The primary data for the study is collected through a survey, with the following objectives:

1. to examine the nature of existing cooperative efforts of the Small Scale Sector
2. to examine the *perceptions of the Small Scale Entrepreneurs* towards the concept of Symbiotic Marketing
3. to examine the various *criteria for selecting a Symbiotic Partner*
4. to identify the *obstacles to Marketing Symbiosis in* the Small Scale Sector
5. to suggest suitable *Policy measures* to expand Symbiotic Marketing and
6. to test the following hypotheses.

**HYPOTHESES**:

\[ H_1 : \text{THE DEGREE AND EXTENT OF MARKETING SYMBIOSIS, BETWEEN TWO ORGANIZATIONS ARE DETERMINED BY THE MARKETPLACE RELATIONSHIP BETWEEN THE TWO ORGANIZATIONS.} \]

\[ H_2 : \text{THE MORE IMPORTANT A MARKETING RESOURCE OR FACILITY IS TO THE SUCCESS OF AN ORGANIZATION, THE LESS IS THE FIRM'S WILLINGNESS TO SHARE THE RESOURCE OR FACILITY WITH OTHER FIRMS} \]

\[ H_3 : \text{"SYMBIOTIC MARKETING INCREASES THE COMPETITIVE ADVANTAGE OF THE PARTICIPATING FIRMS OVER THEIR RESPECTIVE COMPETITORS."} \]

\[ H_4 : \text{IN A SYMBIOTIC MARKETING AGREEMENT, THE ABILITY OF A PARTNER-FIRM TO ACCEPT THE POWER DOMINANCE OF THE OTHER PARTNER-FIRM IS RELATED POSITIVELY TO THE NEED OF THE ALLIANCE TO THE PARTNER-FIRM.} \]

\[ H_5 : \text{GROWTH ORIENTED FIRMS PREFER BIGGER FIRMS FOR MARKETING SYMBIOSIS.} \]

\[ H_6 : \text{SURVIVAL ORIENTED FIRMS PREFER EQUAL SIZED OR SMALLER FIRMS FOR MARKETING SYMBIOSIS.} \]

**1.4 METHODOLOGY**:

The methodological aspects of the study are discussed hereunder.

**1.4.1 PILOT SURVEY**:

A pilot survey of about 20 Small Scale entrepreneurs has been conducted to aid in developing the design for descriptive and causal research.
The pilot survey is conducted through a partially structured questionnaire augmented by in-depth interviews with the respondents. The sample units are chosen conveniently from three industries. viz.

(a) Processed Foods (excluding marine, edible oils, etc.)
(b) Cosmetics & Toiletries and
(c) Pharmaceuticals (excluding bulk drugs).

The pilot study has guided in establishing the relationships among a few specified measures of Symbiosis which have already been presented, while discussing the research problem. The two important findings of the pilot study that have aided in designing the present study are narrated herebelow

1. Though pharmaceuticals industry can be broadly categorized into the consumer non-durables group of industries, there exists wide differences in various marketing practices like channels of distribution, advertising, sales promotion programs and after sales services, from those of the other two industries considered in the present study. Thus, in the final study, Pharmaceuticals industry is dropped and the total sample is selected from the other two industries, viz. Cosmetics & Toiletries industry and Processed Foods industry.

2. The study findings have facilitated the researcher in organizing the respondents into two groups i.e. the Small Scale entrepreneurs who perform all the marketing activities and those who do not. The first group of the respondent possesses a comprehensive knowledge of different marketing activities, the requisite skills and their relative importances, because they market their produce on their own on a specific brand name. The other group of the respondents produce
for other manufacturers and do not own a specific brand name. The information provided by this group of respondents in respect of Symbiotic Marketing requires a high order of validation, for they lack the first-hand experience on the practice of various marketing activities. This finding enabled the researcher in defining the criteria for selecting the final sample units.

1.4.2 POPULATION:

The study has been mainly carried out by empirical investigation through the collection of primary data from the entrepreneurs in the Indian states of Andhra Pradesh and Tamil Nadu, operating in the industries of

1. Processed Foods (Biscuits, Confectionery, Soft drinks, ready mixes, Nut powder etc.) and

2. Cosmetics and Toiletries

The data from these two industries are significant for the study, as they have to have greater marketing role for business success. The sufficient knowledge about the operationalities of these activities acquired through practice will enable them to visualize the scope as well as the potential problems involved in the practice of Symbiotic Marketing. Thus, the population for the present study consists of “all the Small Scale Units operating in the states of Tamil Nadu and Andhra Pradesh in Processed Foods and Cosmetics & Toiletries industries, which undertake the marketing of their produce on their own under a registered or specified brand name”.

1.4.3 SAMPLE SIZE AND STRUCTURE:

A multi-stage stratified sampling approach is adopted in designing the structure of the sample. Primarily the research sample is stratified on the basis of the geographical zones into two major strata, viz. Tamil
Nadu and Andhra Pradesh. Each of these strata is further classified into two minor strata based on the type of industry they belong to i.e. processed foods industry or cosmetics and Toiletries industry. Thus, the total research sample has been organized into 4 strata. Figure 1.1 pictorially exhibits the structure of the research sample.

The standard statistical techniques in determining the sample size requires the knowledge of a few population parameters like population mean, size of the population, and degree of homogeneity of the population\(^1\), which are not available for the present study. The central limit theorem is a more applicable alternative approach in determining the quotas for each of the stratum in the sample. The theorem recommends that a minimum of 30 sample units are required for using the normal distribution as an approximation to the sampling distribution, though the normalcy can be achieved even with samples of 15\(^2\). "The significance of the central limit theorem is that it permits us to use sample statistics to make inferences about population parameters without knowing about the shape of the frequency distribution of that population\(^3\). Thus, 30 units from each of the four strata are fixed as quota. Finally, the sample size is settled at a total number of 111 units based on logistic considerations.

1.4.4. **SAMPLING METHOD** :

The workable Sampling Frame or Working Population, from which the final sample is chosen, could not be developed in the study for the non-availability of an extensive list of the units satisfying the sample

3. Ibid Pg 295
THE FINAL RESPONDENT UNITS ARE SELECTED RANDOMLY

FIGURE 1.1
selection criteria. This necessitated the researcher to refer to different other sources for the requisite information about the sample units. The lists of units published in the local yellow pages have been one of the potential sources of the information. Similarly, the necessary information is collected through various retail shop owners operating in the specified cities/towns and such geographical zones to identify the final sample elements. Consequently, the sample elements are selected through a convenient sampling approach. But, before a unit is considered for collecting the primary data, its eligibility has been assessed against the following three criteria.

1. The unit is operating in either of the two specified industries viz., Processed Foods Industry or Cosmetics & Toiletries Industry.

2. The unit possesses a brand name, and the total or a major portion of the produce is marketed on the unit's brand name. In other words, the unit is not producing the goods for another manufacturer or a marketer and that the unit is directly involved in the marketing of their produce.

3. The product is marketed over a relatively wider geographical market through an external network of retailers. More specifically, the product is not sold only through the outlets owned by the units, but are distributed to the individual retailers dispersed over a geographical zone.

1.4.5 DEFINITIONS OF THE CONCEPTS USED:

The following few paragraphs define the different concepts used in the process of assessing the relevant measures.
1.4.5.1 SCOPE OF COOPERATION:

The scope of cooperation is the degree or amplitude to which two independent firms can share the various marketing resources. The measure ‘scope of cooperation’ for an activity is defined as “the degree to which the symbionts can share the marketing facility”. In the present study, the scope is measured individually for all the eleven marketing resources considered. Further, the scope in these eleven specified marketing facilities is measured separately for the three marketplace relationships, viz. Complementary, Competitive and Unrelated product manufacturers. The variable is operationalised on a five point semantic scale with “1” representing “Cooperation Not Possible” and “5” representing “Maximum Cooperation Possible”. The numbers represent the scores assigned to these scale points. The intermediate three scale points are given 2, 3 and 4 scores, respectively, according to the ascending order of the responses.

1.4.5.2 IMPORTANCE OF A MARKETING ACTIVITY:

The importance of a Marketing activity is the “degree of emphasis or seriousness with which the activity is performed” as a part of their business operations. The relative importance of different marketing activities manifests in the priorities given to the activities in the successful conduct of the business. But, the study attempts to identify the absolute importance given to each of the ten specified marketing resources, without comparing with other marketing resources. It is measured on a 7-point semantic type scale with end points defined as “Least Important” (1) and “Most Important” (7) The figures in the parentheses denote the scores assigned to the respective scale points. The intermediate scale points are awarded 2, 3, 4, 5, and 6 respectively in the ascending order.
1.4.5.3 POWER IMBALANCE:

The most reliable method of answering the hypothesis is by correlating the degree of "need" of the alliance for a few alliance cases with actual levels of dominance in these alliances. But, in the absence of sufficient number of resource sharing practices, the study has to depend on the opinions of the prospective adopters of Symbiosis. The perceptions of the respondents are collected on ten statements that attempt to establish a relationship between the "acceptance" of the power dominance and the "need" of the alliance to the responding firms. Of these ten statements, the first three represent three possible final states of dominance, i.e. being dominated, dominating the other firm and maintaining parity in power, without clearly specifying any reason. But, the remaining seven statements are phrased with the assumption that there exists a positive relationship between the two measures. Thus, higher levels of agreement with these seven statements provide answer for accepting the hypothesis and the lower levels of agreement provide scope for rejecting the same. Further, three out of these seven statements are developed on a reverse scale, to cope up with the acquiescence bias on the upper scale points. The responses are noted on a five point Semantic scale with end points defined as Strongly Disagree (1) and Strongly Agree (5), and the midpoint as Neither Disagree Nor Agree (3). The values in the parentheses denote the score points assigned to the respective scale points. The two intermediate scale points are assigned 2, 3, and 4 score points respectively. The final scores for the reverse scaled items are corrected before the data is analyzed.

1.4.5.4 COMPETITIVE ADVANTAGE:

Competitive Advantage is mainly assessed through two - competitor
centered and customer centered, groups of methodologies. But, both these groups are relevant and operational, in the life situations while analyzing, their respective competitive positions. But, the present study is largely based on the perceptions of the Small Scale entrepreneurs, because very few entrepreneurs are practicing Symbiotic activities. So, the ability of the strategy to provide competitive advantage is also assessed through the perceptions of the entrepreneurs. Their perceptions are collected as “the degree of agreement” with nine separate statements. Totally eight different advantages like reduced marketing expenditures, acquiring new resources, overcoming strategic weaknesses, providing better service to the customers, achieving higher rate of profitability, more efficient performance in marketing activities, ability to serve more market segments and more aggressive advertising and promotion program are focused through these eight statements. Each of these statements are suffixed with a phrase “which are not available to the competitors”, to enable the respondents in assessing the availability of the same to their respective competitors. Further, the ninth statement attempts to measure their perceptions about the probability of their competitors also adopting the strategy. The responses for all the statements are noted on a five point semantic scale with end points defined as Strongly Disagree (1) and Strongly Agree (5) and the mid-point as Neither Disagree Nor Agree (3). The figures in the parentheses are the score points, assigned to the respective scale points. The intermediate scale points are awarded 2 and 4 score points, respectively. To reduce the acquiescence bias on upper scale points, two items are reverse scaled. But, while analyzing the data, the items are corrected to their original scores.

1.4.5.6 GROWTH ORIENTATION:

The study identifies a firm as *Growth Oriented* when:

1. the firm perceives the product, it manufactured is in the growth stages of the product Life Cycle,
2. the firm plans to increase its sales in the next 3-5 years.
3. the firm has the potential to grow in terms of production capacities.

Similarly, a firm is identified as *Survival Oriented* when:

1. the firm perceives that the product is in the matured or decline stages of product Life Cycle,
2. The firm does not plan to increase its sales in the next 3-5 years.
3. the firm does not have the potential to grow in terms of production capacities.

In accordance with the definitions adopted, the Growth Orientation or the Survival Orientation of a firm is measured through the following moderator variables. All these sub-measures use only nominal scales in noting the responses, which are finally given "scores".

**Life Cycle Stage of the product**: Six statements representing six stages in a product Life Cycle are presented in a question. The respondents are asked to select the statement that better explains their perceptions about the current status of the product they manufacture. The six statements are different combinations of two major parameters. They are 1. *AGE of the product* (New, Relatively New, Relatively Old, Old and Very Old) and 2. *GROWTH Stage of the product* (Slow, Rapid, No Growth, Decline). Table 1.1 presents the six combinations applied in the present study and their relative scores.
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Stage of the Product Life Cycle</th>
<th>Score for 'Age' Dimension</th>
<th>Score for Growth Dimension</th>
<th>Total Score for the Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The product is new, sales growth is slow and few people have tried it.</td>
<td>5</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>The product is relatively new, sales growth is rapid, there are still many people who have not tried the product.</td>
<td>4</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>Sales growth is rapid, most people have tried the product.</td>
<td>3</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>Sales growth is slow, most people have tried the product.</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>Sales have stopped growing, most people have tried the product.</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>The product has been in the market for a long time, sales are declining.</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

**Table 1.1**

Stages of the Product Life Cycle Used in the Study.
Plans to Increase the Sales: The respondents' plans of the respondents to increase the sales of their product are assessed through two questions. Both the questions use nominal scales in noting their responses. Firstly, a filter question is used to differentiate the entrepreneurs who "intend" to increase their product sales from those who "do not" and/or "undecided". The second question requests the respondents to mention their plans as to how they intend to increase their product sales. Four alternative answers like, through general industry growth, by entering new markets, by undertaking aggressive product promotion programs and by promoting new products, are provided with the question. They are allowed to identify other methods of increasing their product sales, but no additions are made to the list. Further, the question is asked to all the respondents to identify the acquiescence bias to the earlier filter question. Here, it is dealt through the first alternative response that assigns the intended increase to the general industry increase, rather than to the real endeavors to increase the sales of their product.

Production Potentialities: The growth orientation of a firm can also be assessed from two aspects of production activities, the current utilization of the existing production capacities and the intentions to change the capacities. The first aspect is measured through a question asking the respondents to notify the present utilization in per cent of their total production capacity. Their intentions to change investment in production facilities are noted through another question. The broad guidelines followed in establishing the relationships among the answers to the questions are presented in Figure 1.2. The final score of the

1 The Pattern is presented in more detail in Appendix - D. This also presents the methodology adopted in assigning the score to different answers.
BROAD GUIDELINES FOLLOWED IN ASSESSING THE GROWTH ORIENTATION OF A FIRM

Diagram:

Does the firm have any plans to increase its sales?

- Yes
- No

Is it true that the firm has no plans to increase its sales?

- Yes
- No

No, the firm undertakes deliberate efforts to increase its sales

- Yes
- No

If so, does it possess the production capacities to meet the grown sales?

- Yes
- No

The firm is considered as survival oriented

- Yes
- No

Does the firm have the required production capacities?

- Yes
- No

Firm is considered as growth oriented

Figure 1.2
respondent firm for the 'Growth Orientation' measure is the sum total of all the sub-measures presented in the earlier discussion.

\[
GO = 5TG + INS1 + INS2 + INS3 + INS4 + INS5 + PRD1 + PRD2
\]

The firms are finally discriminated as Growth Oriented or Survival Oriented depending on their final total scores. For the purpose, the average score is calculated from the grand total of the final scores. If the final score of a respondent firm is greater than this grand average score, the firm is classified as Growth Oriented. When individual total score is less than the grand average score, the firm is classified as Survival Oriented.

1.5 INSTRUMENT DEVELOPMENT:

A structured questionnaire is used while collecting the primary information from the respondents. The questionnaire is originally developed in the English Language. But, is later translated into Tamil and Telugu languages to suit the requirements of the respondents. The translated instruments are pretested with a few entrepreneurs for improving the comprehensibility of the questionnaires, which are cross-checked with the original English Version. The need for a structured questionnaire can be understood in the light of two major issues.

1. The respondents are largely unaware of the concept. So, all the

---

1 GO = Individual firm's Total Score on Growth Orientation
STG = Score of the perceived Life Cycle Stage of the product
INS1 = Score of Firm having plans to increase its product sales
INS2, INS3, INS4 & INS5 Scores of four methods of increasing the Sales
PRD1 = Score of Utilization of the existing Production Capacities
PRD2 = Score of Intentions to change the existing Production Capacities
respondents may not perceive the concept with similar interpretation. A structured questionnaire is an effort to make the respondents understand the concept with almost same interpretations.

2. A single interview for relatively short time periods, may not allow the respondents to consider all the practical aspects and the consequences in adopting the concept. A structured questionnaire exposes the respondents to a set of predefined measures, enabling the researcher in comparing the responses.

A Pilot survey is conducted with the following two major objectives.

1. To explore the possible relationships among variables of symbiotic agreements for the purpose of testing them through the final study.

2. To test the integrity and validity of the questionnaire. The questionnaire used in the pilot survey is semi-structured with good scope for in-depth subjective interviews with the respondents. The survey findings with theoretical values have already been discussed while defining the research problem and the research hypotheses. The pilot survey also helped in updating the structure of the questions and in redefining the scales for certain variables. This pretesting revealed that measuring the perceptions of the entrepreneurs, through ordinal variables is more realistic from both the researcher's and the respondents' viewpoints. Moreover, within the limited time allowed by the respondent entrepreneurs, easily understood and clearly defined ordinal scales are more feasible than the more precise, but complex and time-consuming interval and ratio approximating methods. Further, use of interval or ratio scales is rather difficult in measuring the perceptions, as clearly defining the scale points is not far from impossibility. In addition, nominal scales
do not allow the researcher to apply various statistical techniques in analyzing the data. The scales indirectly help the researcher in motivating the respondents to participate in the survey. Thus, the data collecting instrument in the present study utilizes only nominal and ordinal types of scales. From among the various types of Ordinal scales, only Likert-type and Semantic-type scales are adopted for ease of scale definitions. The choice between Semantic and Likert scales is made depending on the number of scale points and the ease in understanding the definitions of the scale points. When the number of scale points are more than five, Semantic method is adopted, so as not to confuse the respondents with too many definitions. Similarly, when the definition of the scale points are few Likert type scales are used, as the definitions would enable the respondents to answer the questions with clarity.

The questionnaire is organized into 5 sections seeking information on 5 different aspects of the study. The first section obtains profile information of the organizations like name and address of the firm, the number of products manufactured by the firm, types of industries the firm belongs to, number of employees and personal information of the respondent like his name and designation, age, experience and academic qualifications. This section is split into two parts with the first part at the beginning and the second part at the end of the questionnaire. This method is adopted to save time during the preliminary stages of the interview and to enable the respondent to concentrate on the important aspects of the study. The second section deals with the Marketing Practices of the respondent firms. Here, the respondents are asked to specify the level of importance they assign to specified business functions as well as to the marketing activities. The section also obtains information on the specified marketing problems, the marketing expenditures, and perceived marketing strengths and weaknesses. The
third section relates to the Concept of Symbiotic Marketing. It obtains information on the possibility of two competitors or non-competitors sharing in different business functions. It is continued with questions on their preferences for sharing, the possible degree of cooperation between two competitive, complementary or unrelated product manufacturers in different marketing activities and their attitude towards growth of their firm. The section ends with two sets of statements on Power Dominance and Strategic Advantages of Symbiotic Agreements.

The fourth section relates to the alliances, if any, in which the respondents are involved. The fifth section collects information on the partner selection procedure. Here, various aspects like method of selecting a partner-firm, importance of identifying alternatives, the perceived reliability of various information sources, their preferences over the size of the other firm, various criteria considered in evaluating the alternatives and other related aspects are probed into. The pilot survey disclosed about 31 different criteria in evaluating the alternative partner-firms. For ease of the respondents, each of these criteria is printed separately on a 2" x 2½" card. These cards are given to the respondents and are requested to specify the degree of importance they assign to each of these criteria on a five point semantic scale.

1.6 DATA COLLECTION :

The Scheduling technique is adopted in collecting the primary data, by personally administering the fully structured questionnaires to the respondents. As the concept is relatively unknown to the respondents, a continuous feedback with timely examples, enabled the respondents in comprehending the concept without ambiguities and answer the questions with clarity.
Moreover, through scheduling, the researcher can make sure that the respondents have comprehended the question with same connotation, as is intended by the researcher. A total of one hundred and eleven Small Scale Units are surveyed from the manufacturing sector for the study. The state-wise and industry-wise distribution of the sample units is presented through Figure 1.3. This total sample includes fifty four units operating in Andhra Pradesh and fifty seven Small Scale units operating in Tamil Nadu. The fifty four units surveyed from Andhra Pradesh consists of twenty three units from Cosmetics & Toiletries industry and thirty one units from Processed Foods industry. Similarly twenty seven units from Cosmetics & Toiletries industry and thirty units from the Processed Foods industry constitutes the fifty seven units surveyed in the state of Tamil Nadu. Industry-wise, a total of fifty units are surveyed from the Cosmetics & Toiletries industry from both the states, whereas sixty one units are surveyed from the Processed Foods industry.

1.7 SCOPE OF THE STUDY:

The study is mainly limited to manufacturing sector of the Consumer non-durables group of products. The industrial domain of the study is exhibited in Figure 1.4. Further the study considers only specified operating resources for marketing. These are 'the marketing facilities or activities that aid in the final execution of the grand marketing strategy'. The following operating resources for marketing are identified for the present study:

1. APPENDIX 'B' Presents the list of 111 sample forms, with their addresses

SAMPLE DISTRIBUTION

STATE-WISE

Fig. 1.1a

INDUSTRY-WISE

Fig. 1.1b

ANDHRA PRADESH

Fig. 1.1c

TAMIL NADU

Fig. 1.1d

<table>
<thead>
<tr>
<th>Industry</th>
<th>ANDHRA PRADESH</th>
<th>TAMIL NADU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foods</td>
<td>57%</td>
<td>53%</td>
</tr>
<tr>
<td>Toiletries</td>
<td>43%</td>
<td>47%</td>
</tr>
</tbody>
</table>
INDUSTRIAL DOMAIN OF THE STUDY

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Manufacturing</th>
<th>Processing</th>
<th>Trading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of goods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Durable</td>
<td>Study Domain</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Durable</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 14
1. **Marketing Research Programs**
2. **Physical Distribution Facilities**
3. **Distribution Channels**
4. **Overall Demand Improvement Programs**
5. **Demand Estimation Programs**
6. **Product Sales Promotion Programs**
7. **Order Booking Agents**
8. **Sales Force**
9. **Door-to-Door Selling Programs**
10. **Sales Representatives' Training and Development**

The other operating resources for marketing like Direct Selling, After Sales Service facilities etc., are not included in the present study. It is generally observed that these activities are undertaken only by a very few respondent entrepreneurs in both the industries considered. Thus, these activities are purposefully eliminated from the purview of the present study. Further, two of the major marketing assets of a firm are "**Marketing Knowledge & Expertise and Brand Image or Loyalty**". The present study considers only the former asset i.e. Marketing Knowledge and Expertise. But, sharing of the second asset, Brand Image or Loyalty, means extending the Brand Name to all the products of the Symbiopts, which is studied through the Brand Extension concept. The concept cannot be included in Symbiotic Marketing, for one of the participating firms is deprived of its marketplace identity by extending the brand of the other partner-firm.

1.8 **LIMITATIONS OF THE STUDY**:

There are several limitations in the present research in spite of the great care taken in designing and executing the study. Many of these limitations provide a basis for future research. Here, four major
limitations that can influence the results of the present study are presented. One of the basic limitations is that the present work is carried out in the absence of a well established conceptual framework of Marketing Symbiosis. Though, the research has lead to the development of a model to explain the nature of symbiotic marketing relationships, the model itself may have ignored different issues. The existing literature on the concept has been sporadic. Hence, systematic delineation of the factors influencing Symbiotic Marketing has not been made earlier. As such in this research, it is assumed that those factors have insignificant impact on Marketing Symbiosis. In fact, the framework developed for the study has served successfully the purpose of guiding the design of the methodology and the empirical testing of the hypotheses formulated. The empirical findings of the study have contributed to strengthening the proposed theory of Symbiotic Marketing.

The second limitation concerns the data collected for the study. The study is based on the perceptions of the respondents towards Symbiotic Marketing. A large section of the Small Scale entrepreneurs has no exposure to the concept prior to the study. Thus, answers provided by the respondents may be biased. The limitation has been identified through the pilot survey, and the study is redesigned to measure the perceptions of the respondents, towards the strategy, instead of their propensity to adopt the strategy into their marketing activities. The study may be found as generating enthusiasm and interest among the Small Scale entrepreneurs, that encourage them to collect more information about the strategy and its operationalities.

The third limitation relates to the technique adopted in collecting the data. As most of the respondents are not exposed to the concept earlier, a continuous feedback in their comprehending the concept properly, has become an inherent need of the data collecting procedure.
Thus, scheduling technique is adopted in collecting the primary data from the respondent Small Scale entrepreneurs. Though, requisite care has been taken by the researcher to be objective in the data collection process, the possibility of an element of researcher's bias affecting the results of the study may not be completely ruled out.

The fourth limitation concerns the findings of the study. The research results can not be extrapolated to the entire Small Scale Industry in India. Primarily, the study is restricted only to two industries, viz., Processed Foods Industry and Cosmetics & Toiletries Industry. These two industries may be clubbed together under a major head-'consumer non-durables industry.' Quite obviously, the objectives, requirements and importance of marketing functions differ widely for different groups of industries. Secondarily, the study is limited to the states of Tamil Nadu and Andhra Pradesh for time and logistic considerations. The empirical findings of the study prove that there is no significant difference in the perceptions of entrepreneurs operating in these two states. But a comparative study of one or more states from different regions of the country would provide a stronger base for extrapolating the study results to the entire Small Scale Sector in India.

1.9 SIGNIFICANCE OF THE STUDY:

The study makes three major contributions to both theory and practice of Symbiotic Marketing. First, as mentioned in earlier sections, the studies on symbiosis have been sporadic. The existing literature is also limited only to the conceptual discussions on Symbiotic Marketing, drawing analogies from a few real-life marketing episodes. But, the literature has failed to establish a framework for an easy understanding of the concept, and its practical implementation. The studies have
not probed into the operationalities of the concept and similarly have left many ambiguities unclarified relating to its practical implementation. For example, questions like when is Symbiotic Marketing more beneficial, among whom it is more effective, and what are the different marketing activities that can be efficiently shared, have not been answered in the earlier studies. The present study is an effort to answer some of these questions. The study develops a framework for a comprehensive understanding of Marketing Symbiosis. The model developed for the study incorporates Domain similarity, Intimacy, Multitude, Extent, Duration, Direction, and Axis dimensions of a Symbiotic Agreement.

Second, the existing literature conveniently assumes that the entrepreneurs are aware of the concept and that they possess positive attitude in adopting the strategy. Symbiotic Marketing has not been considered as an alternative strategy by many an Indian marketer. The inherent advantages of the concept amplifies the significance of the strategy in the current competitive marketing environment in India. The concept has more relevance to the Small Scale Sector characterized by limited resources and limited scope of activities. The present study contributes to this aspect by providing two types of information. Primarily, the study measures the perceptions of the Small Scale entrepreneurs towards Symbiotic Marketing. In other words, the study aims at closely assessing their attitude as to whether they have a positive understanding of the concept and the related advantages. The information is essential for designing any program to facilitate the adoption of the strategy with ease. In addition to this, the study also provides preliminary information on the prevailing interfirm cooperative activities in the sector. Secondarily, the study identifies the different hurdles that inhibit the Small Scale entrepreneurs from practising Symbiotic Marketing.
The information helps the policy makers as well as entrepreneurs to overcome these hurdles through a concerted effort, and so as to further the adoption of the concept by the Small Scale entrepreneurs.

The third contribution of the study relates to the partner-firm selection procedure in the practice of Symbiotic Marketing. Selecting a more amenable and suitable partner-firm is important for the enhanced effectiveness of the alliance, as it influences the mix of resources, facilities and the skills required for the efficient execution of the agreement. The present study identifies the various criteria against which the alternative partner-firms may be evaluated, with special relevance to the Indian Small Scale Sector. The study also proposes a systematic model explaining the various steps involved and their relative importance, in selecting a more compatible partner-firm for greater mutual benefits through Symbiotic Marketing.

1.10 CONCLUSION:

The need for integrating India's economy with that of the world is greater than ever before. This necessitated major changes in the industrial policy of the country, making it more attractive to the multinational and transnational organisations. As a result, the competition in the Indian markets is intensified and the Indian marketers are required to adopt innovative practices like Symbiotic Marketing, to cope up this competition. The current chapter identifies the need for a study on the concept of Symbiotic Marketing, while defining the research problem. The study collects the opinions of 111 Small Scale entrepreneurs, operating in the Indian states of Tamil Nadu and Andhra Pradesh, in

the Cosmetics & Toiletries industry and Processed Foods industry. A fully structured questionnaire is scheduled to the respondents for collecting the primary. The chapter ends with a note on the Limitations and significance of the study. This discussion on the methodology adopted for the study, is continued with a discussion on the concept of Symbiotic Marketing, in the following chapter.