ABSTRACT

Micro, small and medium enterprises (MSME’s) are a major contributor to the economic growth of the country, with these businesses also being a major source of employment. The employment strength of the MSME sector is higher than that of big organisations. The MSMEs constitute more than 90% of total enterprises in most of the economies and are considered as creating the highest rates of employment growth and form a major share of industrial production and exports.

The Fourth all India Census (2007) states that A cluster in a district consists of 100 or more registered MSME units which are engaged in manufacturing the same product as per ASICC 2000 (at 5 digit-level). There were 2443 clusters covering 321 products in registered MSME sector. These clusters had a share of 45.92 % in total number of units, 34.85% in total employment, and 19.01 % in total Gross Output of registered MSME sector.

Entrepreneurial marketing occupies the interface between entrepreneurship and marketing, and assists as a roof for many of the growing perceptions of marketing. It is found to have seven features in total, four of the features are proactiveness, calculated risk-taking, an opportunity focus and innovativeness. The fifth feature is the resource leveraging in the growing perspectives on marketing. The last two features, customer intensity and value creation are constant with the market position of the firm.

The current study is focused on Evaluating Entrepreneurial Marketing Dimensions with Marketing Mix Strategies i.e. Product, Price, Place and Promotion. The study also attempts to evaluate the entrepreneurial antecedents such as Industry Experience, Educational Qualification, Family members’ support and Friends’ Support and correlate the antecedents to marketing strategies.

The Study also examines the relationship between Cluster Characteristics and Marketing Mix Strategies. The Cluster Characteristics include, Geographical Proximity, Related Supported Industries, Labour Availability and Competition.

The study involves one more important concept that’s effectual decision making model of entrepreneurs, based on the theory of effectuation. According to this theory
Successful entrepreneurs logically focus on means rather than ends. The effectual principle has major five dimensions such as Starting with means, Affordable loss, Strategic Flexibility, Partnership and Controlling the future. The Study also focuses on impact of effectual behaviour and marketing strategies and antecedents of entrepreneur.

For, this study MSMEs of Hubli-Dharwad Auto Component Cluster and Belgaum Foundry Cluster were chosen because of availability of more entrepreneurial firms. The survey is conducted for 64 MSMEs, 18-Micro,12-Small and 2-Medium Firms in HDAC and 7-Micro, 18-Small and 7- Medium Scale Firms in BFC through Structured Interview Schedule. The Interview Schedule consists of Questions related to Entrepreneurial Firms Details, Entrepreneurs Antecedents, Marketing Mix Strategies based on Entrepreneurial Marketing Dimensions, Cluster Characteristics and Effectual Behaviour.

After getting responses from 64 firms, the data is coded and entered to excel sheet, Dichotomous Questions i.e. Yes/No Questions Coded No as ‘0’ and Yes as ‘1’ considered as Nominal Scale Variables.

Likert Scale Questions involved Entrepreneurs Antecedents Such as Industry Experience, Educational Qualifications, Family Support and Friends Support Coded as Ordinal Scale i.e 1- Strongly Disagree 2- Disagree, 3- Neither Agree and Nor Disagree, 4- Agree and 5- Strongly Disagree. Marketing Mix Strategies based on Entrepreneurial Marketing Dimensions such as Opportunity Focus, Pro-activeness, Customer Intensity, Risk Taking, Innovation, Resource Leveraging and Value Creation involved with i.e. Product, Price and Place Strategies were coded as 1- Strongly Disagree 2- Disagree, 3- Neither Agree and Nor Disagree, 4- Agree and 5- Strongly Disagree and Promotion Strategy is coded as 1- Very Often, 2- Often, 3- Sometimes, 4- Rarely and 5- Never.

Cluster Characteristics such as Geographical Variables and Related Support Industries, Labour Availability and Competition and Effectual Behaviour dimensions such as Starting with means, affordable loss, strategic flexibility, partnership and controlling the future were coded as 1- Strongly Disagree 2- Disagree, 3- Neither Agree and Nor Disagree, 4- Agree and 5- Strongly Disagree.
After coding data in excel sheet, the data is transferred to SPSS 20.0 for Statistical Data Analysis. SPSS got 2 Parts one is Data View and Variable view, All the Data transformed to SPSS and given the Variable names and Performed Analysis.

For Objective 1 One-way ANOVA in SPSS was performed. Based on the Results of One-way ANOVA, Product and Promotion Strategies are the two major Strategies as compared to Place and Price in case of MSMEs in Selected Industrial Clusters of Karnataka.

For Objective 2, 3 and 4 Regression Analysis was performed and found that considering Antecedents of entrepreneur, Entrepreneur’s Industry Experience plays vital role in Product and Promotion Strategies of MSMEs in Select Industrial Clusters of Karnataka.

Cluster Characteristic such as geographical variables, related support industries, labour availability and competition played significant role Entrepreneur decisions on Product Strategy, Price Strategy and Promotion Strategy.

Principles of Effectual behaviour such as starting with means, affordable loss and partnership Impact on Product Strategy and Starting with means, affordable loss, partnership and strategic flexibility impact on pricing strategies of MSMEs in Select Industrial Clusters of Karnataka. The Place and Promotion Strategies do not have impact of effectual behaviour of entrepreneurs. The Place and Promotion Strategies do not have impact of effectual behaviour of entrepreneurs.

The following suggestions were made; there is need of more utilisation of common facility centre by entrepreneurs of HDAC, the entrepreneurs not utilising because of high price and there no fixed pricing for the service utilised. Entrepreneurs felt that there is no on-time delivery of the services. So, the cluster members must create awareness about the facilities in CFC and Promote the cluster activities using Media.

There is a need of separate administrative department to manage the day-today operations on the clusters, since the cluster members were busy in their own firm activities. However it should be the responsibility of the cluster members to conduct regular meetings to promote the cluster with development of Micro, Small and Medium Enterprises of the Hubli-Dharwad area.
In-case of Belgaum Foundry Cluster it is already one of the top foundry cluster in India for castings, there is need for support entrepreneurs to export their products for BFC. Many firms do not have quality certifications since the entrepreneurs don’t have knowledge of export procedure and documentation. Hence the cluster members have to be educated on the importance of Export Procedure and Documentation by conducting training sessions.

Many entrepreneurial firms have Quality Certifications, although some of them have not renewed. Some firms do not have quality certifications as they have a steady clientele from whom they get continuous orders and hence they feel quality certifications doesn’t add any value to the firm. Those who have not renewed felt that it is the process and some of them felt it was expensive.

In-case Entrepreneurial Firm Performance there is a positive impact of Marketing Mix Strategies based on Entrepreneurial Marketing Dimensions. MSME Entrepreneurial Firms do exceptionally well in Sales, Investment in Research and Development, Gross Profit from Domestic and Increase in the Total Number of Employees.

Considering the research contribution to the study, Entrepreneurial Marketing is a new area in Indian studies context. Measuring marketing mix strategies based on entrepreneurial marketing dimensions and measuring effectual behaviour of entrepreneurs with respect to marketing strategies in entrepreneurial firms in select industrial clusters in Karnataka is a new approach.