

AN IMPACT OF FESTIVE SEASON ON SMALL SCALE ENTREPRENEURS IN GOA-CASE STUDY ANALYSIS

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ABSTRACT

The economic role of festivals is the most apparent in their effect on growth of entrepreneur. Commerce generated by festivals is of various kinds. Thus the beneficiaries are of various kinds such as tourism, entrepreneurs and so on. The present paper focuses on the role of festive season on having impact on small scale entrepreneurs. The main objective of this paper is to know the importance of festive season for small scale entrepreneurs. The data has been analyzed by using statistical tools.

KEYWORDS: *Entrepreneur, Economic, Impact, Growth, Tourism, Festive Season.*

Introduction

As the significance of festivals was growing, attempts to measure economic impact became more frequent and refined. Festivals have long term economic effects as well that cannot be quantified in themselves. Employment is of different importance in the capital and in the regions with high unemployment several towns have become known for their festivals and their impact on small scale entrepreneurs.

Literature Review

Raija komppala 2014 in his thesis, "The role of individual entrepreneurs in the development of competitiveness for a rural tourism destination-A case study", stated that the aim of the case study is to increase our understanding of the role of entrepreneurs in enhancing the competitiveness of a rural tourism destination. The data consists of six case studies and nine semi-structured interviews among tourism entrepreneurs and managers at a rural tourism destination in Finland. The findings challenge the prevailing DMO dominated approach to destination competitiveness development, and call for the acknowledgment of collaboration between small tourism enterprises in the enhancement of rural destinations. Municipalities have a crucial role as facilitators of the entrepreneurial environment, but without innovative, committed, and risk-taking entrepreneurs no destination will flourish.

Nikolaos vagionis, dimitris kourkouridis, (2012), stated in their thesis, "Cultural Festivals and Regional Economic Development: Perceptions of Key Interest Groups", link between cultural events and local economic development and more specifically film festivals as generators of positive externalities in regional towns. Research results on the impact of festivals and events underline the fact that important The aims of the research are, to assess if and how festivals act as regional development stimulants that encourage local economic revitalization and to investigate whether festivals are incorporated into regional economic development policies. The Delphi method was implemented through a research survey with representatives of the key interest groups. The study looks at film festivals that take place on a regular basis in regional towns in Greece and makes use of primary data obtained by a questionnaire survey addressed to festival organizers, local authorities and hotel managers about core economic and tourism impacts of film festivals and their significance for host communities.

Identification of Problem

From the literature review it is found that many studies are undertaken are in the field of small scale entrepreneurs and different festive season. One area of research that has not received much attention is the analysis of impact of festive season on small sale entrepreneurs.

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Objectives

Following are the objectives of study:-

- To understand the concept small scale entrepreneurs in Goa.
- To analyze and examine the impact of festive season on growth of small scale entrepreneurs.

Research Methodology

To fulfill the above objectives following research methodology has been designed and executed.

Universe and Sample of Study

Goa is considered as a universe. There is various small scale entrepreneurs establish in the state of Goa. For this study the small scale entrepreneurs are selected by using random sampling. For the purpose of finding out the impact of festive season on the development of the small scale entrepreneurs 30 small scale entrepreneurs were selected.

Period of Study

The information and data of the study are collected on the basis of availability irrespective of the period. Period of the study is the period of the survey.

Sources of Data

The required data for the study are collected both from primary and secondary sources. This study is largely based on primary data but some information has been generated through the secondary sources.

Primary Sources

The required primary data for the study is collected through interview schedules. The interview was conducted with the help of two questionnaires Information collected with the help of questionnaire is used in the main analysis.

Secondary Data

The secondary data is drawn from websites and various other relevant e- publications.

Small Scale Enterprise

Sometimes called a small business, a small-scale enterprise is a business that employs a small number of workers and does not have a high volume of sales. Such enterprises are generally privately owned and operated sole proprietorships, corporations or partnerships. The legal definition of a small-scale enterprise varies by industry and country.

Factors Affecting Growth of Small Scale Entrepreneur

Not every small business eventually grows to the size of large corporation. Some businesses are ideally suited to operate on a small scale for years, often serving a local community and generating just enough profit to take care of company owners. Small-scale entrepreneurs display a distinct set of identifying characteristics that set them apart from their larger competitors.

Revenue and Profitability

Adequate revenue is necessary for the small scale entrepreneur to survive in the market. The Small Business Administration classifies small businesses as companies that bring in less than a specific amount of revenue, depending on the business type. Lower revenue does not necessarily translate into lower profitability. Established small-scale entrepreneurs often own their facilities and equipment outright, which, in addition to other factors, helps to keep costs lower than more leveraged businesses.

Employees

Small-scale entrepreneurs employ smaller teams of employees than companies that operate on larger scales. The smallest businesses are run entirely by single individuals or small teams. Effective employees contribute highly to the growth of the business.

Market Area

The market in which the small scale entrepreneur performs his function is considered as the most important factor in order to have a growth in the business. Small-scale businesses serve a much smaller area than corporations or larger private businesses.

Ownership and Taxes

Small-scale businesses prefer to organize as sole proprietorships, partnerships or limited liability companies. These forms of organization provide the greatest degree of managerial control for company owners, while minimizing the hassle and expense of business registration. These businesses generally do not file their own taxes; instead, company owners report business income and expenses on their personal tax returns.

Locations

A small-scale business, by definition, can be found only in a limited area. These companies are not likely to have sales outlets in multiple states or countries, for example. A large number of small-scale

businesses operate from a single office, retail store or service outlet. It is even possible to run a small business directly out of your home, without any company facilities.

Importance of Festive Season to the Small Scale Entrepreneurs

Small scale entrepreneurs need many factors which will contribute to their growth in the respective business. Growth of any business also depends on different seasons. One of the seasons can be festive season. Festivals are considered as source of entertainment and tool to retain the culture. This is not only restricted to contribution to this but also contributes to the growth of the small scale entrepreneurs. Festive season leads to income generation in the business. It is responsible for getting various changes in the different aspects of the business that is revenue, number of employees, sales, demand, and competitors. It is considered as important source in the generation of profit of the business. Festive season are important in order to generate employment. This is done due to increase in demand. More customers are to be handled so it opens scope for recruiting more employees which in turn leads to generation of the employment opportunities.

An Analysis of Impact of Festive Season on Growth of the Small Scale Entrepreneurs

For the purpose of analysis 30 small scale entrepreneurs were selected in order to know the impact of festive season on small scale entrepreneurs. The analysis is undertaken by using SPSS tools.

Respondent Analysis

Out of the total respondents 58% are male entrepreneurs and remaining 42% are female entrepreneurs. Out of this majority of the respondents i.e. entrepreneurs falls in the age group of 41-60 i.e. around 54%, followed by 44% in the age group of 21-40. 61 and above constitutes only 2% of the respondents. From the study it was noticed that majority of the entrepreneurs are carrying out their business for 5-10 years.

Analysis

Study revealed that majority of the entrepreneur feels that festive season is important for the generation of the profit of the business i.e. around 68%, followed by the respondents i.e. 29% who are of the opinion that it is very important for the business. Only few of the entrepreneurs that is only 3% are of the opinion it is not so important for the business to grow.

Table 1: Table Showing Importance of Festive Season on Business

S. No.		Important	Average	Not Important
1.	To increase profit	63%	34%	3%
2.	Introduction of new product	36%	44%	20%
3.	Marketing purpose	15%	39%	46%
4.	Employment generation	36%	57%	7%
5.	Increase in demand and sales	68%	29%	3%

Source: Compiled from Primary Data

The above table shows the importance of festive season for various factors. From the study it is cleared that the festive seasons are considered important for growth of the business. It is cleared from the table that it is highly important for increasing the demand for the product and thereby increases in sales. The needs of the customers increase during festive season which leads to increase in demand and sales. When the demand is increasing, it is demanding for quick services which will be difficult to manage by few employees. Hence it may lead to generation of employment opportunities thereby appointing new staff. It is not considered as very effective tool for marketing which can be seen from the responses of the selected entrepreneurs in the above table. All these aspects leads to increase in profit.

Factor Analysis

Table 2: Table showing KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.803
Bartlett's Test of Sphericity	Approx. Chi-Square	243.421
	df	86.000
	Sig.	0.000

Source: Compiled From Primary Data

In order to test the significance of the data and adequacy of sample, "Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test is put to use. The above KMO and Bartlett's test shows KMO value as 0.803 which indicates that the sampling is adequate. From 18 factors 06 most prominent factors have been extracted by the factor analysis.

Principle component analysis has been used with Kaiser Normalization and rotations are converged in 17 iterations.

Table 3: Table Showing Rotated Component Matrix^a

	Component						
	1	2	3	4	5	6	7
Employment opportunities	.780						
Festivals expenditure are Investment	.685						
Introduce new product		.818					
Helps low income group		.726					
Entry in new market		.522					
Encourage spending			.722				
Introduce new product			.705				
Economic agent			.662				
Additional income				.788			
Best time for profit				.735			
Expansion of business				.602			
More sales and demand					.847		
Recognition and opportunities					.694		
Motivation to excel						.884	
Improves performance of business						.686	
Promotes livelihood							
Temporary seasons are major source of income							.870
Creates value to business							.596

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 17 iterations. Source: Compiled From Primary Data.

The above factors clearly show the factor matrix contains factor loading for each variable on each factor which is obtained by best linear combination of variables, expected through rotation converged in 17 iterations. These factors loadings are the means of interpreting the role of each variable plays in defining each factor. They are the correlation of each variable and the factors.

- **Factor 1: Employment Opportunities:** Factor 1 consist of 2 sub factors namely creation of employment opportunities and festival expenditures in the raw material as well as in the labour is considered as investment and not as expenditure.
- **Factor 2: Introduction of New Ways:** This factor states about the entry in the new market along with the introduction of the new products. Festive season creates demand for the new invented product hence this time is considered as the best time to enter in the new market with new product.
- **Factor 3: Economic Agent:** Festive seasons can act as an economic agent for small scale entrepreneurs. It results in the maximization of profit which is stated in factor 4. It encourage spending due to increase in the profit. It induces customers for to buy more products during festive season. So it increases spending from both i.e. small scale entrepreneurs and also from customers.
- **Factor 4: Profit Maximization Tool:** As stated in the factor 3 it is considered as profit maximization tool. During festive season it helps the entrepreneurs to increase their profit level. This profit can be used by the entrepreneurs for the expansion of the business.
- **Factor 5: Excel in Sales:** Festive season creates more demand for the products. It thereby leads to growth in sales.
- **Factor 6: Improvement Tool:** Factor 6 includes improvement of performance of the business and which results in promoting livelihood of the small scale entrepreneurs.
- **Factor 7: Value to Business:** Festive seasons are considered as temporary seasons which act as a major source of income for the small scale entrepreneurs which add value to business.

Conclusion

The study reveals that festive seasons is an effective tool for the growth of the business. Small scale entrepreneurs make effective utilization of this season. Although it is considered as short term source of income since it is for a specified period, in spite of that fact it is proved to be an season which is responsible to have an improvement in the performance of the small scale entrepreneurs business. It leads to generation of profit for the entrepreneurs and income for the employees. It creates employment opportunities for many because of increase in demand. Overall festive season is having an effective impact in the growth of the small scale entrepreneurs business.

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