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# Burning Crises Of Small Scale Industry For Marketing Of Their Product As Impacts Of Goble Market

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## ABSTRACT

A critical issue facing small-scale industries today is the struggle to effectively market their products in the global marketplace, due to intense competition from larger multinational corporations, resulting in limited market access, inadequate branding, and difficulty adapting to rapidly changing consumer preferences, significantly limiting their growth potential and often leading to a precarious position within the global economy. The impact of the financial crisis has not been consistent over the world. Aside from the epicenter of the crisis, those with a greater reliance on external markets for commerce and finance were more directly affected by the worldwide contagion. In contrast, small enterprises with lesser product diversity and no choice for downsizing had a largely homogeneous influence across global economies, regardless of the economy's trade dependency.

**KEY WORDS**: Small scale Industry, Marketing.

## INTRODUCTION:

The crisis has resulted in a substantial decrease in external demand for export-oriented SMEs, as well as increased financial difficulties for all SMEs. As the crisis progressed, the global economy experienced deflation, resulting in a drastic decrease of worldwide goods markets.

During a recession, both large and small firms have decreased sales and profits. Economic downturns limit loan availability, reduce collections, and drive business bankruptcies. During an economic crisis, a small consulting firm may have cash flow concerns when clients delay payment.

According to the Small Business Administration, over the last 25 years, small firms have created 12.9 million new jobs, accounting for almost two out of every three jobs added to the economy.

- Intense competition in the global market can make it difficult for small-scale enterprises to distinguish out and acquire clients.

- Small businesses generally lack the financial resources to spend in effective marketing initiatives, such as digital marketing, market research, and distribution networks, which are essential for reaching a larger audience.
- Smaller companies face challenges in building strong brand awareness and consumer loyalty compared to large global brands.
- Adapting to market trends: Small-scale industry items may become obsolete due to rapid changes in consumer preferences and technology.

## IMPACT OF GLOBALIZATION ON SMALL SCALE INDUSTRIES:

Many banks around the world suffered significant losses and need government assistance to escape bankruptcy. Millions of people lost their employment as the main advanced economies suffered their greatest recessions. It is frequently assumed that globalization is a net negative for local enterprises due to more competition, lower margins, and decreased profitability due to competing with global titans. Many basic causes of the crisis remain unaddressed, including weak financial sector regulation, stagnant real wages, rising inequality, and debt-financed consumerism. Despite problems throughout history, globalization eventually benefits corporations, economies, and individuals. This phenomenon has resulted to rapid economic development and enhanced quality of life for many people, while also allowing firms to pool resources and tap into new worldwide markets. Among other shifts, globalisation caused unskilled-labour-intensive manufacturing and its associated employment to decrease in the skill-rich North while expanding in the skill-poor South.

Some nations believe they are losing control over important choices and sacrificing their sovereignty. Global migration can lead to social problems and ideological clashes. Industry may start to prosper in NICs at the expense of manufacturing jobs in high-income countries.

**CONCEPT OF GLOBALIZATION**:

Globalization is the spread of social relations over world-space, defined by the historically varying manner in which it has been performed and socially perceived over time. Globalization refers to the increased interdependence of the world's economy, cultures, and populations. It is the result of increased cross-border trade in products, services, and ideas.

## How does globalization work:

- Trade: Countries trade goods and services across borders.
- Technology: Technology makes it easier to complete international transactions.
- Investment: Countries invest in each other's economies.
- People: People move across borders for work, travel, and education.
- Information: People exchange ideas and information across borders.

## Globalization's impact:

- **Businesses**: Companies can expand into new markets and benefit from economies of scale.
- **Culture**: People are exposed to different ideas, behaviours and values.
- **Politics**: Globalization has led to the creation of intergovernmental organizations like the United Nations and the World Trade Organization.

## SMALL SCALE INDUSTRY FOR MARKETING:

A small-scale industry that produces unique, niche products with a strong brand identity, such as handmade soaps, artisanal jewellery, custom clothing, specialty food items, locally sourced crafts, or personalized gifts, is ideal for marketing because they appeal to a specific audience and can be effectively promoted through online platforms and social media marketing strategies. Small-scale industries include manufacturing, textiles, handicrafts, and food processing. They are frequently backed by government programs that provide financial aid, subsidies, and incentives to help them flourish. Small-scale industries are critical for producing jobs in rural and urban areas.

**Examples of Small Scale Industries:**

- Paper Bags industries.
- Leather belt manufacturing industries.
- Small toys manufacturing industries.
- Bakeries.
- School stationeries.
- Water bottles manufacturing industries.

## Role of Small Scale Industries in the Indian Economy:

1. They are the major sources of employment for the people living in rural areas and therefore, play a vital role in generating employment in an economy.
2. Small scale industries account for almost 40% of the total goods and services in India hence, is a very important contributor to the economy.
3. Small scale industries help in promoting the Make in India initiative which helps in increasing demand for local made products.
4. Majority of the export materials are provided to the Indian companies from the small scale industries. It is estimated that around 50% of all the material exported are produced from such industries.

## Characteristics of Small Scale Industries:

1.Small-scale industries are typically owned by a single person, resulting in a sole proprietorship or partnership form.

2.The owners run small-scale industries, therefore the owner is actively involved in the day-to-day operations of the business.

3.Small-scale companies rely heavily on manpower hence technology is rarely used.

4.In contrast to huge companies, small size industries are more adaptive to a changing business environment.

## EFFECT OF GLOBALIZATION ON SMALL SCALE INDUSTRY FOR MARKETING:

Globalization has generally had a negative impact on small-scale industries, as they frequently struggle to compete with larger multinational corporations due to their smaller production scale, limited access to technology, and inability to achieve economies of scale, often leading to closure or significant market share loss for small businesses. In general, globalization lowers manufacturing costs, allowing small-scale firms to sell items to consumers at a reduced price. The average cost of commodities and products is an important factor in raising societal standards of living. Increase in work chances: Globalization has resulted in greater job opportunities in Indian industry. Foreign cash, innovative technologies, and managerial skills have boosted the efficiency and productivity of Indian industries. Small-scale industries (SSIs) contribute significantly to India's economy by creating jobs, increasing exports, and promoting rural development.

## Why is Globalization important:

Globalization is the process by which the world becomes more interconnected. Countries are now more connected than ever before, thanks to variables such as air travel, internet maritime transportation, international economic agreements, and legal treaties.

Outsourcing, free trade, and transnational supply chains are all examples of business trends associated with globalization. Globalization is significant because it expands the global market and enables for the production of new and diverse goods and services. Globalization is important since it is one of the most significant forces influencing the modern world. For example, many of the world's largest and most successful industries are effectively international corporations, with offices and supply lines spread across the globe.

## CONCLUSION:

Globalization presents a complex landscape for small-scale industries, offering potential opportunities to access broader markets and new technologies, but also posing significant challenges due to fierce competition from large multinational corporations, often leading to struggles with price competitiveness and market penetration, requiring strategic adaptation and government support for small businesses to thrive in a globalized economy

## References

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