

MARKETING PROBLEMS OF S.S.I. IN BIHAR

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Abstract: Marketing is an important aspect of management which plays a key role in transforming out production-oriented company to consumer-oriented. Consumption is the sole purpose of all the production. But unfortunately, this has been generally found difficult to translate into policies and practices. There is over emphasis on investment and resources allocation to the neglect of the detailed attention to the problem of how the product and services resulting from investment should actually be distributed. This paper deals with the various aspects of marketing problems of S.S.I.

Index Terms- Marketing, Distribution, Entrepreneur, Retail Outlet, Marketing Cost.

I. INTRODUCTION

The formal application of management science as understood in the developed economics for solving the problems of economic backwardness and growth, is a recent trend. Formal management education in India is hardly 20 years old! Marketing as an aspect of management science, is likely to play a key role in transforming out production-oriented economy to one oriented towards the consumers. Way back in the last century, Adam Smith stated that "consumption is the sole and purposes of all production". This wise statement, unfortunately, has been generally found difficult to translate into policies and practices. This is because, in the type of economic planning we have adopted, there is over emphasis on investment and resource allocation to the neglect of the detailed attention to the problem of how the products and services resulting from the investment should actually be distributed. It is assumed that the demand pre-exists. a particular firm is unable to utilize its capacity fully, because of a lack of complete understanding of consumer need and wants. Of course, we are assuming that the firm is not faced with the problem, tough-minded marketing can contribute useful insights into how research and development could come up with a product idea, keeping in view the raw-materials problem, so that the products actually developed are successfully marketed to the consumer. Reversal of traditional logic of marketing following production can only help and not hinder the process of economic growth. While, traditionally the firm viewed marketing with the task of selling what was produced, a better approach now universally accepted is to produce what can actually be sold.

The General belief is that entrepreneurs are born and not made-business is, by and large, an instinct and a sixth sense, which either one has or does not have. The economy on the aggregate level is, among other things, the sum of the activities of firms concerned with transforming raw materials into products, to match the needs and wants of consumers who compose a society. If all the firms work as fact growing, viable and economic entities, the economy as a whole will gain through, what the economists call, the multiplier effect". After all the main reason for economic backwardness is the inability to organize economic efforts and energies, to bring together resources, wants and capacities and so to convert a self-limiting static system into creative, self-generating, organic growth. Inadequacy of any of the elements of economic growth is likely to impede development.

II. MARKET OF BIHAR

It is generally believed that the market of Bihar has become predominantly a seller's market during the planning period. This is not entirely true, however, in so far as it is likely to depend on the specific industry. The alternative to air travel might not be convenient especially over long distances. It may be mentioned, however, that the Indian Railways, also a Govt. owned organization are trying to offer competition to the Indian Airlines through fast air-conditioned trains, such as Rajdhani Express. These trains have, for example, made it possible to cover the intervening distance of 2080 to 2240 Kms. between Delhi and Bombay or Calcutta in about 16 hours of mainly overnight travel. Besides the seller's market of today is the buyer's market tomorrow. Firm or organizations which do not recognize this, have to face the prospect of losing customers and ultimate bankruptcy. The Indian railway once again is a good example of delayed response to the changing customer and competitive environment in the area of freight traffic.

Naturally, to service a retail network of this size, management of the distribution channel becomes one of the important tasks of firms dealing with consumer non-durable and low value items One way of underlining the importance of efficiently managing the distribution channel from the national point of view is to examine the cost of distribution.

III. LACK OF MARKETING ENVIRONMENT

Productivity may be defined as a ratio of economic output to the general concept to the field of marketing, one can define marketing economic resources expended in achieving that output. Extending this productivity for a business as the ratio of sales or net profit to marketing costs incurred. An intelligent marketer can increase the productivity of his operations through any of the course of action mentioned below:

- Reduce marketing costs and at the same time maintain, if not Increase, sales/net profits;
- Increase marketing cost in such a manner that sales/net profits go up more than proportionately, and
- Decrease marketing costs but ensure that sales net profit go down less than proportionately, if at all they do.

IV. SPECIAL CHARACTERISTICS OF THE MARKET OF BIHAR

In a State like Bihar, marketing productivity has special significance and marketers must strive hard to improve the efficiency of their operations for the following reasons:

a) The standard of living in Bihar is one of the lowest in the India, this being the case, an increase in the efficiency of marketing operations can bring down prices and thus contribute to an improved standard of living by bringing more goods within the reach of the poorer section of population

b) Improved marketing productivity will make available more financial resources which can be used for developing the vast underdeveloped markets in the rural areas. This would accelerate the economic development of our country.

c) Improved marketing productivity in Bihar will not only add to the profits of the companies which make an effort to achieve better marketing efficiency, but will also give an impetus to the Development of the country.

V. SOME FACTORS FOR EXAMINATION

a) Except for a few consumer products, there is generally little effective competition in the market, unlike in the west. This lack of competitive pressure ensures an adequate amount of sales and profit to most sellers in the market place.

b) Due to cultural and linguistic differences, India is a land of many regional markets with their own unique characteristics. This has certain implications as far as marketing productivity is concerned. First there are very few large-scale national operators who market their products in all the regional markets. Even the few who do operate on a national scale are unable to undertake a uniform pattern of operation in all the regional markets since the characteristics of these market are not similar. This implies that the economics of large-scale operations in marketing goods and services and in gathering and analyzing market information are by and large absent. Second, the small-scale regional operations have neither the incentive nor the resources to practice modern management concept and improve their efficiency. Thirds, many consumers in each regional market seem to be quite rigid in their preferences and are resistant to their change.

VI. MARKET RESEARCH AND MARKET SEGMENTATION

The major task of marketing management is to adapt a firm's resources to market opportunities. Instead of marketing products that are convenient to produce the intelligent marketer tries to carefully investigate what the consumer is willing to buy or can be persuaded to buy, and how the firm can make long-term profits through satisfying customer's needs and wants. It is possible to ignore the consumer when the manufacturing firm operates in a sellers' market but experience show that this can be an extremely short-sighted policy as any change in the competitive environment, where the customer may have any alternative choices, can put the firm into real difficulties. Complacency developed in a sheltered environment becomes a way of life, rendering it generally difficult to deal with changed environmental needs. Indian Railways have learnt this the hard way with most of the high rated freight traffic going to road transport and the railways left to carry primarily salt, coal and food grains. If then firm has to service, grow and meet the challenges thrown by the market forces, the customer has to be the focus of all marketing decisions.

The customer behavior being so complex what should the marketer know about the consumer? Answers to questions, such as who of consumer behavior and more appropriate choice of the elements of the marketing mix. Also, an understanding of the economic, psychological and sociological characteristics of the consumers and their motivations, attitudes, cognition and personalities can are the customers, what do they buy, lead to a better understanding help to discover new markets opportunities.

Market research is a comprehensive term, covering all forms of research, internal and external with collecting, tabulating and analyzing facts and date involving a study of appropriate relationships between production and consumption. The presentation of products and services involves a search of ideas, practices, convention and consumers.

Marketing Research involves research techniques and research methodology. Any research has to satisfy the following requirements:

1. It should be an orderly investigation of a defined problem;
2. Appropriate scientific methods should be used in conducting such research:
3. Adequate and representative evidence should be collected;

Quite often consumers, when questioned, give answer which they feel they create complications. Economics of scale are in favour of large should rather than state actual facts. Put in psychological terms shyness, reticence, subconscious blocks etc. of the respondent's marketers when the product is of mass appeal. Small industries are not equipped to take up such gigantic task. That is why they have to think in terms of meeting the needs of a segment of them market. Segmentation may be done in a variety of ways. Some of the variable which assists in the segmentation of the market are age groups, sex, income, occupation, education, religion, geographical situations, climate conditions, usage rate and buyer class.

The segmentation of the market may be done on the basis of consumer goods, both durable and non-durable, it may even be done in terms of producer goods in some cases.

The advantages of segmentation of markets are:

- (i) Narrowing the range of products,
- (ii) Ease in determining the trade channels and avenues for direct selling;
- (iii) Ease in preparing sales forecasting;
- (iv) Ease in planning marketing programs

VII. PRODUCT PLANNING AND POLICY

The product policy of a firm is one of the most important aspects of its business operations. It is concerned with the objectives and guidelines that determines the nature and extent of the products of services that the firm decides to market to its target customers. It covers existing as well as new products.

The product mix concept refers to the total products offered by an organization while the product line concept refers to a group of products within the product mix that can be classified together for reasons of similarity within the line, an any one of the several criteria.

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