Chapter – VII

Marketing of Products Produced by Women Entrepreneurs and problems associated with it.

Introduction:

Marketing starts with human needs, wants and demands. The consumer chooses the product which will satisfy his need. The choice involves the selection from among a number of products, the price of the product and expected satisfaction. In this case, the consumer precisely obtains the desired product in exchange of something in return. An exchange is termed as a value creating process; in which both the parties involved get better of due to it. (1)

Definition of Marketing:

The word market derived from the Latin word “Marcatus” meaning goods or trade or a place where business is conducted. The term marketing is defined as a “business activity planned at satisfying to a reasonable extent, consumer or customer needs and wants, generally through an exchange process.” (2) Kotler defines marketing as “a social and managerial process by which individuals and groups obtain what they need and want through creating, offering and exchanging products of value with others.” (3)

As per definition by the American Marketing Association (AMA), marketing is “the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy individual and organisational goals.” (4)

2. ibid” p. 3
3. ibid” p. 3
4. ibid” p. 3
Market is the place where buyers and sellers gather to exchange their goods. With this concept of markets, it is seen that marketing means working with markets to actualise potential exchanges for the purpose of satisfying human needs and wants.

To meet the exchange process in the market, considerable skill and work is put by one party to the transaction. To bring in the desired response from the other party in a market, the marketer has to analyse, plan, implement and control activities.

Market is a social and economic institution which performs activities and provides infrastructure for exchange of commodities between buyers and sellers. A market is not confined to a particular geographical location, it exists wherever the fundamental forces of demand and supply exist.

Marketing activity presently dealt with focussed on the commercial transaction between a seller and a buyer. The seller offers his/her commodities to the buyer to satisfy his/her needs and wants. The buyer purchases the commodity or services as per his/her need and demand. (5)

The following diagram has shown the interaction between seller and customer in a marketing system.

![Diagram No. VII: 1](image)


5. Badi R.V. and Badi N.V.. “ibid” p. 7
The framework or environment in which marketing activity takes place is within and outside the buyer and seller organisation some are controllable and some uncontrollable variables. Some variables can be controlled by the seller that is one can plan, organise and perform- whereas there are variables which are beyond the control.

The controllable variables are planned and their levels of intensities are used to influence the target market. This is called the marketing mix. E.J. Mc Carthy developed the marketing mix, which consists of the five Ps- Products, Price, Packaging, Place and Promotion.

5 Ps and the variables in each of these Ps 15 as below:

<table>
<thead>
<tr>
<th>Product</th>
<th>Price</th>
<th>Packing</th>
<th>Place</th>
<th>Promotion</th>
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<tbody>
<tr>
<td>Quality</td>
<td>Price List</td>
<td>Lot Size</td>
<td>Retail outlets</td>
<td>Advertising</td>
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<td>Options</td>
<td>Discount</td>
<td>Durability</td>
<td>Channels</td>
<td>Personal</td>
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<td>Selling</td>
<td>Allowance</td>
<td>Appeal</td>
<td>Coverage</td>
<td>Sale</td>
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<td>Features</td>
<td>Payment Period</td>
<td>Ease in handling</td>
<td>Inventory</td>
<td>Publicity</td>
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<td>Promotion</td>
<td>Credit term</td>
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<td>Brand name</td>
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Marketing is an important and integral part of any enterprise. It follows goals of the organisation.

The 'selling concept holds that, if left alone, a customer ordinarily not buys enough products of the organisation. The organisation must, therefore, go for aggressive selling and invest in promotional campaigns. This is a common man’s approach. The aim is to sell what an organisation makes rather than make what the market wants.
On the other hand, marketing is a business philosophy that is opposed to the selling concept. The marketing concept holds that the key to achieve goals of an organisation consists of being more effective than its competitors in evolving and executing marketing activities towards determining and satisfying the needs and wants of target markets.

**Rational of Marketing with Entrepreneurship:**

The services are directly transferred from service provider to service user. There is complete absence of intermediaries unlike product marketing. Therefore there is every logic to term “Entrepreneurship Development Programme” as a service provided to the society as it involves transfer of training and strategy to the participants. It has been rightly observed that marketing jobs is to convert societal needs into profitable opportunities. The objectives of institution should have been on scientific marketing of programme with an ulterior motive of societal growth and development.

Marketing of service is another term, which can be associated with Entrepreneurship Development Programmes, designed to reach out to the customer. “A service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tried to a physical product, services are: (6)

**Intangible:** Usually services are intangible. They cannot be seen, tasted, felt, heard or smelled either before purchase or after being purchased. The service quality is the only criteria for drawing inferences. Such inferences are also drawn from place, people, equipments, communication material, symbols and price.

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**Inseparable:** Service are produced and consumed simultaneously quite in contrast with physical goods. Physical goods are manufactured and distributed through middlemen. Whole seller retailers and through multiple channels on their way to ultimate consumption. In services the person providing the service, does it so directly to the client. The presence of service provider and users and the interaction between them is a special and unique feature of service marketing.

**Variability:** Services are highly variable. It depends on who provides the service and the time and place of providing the service. The service buyer at most times are aware of this variability and frequently discuss with others before selecting a service provider. Quality control is a step by service firms for bringing in uniformity. Selection of good personnel with training is thought to be good. Standardizing the service performance process throughout the organisation is another step in this direction. Monitoring customer satisfaction through suggestion and complaint system, customer services are some other techniques, which can be adopted by service provider for quality control.

The significant characteristic of service i.e. variability, responsible for differences in services by different organisation is a unique quality is itself. Though all Entrepreneurial training is termed Entrepreneurial Development Programme, programmes differ according to style of importing personal involved and the strategy of the institution in general.

These characteristics of services poses problem for marketing due to their uniqueness. Marketing Entrepreneurship Development Programmes stems from the wants of the society starved of industrial development. The word “marketing is deliberately
chosen to study the process of distribution of its benefits to the customers (entrepreneurs) in the society. Since entrepreneurial training expertise is a service, its marketing depends upon:

1. **Plan:** Planning services marketing is a strategic step, as societal needs come to the picture. The Entrepreneurship Development Programmes are required to be planned and marketed through appropriate media.

2. **Price:** Price is a variable which differs from institution to institution, due to various individual Scheme, importing skill, place of programme, timing goodwill etc.

3. **Promotion:** Promotion of Entrepreneurship Development Programmes is the essential ingredient of successful marketing. EDP's should reach its buyers, which results in effective feedback. If the participants are not properly selected the whole exercise becomes farce.

4. **Distribution:** Like Products EDP's cannot be distributed. It has to be done instantaneously, between the institution on one hand and the participants (buyers) on the other, at a time, simultaneously.

The service, i.e. EDP training which is being marketed, creates satisfaction or want fulfilment of the participants (consumers). This service is finally expected to create prospective entrepreneurs, ready to take on the economic development by various pursuits downloaded in the training. The feedback generated is either the entrepreneurial development or economic growth. Sometimes there is no entrepreneurial development inspite of training, sponsorship, incentives and concessions. It is the feedback of the trainers and the society that can give the trainers and the society which can give a fillip to
the whole programme. This model of marketing entrepreneurship programme to the
desired segments of the society is self-explanatory. It begins with the factors leading to
training needs and its impact generated by means of feedback. Professionalism has to be
incorporated thoroughly, in each and every aspect of Entrepreneurial Development
Programme’s from concept of the idea to implementation and specially on the impact on
society. (7)

Again marketing is one of the crucial factors affecting the fortune of any
enterprise, whether it is micro, tiny, small or large-scale enterprise and whether it is
located in rural, semi urban or urban areas. It does not matter what type of enterprises it is
and where it is located, but it is mainly concerned with the products(s) and the service it
is provided as per the need and satisfaction of the customer. In to days highly competitive
environment, marketing approaches work towards maximizing order volumes, enlarging
the customer base, introduction of new and innovative products, enhancing after sales
service and other several aspects, which directly or indirectly involves customers. Thus,
marketing has occupied a pivotal position or any business. Most of the management
thinkers are practitioners today view even marketing as the most important management
functions in any business.

In the context of present environment, success in marketing depends on
combination of several factors viz. ascertaining the changing needs of customers,
forecasting appropriate demands of the production, determining the extent of completion,
resolving an effective pricing policy, identifying a proper distribution network, chalking
out an efficient sales promotion and after sales service policy and understanding the local
marketing dynamics etc. Today, the marketing concentration has been shifted from

sellers markets to buyers market. This is mainly due to stiff competition among similar products in the market. (8)

Experience of Women Entrepreneurs of Udalguri District:

The field study reveals that handicraft, knitting, handloom weaving, grocery, stationery, cloth store, dairy etc., sale their products directly to customers. On the other hand poultry, piggery, etc. sale their products through retailers. It is also observed that majority of the surveyed women entrepreneurs do not adopt market promotional activities because of inadequacy of capital, because these inadequacies of information regarding marketing process also hampers the women entrepreneurs in expanding the market. There is a considerable time lag between sanction of loan and disbursement of loan to women entrepreneurs. It is also stated by the women entrepreneurs that after disbursement of fixed capital, it takes 3 to 4 months to release the working capital resulting in the payment of interest before starting their enterprise. The women entrepreneurs availing loan through NGOs, DIEs, KVIC that bank are clearing interest on the total amount disbursed including margin money, which is subsequently reimbursed by DIC and KVIC. As a result women entrepreneurs have to bear additional interest on loan amount. (9)

For marketing their product, women entrepreneurs are often at the mercy of the middlemen who pocket the chunk of profit. Although the middlemen exploit the women entrepreneurs, elimination of middlemen is difficult because it involves a lot of running about. Women entrepreneurs find it difficult to capture the market and make their product popular. This problem is all the more serious in the case of food production and processing ventures. (10)

Another discouraging feature of this study area is the lack of proper marketing facility due to which women entrepreneurs do not get satisfactory price for their product. Therefore the weekly markets should be organised for the villages at every 5 to 10 square kilometres distance so that they can easily buy and sell their farm inputs as well as farm products. Government should make necessary arrangement to set up Agriculture Marketing and Co-operation societies at these market places. These societies should buy the farm products from the entrepreneurs at remunerative prices when the prices of these goods fall, and sell certain goods at low price when their prices shoot up. This will encourage the entrepreneurs to go for the intensive farming, rearing as well as raise the productivity in their business concerned.

The new technique of farming involves investments of capital. And the entrepreneurs have to bear the burden of risk and uncertainty as soon as they invest capital in farming. This generally leads most of the entrepreneurs to think twice whether they should adopt the new technology in their farming or not. Therefore, in order to make the entrepreneurs free from such uncertainties, they should be given the insurance scheme facilities so that they can invest in the farming without a fear risk and uncertainty.

Marketing facilities are also not adequate in the area as a result of which the entrepreneurs do not get satisfactory price for their produce. There are hardly any agricultural marketing societies in the area. As a result, entrepreneurs have to sell their products at the local weekly market located at a distance not less than 3 to 5 kilometres from each village. Also, the price situations of products of the entrepreneurs are adversely affected by lack of proper road infrastructure. The main modes of transport of the entrepreneur’s product are bullock cart, trolley, bicycle etc. Many entrepreneurs do
not possess these transport facilities, have to carry their products to the market on their shoulders. Most of the entrepreneurs have to sell their produces to the local traders at very low price. This discourages the entrepreneurs and retards in boosting up their farms productive.

The study reveals that the unit set-up by trained and untrained women entrepreneurs was mostly micro enterprise. It was also observed that majority of trained women entrepreneurs started industrial venture while majority of untrained women are involved in business. It is obvious that industrial units utilize all sorts of resources and provides value added product to the society. One can get maximum benefit by setting up an industry and contribute to the economic growth and development. It was felt by the trained women entrepreneurs that EDP training was very helpful for them in selecting the industrial venture.

Marketing of the products was an important problem reported by trained and untrained women entrepreneurs. Marketing support should be provided to the women entrepreneurs. Government can help women at various levels.

Women should also be encouraged to work in groups for production as well as marketing of their product. Efforts in those directions can help women entrepreneurs in getting success in their ventures and improve their confidence. They will feel strong economically, socially and emotionally by managing enterprises in a helpful environment. It is important to become aware of competitive environment even in small enterprises in the current day context. Determined efforts from women entrepreneurs supported by congenial climate can bring about substantial result. Women’s participation
and improvement through economic activities can go a long way in speeding up industrialization of rural areas and small towns.

The erratic availability of raw materials and their rising prices present formidable difficulties in adhering to the schedules of production and maintaining the production cost ultimately they create serious problems at the sales stage. Small units, which fare well in normal times, hardly do anything to cultivate and develop their sales systematically. As a result of it, they suffer and shiver even with the slightest depression. The attitude of the rural industrial entrepreneurs towards selling their products is a crucial factor in the success and growth of their enterprise.

The main problem of these industries is that of low productivity and they could sustain only when the demand is generated by projecting the products as socially desirable. As the Nayadamma Committee has pointed out, these industries have to face stiff and unfair competition from large-scale organised units. The committee recommended establishment of Marketing Corporation to look into the problems of marketing.\(^{11}\)

Generally the women entrepreneurs of the tribal area do not know how to synchronise their skills with what the market want. They also suffer a competitive disadvantage from large-scale units. Due to shortage of capital and financial resources these units do not have adequate storage capacity and they often sale their products at lower price. Small scale industries are in no position to face the onslaught of large scale quality and cost sometime are not in a position to assess the prevailing market scenario or changes which are taking place with regards to tastes, liking, disliking, competition, technology etc. Moreover these enterprises do not possess the requisite expertise to adjust

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their operation according to the changed situation. It is also important for women entrepreneurs to know about the various marketing channels of their product. Marketing channels satisfy demand by supplying goods and services at the right time, place, quantity and price.

**Marketing Problems of Women Entrepreneurs of Udalguri District:**

The study revealed that the enterprises of this area were facing a number of problems while managing the unit. In relation to marketing there are some common problems that affected the entire units and there are also problems peculiar to one or two units. Besides, the severity of a particular problem varies from unit to unit. The general problems faced by the women entrepreneur in relation to their marketing of their products produced by them in this area were as follows: -

- Non-availability of finance and also non-receipt of timely payment from whole sellers, retailers and government department.
- High production cost due to high labour cost, materials cost, inventory cost, transportation cost etc.
- Frequent power failure.
- Lack of proper assistance and guidance from government department and other organisation.
- Lack of skilled personnel testing, improper management etc.

It was also observed that the growth and development of the enterprise in this area has been restricted due to certain other factors also. These are: -

- Unorganised production base.
- Lack of managerial skills.
❖ Inadequate and irregular supply of raw materials.
❖ Lack of modernization efforts.
❖ Lack of effective co-ordination.
❖ Diversion of capital for some other purposes.
❖ Lack of patience of the entrepreneurs.
❖ Under utilization of capacity.
❖ Non-availability of professional consultancy services.

Majority of women entrepreneurs reported that marketing as a major problem. They reported that they were facing though competition of mass-produced goods as such the products of women entrepreneurs were unable to stand the stiff competition. Since buyers are quality conscious, they go for brand name. Moreover, they did not maintain quality control. They also reported that sometime they have to depend on middlemen, which eat up their profit.

In relation to the marketing, obtaining finance to start an enterprise is another major problems faced by women entrepreneurs in this area. In our society males have power over females through control of property and household income since female economic independence is limited. This lead to lower status in relation to man and acts as a problem in approaching banks and other financial institutions for loans. Banks view women applicants as high risk compared to men, as they do not have faith that they will be able to repay the loan. As women lack the basic capital or any assets they have nothing to fall back on in case they are not successful in their business. For some reasons the banks do not have faith in women entrepreneurial activities.
Also family members and friends hesitate to sign as guarantors for women as they are not sure about whether the women will be successful in her business. In case the business falls apart they will have the responsibility of repaying the loan.

**Specific Marketing Problems faced by the Women Entrepreneurs:**

In addition to the general problems in relation to marketing faced by the women entrepreneur in this area, there are certain specific problems on marketing which hinder the growth of the enterprises in the district.

1. Stiff competition within the state.
2. Problems of long-term credit to dealers/wholesalers/retailers.
3. Lack of encouragement from dealers/wholesalers/retailers.
4. Lack of patronage from the Govt. departments and other organisations.
5. Lack of getting marketing and other related information.
6. Difficulty in getting packaging, labelling and other materials.
7. Others (finding proper linkage, law and order problems, procedural delays etc.)

It is reported that major marketing problems faced by the Women entrepreneurs in the district were stiff competition both from within and outside the state, followed by long term credit to dealers, wholesalers and retailers, lack of encouragement from dealers, wholesalers and retailers, lack of patronage from government departments and other organizations, lack of getting marketing information, difficulty in getting packaging and other materials etc.

In addition to the above specific problem, discussion with local officials, industry associations and experts revealed some other marketing problems.
These problems are: -

1. Inability to adjust to the changing market situations,
2. Difficulty in locating the potential market,
3. Lack of linkage scheme,
4. Difficulty in maintaining quality,
5. Limited sales promotional measures,
6. Delay in delivery of goods and services,
7. Inadequate information of marketing knowledge and skills.

Now-a-days marketing problem is common to all entrepreneurs. Most of the entrepreneurs, do not possess the knowledge of how to market their products and whom to contact for the purpose. As women, they face these marketing problems still more.

From the field study it is seen that the women entrepreneurs do not know how to market their products and some of the women entrepreneurs are facing heavy competition from big enterprises. Some of them stated that they are exploited by middlemen and find difficulty in collection of dues from credit sales. It is also seen that they are not having adequate sales promotion avenues. They also stated that they did not get any expert marketing advice.

Generally the rural markets are the main platform for display as well as trade of agriculture and non-agriculture products. There are total 33 of daily and weekly markets under the control of two Development Blocks of the district. There are also daily markets, which start daily from 7 a.m. to 12 noon and again from 2-00 p.m. to 8-00 p.m. The days and timings within the days are all determined by the customer group which from a major stakeholder group in the functioning of these markets. However, the customers are not
confined only to lower income group of this area. Middle and high-income group people also visit these market weekly purchase their needs.

Most of their products are traded within the district. However, there are some products, which go beyond the district through the middlemen.

**Transportation vis a vis Marketing Activities in the District:**

Transportation is also an essential part of marketing activities for any type of product. Different type of transport activities are involved for Business-to-Business (B2B) and Business to Consumers (B2C) needs. This is because goods are not consumed at the production place in totality. Most of the stages of production or portion of production has to be moved to different places and different regions. Transport is essential to move excess production and to get outside goods in case of shortfall in production of available food grains.

The road connectivity and the quality of roads in the district are very poor. This makes movement of outward and inward bound goods and humans difficulty, costly and time consuming for the women entrepreneurs. During the rainy season, it becomes all the more difficult. Government initiatives have not given enough results in this rural area. With road coverage and bad condition of roads, the women entrepreneurs have to use their own bicycle, thela, rickshaw, and sometimes the bullock cart has become an important source of transport for the purpose of purchase of farm inputs and sale of their products to the marketing centres. Transportation through these systems is costly and more time consuming for the women entrepreneurs in this area.
Due to scarcity of fund, the women entrepreneurs are not able to hire or buy large size carriers to transport their products directly to the markets. The hired transportation is very expensive.

For processed agro-products, rural industry products, dairy, poultry and other related products, the bigger market will be available in the urban areas and hence movement of goods is essential. Materials move from farms to primary wholesale markets or co-operative societies. In between, if any processing is involved, that is to be done for which material movement is essential. Next wholesalers buy lots in auctions and move the materials. From wholesalers to retailers and then to consumers, material movement is involved. The processing stage, transport quantum and mode may differ but some type of movement is involved and this function of transport is an essential part of marketing function.

Transportation has undergone continuous change since the last five decades. From bullock cart, horse driven tongas and manual trolleys, it has taken five decades after independence to improve the system. Even now bullock cart are used in rural area and the tongas and manual trolleys are not used much in areas. It can be expected that in the five years, animal-driven vehicles and manual trolleys will be replaced by mechanisation, automobiles rickshaws etc. Though the older system was giving more employment and helping to use the available resources, the system was very slow, inefficient, tiresome and inconvenient to use. Modern methods help to save time, effort, cost and enable to do a neat and clean job of high volume at our convenience.

In the marketing of farm products, a major portion of cost is incurred in transportation. In fact transportation and handling in case of farm products is multi-stage.
The cost of transportation is usually higher at the rural areas where bullock carts are used and roads are in bad shape. Whenever roads are good, trucks are used and the cost of transportation comes down and implicit cost of time and effort saving is unaccounted. Road conditions in an around village should be improved and they should be tarred to make them usable by at least tractors and tempos and to some extent heavy vehicles.

Transportation is an essential requirement for any commercial activity, be it sales or purchase. From very olden days to present day the transportation types, speed, efficiency modes have gone through lots of changes. Centuries ago human effort and animal use was only available for transport, slowly carts, improved carts, trolleys were made and levelling method was adopted.

Generally the automobiles, railways were the supportive of old methods. Since transport is an essential part of sales, the cost of transport is added in sales price. Hence, it is better to sell rural produce around the place or region. Longer distance sales are possible only if price is affordable. This is a dynamic area and there will be continuous efforts to improve. In future faster, safer methods will emerge.

Thus the problems of marketing faced by the women entrepreneurs of this District have created numerous hurdles for them.

To overcome the problems of markets the Government may consider developing common facility centres for meeting the needs of the women entrepreneurs as regards their problem of testing, quality control etc. Further there is need to adopt resource-based approach for promotion of the enterprises in this area and to make this approach successful, planned efforts will be needed to develop resources. Besides, establishing backward and forward linkages is required for having good impact. Cluster approach will
be very effective for promotion of the enterprises. Further to take care of the existing clusters, new cluster may be promoted for these enterprises.

Government and voluntary organization should conduct elaborate marketing training to women entrepreneurs. The government should give subsidies and concessions to women entrepreneurs to face price competition from big enterprises. It is suggested that the government should make reservation of certain products to women entrepreneurs. Government and women entrepreneurs associations should make arrangement for conducting Exhibitions and Conferences of women entrepreneurs. Government should also establish a women entrepreneur’s shopping complex for marketing their products. There is no doubt that the enterprises of women entrepreneurs of this area will grow and prosper and contribute to the economy of the district.

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