

Product Strategies And Advertising In Small Firms: A Study Of Punjab Units

**Dr. Raj Kumar Gautam*

INTRODUCTION

The product provides primary value to a customer. A Product is the currency which ultimately gets exchanged because a customer wants the product, and the company wants cash from the customer to continue business efforts. The selection of a product for manufacturing is being made on the basis of age-old factors and in the absence of marketing research (Kumar, 1991). Starting with the manufacturing strategy, more attention is required in the way in which product quality, process flexibility, delivery dependability and manufacturing cost influence the firm's foreign business (Meijboom and Bart, 1997). The customer pays more attention to the company due to a product and features of the product. In the era of competition, markets are flooded with product variety and range, which leads to stiff competition. The small industry is also facing competition directly or indirectly from all sizes of national and international organizations. Hence, it is very important to produce and serve the market with quality products with differentiation. Modern product manufacturing strategies are highly essential in the present time. An important element of product strategy is new-product development with new-product range and product line. Companies need to replace the outdated products with new-product designs, new packaging look, good quality, and preferably, with branded products. In the modern era, the emerging issues in product management are: **a)** Technology has a dramatic impact on the quality and manufacturing process of the product. In the modern era, consumers prefer low cost goods with better quality (Nag, 2000). In the knowledge driven economy, emerging trends, such as new-product technologies, creative designs are changing very fast in the market (Rao, 2002). The use of information technology, such as computers, are being used in almost every area of manufacturing, and this has changed the entire process of production and quality maintenance (Arias and Laurentino, 2001). **b)** Brand building efforts help the organization to deliver the promises made to the customers through all company departments, intermediaries and suppliers (Ghodeswar, 2008). The Core value is vital for continuity, consistency and credibility as the brand awareness, knowledge and interest for branded products among Indian buyers are increasing. So, Indian companies should emphasize on strong brand building, maintaining brand image, and making necessary changes in their brands according to market demands (Urde, 2003). **c)** The foreign products which are reliable and consistent are residing in the minds of the consumers. Continuous efforts are required for new-product innovation and adopting new cost cutting methods. The companies with strong research and development base, affective cost-oriented and attractive packaging system will only take lead over their competitors (Harkar and Akkeren, 2002).

OBJECTIVES OF THE STUDY

To study product related practices and strategies of selected small-scale units manufacturing textiles, leather and leather products, bicycle and bicycle parts, and food products and beverages, the specific objectives of the study are:

- ✿ To study the product differentiation strategies and methods of product differentiation of small-scale units;
- ✿ To know the product diversification plans of small units in the globalized era;
- ✿ To identify the advertising planning of the small units;
- ✿ To know the product promotional objectives of the small firms.

DATABASE AND METHODOLOGY

For the purpose of the present study, selected SSI units manufacturing textiles, bicycle and bicycle parts, leather and leather products, food products and beverages in the state of Punjab have been considered. The planned sample was of 200 units comprising of 50 small-scale units, each selected from manufacturing areas such as textiles, leather and leather products, bicycle and bicycle parts, and food products and beverages. However, as the data provided by the

** Assistant Professor (Management), Punjabi University Regional Center for IT & Management, Phase VII, Mohali, Punjab.
E-mail : raj5310@gmail.com*

respondent entrepreneurs of 27 units was not complete, therefore, they were excluded from the final analysis. Thus, the final sample comprised of 173 SSI units of Punjab. The study is based on primary data. The primary data was collected by a structured non-disguised and pre-tested questionnaire. The data has been analyzed on the basis of three variables, viz. Industry, Age of the units and Turnover of the units. Industry-wise analysis has been done on the basis of four industries, viz. textiles (TX), bicycle and bicycle parts (BBP), food products and beverages (FPB), and leather and leather products (LLP), and food products and beverages (FPB). On the basis of age, units have been categorized into three age-groups, viz. A1 (up to 10 years), A2 (10 to 20 years), and A3 (above 20 years). Turnover-wise units have been classified into three categories, that is T1 (up to ₹ 2 crore), T2 (₹ 2 to ₹ 4 crore) and T3 (above ₹ 4 crore).

RESULTS AND DISCUSSION

The sample comprising of 173 units included 43 textiles units, 46 bicycle and bicycle parts units, 43 food products and beverage units, and 41 leather and leather products' units. It was observed that 82 units fall into the age group A2, 54 units belong to A1, and 37 units relate to the age group of A3. It was also seen that 66 units relate to the turnover-group T1, followed by group T3 (65) and T2 (42). The entrepreneurs of manufacturing units surveyed were enquired about their product strategies. The weighted rankings have been calculated for the various objectives of promotion by assigning the weights 4, 3, 2 and 1 to ranks 1, 2, 3 and 4 respectively. The information relating to various aspects of product planning and strategies were collected from the respondent units. The information covering various aspects is given as follows:

(i) Product Differentiation : In order to identify the product differentiation strategies in this highly competitive market, the respondents were asked how they differentiate their products. The responses in this regard are indicated in Tables 1, 2 and 3.

Methods	TX	BBP	FPB	LLP	Total
(a) Product feature differentiation	23 (53.5)	30 (65.2)	30 (69.8)	25 (61.0)	108 (62.4)
(b) Distribution differentiation	5 (11.6)	8 (17.4)	11 (25.6)	0 (0)	24 (13.9)
(c) Price differentiation	37 (86.0)	42 (91.3)	36 (83.7)	33 (80.5)	148 (85.5)
(d) Promotional differentiation	1 (2.3)	1 (2.2)	2 (4.7)	1 (2.4)	5 (2.9)
(e) Service differentiation	18 (41.9)	23 (50.0)	20 (46.5)	15 (36.6)	76 (43.9)
(f) Image differentiation	6 (13.9)	24 (52.2)	24 (55.8)	24 (58.5)	76 (43.9)
(g) Any other	1 (2.3)	1 (2.2)	0 (0)	5 (12.2)	7 (4.0)
N =	43	46	43	41	173

The Table 1 indicates that 85.5 per cent units used '*price differentiation method*', whereas 62.4 per cent respondents followed '*product features*' for differentiating their products from other products in this competitive market. '*Service differentiation*' (43.9%) and '*image differentiation*' (43.9%) were the other methods used for this purpose. The Industry-wise analysis shows that more than 80 percent of the respondents in different industries used '*price differentiation method*' for placing their products in the market. More than 50 per cent of the respondents related to leather and leather products, bicycle and bicycle parts, and food products and beverages had been using '*image differentiation*' strategies and this percentage is quite higher in comparison to the respondents belonging to the textile industry. '*Product features differentiation*' and '*service differentiation*' were also rated as important by all the surveyed industries.

The foregoing analysis reveals that a majority of the units had been using '*price differentiation*' followed by '*product features differentiation*' methods for differentiating their products in the markets. It was observed that '*image differentiation*' is more prevalent among the units relating to rest of the industries except textiles. It was also found that 82.1% per cent of the respondents used product differentiation strategies for all the products, while 17.9 per cent used it for selected products only.

Age group-wise responses for product differentiation are shown in the Table 2.

The Table 2 indicates that more than 80 per cent respondents from age groups A1, A2 and A3 followed '*price*

Methods	A1	A2	A3	Total
(a) Product feature differentiation	34 (63.0)	52 (63.4)	22 (59.5)	108 (62.4)
(b) Distribution differentiation	10 (18.5)	9 (11.0)	5 (13.5)	24 (13.9)
(c) Price differentiation	45 (83.3)	71 (86.6)	32 (86.5)	148 (85.5)
(d) Promotional differentiation	1 (1.9)	3 (3.7)	1 (2.7)	5 (2.9)
(e) Service differentiation	22 (40.7)	37 (45.1)	17 (45.9)	76 (43.9)
(f) Image differentiation	20 (37.0)	35 (42.7)	21 (56.8)	76 (43.9)
(g) Any other	1 (1.9)	2 (2.4)	4 (10.8)	7 (4.0)
N =	54	82	37	173

differentiation' method for product differentiation. However, a higher proportion of the respondents belonging to age groups A2 (63.4%) and A1 (63%) preferred to follow '*product feature differentiation*' as compared to the units relating to the age group A3. '*Image differentiation*' was more used by units from the age group A3 (56.8%). It was found that more than a majority of the units belonging to different age groups had been using the method of '*price differentiation*' for product differentiation. However, relatively more units belonging to the age groups A1 and A2 had also been using '*product feature differentiation*' as compared to the units relating to the age group A3. The analysis for the purpose of product differentiation has also been done across turnover categories, and responses are presented in the Table 3.

Methods	T1	T2	T3	Total
(a) Product feature differentiation	42 (63.6)	26 (61.9)	40 (61.5)	108 (62.4)
(b) Distribution differentiation	8 (12.1)	6 (14.3)	10 (15.4)	24 (13.9)
(c) Price differentiation	53 (80.3)	38 (90.5)	57 (87.7)	148 (85.5)
(d) Promotional differentiation	2 (3.0)	1 (2.4)	2 (3.1)	5 (2.9)
(e) Service differentiation	24 (36.4)	21 (50.0)	31 (47.7)	76 (43.9)
(f) Image differentiation	29 (43.9)	15 (35.7)	32 (49.2)	76 (43.9)
(g) Any other	1 (1.5)	1 (2.4)	5 (7.7)	7 (4.0)
N =	66	42	65	173

Turnover-wise analysis in Table 3 shows that respondents in the turnover groups T2 (90.5%), T3 (87.7%) and T1 (80.3%) were using '*price differentiation*' as a tool of product differentiation in the market. Further, proportionately higher number of respondents belonging to the turnover group T3 had also been using '*product feature differentiation*' (61.5%), and '*image differentiation*' (49.2%) as important tools of product differentiation as compared to other turnover groups T1 and T2. The findings of the study reveal that very few units had been using distribution and promotional differentiation strategies for their products. Turnover-wise findings also show that price differentiation strategies are more prevalent among the units relating to all turnover groups.

(ii) Product Diversification Plans : Further, the respondents having plans for diversification were enquired about the type of diversification they were going to make. The responses in this regard have been presented in the Tables 4, 5 and

Type of Diversification	TX	BBP	FPB	LLP	Total
(a) New product additions	10 (52.6)	5 (29.4)	11 (50.0)	8 (50.0)	34 (45.9)
(b) Existing product improvement	6 (31.5)	7 (41.2)	6 (27.2)	6 (37.5)	25 (33.8)
(c) Product line modifications	3 (15.9)	5 (29.4)	5 (22.8)	2 (12.5)	15 (20.3)
N=	19	17	22	16	74

6. Table 4 shows that 45.9 per cent units had made '*new-product product additions*' followed by 33.8 per cent making '*existing product improvement*'. Industry-wise analysis reveals that a relatively higher number of units relating to textiles (52.6%) had made '*new-product product additions*' as compared to the units belonging to bicycle and bicycle parts (29.4%), food products and beverages, and leather and leather products (50% each). However, more respondents relating to bicycle and bicycle parts (41.2%) had made '*existing product improvement*', followed by leather and leather products (37.5). In a nutshell, it has been observed that approximately half of the units relating to all industries, except from the bicycle and bicycle parts had plans for new-product additions. The findings also reveal that product line modification is not prevalent among the units belonging to all industries. The Age-wise analysis with respect to type of diversification is presented in the Table 5.

Table 5 : Type of Diversification (Age-wise Analysis)				
Type of Diversification	A1	A2	A3	Total
(a) New product additions	15 (57.7)	12 (34.3)	7 (53.8)	34 (45.9)
(b) Existing product improvement	5 (19.3)	15 (42.8)	5 (38.4)	25 (33.8)
(c) Product line modifications	6 (23.0)	8 (22.9)	1 (7.7)	15 (20.3)
N =	26	35	13	74

Age-wise responses of the respondent entrepreneurs shown in the Table 5 reveals that 57.7 per cent of the respondents from the age group A1, followed by age groups A3 (53.8%) and A2 (34.3%) had made '*new product additions*'. However, relatively higher number of units belonging to category A2 (42.8%) had made '*existing product improvement*' as compared to categories A3 (38.4%) and A1 (19.3%). It has been found that more units relating to age categories A1 and A3 had been focusing on new-product additions. Whereas, more units from category A2 considered existing product improvement and product line modification important for diversification.

Table 6 : Type of Diversification (Turnover-wise Analysis)				
Type of Diversification	T1	T2	T3	Total
(a) New product additions	9 (39.1)	10 (55.5)	15 (45.4)	34 (45.9)
(b) Existing product improvement	10 (43.5)	5 (27.8)	10 (30.3)	25 (33.8)
(c) Product line modifications	4 (17.4)	3 (16.7)	8 (24.3)	15 (20.3)
N =	23	18	33	74

Table 6 exhibits that relatively more respondents (55.5%) from turnover group T2, as compared to the respondents belonging to turnover groups T3 (45.4%) and T1 (39.1%) attributed greater importance to '*new product additions*'. However, the respondents from category T1 (43.5%) followed by categories T3 (30.3%) and T2 (27.8%) had also made '*existing product improvements*'. Further, a noticeable number of units relating to turnover group T3 (24.3%) had also made '*product line modification*', and this percentage is quite higher as compared to units in the categories T1 (17.4%) and T2 (16.7%). The study reveals that new product additions were more prevalent among the units relating to age group T2. Whereas, more units from category T1 considered existing product improvement important for the diversification purpose.

REASONS FOR PRODUCT DIVERSIFICATION

The respondents who had added new products were further asked to specify the reasons for making the product additions. The responses of the respondents in this regard have been presented in Tables 7,8 and 9.

The Table 7 reveals that major reasons for product diversification are '*more demand*' (45.6%) and '*market trends*' (30%). Industry-wise analysis shows that the respondents relating to food products and beverages (50%), bicycle and bicycle parts (47.7%), textiles (46.1%), and leather and leather products (39.2%) had made product additions because of '*more demand*' of such products. The second most important reason in all these industries was found to be '*market trends*'.

Reasons	TX	BBP	FPB	LLP	Total
(a) More demand	12 (46.1)	10 (47.7)	14 (50.0)	11 (39.2)	47 (45.6)
(b) Market trends	9 (34.6)	5 (23.8)	8 (28.5)	9 (32.1)	31 (30.0)
(c) To meet the competition	5 (19.3)	1 (4.7)	4 (14.3)	4 (14.3)	14 (13.7)
(d) Buyers choice	0 (0)	4 (19.1)	1 (3.6)	2 (7.2)	7 (6.8)
(e) Any other	0 (0)	1 (4.7)	1 (3.6)	2 (7.2)	4 (3.9)
N =	26	21	28	28	103

The foregoing analysis reveals that more units had given '*more demand*' as the important reason for adding the new products in their product mix. '*Market trends*' was also given as an important reason for product addition by a noticeable number of units belonging to different industries. It was also found that a large majority of units from all industries did not consider '*the buyers' choice*' and '*to meet competition*' as important reasons for product diversification. An analysis of responses from different age groups is presented in the Table 8.

Reasons	A1	A2	A3	Total
(a) More demand	10 (40.0)	20 (40.0)	17 (60.7)	47 (45.6)
(b) Market trends	7 (28.0)	16 (32.0)	8 (28.6)	31 (30.0)
(c) To meet the competition	5 (20.0)	8 (16.0)	1 (3.5)	14 (13.7)
(d) Buyers choice	2 (8.0)	3 (6.0)	2 (7.2)	7 (6.8)
(e) Any other	1 (4.0)	3 (6.0)	0 (0)	4 (3.9)
N =	25	50	28	103

The Table 8 reveals that relatively more respondents relating to the age group A3 (60.7%) had given '*more demand*' as the main reason for product addition, as compared to the respondents belonging to age groups A1 (40%) and A2 (40%). However, a noticeable number of respondents belonging to all the three age groups had also considered '*market trends*' as the important reason for making product additions. '*To meet the competition*' and '*buyers' choice*' were not mentioned as important reasons of product addition by a majority of the respondents belonging to different age groups. In brief, it was found that a majority of units in the category A3 had given *more demand* as the reason for diversification. Very less number of units from all the industries gave importance to the diversification reasons such as '*to meet the competition*' and '*buyers' choice*'. Turnover group-wise responses regarding the reasons for product diversification are given in the Table 9.

Reasons	T1	T2	T3	Total
(a) More demand	18 (51.4)	10 (50.0)	19 (39.5)	47 (45.6)
(b) Market trends	8 (22.9)	5 (25.0)	18 (37.5)	31 (30.0)
(c) To meet the competition	6 (17.1)	3 (15.0)	5 (10.4)	14 (13.7)
(d) Buyers choice	2 (5.8)	1 (5.0)	4 (8.4)	7 (6.8)
(e) Any other	1 (2.8)	1 (5.0)	2 (4.2)	4 (3.9)
N =	35	20	48	103

It can be observed from the Table 9 that most of the respondents from categories T1 (51.4%), T2 (50%) and T3 (39.5%) considered '*more demand*' as the main reason for product additions. Like the industry and age categories' analysis, '*market trends*' emerged as the second most important reason for product additions among all the turnover categories. The findings of the study reveal that a majority of the units relating to all turnover groups had not considered '*buyers*

choice', 'to meet the competition' and 'market trends' as important factors for diversification.

(iii) Products Advertising : The entrepreneurs of the surveyed units were asked how often they advertised the products manufactured by them. Industry-wise, age-wise and turnover-wise responses are shown in the Tables 10, 11 and 12 respectively.

Frequency	TX	BBP	FPB	LLP	Total
(a) Regularly	1 (2.3)	0 (0)	1 (2.3)	2 (4.9)	4 (2.3)
(b) Seasonal	6 (14.0)	0 (0)	2 (4.7)	6 (14.6)	14 (8.1)
(c) As and when the need arises	11 (25.6)	7 (15.2)	12 (27.9)	11 (26.8)	41 (23.7)
(d) Only for new offers	1 (2.3)	0 (0)	2 (4.7)	0 (0)	3 (1.7)
(e) Any other (special occasions and festivals)	21 (48.8)	39 (84.8)	20 (46.5)	0 (0)	80 (46.2)
Do not advertise	3 (7.0)	0 (0)	6 (13.9)	22 (53.6)	31 (17.9)
N =	43	46	43	41	173

The Table 10 shows that a majority of the respondent units did not advertise their products on a 'regular', or 'seasonal' basis, since the percentages noted were low at 2.3 percent and 8.1 percent respectively. Most of the units (46.2%) advertised their products on 'special occasions and festivals', 23.7 per cent of the respondents advertised 'as and when need arises'. Industry-wise analysis reveals that a relatively small proportion of respondents (27.9%) from food products and beverages, followed by leather and leather products (26.8%), textiles (25.6%), and bicycle and bicycle parts (15.2%) had been advertising their products 'as and when need arises'. Further, 84.8 per cent units relating to bicycle and bicycle parts had been advertising their products by other methods such as, 'special occasion and festivals' and this percentage was quite higher in comparison to the respondents belonging to textiles (48.8%), food products and beverages (46.5%). The foregoing analysis reveals that a majority of the respondents' units belonging to different industries did not advertise their products on a 'regular' or 'seasonal' basis. It was also found that most of the units (except leather and leather product industry) advertised their products only on special occasions or during the festival season. The responses with respect to product advertising were also done across age categories and are presented in the Table 11.

Frequency	A1	A2	A3	Total
(a) Regularly	0 (0)	3 (3.7)	1 (2.7)	4 (2.3)
(b) Seasonal	3 (5.6)	5 (6.1)	6 (16.2)	14 (8.1)
(c) As and when the need arises	10 (18.5)	18 (22.0)	13 (35.1)	41 (23.7)
(d) Only for new offers	1 (1.9)	2 (2.4)	0 (0)	3 (1.7)
(e) Any other (special occasions and festivals)	31 (57.4)	35 (42.7)	14 (37.8)	80 (46.2)
Do not advertise	9 (16.6)	19 (23.1)	3 (8.1)	31 (17.9)
N =	54	82	37	173

It is quite clear from Table 11 that 57.4 per cent of the respondents relating to the age group A1, followed by 42.7 per cent from the group A2 and 37.8 per cent from the group A3 were advertising on 'special occasions and festivals'. It is also clear from the table that 'regular', 'seasonal' and 'new offer' type of advertising was not popular among the units relating to different age groups. Findings of the study reveal that a higher number of units in the age groups A1 and A2 hardly advertised about their products. However, a noticeable number of units from categories A3 used advertising 'as and when need arises' as compared to units falling under other age and categories.

The Turnover group-wise responses with respect to product advertising are shown in the Table 12.

Turnover-wise analysis reveals that the respondents in categories T2 (59.5%), T1 (53%) and T3 (30.8%) advertised

Frequency	T1	T2	T3	Total
(a) Regularly	0 (0)	1 (2.4)	3 (4.6)	4 (2.3)
(b) Seasonal	8 (12.1)	0 (0)	6 (9.2)	14 (8.1)
(c) As and when need Arises	11 (16.7)	4 (9.5)	26 (40.0)	41 (23.7)
(d) Only for new offers	1 (1.5)	1 (2.4)	1 (1.5)	3 (1.7)
(e) Any other(special occasions and festivals)	35 (53.0)	25 (59.5)	20 (30.8)	80 (46.2)
Do not advertise	11 (16.6)	11 (26.1)	9 (13.8)	31 (17.9)
N =	66	42	65	173

their products on '*special occasions and festivals*'. However, a relatively higher proportion of units (40%) from the turnover group T3 advertised '*as and when need arises*' in comparison to units relating to turnover groups T1 (16.7%) and T2 (9.5%). In nutshell, it has been found that most of units relating to all turnover groups were not advertising on a '*regular*' and '*seasonal*' basis.

(iv) Product Promotional Objectives : The entrepreneurs of manufacturing units surveyed were enquired about their product promotional objectives. The weighted rankings were calculated for the various objectives of promotion by assigning the weights 4, 3, 2 and 1 to ranks 1, 2, 3 and 4 respectively. The industry-wise, age-wise and turnover-wise responses of the respondents have been shown in the Tables 13, 14 and 15.

Objectives	TX	BBP	FPB	LLP	Total
(a) Building awareness	84	85	101	113	383
(b) Increase in sales	89	115	77	97	378
(c) Image building	84	94	87	78	343
(d) To counter the competition	126	119	98	79	422
(e) To increase the profits	45	28	56	44	173
(f) To persuade the customer to buy the product	61	62	77	54	254
(g) Any other	3	3	1	1	8
N =	43	46	43	41	173

The Table 13 shows that most of the respondents had ranked '*to counter the competition*' (weighted ranking 422), '*building awareness*', '*increase in sales*' and '*image building*' (weighted ranking 383, 378 and 343 in that order) as the important objectives of product promotion. Industry-wise analysis indicates that the units belonging to textiles, considered '*to counter the competition*' (weighted ranking 126) as the most important objective of product promotion. However, the respondents belonging to bicycle and bicycle parts gave more significance to the promotional objectives such as '*to counter the competition*', '*increase in sales*' and '*image building*' (weighted ranking being 119, 115, 94 respectively) in comparison to the respondents relating to other industries. Further, the respondents relating to leather and leather products, and food products and beverages ranked '*building awareness*' (weighted ranking 113 and 101 respectively) as the important objective for the product promotion.

The Findings of the study reveal that '*to counter the competition*' was considered as the most important objective of product promotion by units relating to different industries. It has been further observed that the units belonging to textiles considered '*to counter the competition*' as the most important product promotional objective. The units belonging to bicycle and bicycle parts gave more significance to the promotional objectives such as '*to counter the competition*', '*increase in sales*' and '*image building*' in comparison to the respondents relating to other industries. Further, the respondents relating to leather and leather products, and food products and beverages ranked '*building awareness*' as the important objective for the product promotion.

The Age group-wise responses for product promotional objectives are shown in the Table 14.

Table 14 : Product Promotional Objectives (Age-wise Analysis) (Weighted Ranking)				
Objectives	A1	A2	A3	Total
(a) Building awareness	113	189	81	383
(b) Increase in sales	116	185	77	378
(c) Image building	112	154	77	343
(d) To counter the competition	142	179	101	422
(e) To increase the profits	56	81	36	173
(f) To persuade the customer to buy the product	82	127	45	254
(g) Any other	2	5	1	8
N =	54	82	37	173

The Age-wise analysis highlights that most of the respondents belonging to age group A2 ranked 'building awareness', 'increase in sales', 'to counter the competition', 'image building', 'to increase the profits', and 'to persuade customers to buy the product' (weighted ranking being higher in that order) as the most important promotional objectives, while respondents relating to age group A1 ranked 'to counter the competition' (weighted ranking 142), 'to increase in sales' (weighted ranking 116), 'building awareness' (weighted ranking 113) and 'image building' (weighted ranking 112) as the important objectives of product promotion. Respondents from category A3 gave more importance to promotional objectives like 'to counter the competition' and 'building awareness'.

It was found that proportionately, a higher number of units in the age category A2 considered 'building awareness', 'increase in sales', 'image building', 'to counter the competition', 'to increase the profits', and 'to persuade customers to buy the products' as the most important product promotional objectives as compared to units belonging to other age categories. The Turnover-wise responses with respect to products' promotional objectives ranked by the respondents are shown in the Table 15.

Table 15 : Product Promotional Objectives (Turnover-wise Analysis) (Weighted Ranking)				
Objectives	T1	T2	T3	Total
(a) Building awareness	155	87	141	383
(b) Increase in sales	150	92	136	378
(c) Image building	129	82	132	343
(d) To counter the competition	154	99	169	422
(e) To increase the profits	70	37	66	173
(f) To persuade the customer to buy the product	91	59	104	254
(g) Any other	4	3	1	8
N =	66	42	65	173

It is evident from the Table 15 that the respondents belonging to the turnover group T1 considered 'building awareness' (weighted ranking 155), 'to counter the competition' (weighted ranking 154), and 'to increase sales' (weighted ranking 150) as the important promotional objectives. However, units relating to turnover group T3 gave greater significance to the promotional objectives such as 'to counter the competition', 'building awareness', 'increase in sales' and 'image building', (weighted ranking being higher in that order). Similarly, the units relating to turnover group T2 ranked 'to counter the competition' and 'increase in sales' as the important objectives for the promotion of the product.

The Findings of the study reveal that relatively, a higher proportion of the units relating to the turnover group T1 considered 'building awareness' and 'increase in sales' and 'to increase profits' as the most important objectives of

product promotion as compared to units relating to turnover groups T2 and T3. Further, units belonging to the turnover group T3 gave more importance to the promotional objectives like 'to counter the competition' and 'to persuade a customer to buy the products'.

CONCLUSION AND SUGGESTIONS

It may be concluded that small manufacturing units have to update their manufacturing technology to compete in the domestic as well as in the international market. The industry should realize that there is an urgent need to incorporate diversification plans matching the markets and customers' demands. It has been found that a majority of the units were not advertising their products. The small scale industry should realize that they are facing competition directly or indirectly from national and multi-national companies. Hence, the following suggestions may be considered by the small manufacturers:

- 1) There is an urgent need to update the technology by the small manufacturers, as the machinery they have been using is slow and outdated, which ultimately affects the quality of the products and causes delays in the production schedule. Installation of new computerized machines, and appointment of skilled supervisors to operate these machines is recommended for more productivity in the SSIs.
- 2) Operating in the local or national market may no longer be viable for the entrepreneurs. Low cost production, quality products will help the manufacturers to sell their products in the domestic as well as the international markets. There is an immediate need for market diversification.
- 3) Advertising helps the organization to place their products in the minds of the consumer and large coverage of target markets. The SSIs are not using advertising as powerful tools of product promotion. There is an urgent need to advertise the products manufactured by small units through electronic media, the internet and the print media. Budget planning and allocation of funds for product promotional purposes is recommended in the era of competition. The manufacturers need to provide considerable attention towards advertising-related matters.
- 4) The Small Scale Industry should realize the need for modification and diversification of their production activities as per the international standards. The small units cannot survive without making necessary changes in their products as and when required by the customers. The customers are becoming more and more demanding for different product categories. Therefore, manufacturers need to improve the existing products and develop new products as per the market trends.

REFERENCES

- 1) Arias, J. Thomas Gomez ; and Laurentino, Bello Acebron (2001), "Post-modern Approaches in Business-to Business Marketing and Marketing Research," *Journal of Business and Industrial Marketing*, 16(1), pp. 7-20.
- 2) Ghodeswar, M. Bhimao (2008), "Building Brand Identity in Competitive Market: A Conceptual Model", *Journal of Product and Brand Management*, 17(1), pp. 4-12.
- 3) Harkar, Debra; and Akkeren, Jeanette Van (2002), "Exploring the Needs of SMEs for Mobile Data Technologies: The Role of Qualitative Research Techniques," *Qualitative Market Research: An International Journal*, 5 (3), pp. 199-209.
- 4) Kumar, Varinder (1991), 'Marketing Practices in Small Scale Industries: A study of Engineering Industry of Punjab', Unpublished Ph.D. Thesis, Guru Nanak Dev University, Amritsar.
- 5) Meijboom, Bert; and Bart, Vos (1997), "International Manufacturing and Location Decisions," *International Journal of Production Management*, 17(8), pp. 790-805.
- 6) Nag, Biswajit (2000), "WTO Regime and Its Implications for Indian Small and Medium Enterprises Sector," *Sedme*, 27 (3), pp. 1-17.
- 7) Rao, C. Kameswara (2002), "Globalization and the Relevance of IP Acquisition for Small and Medium Size Enterprises," *Sedme*, 29(3), September, pp. 53-60.
- 8) Urde, Mates (2003), "Core Value Based Corporate Brand Building," *European Journal of Marketing*, 37(7/8), pp.1017-1040.