

## A STUDY ON PROBLEMS FACED BY THE EXPORTERS AND IMPORTERS IN LOGISTICS OPERATIONS WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

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### ABSTRACT

*The economic development of any nation depends primarily on the important role played by industrial sector. There are umpteen opportunities for using innovations to exploit the available resources are from small scale units and the industrial production are form small and medium scale units. Recently the fast growth of China and India is believed to have contributed among other things by the expansion of their export. Every country takes various initiatives for promoting exports and imports for meaningful participation in global marketing. Every country has to open up its markets to other countries and also try to enter in the markets of other countries in the best possible manner. The exporters and importers are in the beginning stages where a centralized training setup from the government shall be an effective initiative to uplift the spirits and confidence. The study helps the researchers, policy makers to gain knowledge of the problems and to overcome the situation to achieve greater heights in the near future.*

*Keywords: Economic Development, Exports and Imports and Global Markets*

### INTRODUCTION OF THE STUDY

International trades between countries and across continents have existed for centuries including previous civilizations. Traditionally international trade consisted of traded goods like textile, food items, spices, precious metals, precious stones, and objects of art and various items across the borders. With the impact of trade between two countries was not limited to economics alone, but fuelled political, social ambitions too. The First World War changed the entire course of the world trade. But then the economic recession in 1920 changed the balance of world trade again and many countries saw change of fortunes due to fluctuation of their currencies and depreciation creating economic pressures on various Governments to adopt protective mechanisms by adopting to raise customs duties and tariffs.

Today the understanding of international trade and the factors influencing global trade is much better understood.

### STATEMENT OF THE PROBLEM

The study is specifically conducted to understand the level of satisfaction towards the logistics and barriers faced during the exporters and importers in Coimbatore has been analysed.

### OBJECTIVES OF THE STUDY

1. To analysis the level of satisfaction of the exporters & importers in logistics operations
2. To analyse the barriers in exports and imports.

### RESEARCH METHODOLOGY

The success of research depends mostly on the methodology on which it is carried out. The appropriate methodology will improve the validity of the findings. This chapter discusses the methods of data collection, research design, sample plan and statistical technique.

### RESEARCH DESIGN

The research design here used is descriptive research. In this, the researcher has no control over the variables; he can only report what has happened and what is happening.

### Sampling Method

The technique used for the research is Non-Probability sampling. The sampling technique selected for the study is on a convenience basis. The researcher has circulated the questionnaires to 20 respondents (includes importers and exporters) for data collection.

### PRIMARY DATA

The major source of data used to carry out the analysis was the primary data. In this study the primary source of data is obtained by issuing questionnaires to various importers and exporters in Coimbatore city.

### SECONDARY DATA

Secondary data are the facts that are available already. In this study the secondary data is collected from the previous records and websites.

### STATISTICAL TOOLS

The statistical tools include simple percentage method.

### REVIEW OF LITERATURE

*Kodicara Asoka Gunaratne, (2009)*, “Barriers to internationalization of SMEs in a developing country”. A high percentage of small and medium sized enterprise (SMEs) in the developing countries fail to enter foreign markets due to their inability to overcome the entry barriers. This study therefore investigated the barriers to internationalization of SMEs in Sri Lanka. Result are based on a postal questionnaire survey. *Reetu Sharma, (2012)*, “Problems and Prospectus of Small Scale Industrial units ( A case study of exporting and non – exporting units in Haryana)”. All over the world, the unorganized manufacturing sector is known as small and medium enterprises (SMEs) while in India this is known as SSI defined in terms of investment. This is essential in order to bring Indian SSI sector at par with the global Small Medium Enterprises (SMEs) sector.

### ANALYSIS

#### Satisfaction towards Logistics Operations during Exports / Imports

Satisfaction	Number of Respondents	Percentage
High	3	15
Medium	5	25
Low	12	60
<b>Total</b>	<b>20</b>	<b>100</b>

Source: primary Data

It is clear from the above table that majority (60%) of the respondents rated low level of satisfaction towards their logistics operators, 25% of the respondents stated medium satisfaction and the remaining 15% of the respondents rated high level of satisfaction towards their logistic operators during Export/ Import.

Majority(60%) of the respondents rated low level of satisfaction towards their logistic operation during Export/ Import.

#### Problems with the Customers in Export / Import Procedures

Problems with the Customers	Number of Respondents	Percentage
High Cost	7	35
Frequency	2	10
Transit Time	3	15
Others	3	15
No Problem	4	20
<b>Total</b>	<b>20</b>	<b>100</b>

Source : Primary Data

The above table shows that 35% of the respondents stated high cost charged as problem with the logistic operators during Export/ Import of goods, whereas 20% of the respondents have not mentioned any problem during Export/ Import of goods, 15% each of the respondents indicated Transit Time and other problems, 10% of the respondents reported frequency as the problem faced with logistics during Export/ Import of goods.

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### **FINDINGS**

Majority 60% of the respondents rated low level of satisfaction towards their logistic operation during Export/ Import. Most 35% of the respondents stated high cost charged as problem with the logistic operators during Export/ Import of goods.

### **SUGGESTIONS**

It is suggested that the motivation plays an important role in the export business. Here the Exporters / Importers from Coimbatore has been taken for the study. The most deserving variables considered is lack of motivation by the government's flexibility expected to avail tax relief to increase their sales and achieve better profits. Apart from this, they expect more assistance such as funds, loan from specialized banks, credit directly from state owned banks. They also avail interest rate subsidies and to reduce risk and balancing growth. Price of the Export/ Import of goods should be reduced The major barriers in the market is lack of experience of the Exporters / Importers when they are in the beginning stage where a centralized training setup from the government.

### **CONCLUSION**

The economic development of any country primarily depends upon the establishment of industries, which require sufficient amount of capital. Growth of SMEs is vital in order to achieve balanced economic growth. Even though, the government and international development agencies have intensified efforts to promote import and export business as an engine of proper growth. The analysis would help to know the problem faced in each stage of operations such as logistics, barriers faced and lack of assistance, etc. and how far they are able to make strategies to overcome the situation to achieve greater heights in the near future.

### **REFERENCE**

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