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Marketing Constraints of Women Self Help Groups

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Abstract:

Women constitute roughly one half of the world's population and they play a vital role in shaping the society. Women in India are victims of multiple socio-economic and cultural factors. They are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. Poverty is the main obstacle for the improvement of the women. Self Help Group is the formation of voluntary women members who are for self-financing, self-confidence, self-development, Self-achievement and self-support to help other self-help groups, and to help the society. The Government felt that the concept of Self Help Groups may be an effective method to develop the society. The development of women through Self Help Groups would lead to benefits not only to the individual women, but also for the family and community as a whole through collective action of their marketing. The participation of women in Self Help Groups (SHGs) made a significant impact on their empowerment both in social and economical aspects, still they have many constraints. For achievement of their target they face many constraints like lack of capital for promoting the business, lack of credit support by the financial institutions, high interest rate, lack of marketing knowledge, lack of machinery, and sustainability for marketing their products etc., This study is focused on various constraints faced by the Women Self Help Groups operating in Coimbatore District.

Keywords: *Self Help Groups (SHGs), Non-Government Organization (NGO), Women Development Corporation (WDC), and Panjayat Union Office (PUO)*

1. Introduction

Self Help Groups are comprised of people who share the same problem, life situation or crisis. Members provide emotional support to one another, learn new ways to cope, discover strategies for improving their condition, and help others while helping themselves. The Self Help Group is the brain child of Prof. Mohammed Yunus, founder of Grameen Bank of Bangladesh, in the year 1975. The Self Help Groups scheme was introduced in Tamilnadu in 1989.

SHG is a small group formed by the women members (normally 12 to 20 members) residing in a particular locality, possessing the core skill capability of producing a product individually or in groups and have started business ventures on their own with the support of Governmental Agencies. The main purposes for starting these Self Help groups are, Sensitize people in marketing area for the need of SHG, its relevance in their empowerment process, unity among members, enhance the confidence, capabilities of members, develop collective decision making and encourage habit of saving etc.,

Self Help Groups are increasingly being recognized as viable, efficient methods of supplementing and extending the present health and mental health care system to the point of being characterized as an "emerging social movement" (Spiegel, Bloom & Yalom, 1981). However, the government should concentrate on regulating the formation process of SHG's to ensure better financial viability within the group in our country. Usually the poor people in time of their emergency run to and knock at the door of the landlords and money lenders to fulfill their credit needs and this usually comes at a very high interest.

During the planning area several efforts were made by the Government of India to increase the role of women and to improve the status of women. Self-Help Groups (SHGs) are increasingly becoming a very important method of organizing women to take action and transform their situations. The strength of Self Help Groups are based upon the fact that the people who are facing problems are likely to be the most committed to solve them. Government is implementing this SHG scheme through its agencies like Tamil Nadu Women's Development Corporation, Block Development Office, Industries Department and other departments in all the states of India and monitoring them efficiently in spite of many constraints.

2. Scope of the Study

This study is made from the point of view of women Self - Help Groups regarding the marketing constraints faced by them, while marketing their products, by collecting information regarding their income, expenditure, and constraints in marketing their products in Coimbatore District.

3. Statement of the Problem

Women have to face a plethora of marketing constraints in starting and running their units. It is true that any unfavourable event in business will lead to financial crisis. If not managed well, even units running with fair margin will find financial exigencies. It is found that Self Help Groups are facing numerous marketing constraints.

4. Objectives of the Study

The following are the objectives of the study

- To identify the Socio – economic status of the members of self-help group .
- To find the Marketing constraints faced by its members.

5. Methodology

This study is based on analytical method. Primary data was collected from the Animators of SHGs in Coimbatore through the Interview Schedule. Secondary data was collected from the reports maintained by the SHGs published reports, Journals, Magazines and Websites. Random sampling method is used for collecting data from 600 respondents. Simple Percentage analysis, Friedman Rank Test and Correlation was used for processing the data.

5.1. Previous Studies were reviewed for coming out with research gap

- **Jerinabi, (2007)**, found that group conflict, inadequate bank linkage programme, poor managerial efficiency and poor marketing linkages were some of the major problems of SHGs.
- **Kavitha & Vasudeven (2008)**, found that the problems faced by the women entrepreneurs were patriarchal society, absence of entrepreneurial attitude, marketing and financial problems, credit issues, family conflict and lack of self-confidence, high cost of raw materials, heavy competition and problems of middlemen.
- **Kanchanadevi. P, (2009)**, observed that women have achieved moderate success in marketing and that their success has been in large part due to the decision – making styles and characteristics such as a collaborative style, team-orientation, and facility with consensus building, thoughtfulness, and listening skills that are increasingly to female business decision makers.
- **Lakshmi. R., (2010)**, reveals that the following are the marketing problems which affect their business- Lack of raw materials, lack of finance, lack of marketing knowledge, lack of advertisement etc.
- **Amrita. M. Patel, (2011)**, reveals that the major problems of women Self Help Groups include managerial problems, production problems, financial problems, labour problems and marketing problems.
- **Babu R., & Venkateshwarli Ragiri Babu M. (2013)**, reveal that the scarcity of raw materials was found to be the major problem more so in the initial years, followed by high cost of raw materials, non-availability of raw materials, poor quality of raw materials and lack of transport facilities etc.,

From the above studies it is ascertained that none of the researchers have carried out marketing constraints faced by Self Help Groups in Coimbatore District. In order to fill this vacuum the present study is undertaken.

6. Socio – Economic Status of SHG Members

Members of Self Help Groups must start some economic activities for additional income to sustain the financial strength of the group. SHGs in India have endowed thousands of poor from rural areas, especially women, not only with platforms to work together to solve common problems but also financial accessibility. They get loans, both for production and consumption from group savings whenever needed. Consumption loans are preferred over production loans in majority of the cases. Biggest challenge for the development agents is to sustain the financial support provided by the SHGs (**Sharma and Varma, 2008**).

As far as possible, the membership of an SHG may comprise people from comparable socio-economic background. Though difficult to define in clear terms, a major indicator of homogeneity in membership is the absence of conflicting interests among members. For the betterment of SHGs the financial institutions should relax their formalities for providing financial help to such entrepreneurs in running the income generating activities.

7. Marketing Constraints of SHG Members

There is lack of diversities in the self help group activities in the State. The failure of SHG movement points out to a number of causes like poverty, illiteracy, limited financial strength etc. Highest amount of resources have been spent on primary sector and mainly on milk cattle, (Jerinabi. U 2007): The SHGs comprise of very poor people who do not have access to formal financial institutions. They act as the forum for the members to provide space and support to each other. It also enables the members to learn to cooperate and work in a group environment. The SHGs provide savings mechanism, which suits the needs of the members. It also provides a cost effective delivery mechanism for small credit to its members (Kavitha Vasudevan.,2008). The SHGs significantly contribute to the empowerment of the poor. The following are the marketing constraints of SHG members.

- Limited financial strength hence limited borrowing capacity

- Lack of professionalism because the members are less qualified
- Consumers reluctance to buy the products when the products produced by the MNCs are available in the market
- Lack of Awareness while marketing their products.
- Insufficient machines and equipment etc.,

8. Analysis and Discussion

Age	Number of Respondents	Percentage
Up to 30	174	29.00
31 to 45	282	47.00
Above 45	144	24.00
Total	600	100.00

Table 1: Age

Source: Collected and Calculated through Interview Schedule

The above table shows that, the age wise classification of the respondents. Out of 600 respondents 282 respondents' age ranges between 31 years and 45 years. 174 respondents are within the age of 30 years and 144 respondents are above the age of 45 years. Majority (47 per cent) of respondents' age ranges between 31 years and 45 years.

Place of Residence	Number of Respondents	Percentage
Rural	222	37.00
Semi-urban	186	31.00
Urban	192	32.00
Total	600	100.00

Table 2: Place of Residence

Source: Collected and Calculated through Interview Schedule

Table No. 2 represents that, out of 600 respondents 37 per cent respondents belong to Rural and 32 per cent respondents to Urban and 31 per cent respondents belong to Semi-urban areas. Majority (222) of the respondents belong to rural area.

Educational Qualification	Number of Respondents	Percentage
Illiterate	126	21.00
Schooling	300	50.00
Under Graduation / Diploma	168	28.00
Post Graduation	6	1.00
Total	600	100.00

Table 3: Educational Qualification

Source: Collected and Calculated through Interview Schedule

It is depicted from Table No. 3, that out of 600 respondents 300 respondents were from Schooling level and six respondents came under the Post Graduation level. Majority (50 Per cent) of the respondents were at schooling level.

Family Income	Number of Respondents	Percentage
Up to Rs. 10000	50	8.40
Rs. 10001 to Rs. 20000	407	67.80
Above Rs. 20000	143	23.80
Total	600	100.00

Table 4: Family Income

Source: Collected and Calculated through Interview Schedule

It is interpreted from Table No. 4, that, out of 600 respondents 67.80 per cent of respondents earned from Rs. 10,001 to Rs. 20,000; and 8.40. per cent of respondents earned up to Rs. 10,000. 23.80 per cent of respondents earned above Rs. 20,000. Majority (407) respondents were earning between Rs. 10,001 and Rs. 20,000.

Family Expenses	Number of Respondents	Percentage
Up to Rs. 10000	50	8.30
Rs. 10001 to Rs. 15000	218	36.30
Above Rs. 15000	332	55.30
Total	600	100.00

Table 5: Family Expenses

Source: Collected and Calculated through Interview Schedule

9. Interpretation

It is observed that out of 600 respondents, 332 respondents had family expenses of above Rs. 15,000 and 218 respondents from Rs. 10,001 to Rs.15,000 and 50 respondents were up to Rs. 10,000. Majority (332) of respondents’ Family Expenses were above Rs. 15,000. Tables 1 to 5 can be explained in the following charts.

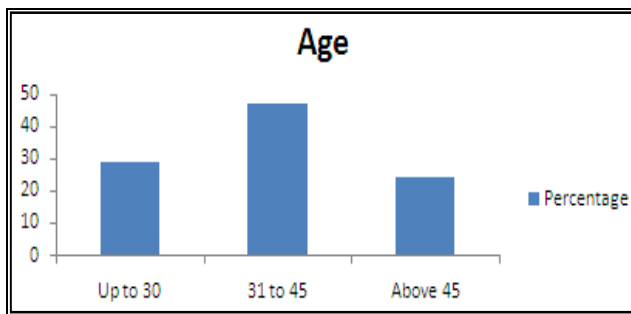


Chart 1: Age

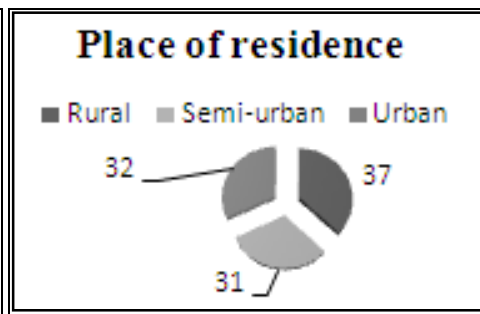


Chart 2: Place of Residence

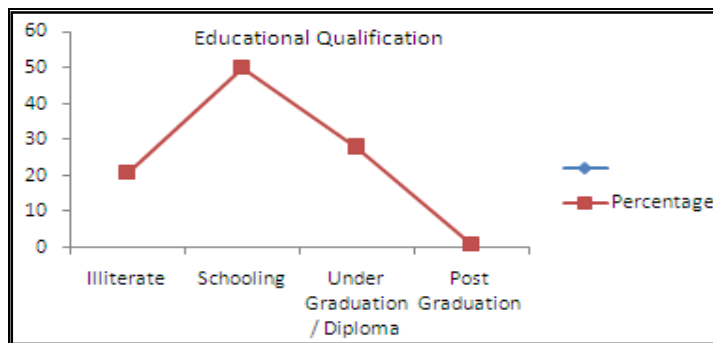


Chart 3: Educational Qualification

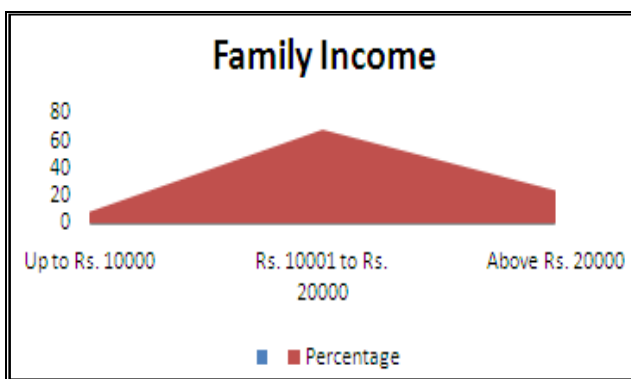


Chart 4: Family Income

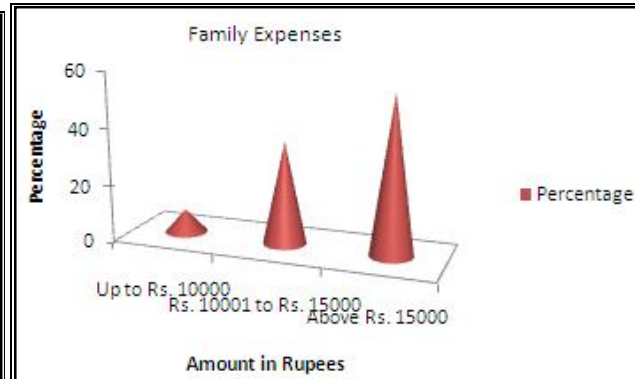


Chart 5: Family Expenses

Marketing Problems	SA	A	N	DA	SDA	Mean Score	Rank
SHGs always suffer from inadequate resources for marketing the products	361 (60.20)	233 (38.80)	6 (1.00)	0 (0.00)	0 (0.00)	19.19	3
Difficult to find out the market potential	426 (71.00)	108 (18.00)	66 (11.00)	0 (0.00)	0 (0.00)	19.16	4
Lack of Knowledge on marketing area	437 (72.80)	163 (27.20)	0 (0.00)	0 (0.00)	0 (0.00)	20.25	2
Less Promotional activity for SHGs Products	402 (67.00)	126 (21.00)	66 (11.00)	6 (1.00)	0 (0.00)	18.97	6
No branding of SHGs Products	366 (61.00)	114 (19.00)	119 (19.80)	1 (0.20)	0 (0.00)	17.48	10
Public are not encouraged to buy SHGs Products	349 (58.20)	251 (41.80)	0 (0.00)	0 (0.00)	0 (0.00)	19.03	5
Difficult to compete with MNC branded products in the market	408 (68.00)	132 (22.00)	1 (0.20)	59 (9.80)	0 (0.00)	18.60	7
Lack of machines and equipments to meet market capacity	433 (72.20)	167 (27.80)	0 (0.00)	0 (0.00)	0 (0.00)	20.38	1
Products price demanded by the retailer / consumer is low	264 (44.00)	312 (52.00)	0 (0.00)	24 (4.00)	0 (0.00)	17.63	9
Poor Technology Support	408 (68.00)	96 (16.00)	36 (6.00)	60 (10.00)	0 (0.00)	17.92	8

Table 6: Friedman Rank Test and Marketing Constraints

Source: Collected and Calculated through Interview Schedule

SA - Strongly Agree: A - Agree: N - Nuclear: DA - Disagree: SDA - Strongly Disagree

Note: Figures in Bracket mentioned to percentage to the total

From the Friedman Rank Test it is inferred that Lack of machines and equipment to meet market capacity are the important problems of Self Help Group Members followed by Lack of Knowledge on marketing area, inadequate resources for marketing the products and the like. In order to overcome the above constraints, following suggestions are put forth

- Bankers must provide loans at cheaper rate of interest for purchasing the machines and equipment to meet the market capacity (Babu R., & Venkateshwarli ragiri babu M. 2013).
- The Government should offer more subsidies for purchasing the machines and equipment to meet the market capacity.
- The Government must provide more orientation programmes for getting knowledge on market area.
- The Government, Bankers, and NGOs must create more resources for avoiding the inadequate resources for marketing the products.

10. Correlation Analysis

To ascertain the nature of relationship that exists between dependent and independent variable, Correlation Analysis has been employed (Kothari, C. R. 2002). Out of 6 variables selected, only four variables namely Place of Residence, Family Income and Family Expenses are found to be significant @ one per cent level and Nature of Sales is found to be significant @ five per cent level.

Variables	R	r ²
Age	-0.067	0.005
Place of Residence	-0.286**	0.082
Educational Qualification	-0.028	0.001
Family Income	-0.116**	0.013
Family Expenses	-0.107**	0.011
Nature of Sales	0.087*	0.008

Table 7: Variables associated with marketing constraints - Correlation Analysis

Source: Collected and Calculated through Interview Schedule

Note: Explanation is offered only for significant items

- **Place of Residence**

There exists a negative correlation between place of residence and level of marketing problem.

The co-efficient of variation explains 8.2 per cent of variation with the problem due to place of residence.

- **Family Income**

There exists a negative correlation between Family Income and level of marketing problem.

The co-efficient of variation explains 1.3 per cent of variation with the problem due to Family Income.

- **Family Expenses**

There exists a negative correlation between Family Expenses and level of Marketing Problem.

The co-efficient of variation explains 1.1 per cent of variation with the problem due to Family Expenses.

- **Nature of Sales**

There exists a positive correlation between Nature of Sales and level of marketing problem.

The co-efficient of variation explains 0.8 per cent of variation with the problem due to Nature of Sales.

11. Findings

- Majority (47 per cent) of respondents age ranges between 31 years and 45 years.
- Majority (222) of the respondents belong to rural area.
- Majority (50 Per cent) of the respondents were at schooling level.
- Majority (407) of respondents earnings were between Rs. 10,001 and Rs. 20,000.
- Out of 600 respondents, Majority (332) of respondents Family Expenses were above Rs. 15,000.
- From the analysis it is inferred that Lack of machines and equipment to meet market capacity is the important problems of Self Help Group Members followed by Lack of Knowledge on marketing area, SHGs always suffer from inadequate resources for marketing the products and the like.
- Place of Residence, Family Income and Family Expenses are found to be significant @ one per cent level and Nature of Sales is found to be significant @ five per cent level.

12. Suggestion

The Government is providing more facilities to the Self Help Groups. Even though it is suggested that the government should provide more opportunities, intervene in pricing policies, conduct more orientation programmes, and provide subsidy to good quality products.

The financial institutions should relax their formalities for providing financial help to such entrepreneurs in running the income generating activities. Bankers should reduce the rate of interest and the Government and Banks should provide holiday period for launching their products in the market.

13. Conclusion

The above details clearly depict the marketing constraints which are faced by the Women Self Help Groups in Coimbatore District. Government provides more support to sell their products. Additionally the government should increase its help to these groups during initial period of the business to overcome the short-term problems in initial stage and provide support and training ultimately to function independently as a successful business venture. The Government, Banks, and NGOs must create more resources through direct linkage for avoiding the inadequate resources for marketing the products. Also the Government must provide more orientation programmes for getting awareness on the market area. Only when these measures are undertaken the Women Self Help Groups would be safeguarded and developed in a successful manner without any marketing constraints.

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