



A STUDY OF PROMOTIONAL PRACTICES OF WOMEN SELF HELP GROUPS FOR MARKETING OF THEIR PRODUCTS

Mrs. Archana Borde* Dr. N.G. Sarode** Dr. J. N. Chakravorty***

*Ph.D Scholar, Gondwana University, Gadchiroli..

**Director, Ph.D Supervisor - Gondwana University, Gadchiroli.

***Principal, Ph.D Supervisor - Gondwana University, Gadchiroli.

Abstract

The research study of the promotional practices, working and achievements of especially women's self help groups happens to be altogether a new, fresh and virgin area of management research and it needs to be systematically probed so as to provide the analytical aspects of their management and offer a useful and practical guidelines to all those involved in women self help group activities. Very few scientific, objective & elaborate studies have been published in Indian management research literature and therefore there is a dire need of filling the lacunae; which becomes the very cause of conducting this research.

There is a tremendous potential for many bachat gats to growth through right promotional mix. The study focuses on understanding the opinion of selective bachat gats regarding promotion of their products, its importance, implementation & practices.

Keywords: Promotion, Self Help Group, Marketing.

Introduction

Women are vital part of the Indian economy, constituting (34%) of the national labour force and forming a major contributor to the survival of family too. It is observed that eighty nine percent (89%) of total female labour are involved in agriculture and allied industrial sector. More than 90 per cent of rural women in India are unskilled, restricting them to low paid occupations-LPO. Due to women's dual responsibilities and their heavy and pressurized work load they generally don't have no control over productivity and assets, which ultimately results into excluding them from dependent on their high cost formal as well as informal sources of credit to secure enough capital for various purposes like consumption and productive. The Micro credit Summit 2007 defines micro credit as the extension of small loans to entrepreneurs to poor to qualify for traditional bank loans. It has proven as an effective and popular measure in the ongoing struggle against poverty, enabling those without access to lending institutions to borrow at affordable interest rates and start small business.

Empowerment as a concept was introduced at the International Women's Conference at Nairobi in 1985. The conference defined empowerment as "A redistribution of social power and control of resources in favour of women. Empowerment is a multi-faceted process which encompasses many aspects i.e. enhancing awareness, increasing access to resources of economic, social and political etc. The World Bank defines empowerment as "the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes. Central to this process are actions which both build individual and collective assets, and improve the efficiency and fairness of the organizational and institutional context which govern the use of these assets.

Literature Review

In a study conducted by NABARD [2002] covering 560 households from 223 SHGs in 11 States of India elucidated that there has been a positive result in enhancing the life style with living standard of the SHG members which includes asset ownership, Savings level and borrowing capacity, income generating activity and income levels. The housing condition of the people had improved, from the mud walls to thatched roofs to brick walls and tiled roofs. Almost all members developed saving habit in the post SHG facility. The trend of consumption loans come down in contrast the loan for income generating purpose has increased considerably during the pre-SHG period. Similarly the overall repayment of loans improved and the average net income per household has increased about 33%. The employment increased by 18% between the pre and the post SHG conditions. It should be noted that after association with the SHGs, there have improved their self-confidence, self-worth and communication. In addition to this, they involved in addressing various social evils and problems of the society. According to RBI, 1977, "In spite of constraints, the outreach of the formal Rural Financial Institutions (RFIs) has no doubt improved over the years. Based on All-India Debt and Investment Surveys, the share of institutional credit in total rural credit was merely 7.2 per cent for rural households in 1951-52 and reached to 18.1 per cent by 1961-62. In other words, the major source for rural credit continued to be informal sources. Lack of coverage of rural households by the co-operative institutions prompted the nationalization of commercial banks in 1969 to extend their credit to rural households.



Rahman (1986) established that “active” women who have a role in household decision-making and also consumption standards either on their own or jointly with their husbands. In both significantly in household decision-making than women from male loanee households or from households who had not received credit. Similarly, Self-help groups through microcredit have an important role in lessening the vulnerability of poor by creating assets, income and consumption smoothing, providing emergency assistance, and empowering and making women confident by giving them control over assets and increased self-esteem and knowledge (Zaman 2001).

Kabeer (1998) distinguishes between women as marginal, joint or primary decision makers, using a matrix, which considers women’s role in decision-making regarding the use of the loan, participation in running the business, and the use of profits. She writes that it is important to acknowledge this complexity in household gender relations, and to reflect on the mix of structural, individual and programme factors which influence the degree of control women are able to take over their loan.

Evolution and Growth of the Movement of Self- Help Groups and Micro –Finance

Before the analysis of the empowerment of women through Self Help Groups, which have been formed with a logic and reason in view of the need, it will be more fruitful to look through the evolution and progress of self help movement that has occurred in the developing country like India, so that a complete understanding can be acquired and more so how far empowerment of women has been gained with regard to the objectives of the SHGs, to just understand, how far the formation of SHGs and the fulfillment of their core objectives have been successful, and whether the rural people, especially the deprived women have received socio-economic empowerment through SHGs may be vividly and illustratively examined. The formal institutions have been ineffective in offering financial services to the deprived sections of society. Having completely discouraged by their performance, the Government of India in 1980's initiated to promote another apex bank to take care of the financial needs of the poor, informal sector and rural areas.

Besides, the decline of cooperative in the sixties and seventies is widely attributed to the government’s direct promotional role, their artificial propping up through subsidies and undue interference in management. Consequently, NABARD desired to develop a new channel to reach the poor, particularly women, free from government subsidies and interference. In spite of the decline of the cooperatives, the search for an appropriate community based structure perfectly matched to the rural poor women continued and women’s groups known as Self-Help Groups (SHGs) emerged in 151 the late eighties and the early nineties around rotating mutual savings and credit as a stable and viable alternative. It was a development innovation in its own right. In fact, Myrada, an NGO engaged in the promotion of the SHG movement formed about 300 Self Help Groups which it called ‘Credit Management Groups’ by 1986 and ensured independence to the groups over their own decision making. NABARD, in its search for alternative channels to reach the unreachable, found Self Help Groups an interesting and effective means to provide banking services to ‘so called’ ‘unbankable’ people and as a result, initiated an experiment with MYRADA on SHG lending. Having been encouraged by the results, NABARD initiated a pilot-project of SHG bank linkage and thus NABARD became a patron of Self Help Groups In India, Self Help Groups represent a unique approach to financial intermediation. The approach combines access to low-cost financial services with a process of self management and development for the women who are SHG members. Self Help Groups are formed and supported usually by NGOs or (increasingly) by Government agencies.

Objectives

1. To examine and evaluate the managerial success and achievements of women’s self help groups and provide the causal analysis of their success.
2. To study the various sales promotional tactics and practices adopted by these self help groups for expanding the markets of their products and assess the effectiveness of some their promotional efforts.
3. To make objective comparison of the prices, cost, the volume of the monthly & yearly turnover and the profits of their products vis-à-vis the same variables of their competitors from private corporate sector.

Hypothesis

H1: The business success of women self help groups is the function of their adoption of appropriate sales & promotional practices.

H2: Due to the tremendous success of some self help groups, many more are being induced to form and organize them and the movement is spreading very rapidly in recent years.

Limitations of the study

There are following limitations of the study:



1. The universe of study is limited to Pune region. It may not be the exact representation of the globe.
2. Sample size is restricted to 279 members of self help groups & 136 Members of NGO associated with Self Help Group. This limits the study to one particular region.

Hypothesis Testing

Hypothesis 1: The Business Success of Women Self-Help Groups Is the Function of Their Adoption of Appropriate Sales & Promotional Practices

It is presumed in the research that adoption of appropriate sales and promotional practices has led to the success of women self-help group. To test this, one-way ANOVA test is applied on variable like SHG's have received huge success in recent past as fixed factor and the factors of sales and promotional practices like supplying product as per the expectation, designing product after appropriate market survey, keeping prices within the paying capacity of the consumers, providing on time delivery, providing product at desirable place, effective use of personal selling, advertising in newspapers/magazines, use of hoarding and leaflets and applying trained persons to sale the product as dependent variables, where following results were obtained:

ANOVA					
Sales and Promotional Practices					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	542.896	4	135.724	946.484	.000
Within Groups	58.793	410	.143		
Total	601.689	414			

Sales and promotional practices has led to the success of women self-help group. The data is classified based on the factors of Sales and promotional practices. One Way ANOVA is applied to test the association between Sales and Promotional practices and Success of Women SHG. The value of ANOVA obtained is 946.484 (F = 946.484) and associated significance value obtained is 0.00 which is less than the alpha value of 0.05 ($p < 0.05$) which states that there is significant association between sales and promotional practices and success of women Self-Help Group.

Hence the hypothesis i.e. the business success of women Self-Help Groups is the function of their adoption of appropriate sales & promotional practices is accepted

Hypothesis 2: Due To the Tremendous Success of Some Self Help Groups, Many More Are Being Induced to Form and Organize Them and the Movement Is Spreading Very Rapidly In Recent Years

To study whether the tremendous success of some Self Help Group led to increase in number of Self Help Group formations, One Way ANOVA test is applied taking variable like SHG's have received huge success in recent past as fixed factor and factors determining liking towards formation of SHG viz.,

1. Most of the SHG's are running in profit,
2. SHG is formed by observing other SHG's success,
3. Plenty of women are showing their interest in joining SHG,
4. Many women are planning to start new SHG,
5. Women consider SHG as feasible source of earning,
6. It is easy for women to join SHG & start earning and SHG's are gaining momentum because of proper managerial skills of women associated with it.



ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Most of the SHG's are running in profit	Between Groups	717.759	4	179.440	1347.031	.000
	Within Groups	54.617	410	.133		
	Total	772.376	414			
Your SHG is formed by observing other SHG's success	Between Groups	666.761	4	166.690	931.623	.000
	Within Groups	73.359	410	.179		
	Total	740.120	414			
Plenty of women are showing their interest in joining SHG	Between Groups	506.749	4	126.687	437.724	.000
	Within Groups	118.663	410	.289		
	Total	625.412	414			
Many women are planning to start new SHG	Between Groups	613.802	4	153.451	2037.249	.000
	Within Groups	30.882	410	.075		
	Total	644.684	414			
Women consider SHG as feasible source of earning	Between Groups	506.749	4	126.687	437.724	.000
	Within Groups	118.663	410	.289		
	Total	625.412	414			
It is easy for women to join SHG & start earning	Between Groups	555.429	4	138.857	3258.442	.000
	Within Groups	17.472	410	.043		
	Total	572.901	414			
SHG's are gaining momentum because of proper managerial skills of women associated with it	Between Groups	539.746	4	134.937	553.249	.000
	Within Groups	99.998	410	.244		
	Total	639.745	414			

Many of the SHGs are formed after observing the success of most of the successful SHGs and to study this the data is classified based on the factors of Preference for forming SHGs. One Way ANOVA is applied to test the association between Preference for forming SHGs and Success of Women SHG. In case of all the factors which represent the preference of forming SHG the significance value obtained is less than the alpha value of 0.05 ($p < 0.05$). This states that there is significant association between formation of new SHGs and Success of Women SHGs and hence, the hypothesis is accepted.

Thus it is concluded that, many SHGs are formed after observing the success of most of the successful Women SHGs.

Conclusion

It is fact proven that the self-help groups (SHGs) are fastest growing in India. Women involved in self-help groups have also proven that they together can do the business very well. When a women is also, she finds it difficult to run the business however when they form the group the capacity of the group enhances. The enhance capacity leads the women group i.e. self-help groups to go for successful business.

It is better to understand the definition of success for women in this scenario especially who are with self-help groups. they call it a successful business which can give them sufficient amount to buy basic food & cloths for their families. The



conditions of most of the rural women were pathetic in India. They don't get financial security in the prevailing social environment. In fact, it is found that getting basic food & cloths on regular basis is tough task for them.

Business promotional practices plays a vital role in success of any business. Self help groups are no different. They have to prepare promotional policies in such a way that their products & services can reach the customer. The study reveals that the business success of women Self-Help Groups is the function of their adoption of appropriate sales & promotional practices. Self help groups use personal selling, leaflet, banners & hoarding as tools to promote product. Most of their products are sold through personal selling. The women involved with Self help groups are trained in selling the product. They may not be able to follow professional selling techniques however they are good at selling in their own style. While introducing new product in the market, Self help groups take help of personal selling method & use to keep their product display at various exhibitions.

It is also noted that SHG's have rotational managers. however most of them are observed as very good managers. Their managerial styles are leading towards business successes. The sales & profit volume of most of the Self help groups are increasing where the dynamic leadership is available.

It has also been observed during the study that many of the Self help groups are formed after observing the success other Self help groups. Looking at the success of Self help groups, most of the rural women are considering Self help groups as good option for their bread and butter. Hence the result is more & more women are joining existing Self help groups or in the opinion of starting their own Self help group.

One gray area for Self help groups is professionalism in marketing practices. The women involved in Self help groups are not professionally trained. Self help groups do not possess long term planning for their product & promotional practices. The focus is on selling which is part of short term vision. Hence, even after so many years of establishment, Self help groups have failed to create a sustainable & reputed brand to their products. Lack of technical knowhow & deficiency in getting capital makes the problem further complicated. Lack of fund prevents them to market their product through TV, Newspaper & create state as well as national presence. Lack of technical knowledge & lack of formal business education prevents them to adopt modern day techniques of promotion of the products.

At the end, it can be said that Self help groups are creating impact & enhancing their business but they have to work a lot in the area of professionalism.

References

Websites

1. Microfinance Focus: www.microfinancefocus.com.
2. www.microfinance.in.
3. www.rbi.org.in.
4. www.nabard.org.in.
5. planningcommission.nic.in.
6. <http://nagpur.nic.in/htmldocs/shg.htm>.
7. https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=9836.
8. <http://silks.csb.gov.in/nagpur/micro-credit-and-self-help-group/>.
9. http://www.aiesec.ru/assets/files/Unilever_case.pdf.

Articles & Papers

1. ARCHANA SINHA, 2005, "Micro Finance for Women Empowerment"- Kurukshetr.
2. Begum L.N.(1995), "Empowerment of women with special reference to - Kurukshetra, 50: (3): -25-31.
3. Bangladesh: An evaluation", Chittagong University Studies, Vol XVI, No.1.
4. BHART DOGRA, 2002, "Women Self Help Groups Kindling sprit of Enter preneurship."
5. Dr.Geeta Tiwari., Empowerment of women, Mahaveer & Sons, New Delhi, 2008.
6. H.Kazi Nazmul,Ahmed F., "Social Empowerment of Working women in Bangladesh: An Empirical Study", Journal of Business management, vol.1, No.1-2, Jandec(2009).
7. Hasalkar Rao and Badiger.C, Entrepreneurship Qualities of Members of Self Help Groups in Dharwad District of Karnataka State, Journal of Social sciences, 11(3):229-231(2005).
8. Hema Bansal (2003), "SHG – Bank Linkage Program in India: An Overview", Journal of Microfinance , Vol.5, No.1.
9. Kropp E.W. and Suran B.S. (2002). Linking Banks and Financial Self Help Groups in India – NABARD; SHG – Bank Linkage Program for Rural Poor.



10. Kropp Erhard W.and Suran B.S.,Linking Banks and Self Help groups In India-An Assessment, November(2002).
11. Mayoux, L. (2005, 2006), “Women’s Empowerment and Micro Finance: A Think Piece for The Micro Finance Field, Sustainable Micro-finance for Women’s Empowerment”. www.genfinance.info/.
12. Mayoux, L. 2000. Microfinance and the empowerment of women: A review of the key issues. Social Finance Unit Working Paper, 23, ILO, Geneva.
13. NABARD Financing A Self Help Group, A reference, NABARD, Bangalore 2015.
14. NABARD, Mumbai, Progress of SHG-Bank Linkage in India 2006-07 to 2010-11(various issues).