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CRISIL SME TRACKER

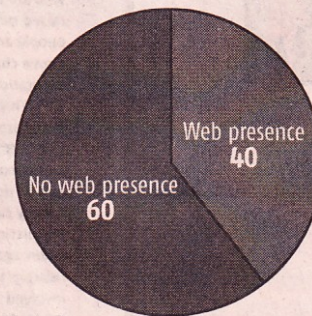
Web presence for MSMEs a 'smart' way to grow

CRISIL has analysed the performance of about 6,100 micro, small and medium enterprises (MSMEs) rated on the basis of their 2013-14 (April 1 to March 31) financials. The study revealed that the average sales of MSMEs that have a web presence in the form of their own website grew by 18 per cent in 2013-14, as against 11 per cent growth in the average sales of those that did not. Notably, among the total number of MSMEs studied, nearly 60 per cent did not have a web presence, and of these, close to two-thirds were partnership or proprietorship firms. The latter mostly rely on the goodwill enjoyed by their promoters or proprietors in the market and word-of-mouth publicity to market their products and/or services.

CRISIL believes that these MSMEs would benefit greatly by having their own web presence, as it would help them showcase information in detail about their products and/or services, technical expertise and client profile, as well as to receive and handle customer queries directly. It would also help them reach out to customers across a much wider area of operations, and help diversify geographically, especially since the number of internet users in India is growing.

Note: CRISIL has rated over 75,000 MSMEs in India. This fortnightly tracker presents to our readers insights on MSMEs, a key element of the Indian economy.

WEB PRESENCE OF MSMEs (%)



GROWTH IN AVERAGE SALES OF MSMEs (₹ crore)

