

# **MARKETING ASSISTANCE AND DIGITAL BRANDING – AN INSIGHT FOR TECHNOLOGY UP-GRADATION FOR MSMES**

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## **ABSTRACT**

*MSMEs are playing key role in Indian market especially with its contribution to the GDP. MSMEs with their existence itself, have so many internal problems like financial, sociological, lack of human resources, technological problems and so on. Along with these internal problems, in the context of globalisation, MSMEs in India are now facing external problems in the form of global competitiveness which is very hard to face. Advancements in the technology and other advantages have paved the wave to the large scale organisations, to penetrate even into the rural market. But the MSMEs with their poor standards cannot afford to stand in the competition with the global brands even in the local market. So, there is a need for the MSMEs to improve their competitiveness they have to look into the ways of high quality products with lower cost of production. The large scale organisations with the upgraded technology are penetrating the market by low cost of production, higher quality, time consumption etc. This paper explains the need for technology upgradation in MSMEs. While explaining how digital marketing can help MSMEs to grow as Digital Brands, this paper analyses the need for marketing assistance in this area. The insights in this paper can help the concerned MSMEs to move forward with affordable expenses.*

***Key Words: MSMEs, Marketing Assistance, Digital Branding, Technology Upgradation, Global competitiveness***

## **I. INTRODUCTION**

MSMEs in India have highly significance in the Indian economy with their contribution to GDP. The MSME sector is critical to our nation's economic growth. Employing nearly 10 Crores of people, MSMEs are the vehicles for inclusive growth and Indian entrepreneurship. An enabling business environment with strong focus on industry clusters, leveraging technology and good marketing strategy can help harness the true potential of the sector. Keeping the importance of these MSMEs in the view, the Prime Minister of India has initiated the

programme *Make in India* in September 2014 as part of a wider set of nation-building initiatives. The Government of India provides an excellent opportunity to steer policy impetus towards improving the competitiveness of MSMEs and incentivising exports to actualise the benefits from Make in India initiative. The thought Make in India is very prodigious thought for the development of Indian economy and its market in both domestic and global standards.

## **II. OBJECTIVES**

- a) To identify the need for technology upgradation and marketing assistance for MSMEs
- b) To explain the importance of digital brand building among MSMEs for global competitiveness

## **III. MSMES AND TREPIDATIONS**

Fast changing global economic scenario has thrown up various opportunities and challenges<sup>1</sup> to the MSMEs in India. While on the one hand, many opportunities are opened up for this sector to enhance productivity and look for new markets at national and international level, it has also, on the other hand, put an obligation to upgrade their competencies to meet the competition as new products are launched at an astonishing pace and are available world-wide in short time.

Manufacturing in India has built its way towards through skilled manpower, cost advantage and a large growing domestic market. However, it is at the basic or, at best, the intermediate level in terms of innovation and technology. There is an absence of organised and long-term technology led initiatives that could deepen India's global manufacturing footprint.

Developing innovation and technology has been identified as an important strategic step for Indian manufacturing in the twelfth year plan. Converting this plan into action requires four specific interventions.

## **IV. ASSISTANCE TO MSMES**

To showcase the competencies of Indian MSMEs and to capture market opportunities, National Small Industries Corporation (NSIC) participates in select International and National Exhibitions and Trade Fairs every year. NSIC facilitates the participation of the small enterprises by providing concessions in rental etc. Participation in these events exposes MSMEs units to international practices and enhances their business prowess.

On the other side, Financing for Marketing Activities (Short term) NSIC facilitates financing for marketing actives such as Internal Marketing, Exports and Bill Discounting. Finance through syndication with Banks. Marketing Assistance Scheme<sup>2</sup>: Marketing a strategic tool for business development, is critical for the growth and survival of micro, small & medium enterprises. The Government has initiated various schemes such as MSME Marketing Development Assistance, establishment of Marketing Intelligence Cell, among others.

## **V. SUSTAINING AND EXPANDING COMPETITIVENESS:**

Global competitiveness once achieved needs to be expanded to more sectors to build the ecosystem in general and also be defended aggressively. China is a perfect example of a nation that first established its mark as a cheap source for labour intensive, low technology goods (for example, cotton-based base offerings in apparel), but has slowly made a mark for technology intensive, complex products as well (for example, aerospace, electronics, power equipment, etc.). This would involve continuous investment in infrastructure and technology.

## **VI. NEED FOR TECHNOLOGY UPGRADATION AND ITS ADVANTAGES**

Micro, Small & Medium Enterprises do not have any strategic tools / means for their business/ market development as available with large industries. In the present competitive age, Marketing is one of the weakest areas wherein MSMEs face major problems.

Technology Support Technology is the key to enhancing a company's competitive advantage in today's dynamic information age. Small enterprises need to develop and implement a technology strategy in addition to financial, marketing and operational strategies and adopt the one that helps integrate their operations with their environment, customers and suppliers. NSIC offers small enterprises the following support services through its Technical Services Centres and Extension Centres

1. Advise on application of new techniques
2. Material testing facilities through accredited laboratories
3. Product design including CAD
4. Common facility support in machining, EDM, CNC, etc.
5. Energy and environment services at selected centre's
6. Classroom and practical training for skill upgradation.

## **VII. REQUIREMENT OF THE HOUR**

Marketing is the most important factor for the success of any enterprise. Large enterprises have enough resources at their command to hire manpower to take care of marketing of their products and services. MSME sector does not have these resources at their command and thus needs institutional support for providing these inputs in the area of marketing.

In order to withstand competition in the era of globalisation, MSMEs need to respond to changing dynamics of marketing and innovations. In this regard, the scope of the marketing assistance schemes should be enlarged to include -A comprehensive portal to enable MSME suppliers to interact with service providers, collaborate with B2C and offer competitive deals by the way of e-commerce platform.

The government and private entities need to build new competitive advantage to gain ground on the international scene by significantly investing in research and development activities.

## **VIII. DIGITAL BRANDING AS A COMPETITIVE ADVANTAGE**

Branding in SMEs is a growing area of academic interest, although the majority of studies have been based in the manufacturing sector.

The understanding of branding in SMEs in a number of ways. Firstly, it is found that MSMEs take a cautious approach to brand management, seeking to build loyalty, networks and relationships. Secondly, the holistic nature of SME branding presents a challenge to the managers who are resource-constrained. Thirdly, the soft, colloquial and intuitive approaches to brand equity appraisal are evident.

Brand marketing is focused on word of mouth, which has implications for how the business organisations operationalise the brand around store experiences. Finally, the influence of the owner managers on branding decisions is clear.

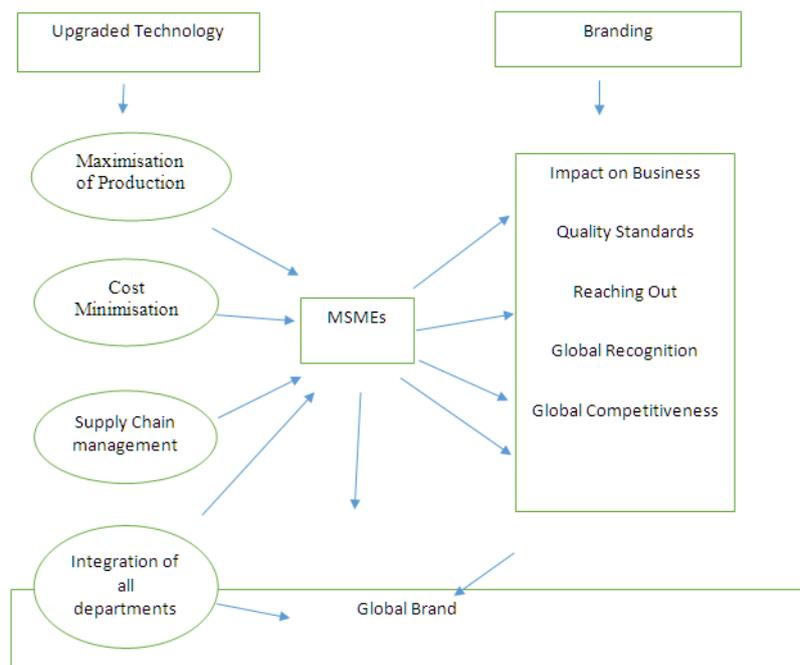
### IX. DIGITAL TOOLS AS A STRATEGIC DECISION

In the beginning, business organisations have made a strategic decision to use electronic tools and channels as much as possible. Traditional brand strategy may not be producing the results it did in the past.

Four main reasons were found out for placing a strong emphasis on using digital tools:

1. The ability to facilitate communication and so transmit the message into the field efficiently using speedy, low-cost and effective digital tools;
2. The ability to facilitate company operations, in that digital tools made it possible to integrate different functions within the company;
3. Image reasons, in that the use of digital tools supported the image goal as a modern forerunner business; and
4. Measurability; in that digital tools made available direct feedback on different actions, and hence made it possible to adjust branding continuously.

### X. UNDERSTANDING THE TECHNOLOGY ADAPTATION AND DIGITAL BRANDING



## **XI. ADVANTAGES OF DIGITAL BRAND**

Digitization often lowers entry barriers, causing long-established boundaries between sectors to tumble. At the same time, the “plug and play” nature of digital assets causes value chains to disaggregate, creating openings for focused, fast-moving competitors. New market entrants often scale up rapidly at lower cost than legacy players can, and returns may grow rapidly as more customers join the network.

### **1) Technological Advantages from MSMEs perspective:**

- a) Minimisation of Cost
- b) Maximisation of Production
- c) Integration of all the departments in the organisation
- d) Effective Supply Chain Management

### **2) Advantages from Marketing and Branding Perspective:**

- a) Impact on Business
- b) Global Recognition
- c) Quality Standards
- d) Global Competitiveness

## **XII. DISCUSSION**

Upgradation of the technology in MSMEs has high level of advantages both from the production and operations perspective and from Marketing and Branding perspective. Most of the customers when they buy any product, they tend to prefer only when it carries a value and trust. In the current globalised era, the businesses are depending more on technology for imbining the quality, value in products.

Adapting the upgraded technology in the MSMEs has so many advantages from all the sides. The new technology, with its advance machinery, can minimise the cost of production by utilising the whole material for production. In the process of production, the amount of material getting wasted is minimised to the maximum extent. With the usage of machinery reduces the number of people who work for it which may result in minimising the labour expenses. It also saves so much of time. Products with quality are also possible with the upgraded technology.

The technology, with its advanced efficiency, can maximise the production when compared to the manual production. Material also can be used to the maximum extent and wastage is minimised under the supervision of the specialised employee.

With the upgradation of technology, all the departments in the business can be integrated. Manufacturing, marketing, finance department, human resource department can all be integrated which make the communication easier and there by the co-ordination and cooperation can be achieved which will increase the transparency in the organisation and also process the things easily.

The upgradation of technology can also help the business organisation to thrive even in the market. Promotional activities can be effective with a good quality to reach out to the maximum number of target customers within a little span of time. It makes a huge impact on the business.

An effort to grow globally competitive with the advanced technology can establish a business organisation as a global brand which is recognised worldwide. The global recognition to the products of a certain business can obviously be preferred globally. The advanced technology can help the MSMEs to raise their quality standards global level. Thereby the brand can attain the global competitiveness.

### **XIII. CONCLUSION**

Upgradation of technology is the need of the hour in the context of MSMEs. It has been identified that the assistance that these MSMEs are getting currently is not well enough to meet the global competitiveness. In the era of 'global competitiveness' where it can put a question mark for the existence of MSMEs, the assistance in the context of marketing and upgradation of technology in the MSMEs should be considered for encouraging in bigger financial terms.

It is essential for MSMEs to concentrate on branding themselves by adapting the advanced and upgraded technology which helps in maximising the production output, quality of the product, better communication system, meeting global standards getting nearer to the target customers and reaching the global competitiveness. It will make to stand in the global arena competing with the MNCs and large scale organisations. As the Government of India concentrates on *Make in India* programme, it will be good for both MSMEs and Indian economy if the assistance meets the need of the hour.

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