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## THE OPPORTUNITIES FOR RETAIL BUSINESS IN INDIA

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### ABSTRACT:

*Many small entrepreneurs are technically sound but their greatest bug bear has always been marketing. They devote sufficient attention to problems of production while the marketing front remains neglected. It has therefore been rightly stated "There is market but no marketing". The marketing corporations set up by state Governments are certainly of some help but not adequate. The newly created Small Industries Development Bank of India (SIDBI) has been laying special emphasis & introducing new schemes of assistance for marketing support to the small sector. It is heartening to note that for the first time the concept of*

*marketing entrepreneurship as against manufacturing entrepreneurship has been recognized. The SIDBI plans to assist service organization oriented towards marketing.*

**KEYWORDS:** small entrepreneurs , marketing support.

### INTRODUCTION:-

The editor of the London based 'Economist' predicted in 1979 that the age of the mammoth corporations was over. He likened them to the giant 'dinosaurs' which once roamed the earth but died due to lack of flexibility in adapting to the environment. He observed that the future lay with the small, dynamic production groups that can respond quickly to customer needs. Peter Drucker the 'guru' of management in his book 'Innovation & Entrepreneurship' sees a shift in the American economy from a managerial

to an entrepreneurial one & he noted the small businessman as embodying all the traditional American values. Mr. Ingersoll Chairman of Wamer-Borg of USA said " It is the small enterprise that not only creates new products & services but also ideas & most importantly, jobs. Increasingly big companies are realizing that they must decentralize to the greatest extent possible & must, in effect create small entrepreneurial units in their overall structure, if they want to remain competitive. Small business absorbs over 50 percent of labour force in Canada. Small Scale enterprises supply goods & services essential to consumers & other business & they demonstrate the innovation & entrepreneurship from which successful enterprises must spring.

Small Business Research in the UK indicated that small companies had created between 8,00,000 & 1.1 million new jobs in a period of six years— small firms are regarded — as a breeding ground for new entrepreneurial talent & new ideas, with flexibility of response & ability to adapt most rapidly in changing business environment. Individual initiative & motivation have full sway in medium sized firms & those below down to cottage industries in Italy. Japa is an outstanding example of those who have achieved rapid industrialization through the small & medium industries.

### INDUSTRIAL ESTATES IN INDIA

Industrial Estates Programme is one of the major policy components in the area of industrial development in the post

independence period. The first Industrial Estate in India was set up at Rajkot in September 1955. The major objectives underlying the establishment of industrial estates in India are:

1. To encourage the growth of small scale industries
2. To shift small scale industries from congested areas to estate premises with a view to increasing their productivity.
3. To achieve decentralized development in small towns and big villages.
4. To encourage growth of ancillary industries in the townships surrounding major industrial undertakings both in public and private sectors; and
5. To foster the development of industry as well as entrepreneurship by providing economies and incentives.

The establishment of Industrial Estates is primarily the responsibility of the state Governments. The role of the Central Government is mainly to laying down of the policies of the purchase of the state Governments and advancing funds for implementation of the programme.

### **SOCIO-CULTURAL FACTORS**

Entrepreneurial development is greatly influenced by socio-cultural factors like the family background & the norms & values of an individual are a function of the socio-cultural milieu. The development of the normative behavior in the individual is influenced by this milieu. Behaviors which reflect inclinations towards initiative & risk taking dependent or independent working with one's own hands on tasks requiring manual handling etc are the result of the socialization process in the family, the school & society. Behavior rewarded through appreciation, encouragement & other extrinsic as well as intrinsic devices gets reinforced & related values & norms develop. Thus training through socialization is important.

Efficient & effective operation of the supportive system enhances the possibility of the success of an entrepreneur. Several agencies & organizations operate to help & support the entrepreneur. They include<sup>1</sup>

1. Corporations specially set up to develop entrepreneurship & small industries in a region.
2. Financing institutions including banks
3. Extension services of the department of industries (including SISIs)
4. Development administration in the district &
5. Large industrial establishments interested in developing ancillary industries there by helping small units to grow & develop.

These support systems have profound influence on the entrepreneurs through reinforcing behavior & adopting norms of internal working which are in harmony with them.

### **Management of Entrepreneurship**

Entrepreneurship and innovation have to be achieved through efforts, and necessary policies & practices are required for entrepreneurial management. Policies & practices required for entrepreneurial management relate to the following major areas.

1. The organizations must adopt policies and practices to create an entrepreneurial climate. They must be receptive to innovation and willing to perceive change as an opportunity rather than as a threat.
2. An appraisal of a company's performance as entrepreneur and innovator should be made mandatory.
3. Specific practices pertaining to organizational structure, to staffing and managing, and to compensation, incentives aid rewards are needed for entrepreneurial management.
4. Organizations should not mix up managerial units and entrepreneurial units. Innovation should not be identified with diversification.

<sup>1</sup> Singh, P.N : Developing Entrepreneurship for Economic growth - Vikas Publishing House Pvt Ltd New Delhi 1986 pp.50-51

Business organization that wants to be able to innovate, wants to have a chance to succeed and prosper in a time of rapid change has to build entrepreneurial management into its own system. Small industry sector is an ideal nursery for the rapid growth and development of entrepreneurship. Programmes for developing entrepreneurship must recognize that the change they seek to induce is attitudinal. It is to provide new goals so that a motivated young person is no longer content to take up secure job which will assure him a modest income but seeks bigger challenges in setting up and running his own business.

Generally speaking the quality of entrepreneurship that is required for managing an ancillary unit is different from that which is required for managing an independent small-scale unit. In an ancillary unit the entrepreneurship can be transplanted or even injected into a technologist who can produce a few items to the exact specification of the large scale producer. The ancillary industries are a key component of the concept of small-scale industries. The growing dependence of large and medium scale industries on the small-scale sector for meeting their requirements of parts components and intermediaries, coupled with the policy of achieving higher level of indigenization of items hitherto imported, has created a more congenial climate for the rapid growth of SSI sector.

Small scale industry is the beehive of entrepreneurship innovation and development. They are interlinked to each other and foster an integrated development. Small scale industries and entrepreneurship are the two faces of the same coin that is industrial development. Small scale industries in India has shown the growing spirit of entrepreneurship. Small scale industries have contributed over 100 lakh entrepreneurs in India. If we add entrepreneurs from small business, the growth of entrepreneurs increases many fold. Thus small business is the seed bed for entrepreneurship. These entrepreneurs continue to strive to excel in their fields. Many of them have grown big. - "small business is the open university for entrepreneurs to translate their vision and innovative ideas into a reality"<sup>2</sup>

### **Entrepreneurship in the SSI Sector and the Economic Reforms and Globalization:**

An uneasy ambivalence regarding the small-scale industrial sector seems to be the hallmark of the new industrial policy which is unraveling as part of a grand design called structural adjustment. The new economic policy believes in competitive efficiency of economic enterprises and optimum productive utilization of resources. "Competitive efficiency in terms of cost effective use of resources, value addition, productivity, financial discipline, marketing skills, customer orientation and technological competence is the driving force of the industrial system in the new dispensation. Any pattern of policy preference which defies this logic of efficiency for whatever social or political reasons can not but operate as a dilution of the objective of liberalization. This is the writing on the wall which small-scale industrial sector can only ignore at its peril"<sup>3</sup>

The economic liberalization, freedom from political naivete involved in shifting compromises, can hardly justify any policy differentiation as between the large and medium industrial units on the one hand and the small-scale industrial sector on the other.

### **Marketing Entrepreneurship**

Many small entrepreneurs are technically sound but their greatest bug bear has always been marketing. They devote sufficient attention to problems of production while the marketing front remains neglected. It has therefore been rightly stated "There is market but no marketing". The marketing corporations set up by state Governments are certainly of some help but not adequate. The newly created Small Industries Development Bank of India (SIDBI) has been laying special emphasis & introducing new schemes of assistance for marketing support to the small sector. It is heartening to note that for the first time the concept of marketing entrepreneurship as against

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<sup>2</sup> Vasnat Desai- Small Scale Industries and Entrepreneurship - p9. Himalaya Publishing House Bombay. 2000

<sup>3</sup> Swaminathan: The Hindu Oct 23-1994

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manufacturing entrepreneurship has been recognized. The SIDBI plans to assist service organization oriented towards marketing.

### CONCLUSION:

The newly created Small Industries Development Bank of India has been laying special emphasis & introducing new schemes of assistance for marketing support to the small sector. Small Business Research in the UK indicated that small companies had created between 8,00,000 & 1.1 million new jobs in a period of six years— small firms are regarded — as a breeding ground for new entrepreneurial talent & new ideas, with flexibility of response & ability to adapt most rapidly in changing business environment. 5. Large industrial establishments interested in developing ancillary industries there by helping small units to grow & develop. Small scale industry is the beehive of entrepreneurship innovation and development. Small scale industries and entrepreneurship are the two faces of the same coin that is industrial development.

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