IMPACT OF MARKETING STRATEGY ON PRODUCTIVITY WITH REFERENCE TO PUMP INDUSTRY

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ABSTRACT

In India the manufacture of pumps has by now a history of nearly a hundred years. Pumps are the basic equipment for every sphere of the national economy. Indian pump industry has in its own growth, contributed immensely to the economic growth of the country. Indian pump exporters are facing intense competition from the foreign counterparts in catering to global needs. In this highly competitive scenario, Indian pump exporters have realized the fact that customer-centric attitude is a prerogative to stay ahead. In the recent years, the Indian pump industry has been forced to be proactive with foreign players bringing in superior pumps to the market. The domestic industry today is in fact looking up for overseas opportunities and quite a few have also made a good impact in the international scenario. In order to identify the problems faced by the Indian pump exporters, a specific study has been made on the global marketing strategy adopted by the Indian pump manufacturers. The conclusion is that the respondents don't have awareness towards bench marking with large scale organizations about technology practiced at national market. For this the companies can attend trade fairs conducted towards pump industry. The market potential can be increased towards the product by increasing the number of dealers as most of the companies sell their products through their own dealers and through open market. It leads to increase in sales volume in future period of time.

Keywords: Manufacturing strategy, Productivity and pump industry.

INTRODUCTION

Manufacturing sector has been the backbone of all developed and developing nations. It is rightly said that Industrial Revolution started with manufacturing. Even now it is called the real economy. It is where R & D starts, where new technologies are born, where scientists and engineers are challenged to develop new and better processes, products and technologies. It takes an important position in most fast moving economies of the world, with a share of between 30 to 50 % of the economy. The medium manufacturing enterprises (MMEs) sector, the heterogeneous group of enterprises, constitute a vibrant and dynamic sector of the Indian economy.

This sector has recorded consistently rising growth in terms of production, investment, creation of employment and phenomenal growth in exports over the years. The post liberalization era in the Indian economy has enhanced the opportunities and challenges for this sector. With their dynamism, flexibility and

innovative drive they are increasingly focusing on improved production methods, penetrative marketing strategies and management capabilities to sustain and strengthen their operations. They are, thus, poised for global partnership to adopt, adapt and absorb latest technologies in diverse fields. Being generally less capital intensive and more employment intensive in comparison to large firms, MMEs suit the Indian economic environment with scarce financial resources and large population base. Besides, they promote regional and interpersonal equalization and thus have a scope for building upon the traditional as well as emerging skills and knowledge. Further, unlike micro and small enterprises MMEs do not concentrate on domestic market for inputs as well as output. It is because they have greater potential for competitive advantage and hence internationalization of business. They are less worried about uncertainties and inherent unknowns of competing in foreign markets. Their tendency of graduating to large enterprise is higher.

STATEMENT OF PROBLEM

In India the manufacture of pumps has by now a history of nearly a hundred years. Pumps are the basic equipment for every sphere of the national economy. Indian pump industry has in its own growth, contributed immensely to the economic growth of the country.Indian pump exporters are facing intense competition from the foreign counterparts in catering to global needs. In this highly competitive scenario, Indian pump exporters have realized the fact that customer-centric attitude is a prerogative to stay ahead. In the recent years, the Indian pump industry has been forcedto be proactive with foreign players bringing in superior pumps to the market. Thedomestic industry today is in fact looking up for overseas opportunities and quite a fewhave also made a good impact in the international scenario. In order to identify theproblems faced by the Indian pump exporters, a specific study has been made on theglobal marketing strategy adopted by the Indian pump manufacturers.

OBJECTIVES OF THE STUDY

1. To assess the Socio-Economic profile of Pump Manufacturers from MSME sector.
2. To Study the production drivers of pump industry.
3. To assess the Market Prospects of Pump industry from MSME.
4. To identify the Market problems of Pump Industry from MSME.
5. To study the Overall Issues and Challenges faced by Micro, Small and medium scale Pump industry.

SCOPE OF THE STUDY:

Pumps play a dominant role in the sectors like agriculture, production of oil and natural gas, petroleum refining, petrochemicals, power generation, domestic and household utilities, etc, and contribute a major part in nation's economy. The Indian pump manufacturers have traditionally catered to the needs of domestic market. In India, pumps are mainly used for pumping water from wells in households. With the effect of LPG (Liberalization, Privatization and Globalization) the Indian pump manufacturers have started exporting to foreign countries, where pumps are used for various purposes in different industrial sectors like, oil refineries, steel mills, mines etc. The study would reveal the performance of pump manufacturing units that are engaged in export activities in Coimbatore. This will help the manufacturers to decide the future course of action for the development of pump industry and it will also provide the industrialists an avenue to better their performance.

RESEARCH METHODOLOGY

Sampling design: The study proposes to cover the market potentiality of pumps. As the study is based on top level management perception towards market potential and the samples don't have criteria and for this purpose Convenience sampling is used for the research.

Area of the study: The survey was conducted in pump companies in Coimbatore district.

Data sources : The primary data was collected through field survey in the study area. First- hand information's pertaining to the benefits derived. 250 samples has been short listed for the study using convenience Sampling method and the respondents are those who belong to top level management of the companies. The study used both primary data and secondary data.

Tools for data collection: Frequency analysis, Kruskalwalllis test, Factor analysis and One way ANOVA

LIMITATIONS OF THE STUDY

- The sample size of the study is limited to 125.
- The sampling area of the study is limited to Coimbatore.
- There may be a bias towards primary data collected from the respondents.

ANALYSIS AND INTERPRETATION

Demographic variables	Particulars	Frequency	Percent
Gender	Male	114	90.8
	Female	12	9.2
	Total	125	100
Age	31-35	7	5.6
	36-40	24	19.2
	41-45	65	51.6
	46-50	20	15.6
	50 and above	10	8
	Total	125	100
Educational qualification	Up to school level	4	3.2
	Technical degree	113	90.4
	Non-technical degree	8	6.4
	Total	125	100
Marital status	Married	86	68.8
	Unmarried	39	31.2
	Total	125	100
Monthly income	<25000	4	3.2
	25001-50000	58	46.4
	50001-75000	41	32.4
	75001-100000	19	14.8
	More than 100000	4	3.2
	Total	125	100
Location of the establishment	Urban	80	64
	Semi-urban	41	32.8
	Rural	4	3.2
	Total	125	100

The above table shows about the demographic variables of the respondents were out of 250 respondents 90.8% respondents are male and 9.2% are female..6% are from the age group between 31-35, 19.2% are from the age group between 36-40, 51.6% are from the age group between 41-45, 15.6% are from the age group between 46-50 and 8% are from the age group above 50.53.2% have completed their schoolings, 90.4% have completed their technical degree, 6.4% have completed their Non-technical degree.68.8% are married and 31.2% are unmarried.3.2% are earning <25000, 46.4% are earning between 25001-50000, 32.4% are earning between 50001-75000, 14.8% are earning between 75001-100000 and 3.2% are earning more than 100000.64% are residing with urban areas, 32.8% are working with semi-urban areas and 3.2% are residing with rural areas.

Level of acceptance towards quality of after sales service in case of imported machinery

Particulars	Acceptance	Frequency	Percent
Level of acceptance towards imported machineries offered with warrantee period	Strongly agree	2	1.6
	Agree	121	96.8
	Neutral	2	1.6
	Total	125	100.0
Level of acceptance towards issues taken care by global vendor	Strongly agree	6	4.8
	Agree	113	90.4
	Neutral	6	4.8
	Total	125	100.0
Level of acceptance towards company not attending the machinery issues after guarantee period	Strongly agree	2	1.6
	Agree	55	43.6
	Neutral	30	24.0
	Disagree	39	30.8
	Total	125	100.0

Level of acceptance towards imported machineries offered with warrantee period

Out of 250 respondents 1.6% strongly agree, 96.8% agree towards imported machineries offered with warrantee period and 1.6% are neutral. It reveals that most of the respondents said that the imported machineries offered with warrantee period**.**

Level of acceptance towards issues taken care by global vendor

Out of 250 respondents 4.8% strongly agree, 90.4% agree towards issues taken care by global vendor and 4.8% are neutral. It reveals that most of the respondents said that they agree that the local vendors are taking care about the issues with imported machineries.

Level of acceptance towards company not attending the machinery issues after guarantee period

Out of 250 respondents 1.6% strongly agree, 43.6% agree, 24% are neutral and 30.8% disagree towards company not attending the machinery issues after guarantee period. It reveals that most of the respondents said that the company is not attending the imported machinery issues after guarantee period.

Level of acceptance towards effectiveness of associating body

		Frequency	Percent
Level of acceptance towards developing a tool room for eco-friendly product	Agree	109	86.8
	Neutral	2	1.6
	Disagree	15	11.6
	Total	125	100
Level of acceptance towards skill set development through training	Strongly agree	4	3.2
	Agree	117	93.6
	Neutral	4	3.2
	Total	125	100
Level of acceptance towards putting forth global competitiveness through business information centre	Strongly agree	10	8
	Agree	101	80.8
	Neutral	10	8
	Disagree	4	3.2
	Total	125	100
Level of acceptance towards providing infrastructure in industrial parks	Strongly agree	6	4.8
	Agree	79	62.8
	Neutral	35	27.6
	Disagree	6	4.8
	Total	125	100
Level of acceptance towards helping to improve testing and development for process and performance improvement	Strongly agree	6	4.8
	Agree	73	58
	Neutral	40	32
	Disagree	7	5.2
	Total	125	100

Level of acceptance towards developing a tool room for eco-friendly product

Out of 250 respondents 86.8% agree, 1.6% are neutral and 11.6% disagree towards associating body developing a tool room for eco-friendly product. It reveals that majority of the respondents agree that the associating body is developing a tool room for eco-friendly product.

Level of acceptance towards skill set development through training

Out of 250 respondents 3.2% strongly agree, 93.6% agree and 3.2% are neutral towards associating body providing skill set development through training. It reveals that majority of the respondents agree that the associating body is providing skill set development through trainingfor the companies.

Level of acceptance towards putting forth global competitiveness through business information centre

Out of 250 respondents 8% strongly agree, 80.8% agree, 8% are neutral and 3.2% disagree towards associating body putting forth global competitiveness through business information centre. It reveals that majority of the respondents agree that the associating body is putting forth global competitiveness through business information centre.

Level of acceptance towards providing infrastructure in industrial parks

Out of 250 respondents 4.8% strongly agree, 62.8% agree, 27.6% are neutral and 4.8% disagree towards providing infrastructure in industrial parks. It reveals that majority of the respondents agree that the associating body is providing infrastructure in industrial parks.

Level of acceptance towards helping to improve testing and development for process and performance improvement

Out of 250 respondents 4.8% strongly agree, 58% agree, 32% are neutral and 5.2% disagree towards helping to improve testing and development for process and performance improvement. It reveals that majority of the respondents agree that the associating body is helping to improve testing and development for process and performance improvement.

Comparison between activity of the industry and factors related to acceptance towards market performances of companies with pump industry

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.644	.589		1.094	.276
	Acceptance towards quality of after sales service in case of imported machinery	.016	.110	.015	.146	.884
	Acceptance towards cost leadership	.052	.105	.044	.493	.623
	Awareness on advance technology practiced at national market	.001	.090	.001	.008	.993
	Acceptance towards market prospectus	.261	.099	.234	2.640	.009
	Acceptance towards effectiveness of associating body	-.035	.108	-.030	-.321	.749
	Acceptance towards export products superior than products meant for domestic market –opine	-.027	.092	-.026	-.288	.774
	Acceptance towards price determinants for export products	-.008	.058	-.012	-.132	.895
	Acceptance towards distribution channel at global market	.026	.033	.081	.772	.442
	Acceptance towards export risk	-.022	.053	-.043	-.416	.678
	Acceptance towards factors related to market problems	-.059	.100	-.055	-.586	.559
	Acceptance towards factors related to issues and challenges	.019	.085	.021	.218	.828
R Square		0.061				
Adjusted R^2		-0.019				
F Value		0.767				

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Sig at 5% level			0.672			

The factors 'Acceptance towards effectiveness of associating body, Acceptance towards export products superior than products meant for domestic market –opine, Acceptance towards export risk, and Acceptance towards factors related to market problems was found to be insignificant in explaining the independent variable. The result of the regression model has been tested using ANOVA and the F value (0.767) was found to be not significant at 5% level of significance. Therefore, the regression model is found to be unfit. Further, it can be

seen that adjusted R^2 is equal to -0.019 which means that the relationship is inversely proportional.

RANK CORREALTION

Rank correlation for factors related to values of the product

S.NO	Ranking on values of the product	X	Y	R1	R2	D	D^2
1	Agriculture	66	33	1	4	-3	9.00
2	Chemical processing	2	1	7	2	5	25.00
3	Construction industry	8	4	6	6	0	0.00
4	House hold purpose	52	26	2	3	-1	1.00
5	Mines	25	13	4	5	-1	1.00
6	Power generation	11	6	5	7	-2	4.00
7	Refineries	35	17	3	1	2	4.00
							44.00
N	7					1-R	0.79
	.					R	0.21

Interpretation

The above table shows about the rank correlation for factors related to values of the product. The correlation value for ranking given by the respondents is at 0.21 which shows the ranking are moderately correlated. It reveals that the priority was given to agricultural products by the respondents as it was given first rank by most number of respondents.

FINDINGS

- Male respondents are more than female respondents.
- Most of the respondents belong to the age group above 50.
- Technical degree holders are higher when compared to other educational qualification used for the study.
- Married respondents are more when compared to unmarried respondents.
- Maximum of the respondents taken for the study are earning between 25001-50000.
- Majority of the respondents are residing with urban areas.
- Majority of the respondents are having partner towards their business.
- Majority of the respondents are having their own brand name towards their company.
- Maximum of the respondents are manufacturing mono bloc pumps.

- Most of the respondents said that the imported machineries offered with warrantee period.
- Maximum of the respondents said that they agree that the local vendors are taking care about the issues with imported machineries.
- Most of the respondents said that the company is not attending the imported machinery issues after guarantee period.
- Most of the respondents agree for higher cost of material towards the product.
- Most of the respondents agree for higher machinery and maintenance cost.
- Most of the respondents agree towards higher labor cost towards the product.
- Most of the respondents agree that the higher power cost is the reason for not having cost leadership.
- Maximum of the companies have ISO-Quality management system and ISI-quality assurance with their company.

SUGGESTIONS

The respondents said that the cost of raw material was high when procured from other state. It is suggested that to procure raw materials in domestic market rather than procuring in other states. It is evident that pump and compressor merchants are being pushed like never before to end up noticeably full arrangements suppliers and connect with their clients along the entire production network. Their primary concentration is gainfulness; the sinking expense of crude materials has specifically meant a lessening in pump and compressor deals costs by up to 30% in numerous vitality serious applications. Hence, OEMs have acknowledged lower deals costs to secure requests in which they will pick up an administration contract to make up lost benefits later. (Preston Reine 2016). So for barring the market competition and to increase the market potentiality the companies can procure the raw materials as much lower with domestic market which also leads to reduction in cost of transportation.

CONCLUSION

The conclusion is that the respondents don't have awareness towards bench marking with large scale organizations about technology practiced at national market. For this the companies can attend trade fairs conducted towards pump industry.

The market potential can be increased towards the product by increasing the number of dealers as most of the companies sell their products through their own dealers and through open market. It leads to increase in sales volume in future period of time.

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