

## **The Impact of Market Mix Strategy on Marketing Efficiency of Aquaculture and Other Products Produced By Women Self Help Groups In Coastal India**

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### **Abstract**

This study has been conducted with the objective of analysing the impact of marketing mix strategy on the marketing efficiency in the aquaculture and other products produced by self-help groups (SHGs). It has been conducted to provide a better understanding of marketing by self-help groups (SHGs). A structured questionnaire was distributed among 288 members of different SHGs to obtain the primary data. Secondary data was collected from journals, books and websites. The acquired data is analysed through Chi square test. This analysis revealed that the four marketing mix elements have positive relation with the market efficiency of the SHGs. In other words, if any one of the element is improved or increased it shows its impact on sales of the product.

**Keywords:** Self-help groups, Marketing Mix, Aquaculture.

### **Introduction**

A self-help group (SHG) is a small group of 10 to 20 members having homogeneous socio-economic background with a common objective formed for discussing their problems and resolving it through appropriate participatory decision-making methodology (Jayaraman, R., 2008). In India, the concept of self-help groups can be traced back to the Gandhian Grama Swaraj movement, and the success of Bangladesh Grameen Bank, started by Prof. Mohammed Yunus in 1976, triggered momentum to the concept. The emergence of SHG in India brought a revolution which benefited rural India. It motivated the rural Indian to indulge them in starting some livelihood activities. These activities adopted by the SHGs made them able to produce some kind of product through which they wanted to improve their social and economic status. It is observed that SHG members are assisted by all type of institutes for the

development of their livelihood such as bank provides loans and research institutions give them training for their livelihood activities.

The real problem what they face is marketing the product which they produced. Marketing is very essential in surviving in the unforgiving market environment. Production is meaningful only when marketing is successful. The true value of product is realized only through marketing. Therefore creating a marketing system which could satisfy both the ends viz., the producer and the consumer is most important in the present scenario.

Marketing has helped to introduce and gain acceptance of new products that have eased or enriched people's lives. Producers must decide what features to design into new products, what prices to set, where to sell products, and how much to spend on awareness and promotion. Good marketing is result of careful planning and execution, using innovative latest tools and techniques. It becomes an art as well as science when marketers address the complex challenges in an innovative and creative way for the profound changing market environment. Marketing is about identifying and meeting human and social needs.

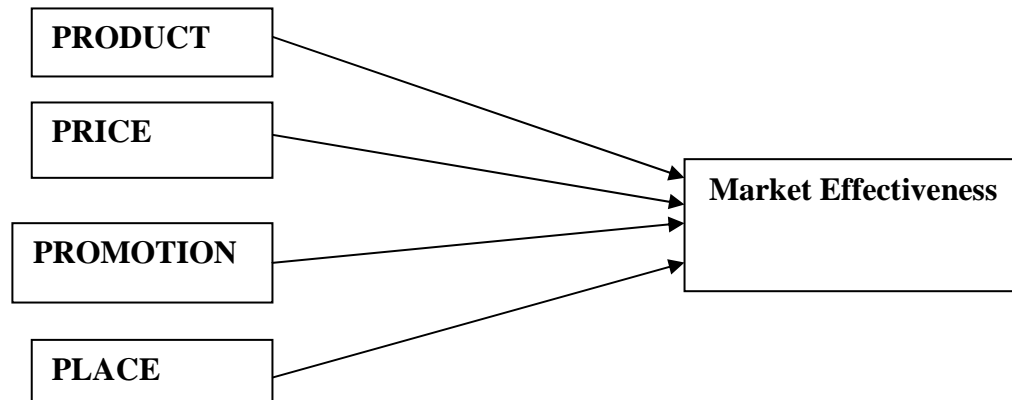
### **Literature Review**

In 1964, McCarty developed the marketing mix elements, which is known as 4Ps today (Chai. L. G, 2009). Marketing mix consists of four elements namely product, price, promotion and place (Jobber. D, 2001). Owing to the fact that any decision on each element should be compatible with other three elements, *marketing mix* term was selected (Mullins. J, 2008). In reality, marketing mix is a set of tools by which entities achieve their marketing goals in their target markets (Alvedari. H, 2005). Marketing mix elements effects positively in absorbing customers (Bahman Saeidi Pour, 2013). These four elements of marketing mix helps the firm in formulating strategies necessary for decision making (Meera Singh 2012). It is a set of controllable, tactical tools of product, price, place, promotion which can be controlled by the marketing managers to satisfy the customers' needs (Shankar and Chin, 2011). Marketing mix elements, jointly and independently influence the important factor consumer loyalty (Owomoyela. S. K, 2013)

Acharya (1997) had recommended the producers to sell their produce under brand names and promote such brands on grading to develop the marketing efficiency. Similarly, Punhani, (2001) has emphasized that efficient marketing strategy is possible through price stability, economic growth and fair distribution of goods and services. Direct marketing strategies increase a farmer's prospective customer base and profitability. It indicates that selling should be done directly through farmers' markets, roadside markets, local retail stores, restaurants and consumers (Gibson, 1994).

SHGs are mostly away from the markets therefore they have incurred high transaction cost and labour cost to market their product hence the profit decreases. The producer who are close to the market acts as strong competitor for their products (P. Jagger).The major constraints among SHG members is lack of marketing information and type of procurement agencies (B. Jaya Varathan, 2012).

## **Conceptual Frame Work**



## **Objective of The Study**

The main objective of this paper is to analyse the association between the marketing efficiency and different marketing mix elements such as product, price, place and promotion.

## **Research Methodology**

Present study is a descriptive-survey in terms of research type and it is based on quantitative data. To collect information on research background and theoretical framework, library method and journals from websites and to collect needed information on testing the hypotheses and measuring members' opinions, feasibility study method along with a questionnaire is used. Its population consists of members of self help groups in the Tiruvallur, Kancheepuram, Tuticorin and Kanyakumari districts who are engaged in manufacturing of aquaculture and other products. Samples are collected by convenience sampling method. Sample size is determined as 288 members from self help groups of coastal Tamil Nadu.

## **Hypotheses**

1. HYPOTHESIS: There is no significant association between Price elements of marketing mix and market effectiveness.
2. HYPOTHESIS: There is no significant association between product elements of marketing mix and market effectiveness.
3. HYPOTHESIS: There is no significant association between promotion elements of marketing mix and market effectiveness.
4. HYPOTHESIS: There is no significant association between place elements of marketing mix and market effectiveness.

## Result and Discussion

**Table 1:** Distribution of Respondent Groups based on Demographic Profile

Sl. No	Districts	Number of Respondents	Percentage
1	Tiruvallur	100	34.7
2	Kancheepuram	81	28.1
3	Tuticorin	48	16.7
4	Kanyakumari	59	20.5
	<b>No Years since group started</b>	<b>No. of Respondent</b>	<b>Percentage</b>
1	Less than 3	29	10.1
2	3 – 6	221	76.7
3	Above 6 years	81	13.2
	<b>Educational Level</b>	<b>No. of Respondent</b>	<b>Percentage</b>
1	Below 5th std	25	8.7
2	Below 8th std	223	77.4
3	Below SSLC	21	7.3
4	SSLC to HSC	19	6.6
	<b>Annual Income (in Rs)</b>	<b>No. of Respondent</b>	<b>Percentage</b>
1	Less than 10001	169	58.7
2	10001 – 30000	66	22.9
3	30001 – 50000	20	6.9
4	50001 – 70000	23	8.0
5	Above 70000	10	3.5
	<b>Age</b>	<b>No. of Respondent</b>	<b>Percentage</b>
1	Less than 30	34	11.8
2	30 – 40	33	11.5
3	Above 40	221	76.7

It is inferred that 34.7% of the respondents under the study is residing in Tiruvallur, 28.1% of the respondents are found to be residing in Kancheepuram, 20.5% of the respondents are found to be residing in Kanyakumari and the remaining 16.7% of the respondents are residing in Tuticorin district.

The researcher could say from the analysis that 10.1% of the respondent groups are functioning for less than three years, 76.7% of the respondents are functioning

between 3-6 years, and the remaining 13.2% of the respondent groups are functioning for more than 6 years.

From the above table the researcher could say that 8.7% of the respondents have an education qualification less than 5<sup>th</sup> standard, 77.4% of the respondents have an education qualification below 8<sup>th</sup> standard, 7.3% of the respondents have an education qualification below SSLC and the remaining 6.6% of the respondents have an education qualification between SSLC and HSC.

From the study the researcher could say that majority of the respondents' annual family income is less than Rs. 10001, 22.9% of the respondents annual family income lies inbetween Rs.10001 – 30000, 6.9% of the respondents annual family income is in between Rs.30001 – 50000, 8% of the respondents annual family income lies in between Rs.50001 – 70000 and the remaining 3.5% of the respondents annual family income is above Rs.70000.

It is interpreted in the study that majority of the respondent's age is above 40 years of age, 11.8% of the respondents age is less than 30 years of age and 11.5% of the respondents' age fall in between 30-40 years of age.

**Table 2:** Chi-square test between Market Effectiveness and Product Mix

Sl. No	Market effectiveness	Product mix						Total		$\psi^2$ Test	Significance
		Agree		Neutral		Disagree		No.	%		
		No.	%	No.	%	No.	%				
1	Very High	34	41.5	16	19.5	32	39	82	100	67.377	0.000
2	High	54	52.4	-	-	49	47.6	103	100		
3	Moderate	26	43.3	26	43.3	8	13.3	60	100		
4	Low	29	67.4	10	23.3	4	9.3	43	100		

Source: Primary Data

In pursuit of the above analysis, the Null hypothesis is rejected, as p takes the value of 0.000 at 95% confidence level. It can be concluded that there is an association between market efficiency and product mix. It indicates that the principle they consider for manufacturing the commodities have considerable effectiveness in the product mix.

**Table 3:** Chi-square test between Market Effectiveness and Price Mix

Sl. No	Market Effectiveness	Price mix						Total		$\psi^2$ Test	Significance
		Agree		Neutral		Disagree		No.	%		
		No.	%	No.	%	No.	%				
1	Very High	-	-	20	24.4	62	75.6	82	100	111.569	0.000
2	High	11	10.7	-	-	92	89.3	103	100		
3	Moderate	26	43.3	-	-	34	56.7	60	100		
4	Low	23	53.5	4	9.3	16	37.2	43	100		

Source: Primary Data

There is some significant association between the market efficiency and price mix since the value of p is 0.000 at 95% confidence level. Generally marketers price the commodity keeping in mind the customer or the market. The consumer or the end-users compare the satisfactions derived out of their money spend for buying. Every penny they spent is measured in monetary terms to the satisfaction derived from the product. So it is better if the marketers have empathy over the consumers.

**Table 4:** Chi-square test between Market Effectiveness and Place Mix

Sl. No	Market Effectiveness	Place mix						Total		$\psi^2$ Test	Significance
		Agree		Neutral		Disagree		No.	%		
		No.	%	No.	%	No.	%				
1	Very High	4	4.9	4	4.9	74	90.2	82	100	<b>97.498</b>	<b>0.000</b>
2	High	54	52.4	25	24.3	24	23.3	103	100		
3	Moderate	20	33.3	4	6.7	36	60	60	100		
4	Low	23	53.5	-	-	20	46.5	43	100		

Source: Primary Data

Since the value of p is 0.000 at 95% confidence level it is inferred that there is significant association between the place mix and market effectiveness. The marketers must find a place or market where they could sell the product. They should also decide about the distribution channel through which the product is to be sold. The segmented audience and the targeted audience should get the product in time.

**Table 5:** Chi-square test between Market Effectiveness and Promotion Mix

Sl. No	Market Effectiveness	Promotion mix						Total		$\psi^2$ Test	Significance
		Agree		Neutral		Disagree		No.	%		
		No.	%	No.	%	No.	%				
1	Very High	-	-	20	24.4	62	75.6	82	100	<b>96.824</b>	<b>0.000</b>
2	High	48	46.6	16	15.5	39	37.9	103	100		
3	Moderate	4	6.7	-	-	56	93.3	60	100		
4	Low	16	37.2	-	-	27	62.8	43	100		

Source: Primary Data

As the value of p is 0.000 at 95% confidence level it is interpreted that there is association between the promotion mix and market effectiveness. Product fails in the market because of the ineffectiveness of promotion mix. Many people buy products because of the promotional strategies adopted by the marketers. Regarding promotion the product can be positioned and repositioned for the surveillance in the market.

## **Implication**

Self help groups (SHGs) are engaging in various livelihood activities both in aqua and other agro businesses. These groups are economically and socially backward and having limited knowledge of the outside world. They are less educated also. They lack in marketing skill as they are new to the business. If they are adequately trained with marketing techniques, they can excel. The NGOs who have formed the SHGs, the financial institutions which have financed them and the Government institutions who are fostering them must join hands in training the SHG members in business and marketing activities and make them play globally (K.Gandhi and N. Udayakumari (2013).

SHG members should be provided with better training on management and technical aspects and should be provided with market information and infrastructure so that they could scale-up their production and become competitive in the market. (Lina Joy, A. Prema). The major marketing constraints among SHG member is lack of marketing information and type of procurement agencies. (B. Jaya Varathan) group marketing, cooperative marketing, contract marketing, etc., which would increase the marketing efficiency and improve their profit (Chahal *et al.*, 2004; Ali *et al.*, 2008).

Product is a necessary element which generates value for customer (Lovelock). It is an element of marketing mix which leads to the satisfaction of customers. For instance, supplying products with a credible brand and attractive package increases the sale in addition to the satisfaction of customers (M. H. Mostaani, 2005). Products determine demand in the market, hence SHGs need to give more concentration on quality of the product. The most sensitive component, from both retailer's and customer's perspective, is the price (Dabija, 2010). Pricing strategy determines sales of the product in the competitive market situation. This saves the producers' risk in business and helps in obtaining proper rate on investments. Price of the product is based on cost of production and market condition. It is noted that Self Help groups fixes price on the basis of cost of production and the ongoing market price. The sales of the product produced by the SHGs are highly depended on the distribution system of the product. The market linkage given to the SHGs promotes sales. Exhibitions are helping in displaying their product in different markets. In case of aqua product auctioneers pick the catch near the aqua produced area or it is sold to the wholesalers. Katiha *et al.* (2004) have analysed the governance, institutions and policies for fisheries of floodplain wetlands, wherein they revealed that the stakeholders include fishers, government agencies, lessee, fishery co-operatives, village authority, community leaders, market agents, political leaders and NGOs and their interactions and transparency are essential to increase the efficiency of the markets. Promotion Acharya (1997) had suggested that producers should market the produce under their brands and promoting such local brands based on graded produce to improve the marketing efficiency. Promotion improves the sales. In this context it is observed that SHGs adopts word of mouth in promoting their product. Purushotham, P. (2004) has recognized in his research that most of the SHG members are living in poverty, inadequate resources and poor infrastructure which makes it difficult to identify and promote feasible livelihood due to several constraints. It also observed that selection of key activities was not based on market appraisal. Since SHGs are predominantly

less educated, backward people therefore, government should take initiative in identifying markets, products development, to provide linkage with appropriate market channel, equipping the SHG members with the skills of market appraisal and implementing marketing strategy like market penetration and market creation should be followed for identifying the self-employment potential.

## Conclusion

Marketing is a critical function for improving livelihood opportunities of SHGs in the rural India. A suitable strategy or plan of marketing mix elements such as product, price, promotion and place should be developed prior to production of any good in order to avail optimum economic opportunities. Since SHG members are socially and economically backward groups, government should organise Training and development programmes to enhance their skills, they should also provide exhibition and contacts to the SHG members to enable sales of their products. The study focuses light on the importance of marketing mix strategy for the market efficiency. Therefore, it is suggested that Self help groups should take initiative in formulating marketing mix strategy while producing and selling their products in the market for boosting the sales.

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