

# **A Study on Tiny Workshops with Special Reference to Coimbatore City**

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## **Abstract**

Tiny Workshops is a place for real designers, woodworkers, tinkerers, craftsmen/women, and creators from around the world to share the spaces where they get work done.. When India woke up from the shackles of slavery, it needs its own people to get ready with many talents to build the fort of economy. Evolution of tiny workshops was much needed for the nation. The growth of every single citizen is the growth of the nation. Talents bring opportunities, opportunities pave the way for the vision for the development. Such aspects have accomplishment when evolution of tiny workshops came into force.

Marketing is the one of the basic need of the Business in the current day. So the large scale industries and the corporate companies separate their budget for the advertising and marketing. By the way tiny workshops does not have budget for their marketing and advertising for the business. So it is essential for them to handle effective and low cost marketing or advertising method. As they are small scale /tiny organization they cannot afford more or expensive budgets they use tiny strategies and methods for marketing.

There are some factors that mainly affect the tiny workshops/workshops like shortage of funds, lack in technology, low skilled labors etc. Hence, the researcher made an attempt to study on marketing strategies followed by tiny workshops with special reference to Coimbatore city. It is found that offering discounts and on time delivery will be the best marketing strategies followed by tiny industries in study area.

**Key words:** Tiny Workshop, Marketing Strategies, Customer Satisfaction.

## **OBJECTIVES OF THE STUDY**

- To study the Tiny Workshops in Coimbatore City.

## **STATEMENT OF THE PROBLEM**

Marketing is the one of the basic need of the Business in the current day. So the large scale industries and the corporate companies separate their budget for the advertising and marketing. By the way tiny workshops does not have budget for their marketing and advertising for the business. So it is essential for them to handle effective and low cost marketing or advertising method. As they are small scale /tiny organization they cannot afford more or expensive budgets they use tiny strategies and methods for marketing.

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### **RESEARCH METHODOLOGY**

This study is based on empirical research by conducting survey method. It is purely based on primary data from 120 respondents following Convenience Sampling Method. Percentage Analysis and Chi Square were the important tools used for this study. A well structured and pre tested questionnaire was administered to analyse Marketing Strategies Followed by Tiny Workshops with Special Reference to Coimbatore City.

### **REVIEW OF THE LITERATURE**

**1. Rajendran, N. (2001)** in his research on "Marketing support for small scale entrepreneurs" stated that for the development of tiny workshops, the government ensured that some items are reserved for government purchase and also offered a price preference clause by which the small industries product should be given priority in government purchase in the process of higher to the extent of 15 percent. Apart from the government, other agencies have reserved certain items to be purchased from them. The national small industries corporation and state industries corporations assist tiny workshops in selling their products to the government. The Khadi and Village industries, commission and the handicrafts and handlooms board have their own distribution agents and their own marketing arrangements.

**2. Bhivai, T.A. (2002)** in his article "Small scale units in the era of Globalization-problems and prospects" examined the ongoing changes in the business environment and the possible ways of improving competitive strength and commercial viability of India small-scale units in the changing scenario. He further analyzed that while liberalization has exposed all industrial units including small units to market competition to a greater extent, globalization intensifies market competition by allowing imports and multinational corporations into India relatively easily. In order to withstand competition, Indian industrial units especially the smaller ones need to improve their productivity and quality, to reduce costs and to go for higher performance of products and better services. This means substantial improvement in various dimensions of technology, namely, transformation. Small units not only need to upgrade their technologies immediately but should also keep track of changes in technologies.

**3. Sundar, K., K. Kumal Gandhi and G. Gangatharan(2002)** in their article, "The Role of Small Industries Development Bank of India (SIDBI) in Financing SSI Units" attempted to analyze the role of SIDBI in providing financial assistance and observed that SIDBI's role was commendable both in terms of number of schemes sanctioned and the quantum of loans disbursed over a period of eight years. The bank was mainly financing SSI through refinance and bill financing schemes. The SIDBI, they pointed out, should widen its horizon of loan assistance to cater to the diverse credit requirements of SSI units. It should intensify its lending activities into the areas of equity assistance, project-related finance and support to institutions engaged in promoting SSIs.

**4. Rahavalu, M.V.(2005)** in his article titled "Performance of Small-Scale Industrial Units in the Indian Economy" discussed the performance of SSI sector in the Indian Economy. Details about the growth of number of units of SSI in Karnataka State, its value of production, employment

generated and value of exports from 1960-61 to 2003-04 were also provided. The study also examined the performance of SSI units in the State of Karnataka and covered the problems and prospects of SSI units.

**5. Amilan, S.(2006)** in his article, "Economic Role of SSI in Indian Economy: An Analysis" brought out the significance of SSI sector in the country's economic contribution and also discussed the policy initiatives taken by the government to provide timely adequate credit for the SSI units, for accessing technological advancements and marketing assistance. He also analysed the schemes of RBI for the development of SSI sector in India.

**6. Singh, AkhMesh Kumar (2006)** in his article "Globalization and its impact on entrepreneurship of tiny workshops in India" stated that the impact of globalization is strongly felt in all sector and type of business in our country. Many have benefited and some have victims of it one such victim in the entrepreneur of small scale industrial sector, including the emergency of world trade organization have brought about certain challenges and several opportunities before the tiny workshops in the country, Entrepreneurship is the creative and innovative response to the environment, which can take place in variety of fields of social endeavor business. Industry, agriculture, education social work and the, like and it is the potent limiting factor in economic development. It is an act of assuming risk of business ownership. In fact, it is the mental urge to take risk In the face of uncertainties and an initiation and capacity of seeing things in a way afterwards proves to be true. And it is an individual set-up of managing things in a proper manner. It is multinational uncompressing financial, management and functional aspects.

**7. ValasammaAntony(2007)** in her article "Small-Scale Sector at Crossroads: An Overview" reviewed the role of SSI sector in the Indian economy. She had discussed the problems of SSI sector relating to financial, industrial sickness and incipient sickness and also provided a few important various suggestions to the government in removing the sickness among SSI units.

**8. Uma Rani, N.(2007)** in her article, "Export Potential of SSIs in India: A Study" had examined the performance of SSIs in the Indian economy and level of exports of SSIs over the period of 12 years from 1994-95 to 2005-06 and had suggested measures to exploit SSI in the best interest of India.

#### **RESEARCH GAP:**

From the previous reviews it is observed that many studies have been conducted related to SSI units in various study areas and various fields like exports, imports, globalization etc. Hence no studies were conducted in tiny workshops that too in Coimbatore city even though it is one of Industrial City in India. Hence the researcher has made an attempt to fill the research gap as to Study n tiny workshops in Coimbatore city.

#### **INTRODUCTION**

Tiny Workshops is a place for real designers, woodworkers, tinkerers, craftsmen/women, and creators from around the world to share the spaces where they get work done. Expect two or more new workshop tours published every month, plus guides, reviews, tutorials, and tips for creative hobbies of all kinds. When India woke up from the shackles of slavery, it needs its own people to get ready with many talents to build the fort of economy. Evolution of tiny workshops

was much needed for the nation. The growth of every single citizen is the growth of the nation. Talents bring opportunities, opportunities pave the way for the vision for the development. Such aspects have accomplishment when evolution of tiny workshops came into force.

Small scale industry or the small business are the two separate terms which have not specifically defined in statutory documents of the Government. In the official documents the term small scale industry has been in use. After the independence the first document is Industrial Policy Statement 1948, where the term SSI emphasizing the role in national economy; for better utilization of local resource in respect of essential consumer goods like food, cloth and agricultural implements.

The small scale industrial sector plays a vital role in the economy of Tamil Nadu. The Tiny workshops Sector acts as a nursery for the development of entrepreneurs. Tiny workshops account for 95 per cent of industrial units, 40 per cent of the output in the manufacturing sector and 35 per cent of exports. As on 30.6.2006, 5.16 lakh SSI units have been registered. The total investment in these units is more than Rs.16,199crores. Employment has been provided for more than 36 lakh persons. The Small Industries sector provides employment opportunities next to agricultural and allied sectors. Small Industries act as a source of business ideas. The Government under the leadership of Dr.Kalaignar is aware that efforts to usher in self sustainable economic growth will be achieved only if productive employment in the SSI sector rises.

Government is therefore committed to the creation of a facilitating environment for small business and entrepreneurship. In the Governor's address to the State Legislature on 24.5.2006, it was stated as follows: "This Government will be easily accessible to investors, and function as their ally, providing all required facilities to them for establishing industries. In order to encourage the small scale sector which has tremendous employment generation potential the scheme of providing capital subsidy assistance to tiny workshops established in industrially backward areas of the State will be revived by this Government."

## DATA ANALYSIS AND INTERPRETATION

### SIMPLE PERCENTAGEANALYSIS

**TABLE 1 KIND OF ESTABLISHMENT**

S.No.	Kind of Establishment	Respondents	Percentage
1	Sole ownership	47	39.2
2	Partnership	47	39.2
3	Registered company	22	18.3
4	Unregistered company	4	3.3
	Total	120	100

### INTERPRETATION

The table1 shows that 39.2% of respondents established sole owner ship workshop, 39.2% as partnership, 18.3% as registered company, 3.3% as unregistered company. The maximum of 39.2%of respondents established sole owner ship workshop and 39.2% as partnership.

**TABLE 2 Reason for Marketing**

S.No.	Reasons	Respondents	Percentage
1	Reach of the product in market	53	44.2
2	Gain Customer satisfaction	42	35
3	Sustain the brand in the market	13	10.8
4	Earn reputation	12	10
	<b>Total</b>	<b>120</b>	<b>100</b>

**INTERPRETATION**

The table 2 shows that 44.2%of respondents market their product to acknowledge reach of product in the market 35%to gain customer satisfaction, 10.8% to sustain the brand in the market and 10%to earn reputation. The maximum of 44.2%of respondents market their product to acknowledger each of product in the market

**TABLE 3 Offers and Discounts Provided**

S.No.	Offers and Discounts	Respondents	Percentage
1	Provided	75	62.5
2	Not Provided	45	37.5
	<b>Total</b>	<b>120</b>	<b>100</b>

**INTERPRETATION**

The table shows 3 that 62.5% of respondents offers discounts to their dealers and 37.5%of respondents does not offer discounts to the customers. The majority of 62.5%ofrespondents offers discounts to their dealers

**TABLE 4 Problems Faced in Marketing during Covid-19**

S.No.	Problems	Respondents	Percentage
1	Faced	78	65
2	Not faced	42	35
	<b>Total</b>	<b>120</b>	<b>100</b>

**INTERPRETATION**

The table 4 shows that 65% of respondents faced problems in marketing their product during COVID-19 and 35%do not face any problem. The majority of 65% of respondents faced problems in marketing theirproduct during COVID-19.

**TABLE 5 Satisfaction on Expected Profit Earned**

S.No.	Particulars	Respondents	Percentage
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1	Satisfied	93	77.5
2	Not Satisfied	27	22.5
	<b>Total</b>	<b>120</b>	<b>100</b>

**INTERPRETATION**

The table 5 shows that 77.5% of respondents are satisfied with the profit they estimated and 22.5% of respondents do not satisfied with the profit they estimated. The majority 77.5% of respondents are satisfied with the profit they estimated.

**TABLE 6 Satisfaction level on Profit Margin Earned**

S.No.	Opinion	Respondents	Percentage
1	Highly satisfied	44	36.7
2	Satisfied	42	35
3	Neutral	27	22.5
4	Dissatisfied	5	4.2
5	Highly dissatisfied	2	1.7
	<b>Total</b>	<b>120</b>	<b>100</b>

**INTERPRETATION**

The table 6 shows that 36.7% of respondents are highly satisfied with the profit margin the earned, 35% are satisfied with the profit margin they earned, 22.5% are neutral with their profit margin, 4.2% are dissatisfied with their profit margin they earned, 1.7% are highly dissatisfied with the profit margin they earn.

**CHI-SQUARE ANALYSIS****RELATIONSHIP BETWEEN KIND OF ESTABLISHMENT AND HOW DO THEY MANAGE THEIR PRODUCTS TO REACH CUSTOMERS****AIM**

To check whether there is any significant relationship between kind of establishment of the workshop and how do they manage their products to reach the customers.

**HYPOTHESIS**

Ho: There is no significant mean difference between kind of establishment of workshop and how do they manage their products to reach customers

**SOLUTION****TABLE 7**

<b>KIND OF ESTABLISHMENT AND HOW DO THEY MANAGE THEIR PRODUCTS TO REACH CUSTOMERS</b>				
Kind of establishment	Manage Their Products To Reach Customers			Total
	Direct sale to customer	Using alternate identity	Using intermediators	
Partnership	20	14	13	47
Registered company	7	7	7	21
Sole ownership	25	8	15	48
Unregistered company	1	2	1	4

Total	53	31	36	120
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### LEVEL OF SIGNIFICATION CHI-SQUARE TESTS

	Value	D.F	Asymp.Sign.
Pearson chi-square	5.029	6	0.540
Likelihood ratio	5.086	6	0.533
N of valid cases	120		

### DECISION RULE

The significance value (0.540) is greater than 0.05, therefore  $H_0$  is rejected.

### CONCLUSION

There is a significant relationship between kind of establishment of the workshop and how do they manage their products to reach customers

### RELATIONSHIP BETWEEN TYPE OF WORKSHOP AND HOW DO THEY MANAGE THE COMPETITION

#### AIM

To check whether there is a significant relationship between how do they handle the market competition on their products and the type of workshop.

### HYPOTHESIS

$H_0$ : There is no significant mean difference between how do they handle the market competition on their products and the type of workshop

### SOLUTION

TABLE 8

HOW DO THEY HANDLE THE MARKET COMPETITION ON THEIR PRODUCTS AND TYPE OF WORKSHOP										
Managing Competition	Type of Workshop									Total
	Automobile	Home Appliances	Building materials	Electrical	Fancy	Wood	Factory Spare Parts	Clothing	Lathe	



Acknowledging the customer needs	1	0	1	4	0	1	17	0	1	25
With discounts and offers	1	1	0	17	2	1	22	3	0	47
Delivery on time	0	0	0	17	0	1	30	0	0	48
Total	2	1	1	38	2	3	69	3	1	120

## LEVEL OF SIGNIFICANCE

	Value	D.F	Asymp.Sig
Pearson chi-square	33.200	28	0.228
Likelihood ratio	33.898	28	0.204
N of valid cases	120		

## DECISION RULE

The significance value (0.228) is greater than 0.05, therefore  $H_0$  is rejected.

## CONCLUSION

There is significant relationship between type of the workshop and how they manage the competition.

## Conclusion

Small scale industry or the small business are the two separate terms which have not specifically defined in statutory documents of the Government. In the official documents the term small scale industry has been in use. After the independence the first document is Industrial Policy Statement 1948, where the term SSI emphasizing the role in national economy; for better utilization of local resource in respect of essential consumer goods like food, cloth and agricultural implements

It is observed that majority of the workshops are based on sole proprietorship establishment in Coimbatore City. They were mostly suffered during Covid period even though they are satisfied with their profit. There is relationship between types of workshop and managing competition and Marketing strategies adopted. On time delivery and offering discounts are the important marketing strategy followed by workshops in Coimbatore.

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