



## MARKETING MIX: PRESENTING 4Ps FRAMEWORK FOR MARKETING PROBLEMS OF MSMEs

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**ABSTRACT** The paper aims to develop the 4Ps elements of marketing mix for the marketing problems face by MSMEs of Manipur. For this literature were surveyed and a field study of 200 MSMEs of Manipur was also conducted. The findings of the study concludes that majority of MSMEs of Manipur faces one or the other kind of marketing problems related to product, price, and place, except for promotion in which case majority of the MSMEs of Manipur have not recorded any kind of marketing problem. The product related marketing problems are lack of market research and analysis, inability to apply modern technology, and problem of warehousing and storage. The price related marketing problems are increase in tax and levies, rising material cost, and price competition from other units. The place related marketing problems are poor transportation facility, increased transportation cost, and incidence of high cost of production. The promotion related marketing problems are lack of adequate financing for promotional activities, lack of advertising agencies, and poor sales promotional efforts.

**KEYWORDS :** Marketing Mix, Marketing Problems, and MSMEs.

### INTRODUCTION

Marketing in today's business environment is defined as "marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" (American Marketing Association, 2017). As in definition, when marketing focuses on value creation and delivery in product offerings, the supposition is that marketing is crucial and only business units with strong marketing set up can grow better. It, therefore, derives that marketing is significant in achieving an organization's goals but is also clear that very often business units with inadequate marketing knowledge and infrastructure is the cause for their poor performance. It is in this situation that marketing becomes a problem for many micro, small and medium enterprises that can impede, disrupt or hinder their survival, growth, development, and success. Hence, business units needs to be very effective and tactical in their marketing approach. And, any business unit may begin by identifying its marketing mix and working through it. Marketing mix is a firm's marketing framework or a tactical tool kit for delivering value to the customers and by doing so helps in establishing strong positioning in target markets. A typical marketing mix constitutes four elements namely product, price, place, and promotion. Keeping these elements on the one side and the marketing problems on the other, the present study assumes that *'marketing problems can be identified and grouped under the four elements of marketing mix with the headings product related marketing problems, price related marketing problems, place related marketing problems, and promotion related marketing problems'*.

Hence, the study is an attempt to present the marketing problems of MSMEs of Manipur within the 4Ps framework of marketing mix. for this purpose, the study has conducted an analysis of each element of marketing mix and their scope or area coverage, as well as an analysis of literatures to find out marketing problems within each element of marketing mix.

### Product Element of Marketing Mix

Product as an element of marketing mix, product entails within its scope product planning and developing, product testing and market research, branding, labelling, packaging, standardization, after sales services, etc. And since, it is an assumption of the study that product related marketing problems would cover all aspects of product element of marketing mix and hence, literatures has identified these problems as problem of marketing research, market analysis and segmentation; problem of new product development; problem of machinery, equipment, and production technology; problem of product quality, standardization and grading; problem of identification of new markets and new product marketing; problems in brand building, packaging; and labelling problems of raw materials and spare parts; problem of competition and consistency in supply, slackness in demand and seasonal demand; problem of production capacity and resources; inability to keep up with the latest trends; and the availability of other cheaper substitute products; etc.

### Price Element of Marketing Mix

Price as an element of marketing mix covers within its sphere setting the base price of the product on the basis of cost of production, demand

of the product, competitor's price, etc.; considering the geographical aspects of pricing; allowing discounts, allowances and commissions; adopting price change strategies due to strong price competition, weakened economy, or change in law and regulations, etc. Since, the study assumes that price related marketing problems would entail all aspects of price element of marketing mix and hence, survey of literature concludes that price related marketing problems of MSMEs are the problem of high price of the product; high cost involved in production, processing and distribution; non – availability of retail outlets; poor knowledge in the account maintenance; price competition from other firms; problem of increase in tax and levies; and problems of tariff structure; etc.

### Place Element of Marketing Mix

Place as an element of marketing mix means the location where exchange takes place as well as the physical distribution which includes order processing, warehousing or storage, and transportation; the distribution or marketing channels; and the distribution intermediaries or intermediaries includes wholesalers, retailers, and agents such as brokers, commission agent, factors, auctioneer, selling agents, and forwarding and clearing agents. And since the study assumes that the place related marketing problems would covers all the aspects of place element, and hence the problems identified are the problem of import and export; inability to tap the export market; lack of export infrastructure; problem of transport facilities and transportation cost; high dependence on middlemen; problem of warehousing, storage and inventory control; over dependence on local or regional market; unorganized and fragmented markets; lack of logistic facilities; and problem of distribution system; etc.

### Promotion Element of Marketing Mix

Promotion as an element of marketing mix entails within its scope advertising, personal selling, sales promotion, publicity, and public relations. While being aware of the scope of promotion, the marketing problems with regard to promotion highlighted by survey of literature are difficulty in managing the firm's promotional tools, use of inappropriate or inadequate method of promotional tools, competition from large firms, inability or lack of adequate financing of promotional activities, non-utilization or under-utilization of various promotional tools; lack of promotional effort; inability to effort costly promotional tools; and lack of knowledge, skills and awareness on the use of promotional tools; etc.

### FINDINGS AND ANALYSIS

**A close ended questionnaire with multiple choice question was administered to 200 MSMEs and then the primary data was recorded in SPSS. The results generated is shown in table 1 and reveals the following:**

- 1) From table 1, it is found that marketing problems of MSMEs of Manipur related to product are lack of market research and analysis, inability to apply modern technique of production, problem of warehousing and storage, and the problem of unavailability of raw materials.
- 2) Out of 200 sample enterprises, most of the enterprises are faced with the problem of raw materials i.e. 43 per-cent, followed by the problem of warehousing and storage by 21 per-cent, inability to apply modern

technology of production by 19 per-cent, and lack of market research and analysis by 11 per-cent of the sample enterprises, respectively.

3) It is also recorded that 28 per-cent of the sample enterprises have not recorded any kind of product related marketing problems.

4) The marketing problems of MSMEs of Manipur with relate to price are the problem of rising material cost face by 50 per-cent, price competition from other units face by 30 per-cent, and increase in tax and levies face by 14 per-cent of the sample enterprises, respectively; but 39 per-cent of the sample enterprises has not recorded any kind of price related marketing problems.

5) The place related marketing problems face by MSMEs of Manipur are increased transportation cost face by 52 percent, poor transport facility face by 27 per-cent, and incidence of high cost of intermediaries such as wholesalers, retailers, agents, etc. face by 17 percent of the sample enterprises. However, it is also found that 24 percent of the sample enterprises have not recorded any kind of place related marketing problems.

6) The marketing problems face by MSMEs of Manipur related to promotion element of marketing mix are the problem of poor sales promotional efforts face by 32 per-cent, lack of adequate financing for promotional activities face by 15 percent, and lack of advertising agencies by 5 per-cent of the sample enterprises, respectively. However, 58 per-cent of the sample enterprises have not recorded any kind of promotion related marketing problems.

**Table 1: Marketing problems of MSMEs of Manipur**

Particulars		Response	
		N	Per-cent
Product	Lack of market research and analysis	22	11.0
	Inability to apply modern technology	38	19.0
	Problem of warehousing and storage	42	21.0
	Problem of raw materials	86	43.0
	No response	56	28.0
Price	Increase in tax and levies	34	14.0
	Rising material cost	100	50.0
	Price competition	60	30.0
	No response	78	39.0
Place	Poor transport facility	54	27.0
	Increased transportation cost	108	52.0
	Incidence of high cost of intermediaries	34	17.0
	No response	48	24.0
Promotion	Lack of adequate financing for promotional activities	30	15.0
	Lack of advertising agencies	10	5.0
	Poor sales promotional efforts	64	32.0
	No response	116	58.0

Source: Field Survey

## CONCLUSION

The study found that there are various kinds of marketing problems face by MSMEs. These problems can be identified and grouped under the 4 main headings of elements of marketing mix namely product, price, place, and promotion. When put within the 4Ps framework of marketing mix it is found that the product related marketing problems are lack of market research and analysis, inability to apply modern technique of production, problem of warehousing and storage, and the problem of unavailability of raw materials; price related marketing problems are the problem of increase in tax and levies, rising material cost, and price competition from other units; place related marketing problems are increased transportation cost, poor transport facility, incidence of high cost of intermediaries; and promotion related marketing problems are lack of adequate financing for promotional activities, lack of advertising agencies, and poor sales promotional efforts. It is also concluded that though majority of the MSMEs of Manipur have not recorded any kind of problem related to promotion of the products, but they are facing one or the other kind of problems related to the activities of product, price, and place element of marketing mix.

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